



KENTUCKY RETIREMENT SYSTEMS

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KENTUCKY RETIREMENT SYSTEMS BOARD OF TRUSTEES

Resolution No. 1-2016

A RESOLUTION COMMENDING GOVERNOR MATT BEVIN AND THE KENTUCKY GENERAL ASSEMBLY

Whereas, the ratios of existing assets to liabilities (funded status) for benefits already earned by members of the Kentucky Employees Retirement System (KERS), nonhazardous pension plan and the Kentucky State Police Retirement System (SPRS) pension plan have fallen to 17.69% and 34.42%, respectively, based on the actuarial valuation conducted as of June 30, 2015; and

Whereas, the underfunding in these plans jeopardizes the future ability of Kentucky Retirement Systems to pay promised pension benefits to retired public employees and their beneficiaries; and

Whereas, it is critical that the Governor and the Kentucky General Assembly continue their commitment to fully fund the actuarially required contribution (ARC) to these severely underfunded pension plans and, when possible, to put additional funds over and above the ARC into the plans; and

Whereas, in October 2015, the Kentucky Retirement Systems Board of Trustees adopted Resolution 1-2015 encouraging state officials to initiate a comprehensive performance audit of Kentucky Retirement Systems and to appropriate up to \$1,000,000 in the 2017-2018 biennial budget to fund the performance audit.

Be it Resolved, that the Board of Trustees of the Kentucky Retirement Systems:

1. hereby commends Governor Matt Bevin for proposing a 2017-2018 biennial budget that fully funded the ARC for the KERS nonhazardous and SPRS pension plans and included additional funding over and above the full ARC; and
2. hereby commends the 2016 Kentucky General Assembly for appropriating in the 2017-2018 biennial budget legislation (House Bill 303) the full ARC contribution plus an additional \$185.8 million dollars over and above the full ARC contribution to the KERS nonhazardous and SPRS pension plans.
3. hereby commends Governor Matt Bevin and the Kentucky General Assembly for creating the Kentucky Permanent Pension Fund and appropriating up to \$3,000,000 for the purpose of funding a performance audit of the state-administered pension systems, including the Kentucky Retirement Systems.

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Approved this 21st day of April 2016 by a vote of the members of the Kentucky Retirement Systems Board of Trustees taken in public session at its Annual Meeting.

The Kentucky Retirement Systems Board of Trustees directs staff to transmit a copy of this Resolution 1-2016 to the Governor of Kentucky and the members of the Kentucky General Assembly.

KENTUCKY RETIREMENT SYSTEMS BOARD OF TRUSTEES

By: _____
Thomas K. Elliott, Chair