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

July 22, 2020

Opening of Meeting:

1. A regular meeting of the Board of Directors, Kentucky Workers' Compensation Funding Commission was held via Zoom video conference on July 22, 2020, 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
   Doug Hacker, Labor Representative
   Larry Roberts, Secretary, Labor Cabinet
   Ryan Barrow, Designee for Secretary Holly McCoy-Johnson, Finance & Administration Cabinet
   Brenda Collins, Commercially Insured Employers Representative
   Tim Feld, Insurance Advisory Organization Representative

Others Present:

5. Lisa King, Executive Director, KWCFC
   Olivia Orrender, Audit Review Manager, KWCFC
   Kim Hay, Director, Fiscal Operations, KWCFC
   Angela Calloway, Fiscal Services Officer, KWCFC
   Lisa Fernandez, Insurance Compliance Auditor, KWCFC
   Ryan Robinson, Administrative Services Officer, KWCFC
   Estee' Jackson, Insurance Compliance Auditor, KWCFC
   David Rogan, Director of Portfolio Management, Conning Inc.
   Solomon Frazier, Senior Consulting Actuary, Taylor-Walker Consulting, LLC
   Robert Swisher, Commissioner, Department of Workers' Claims
   John Ghaelian, Attorney, Department of Workers' Claims
   Jon Stewart, President and CEO, KEMI
   Dustin Miller, Government Solutions
   Ed O'Daniel, Attorney

Approval of Minutes:

6. Secretary Larry Roberts made a motion to approve the May 20, 2020 Regular Meeting Minutes. Mr. Ryan Barrow seconded the motion. Motion carried.

7. Mr. Ryan Barrow made the motion to approve the June 11, 2020 Special Meeting Minutes. Secretary Larry Roberts seconded the motion. Motion carried.

New Business: Oath of Office

8. Madam Chair Judy Long administered the Oath of Office to newly appointed Board Member, Tim Feld.

Coal Workers' Pneumoconiosis Fund Liability Update: Jon Stewart, KEMI

9. Mr. Jon Stewart provided an update on the Coal Workers' Pneumoconiosis Liability as of June 30, 2020.

Executive Director Update: Lisa King

10. Ms. Lisa King updated the Board on the FY 2020 Priorities Review, FY 2021 Priorities planned for the Commission and the Audit and Actuary Kick-Off.

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

11. Ms. Lisa King presented an update on the number of audits ongoing and completed as of June 2020.

12. Ms. King reported on audits in protest, final audit findings and self-insured audit assignment findings.

13. Mr. Tim Feld made the motion to accept the audit and collections report as presented. Ms. Brenda Collins seconded the motion. Motion carried.

Contract Update: Kim Hay

14. Mr. Kim Hay reported to the Board that the Request for Proposals (RFP) were posted and scored for audit and actuary services for the Commission. Selected companies could not be named prior to the awards. The audit contract was awarded to Blue & Co., LLC. Actuary services were awarded to Taylor-Walker Consulting.

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

15. Mr. Kim Hay reviewed the year to date budget versus actual expenses for the Funding Commission, the year to date internal financial statements, and fiscal year to date interagency transfers for the period ending June 30, 2020.

16. Secretary Larry Roberts made the motion to accept the financial reports as presented to the Board. Mr. Ryan Barrow seconded the motion. Motion carried.

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

17. Mr. David Rogan presented an update on the quarterly portfolio review, economic and capital market outlook and portfolio reports through June 30, 2020.

18. Ms. Brenda Collins made the motion to accept the investment report as presented by Conning. Secretary Larry Roberts seconded the motion. Motion carried.

Executive Session:

19. 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.

20. Secretary Larry Roberts made the motion to go into Executive Session. Mr. Tim Feld seconded the motion. Motion carried.

Open Session:

21. Secretary Larry Roberts made the motion to return to open session. Ms. Brenda Collins seconded the motion. Motion carried.

Adjournment:

22. Secretary Larry Roberts made a motion to adjourn. Mr. Ryan Barrow seconded the motion. Motion carried.

Board Chair