



**County Employees Retirement System  
Finance Committee - Regular Meeting  
August 23, 2022 at 2:00 PM ET  
Live Video Conference/Facebook Live**

**AGENDA**

- |   |                                 |
|---|---------------------------------|
| <b>1. Call to Order</b>                       | <b>Bill O'Mara</b>              |
| <b>2. Legal Public Statement</b>              | <b>Office of Legal Services</b> |
| <b>3. Roll Call</b>                           | <b>Sherry Rankin</b>            |
| <b>4. Public Comment</b>                      | <b>Sherry Rankin</b>            |
| <b>5. Approval of Minutes* - June 2, 2022</b> | <b>Bill O'Mara</b>              |
| <b>6. Fiscal Year Financial Reports</b>       | <b>Rebecca Adkins</b>           |
| <b>a. Fiscal Year Financial Spreadsheet</b>   | <b>Connie Davis</b>             |
| <b>b. Administrative Expense to Budget</b>    |                                 |
| <b>c. Contribution Report</b>                 |                                 |
| <b>d. Outstanding Invoice Report</b>          |                                 |
| <b>e. Penalty Waiver Report</b>               |                                 |
| <b>7. Hazardous Duty Requests*</b>            | <b>D'Juan Surratt</b>           |
| <b>8. Overview of ACRF/SAFR Timeline</b>      | <b>Rebecca Adkins</b>           |
| <b>9. Other Financial Updates</b>             | <b>Rebecca Adkins</b>           |
| <b>a. Budget for Trust Expenditures</b>       |                                 |
| <b>10. Adjourn</b>                            | <b>Bill O'Mara</b>              |

***\*Committee Action May be Taken***

**MINUTES OF MEETING  
COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES  
FINANCE COMMITTEE JUNE 2, 2022 AT 2:00 P.M.  
VIA LIVE VIDEO TELECONFERENCE**

At the meeting of the County Employees Retirement System Board of Trustees Finance Committee held on June 2, 2022 the following members were present: William O’Mara, JT Fulkerson and George Cheatham. Staff members present were CERS CEO Ed Owens, III and KRS CEO John Chilton, Rebecca Adkins, Erin Surratt, Victoria Hale, Steve Willer, Elizabeth Smith, Connie Davis, D’Juan Surratt, Ann Case, Ashley Gabbard, Glenna Frasher, and Sherry Rankin.

Mr. O’Mara called the meeting to order.

Ms. Hale read the Legal Opening Statement.

Ms. Rankin called the roll.

Since there was no public comment submitted, Mr. O’Mara introduced agenda item *Approval of Minutes – November 3, 2021*. A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the minutes as presented. The motion carried unanimously.

Mr. O’Mara introduced agenda item *Quarterly Financial Reports*. Ms. Adkins reviewed the Combining Statement of Fiduciary Net Position for the Pension Funds and the Combining Statement of Changes in Fiduciary Net Position for Pension Funds, Combining Statement of Fiduciary Net Position for the Insurance Funds, Combining Statement of Changes in Fiduciary Net Position for Insurance Funds, KPPA Administrative Expenses – Budget to Actual Analysis for CERS system, Contribution Reports for both Pension Funds and Insurance Funds, Outstanding Invoice Report and Penalty Waiver Report. These reports were provided for informational purposes only.

Mr. O’Mara introduced agenda item *Hazardous Duty Requests*. Mr. D’Juan Surratt provided details on agencies requesting hazardous duty coverage for the following positions:

<u>Agency</u>	<u>Position</u>	<u>Effective Date</u>
City of Nicholasville	Deputy Fire Operations Chief	7/1/2022
City of Russell	School Resource Officer	1/1/2022
Adair County Fiscal Court	Emergency Management Director	9/1/2021
City of Munfordville	Police Officer Patrolman	9/1/2021
Boone County Fiscal Court	Deputy Director	6/1/2022

Mr. Surratt stated that Kentucky Public Pensions Authority has reviewed these requests and determined that they meet the statutory guidelines for Hazardous Duty coverage. Mr. Surratt requested approval from this Committee of these positions receiving hazardous classification. A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the hazardous duty requests as presented. The motion passed unanimously.

Mr. O'Mara introduced the agenda item *Preliminary Strategic Plan Discussion*. Mr. O'Mara stated that the CERS Board has taken measures to begin a Strategic Plan and has requested that each standing committee to create goals for their respective committee. Mr. O'Mara asked Mr. Owens to review the preliminary draft of the Strategic Objectives for the CERS Finance Committee. Mr. O'Mara indicated that this presentation is for informational purposes only. Mr. Owens introduced the two (2) goals that the CERS Finance Committee for discussion. Goal #1 is to adopt an Administrative Cost Allocation plan to establish policy for accounting entry allocations to specific plans. He stated that this goal is primarily the continuation of work that is currently being done in the Expense Allocation Work Group. He stated that Goal #2 is to establish a framework for administrative budget development and Board approval prior to submission to the Governor's State Budget Director. This is to ensure that the Finance Committee reviews the administrative budget submission prior to the ratification of the CERS and KPPA Boards.

Mr. O'Mara introduced the agenda item *Other Financial Updates*. Ms. Adkins indicated that there were no other financial updates from staff. Mr. O'Mara asked if any of the committee members had any other financial updates. There being none, Mr. O'Mara opened the floor for a motion to adjourn the meeting.

A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to adjourn the meeting. The motion passed unanimously.

Copies of all documents presented are incorporated as part of the Minutes of the CERS Finance Committee meeting held June 2, 2022 except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

*The remainder of this page is left blank intentionally.*

## CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Trustees 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 conjunction with this meeting.

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Recording Secretary

I, William O'Mara, the Chair of the County Employees Retirement System Finance Committee, do certify that the Minutes of Meeting held on June 2, 2022 were approved on August 24, 2022.

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Chair of the CERS Finance Committee

I have reviewed the Minutes of the June 2, 2022 CERS Finance Committee Meeting for content, form, and legality.

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Executive Director  
Office of Legal Services



### Combining Statement of Fiduciary Net Position - Pension Funds

As of June 30, 2022, with Comparative Totals as of June 30, 2021 (\$ in Thousands)  
(Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Notes
	Nonhazardous	Hazardous	FY 2022	FY 2021		
<b>CASH AND SHORT-TERM INVESTMENTS</b>						
Cash Deposits	\$170	\$17	\$187	\$344	(45.54)%	1
Short-term Investments	286,874	114,933	401,808	486,085	(17.34)%	2
<b>Total Cash and Short-term Investments</b>	<b>287,044</b>	<b>114,950</b>	<b>401,995</b>	<b>486,429</b>	<b>(17.36)%</b>	
<b>RECEIVABLES</b>						
Accounts Receivable	75,064	23,810	98,874	88,323	11.95%	3
Accounts Receivable - Investments	43,002	14,694	57,695	153,261	(62.35)%	4
<b>Total Receivables</b>	<b>118,066</b>	<b>38,504</b>	<b>156,570</b>	<b>241,585</b>	<b>(35.19)%</b>	
<b>INVESTMENTS, AT FAIR VALUE</b>						
Core Fixed Income	894,977	303,150	1,198,127	1,427,767	(16.08)%	5
Public Equities	3,592,281	1,224,633	4,816,913	5,374,084	(10.37)%	6
Private Equities	753,384	251,589	1,004,973	948,499	5.95%	
Specialty Credit	1,692,750	574,069	2,266,819	1,906,670	18.89%	7
Derivatives	(1,091)	(373)	(1,464)	(156)	841.05%	8
Real Return	244,801	80,777	325,577	740,646	(56.04)%	9
Opportunistic	-	-	-	307,267	(100.00)%	10
Real Estate	494,607	157,478	652,085	455,127	43.28%	11
<b>Total Investments, at Fair Value</b>	<b>7,671,709</b>	<b>2,591,322</b>	<b>10,263,030</b>	<b>11,159,905</b>	<b>(8.04)%</b>	
Securities Lending Collateral Invested	208,156	70,856	279,011	310,117	(10.03)%	12
<b>CAPITAL/INTANGIBLE ASSETS</b>						
Capital Assets	1,701	153	1,854	1,854	0.00%	
Intangible Assets	9,961	827	10,788	10,788	0.00%	
Accumulated Depreciation	(1,701)	(153)	(1,854)	(1,854)	0.00%	
Accumulated Amortization	(9,794)	(823)	(10,617)	(10,431)	1.78%	
<b>Total Capital Assets</b>	<b>167</b>	<b>4</b>	<b>171</b>	<b>357</b>	<b>(52.18)%</b>	
<b>Total Assets</b>	<b>8,285,141</b>	<b>2,815,635</b>	<b>11,100,777</b>	<b>12,198,392</b>	<b>(9.00)%</b>	
<b>LIABILITIES</b>						
Accounts Payable	3,849	683	4,532	9,796	(53.73)%	13
Investment Accounts Payable	52,888	17,847	70,735	273,391	(74.13)%	14
Securities Lending Collateral	208,156	70,856	279,011	310,117	(10.03)%	15
<b>Total Liabilities</b>	<b>264,893</b>	<b>89,385</b>	<b>354,278</b>	<b>593,304</b>	<b>(40.29)%</b>	
<b>Total Fiduciary Net Position Restricted for Pension Benefits</b>	<b>\$8,020,248</b>	<b>\$2,726,250</b>	<b>\$10,746,498</b>	<b>\$11,605,088</b>	<b>(7.40)%</b>	

#### NOTE - Variance Explanation

#### Differences due to rounding

- 1) Variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account.
- 2) Short Term Investments are primarily comprised of the cash on hand at the custodial bank. The variance is driven by the demands of each system.
- 3) The increase in Accounts Receivable is due to an increase in the month-end employer contributions accrual (increase in covered payroll and contribution rates).
- 4) The variance in Investment Accounts Receivable is due to pending trades.
- 5) The decrease in Core Fixed Income is due to a rebalance of the portfolio as a result of the revised IPS and a decline in market value of the assets due to the unfavorable market conditions.
- 6) The decrease in Public Equities is due to the decline in the market values of the assets due to unfavorable market conditions.
- 7) The increase in Specialty Credit is due to the merging of the Specialty Credit asset class and the Opportunistic asset class.
- 8) Variance is a result of hedging and arbitration of risk within the portfolios.
- 9) The decrease in Real Return is a result of the redemption of Putnam and continued liquidation of hedge funds.
- 10) The decrease in Opportunistic is due to the merging of the Opportunistic asset class with the Specialty Credit asset class.
- 11) The increase in Real Estate is due to additional funding and increasing market values for current managers.
- 12) Variance is a result of the demands of the Securities Lending Program.
- 13) The variance in Accounts Payable is due to a decrease in outstanding employer credit invoices.
- 14) The variance in Investment Accounts Payable is due to pending trades.
- 15) Variance is a result of the demands of the Securities Lending Program.



### Combining Statement of Changes In Fiduciary Net Position - Pension Funds

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period June 30, 2021 (\$ in Thousands) (Unaudited)

	CERS		Total		Percentage of Change	Notes
	Nonhazardous	Hazardous	FY 2022	FY 2021		
<b>ADDITIONS</b>						
Member Contributions	\$186,648	\$69,565	\$256,212	\$228,065	12.34%	1
Employer Contributions	561,214	210,370	771,584	644,285	19.76%	2
Pension Spiking Contributions	35	60	95	149	(35.97)%	3
Health Insurance Contributions (HB1)	(2)	2	-	1		
Employer Cessation Contributions	-	-	-	-		
<b>Total Contributions</b>	<b>747,895</b>	<b>279,997</b>	<b>1,027,892</b>	<b>872,499</b>	<b>17.81%</b>	
<b>INVESTMENT INCOME</b>						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments						
	(637,765)	(224,086)	(861,851)	2,203,401	(139.11)%	4
Interest/Dividends	242,796	82,117	324,913	291,467	11.48%	5
Total Investing Activities Income	(394,969)	(141,969)	(536,938)	2,494,868		
Less: Investment Expense	45,455	14,044	59,499	48,352	23.05%	6
Less: Performance Fees	58,431	18,972	77,403	62,584	23.68%	7
Net Income from Investing Activities	(498,854)	(174,985)	(673,840)	2,383,931		
From Securities Lending Activities						
Securities Lending Income	892	308	1,199	688		
Less: Securities Lending Borrower Rebates (Income)/Expense	(298)	(100)	(398)	(525)		
Less: Securities Lending Agent Fees	178	61	239	182		
Net Income from Securities Lending	1,011	346	1,357	1,030	31.74%	8
<b>Net Investment Income</b>	<b>(497,843)</b>	<b>(174,639)</b>	<b>(672,482)</b>	<b>2,384,962</b>	<b>(128.20)%</b>	
<b>Total Additions</b>	<b>250,052</b>	<b>105,358</b>	<b>355,410</b>	<b>3,257,461</b>	<b>(89.09)%</b>	
<b>DEDUCTIONS</b>						
Benefit Payments	858,261	305,789	1,164,050	1,116,749	4.24%	
Refunds	19,789	5,766	25,555	18,524	37.96%	9
Administrative Expenses	22,422	1,973	24,395	23,677	3.03%	
<b>Total Deductions</b>	<b>900,471</b>	<b>313,529</b>	<b>1,214,000</b>	<b>1,158,950</b>	<b>4.75%</b>	
Net Increase (Decrease) in Fiduciary Net Position Restricted for Pension Benefits						
	(650,419)	(208,171)	(858,590)	2,098,511		
<b>Total Fiduciary Net Position Restricted for Pension Benefits</b>						
<b>Beginning of Period</b>	<b>8,670,667</b>	<b>2,934,421</b>	<b>11,605,088</b>	<b>9,506,578</b>	<b>22.07%</b>	
<b>End of Period</b>	<b>\$8,020,248</b>	<b>\$2,726,250</b>	<b>\$10,746,498</b>	<b>\$11,605,088</b>	<b>(7.40)%</b>	

**NOTE - Variance Explanation** *Differences due to rounding*

- 1) Member Contributions increased due to an increase in covered payroll.
- 2) Employer Contributions increased due to an increase in covered payroll as well as an increase in the Employer Contribution rates.
- 3) Pension Spiking contributions decreased due to a change in statute. Pension spiking is now the member's responsibility.
- 4) The decrease in Net Appreciation in Fair Value of Investments is due to unfavorable market conditions resulting in unrealized losses primarily within the public equity asset class.
- 5) The increase in Interest/Dividends is a result of the increased allocation to Public Equities and Fixed Income asset classes.
- 6) The increase in Investment Expense is a result of increased market values primarily in the Private Equity, Specialty Credit and Real Estate asset classes which have higher fees.
- 7) The increase in Performance fees is due to an increase in realized gains in Private Equity and Real Estate.
- 8) Variance is a result of the demand of the Securities Lending Program.
- 9) The increase in Refunds was due to an increase in refunds taken by CERS and CERH members who terminated employment and were not eligible for a retirement benefit.



### Combining Statement of Fiduciary Net Position - Insurance Funds

As of June 30, 2022, with Comparative Totals as of June 30, 2021 (\$ in Thousands)  
(Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Notes
	Nonhazardous	Hazardous	FY 2022	FY 2021		
<b>CASH AND SHORT-TERM INVESTMENTS</b>						
Cash Deposits	\$101	\$19	\$120	\$168	(28.65)%	1
Short-term Investments	144,399	46,793	191,192	267,177	(28.44)%	2
<b>Total Cash and Short-term Investments</b>	<b>144,499</b>	<b>46,812</b>	<b>191,312</b>	<b>267,345</b>	<b>(28.44)%</b>	
<b>RECEIVABLES</b>						
Accounts Receivable	19,280	6,183	25,463	20,381	24.94%	3
Investment Accounts Receivable	15,241	7,491	22,732	57,919	(60.75)%	4
<b>Total Receivables</b>	<b>34,521</b>	<b>13,673</b>	<b>48,195</b>	<b>78,300</b>	<b>(38.45)%</b>	
<b>INVESTMENTS, AT FAIR VALUE</b>						
Core Fixed Income	334,374	168,783	503,157	579,641	(13.20)%	5
Public Equities	1,354,736	672,979	2,027,716	2,083,252	(2.67)%	
Specialty Credit	292,493	164,729	457,223	437,487	4.51%	
Private Equities	637,910	324,019	961,929	791,795	21.49%	6
Derivatives	(390)	(185)	(575)	25	(2,427.70)%	7
Real Return	74,169	39,857	114,026	289,720	(60.64)%	8
Opportunistic	-	-	-	144,041	(100.00)%	9
Real Estate	171,044	93,762	264,807	183,341	44.43%	10
<b>Total Investments, at Fair Value</b>	<b>2,864,337</b>	<b>1,463,945</b>	<b>4,328,282</b>	<b>4,509,303</b>	<b>(4.01)%</b>	
Securities Lending Collateral Invested	66,459	33,425	99,884	120,430	(17.06)%	11
<b>Total Assets</b>	<b>3,109,817</b>	<b>1,557,856</b>	<b>4,667,673</b>	<b>4,975,378</b>	<b>(6.18)%</b>	
<b>LIABILITIES</b>						
Accounts Payable	154	56	211	372	(43.36)%	12
Investment Accounts Payable	19,633	9,698	29,331	104,979	(72.06)%	13
Securities Lending Collateral	66,459	33,425	99,884	120,430	(17.06)%	14
<b>Total Liabilities</b>	<b>86,246</b>	<b>43,179</b>	<b>129,425</b>	<b>225,781</b>	<b>(42.68)%</b>	
<b>Total Fiduciary Net Position Restricted for OPEB</b>	<b>\$3,023,570</b>	<b>\$1,514,677</b>	<b>\$4,538,247</b>	<b>\$4,749,597</b>	<b>(4.45)%</b>	

**NOTE - Variance Explanation** **Differences due to rounding**

- 1) Variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account.
- 2) Short Term Investments are primarily comprised of the cash on hand at the custodial bank the variance is driven by the demands of each system.
- 3) The increase in Accounts Receivable is due to an increase in the month-end employer contributions accrual (increase in covered payroll and contribution rates).
- 4) The variance in Investment Accounts Receivable is due to pending trades.
- 5) The decrease in Core Fixed Income is due to a rebalance of the portfolio as a result of the revised IPS and a decline in market value of the assets due to the unfavorable market conditions.
- 6) The increase in Private Equity is a result of the funding of 3 new managers, additional funding of current managers, and increasing market values of current investments.
- 7) Variance is a result of hedging and arbitration of risk within the portfolios.
- 8) The decrease in Real Return is a result of the redemption of Putnam and continued liquidation of hedge funds.
- 9) The decrease in Opportunistic is a result of the merging of the Opportunistic asset class with the Specialty Credit asset class.
- 10) The increase in Real Estate is due to additional funding and increasing market values for current managers.
- 11) Variance is a result of the demands of the Securities Lending Program.
- 12) The decrease in Accounts Payable is due to a decline in outstanding credit employer invoices.
- 13) The variance in Investment Accounts Payable is due to pending trades.
- 14) Variance is a result of the demands of the Securities Lending Program.





### Combining Statement of Changes In Fiduciary Net Position - Insurance Funds

For the twelve month period ending June 30, 2022, with Comparative Totals for twelve month period ending June 30, 2021 (\$ In Thousands) (Unaudited)

	CERS		TOTAL		Percentage of Change	Notes
	Nonhazardous	Hazardous	FY 2022	FY 2021		
<b>ADDITIONS</b>						
Employer Contributions	\$164,108	\$69,973	\$234,080	\$183,149	27.81%	1
Medicare Drug Reimbursement	1	-	1	3	(56.33)%	2
Insurance Premiums	534	(271)	263	406	(35.31)%	3
Humana Gain Share Payment	8,912	1,259	10,171	23,666	(57.02)%	4
Retired Re-employed Healthcare	4,816	1,530	6,346	6,553	(3.17)%	
Health Insurance Contributions (HB1)	15,927	3,652	19,579	16,710	17.17%	5
Employer Cessation Contributions	-	-	-	-		
<b>Total Contributions</b>	<b>194,298</b>	<b>76,142</b>	<b>270,440</b>	<b>230,487</b>	<b>17.33%</b>	
<b>INVESTMENT INCOME</b>						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments	(222,333)	(103,270)	(325,603)	881,117	(136.95)%	6
Interest/Dividends	85,850	44,489	130,340	111,552	16.84%	7
Total Investing Activities Income	(136,482)	(58,781)	(195,264)	992,669		
Less: Investment Expense	15,664	8,279	23,943	21,291	12.46%	8
Less: Performance Fees	22,044	12,355	34,399	29,373	17.11%	9
Net Income from Investing Activities	(174,190)	(79,415)	(253,605)	942,005		
From Securities Lending Activities						
Securities Lending Income	312	154	466	273		
Less: Securities Lending Borrower Rebates (Income)/Expense	(85)	(46)	(131)	(203)		
Less: Securities Lending Agent Fees	60	30	89	71		
Net Income from Securities Lending	338	170	508	405	25.41%	10
<b>Net Investment Income</b>	<b>(173,852)</b>	<b>(79,245)</b>	<b>(253,098)</b>	<b>942,410</b>	<b>(126.86)%</b>	
<b>Total Additions</b>	<b>20,445</b>	<b>(3,103)</b>	<b>17,342</b>	<b>1,172,897</b>	<b>(98.52)%</b>	
Healthcare Premiums Subsidies	134,427	89,320	223,747	221,415	1.05%	
Administrative Expenses	933	502	1,435	1,349	6.31%	
Self-Funded Healthcare Costs	3,288	210	3,498	3,719	(5.95)%	
Excise Tax Insurance	12	-	12	-		
<b>Total Deductions</b>	<b>138,661</b>	<b>90,031</b>	<b>228,692</b>	<b>226,483</b>	<b>0.98%</b>	
Net Increase (Decrease) in Fiduciary Net Position Restricted for OPEB	(118,215)	(93,134)	(211,350)	946,414		
<b>Total Fiduciary Net Position Restricted for OPEB</b>						
<b>Beginning of Period</b>	<b>3,141,786</b>	<b>1,607,811</b>	<b>4,749,597</b>	<b>3,803,183</b>	<b>24.88%</b>	
<b>End of Period</b>	<b>3,023,570</b>	<b>1,514,677</b>	<b>\$4,538,247</b>	<b>\$4,749,597</b>	<b>(4.45)%</b>	

**NOTE - Variance Explanation** *Differences due to rounding*

- 1) Employer Contributions increased due to an increase in covered payroll as well as an increase in the Employer Contribution rates.
- 2) Medicare Drug Reimbursement payments fluctuate year to year based on claims received.
- 3) Health Insurance Premiums decreased due to refunds processed to hazardous retirees for premiums paid for dependents that should have been covered by KPPA.
- 4) Humana Gain Share payments will fluctuate based on timing and actual claims paid.
- 5) Health Insurance Contributions will continue to rise as Tier 3 members increase.
- 6) The decrease in Net Appreciation in Fair Value of Investments is due to unfavorable market conditions resulting in unrealized losses primarily within the Public Equity asset class.
- 7) The increase in Interest/Dividends is a result of the increased allocation to Public Equities and Fixed Income asset classes.
- 8) The increase in Investment Expense is a result of increased market values primarily in the Private Equity, Specialty Credit and Real Estate asset classes which have higher fees associated.
- 9) The increase in Performance fees is due to an increase in realized gains in Private Equity and Real Estate.
- 10) Variance is a result of the demand of the Securities Lending Program.

**Pension Funds Contribution Report**

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)



	<b>County Employees Retirement System</b>			
	<b>Nonhazardous</b>		<b>Hazardous</b>	
	<b>FY22</b>	<b>FY21</b>	<b>FY22</b>	<b>FY21</b>
Member Contributions	\$186.6	\$165.7	\$69.6	\$62.4
Employer Contributions	561.2	472.2	210.4	172.2
Net Investment Income	139.9	135.7	49.4	45.8
<b>Total Inflows</b>	<b>887.7</b>	<b>773.6</b>	<b>329.4</b>	<b>280.4</b>
Benefit Payments/Refunds	878.0	840.6	311.6	294.7
Administrative Expenses	22.4	21.7	2.0	1.9
<b>Total Outflows</b>	<b>900.4</b>	<b>862.3</b>	<b>313.6</b>	<b>296.6</b>
<b>NET CONTRIBUTIONS</b>	<b>(12.7)</b>	<b>(88.7)</b>	<b>15.8</b>	<b>(16.2)</b>
Realized Gain/(Loss)	374.1	316.8	126.0	107.0
Unrealized Gain/(Loss)	(1,011.8)	1,331.7	(350.1)	447.9
<b>Change in Net Position</b>	<b>(650.4)</b>	<b>1,559.8</b>	<b>(208.3)</b>	<b>538.7</b>
<b>Beginning of Period</b>	<b>8,670.7</b>	<b>7,110.9</b>	<b>2,934.4</b>	<b>2,395.7</b>
<b>End of Period</b>	<b>\$8,020.3</b>	<b>\$8,670.7</b>	<b>\$2,726.1</b>	<b>\$2,934.4</b>

*Differences due to rounding.*

**Insurance Fund Contribution Report**

For the twelve month period ending June 30, 2022, with Comparative Totals for the twelve month period ending June 30, 2021 (\$ in Millions)

**County Employees Retirement System****Nonhazardous****Hazardous**

	<b>FY22</b>	<b>FY21</b>	<b>FY22</b>	<b>FY21</b>
Employer Contributions	\$164.1	\$124.7	\$70.0	\$58.5
Insurance Premiums	0.5	0.5	(0.3)	(0.2)
Humana Gain Share	8.9	20.7	1.3	3.0
Retired Reemployed Healthcare	4.8	5.2	1.5	1.4
Health Insurance Contributions	15.9	13.6	3.7	3.1
Net Investment Income	48.5	41.0	24.0	20.3
<b>Total Inflows</b>	<b>242.7</b>	<b>205.7</b>	<b>100.2</b>	<b>86.1</b>
Healthcare Premiums	137.7	139.7	89.5	85.4
Administrative Expenses	0.9	0.9	0.5	0.5
<b>Total Outflows</b>	<b>138.6</b>	<b>140.6</b>	<b>90.0</b>	<b>85.9</b>
<b>NET Contributions</b>	<b>104.1</b>	<b>65.1</b>	<b>10.2</b>	<b>0.2</b>
Realized Gain/(Loss)	138.0	109.4	74.1	57.0
Unrealized Gain/(Loss)	(360.3)	469.2	(177.4)	245.5
<b>Change in Net Position</b>	<b>(118.2)</b>	<b>643.7</b>	<b>(93.1)</b>	<b>302.7</b>
<b>Beginning of Period</b>	<b>3,141.8</b>	<b>2,498.1</b>	<b>1,607.8</b>	<b>1,305.1</b>
<b>End of Period</b>	<b>\$3,023.6</b>	<b>\$3,141.8</b>	<b>\$1,514.7</b>	<b>\$1,607.8</b>

*Differences due to rounding.*

KPPA ADMINISTRATIVE BUDGET FY 2021-2022						
BUDGET-TO-ACTUAL ANALYSIS						
FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2022, WITH COMPARATIVE TOTALS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2021						
Account Name	Budgeted	FY 2022 Expense	Remaining	Percent Remaining	FY 2021 Expense	Percent Difference
<b>PERSONNEL</b>						
<b>Staff</b>						
Salaries/Wages	\$16,900,000	\$15,628,481	\$1,271,519	7.52%	\$14,349,829	8.91%
Wages (Overtime)	342,000	174,159	167,841	49.08%	76,317	128.20%
Emp Paid Retirement	14,478,107	12,421,914	2,056,194	14.20%	11,566,766	7.39%
Emp Paid Health Ins	2,500,000	2,455,352	44,648	1.23%	2,189,835	12.12%
Emp Paid Sick Leave	115,650	86,032	29,618	25.61%	13,786	524.05%
Adoption Assistance Benefit	-	7,000	(7,000)	0.00%	-	100.00%
Workers Compensation	77,100	75,163	1,937	2.51%	75,163	0.00%
Unemployment	3,600	-	3,600	100.00%	-	0.00%
Other Personnel	1,130,250	1,116,296	13,954	1.23%	1,027,167	8.68%
Employee Training	18,400	9,685	8,715	47.36%	9,685	0.00%
Bonds	-	81	(81)	0.00%	-	100.00%
<b>Staff Subtotal</b>	<b>35,565,107</b>	<b>31,974,163</b>	<b>3,590,944</b>	<b>10.10%</b>	<b>29,308,548</b>	<b>9.10%</b>
<b>LEGAL &amp; AUDITING SERVICES</b>						
Legal Hearing Officers	84,600	117,998	(33,398)	(39.48)%	77,000	53.24%
Legal (Stoll, Keenon)	180,000	88,189	91,811	51.01%	145,595	(39.43)%
Frost Brown (Tax Advisor)	173,000	40,458	132,542	76.61%	226,388	(82.13)%
Reinhart	24,000	29,878	(5,878)	(24.49)%	-	-
Ice Miller	336,000	701,266	(365,266)	(108.71)%	304,712	130.14%
Johnson, Bowman, Branco LLC	150,000	95,428	54,573	36.38%	-	100.00%
Dentons Bingham & Greenebaum	150,000	52,661	150,000	100.00%	-	0.00%
Legal Expense	12,000	138	11,862	98.85%	202	(31.68)%
Auditing	118,350	141,883	(23,533)	(19.88)%	72,047	96.93%
<b>CONSULTING SERVICES</b>						
Medical Reviewers	1,200,000	1,593,144	(393,144)	(32.76)%	316,186	403.86%
Escrow for Actuary Fees	12,000	-	12,000	100.00%	-	0.00%
<b>CONTRACTUAL SERVICES</b>						
Miscellaneous Contracts	22,750	20,124	2,626	11.54%	12,077	66.63%
Human Resources Consulting	6,600	5,794	806	12.22%	5,794	0.00%
Actuarial Services	700,000	474,411	225,589	32.23%	468,490	1.26%
Facility Security Charges	112,000	104,067	7,933	7.08%	70,222	48.20%
<b>PERSONNEL SUBTOTAL</b>	<b>\$38,846,407</b>	<b>\$35,439,601</b>	<b>\$3,459,467</b>	<b>8.91%</b>	<b>\$30,997,722</b>	<b>14.33%</b>
<b>OPERATIONAL</b>						
Natural Gas	25,200	31,229	(6,029)	(23.92)%	22,951	36.07%
Electric	138,000	105,960	32,040	23.22%	124,816	(15.11)%
Rent-NonState Building	52,000	50,643	1,357	2.61%	55,443	(8.66)%
Building Rental - PPW	1,100,000	962,097	137,903	12.54%	1,005,815	(4.35)%
Equipment Rental	-	-	-	-	7,163	(100.00)%
Copier Rental	122,587	86,605	35,982	29.35%	55,520	55.99%
Rental Carpool	4,800	3,881	919	19.15%	3,881	0.00%
Vehicle/Equip. Mainten.	1,350	249	1,101	81.56%	912	(72.70)%
Postage	610,000	376,335	233,665	38.31%	552,199	(31.85)%
Freight	600	155	445	74.13%	-	100.00%
Printing (State)	6,000	6,508	(508)	(8.46)%	4,992	30.37%
Printing (non-state)	112,500	71,162	41,338	36.74%	102,293	(30.43)%
Insurance	6,000	5,422	578	9.63%	3,802	42.61%
Garbage Collection	6,000	4,853	1,147	19.12%	5,294	(8.33)%
Conference Expense	18,250	24,816	(6,566)	(35.98)%	13,499	83.84%
Conference Exp. Investment	6,000	-	6,000	100.00%	-	0.00%
Conference Exp. Audit	1,500	2,072	(572)	(38.14)%	-	100.00%
MARS Usage	52,800	27,100	25,700	48.67%	47,646	(43.12)%
COVID-19 Expenses	168,000	12,686	155,314	92.45%	153,032	(91.71)%
Office Supplies	42,600	82,826	(40,226)	(94.43)%	38,837	113.27%
Furniture & Office Equipment	9,600	1,825	7,775	80.99%	8,215	(77.78)%
Travel (In-State)	12,000	5,487	6,513	54.28%	1,473	272.51%

CERS Finance Committee - Fiscal Year Financial Reports

Travel (In-State) Investment	300	39	261	87.09%	-	100.00%
Travel (In-State) Audit	300	-	300	100.00%	-	0.00%
Travel (Out of State)	6,000	9,148	4,245	70.75%	397	2,204.28%

**KPPA ADMINISTRATIVE BUDGET 2021-22  
BUDGET-TO-ACTUAL ANALYSIS**

FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2022, WITH COMPARATIVE TOTALS FOR THE TWELVE MONTH PERIOD ENDING JUNE 30, 2021

Account Name	Budgeted	FY 2022 Expense	Remaining	Percent Remaining	FY 2021 Expense	Percent Difference
Travel (Out of State)						
Investment	38,700	7,393	31,307	80.90%	397	1,762.22%
Travel (Out of State) Audit	450	-	450	100.00%	-	0.00%
Dues & Subscriptions	49,000	52,488	(3,488)	(7.12)%	2,037	2,476.81%
Dues & Subscriptions Invest	9,600	12,228	(2,628)	(27.37)%	8,551	43.00%
Dues & Subscriptions Audit	3,000	765	2,235	74.49%	2,037	(62.44)%
Miscellaneous	1,200	33,973	(32,773)	(2,731.08)%	788	4,211.29%
Miscellaneous Investment	200	-	200	100.00%	-	0.00%
Miscellaneous Audit	200	-	200	100.00%	-	0.00%
COT Charges	24,000	28,640	(4,640)	(19.33)%	21,640	32.35%
Telephone - Wireless	5,400	5,420	(20)	(0.37)%	4,734	14.49%
Telephone - Other	120,000	117,806	2,194	1.83%	100,686	17.00%
Computer Equip./Software	2,640,000	2,916,488	(276,488)	(10.47)%	-	100.00%
<b>OPERATIONAL SUBTOTAL</b>	<b>\$5,394,137</b>	<b>\$5,038,904</b>	<b>\$355,233</b>	<b>6.59%</b>	<b>\$4,752,984</b>	<b>6.02%</b>
<b>SUB-TOTAL</b>	<b>\$44,240,544</b>	<b>\$40,478,505</b>	<b>\$3,762,039</b>	<b>8.50%</b>	<b>\$35,750,706</b>	<b>13.22%</b>
<b>Major Legislative Implementation</b>	<b>3,764,956</b>	<b>-</b>	<b>3,764,956</b>	<b>100.00%</b>		
<b>TOTAL</b>	<b>\$48,005,500</b>	<b>\$40,478,505</b>	<b>\$7,579,656</b>	<b>15.79%</b>	<b>\$35,750,706</b>	<b>13.22%</b>

*Differences due to rounding*

Plan	Budgeted	FY 2022 Expense	% of Total KPPA FY 2022 Expense	FY 22 Hybrid Percentage
CERS Nonhazardous	\$28,683,286	\$24,185,907	59.75%	57.58%
CERS Hazardous	2,539,491	2,141,313	5.29%	5.10%
KERS Nonhazardous	14,824,098	12,499,762	30.88%	32.965%
KERS Hazardous	1,636,988	1,380,317	3.41%	3.635%
SPRS	321,637	271,206	0.67%	0.720%
<b>TOTAL</b>	<b>\$48,005,500</b>	<b>\$40,478,505</b>		

Plan - Specific Expenses	CERS		KERS		SPRS
		Hazardous	Nonhazardous	Hazardous	
FY 2022 Expense	\$24,185,907	\$2,141,313	\$12,499,762	\$1,380,317	\$271,206
Plan Specific Adjustment	(431,552)	(38,214)	397,656	43,801	28,310
Hybrid Percent Adjustment	(879,443)	(78,768)	846,555	91,355	20,301
<b>Total Expenses</b>	<b>\$22,874,911</b>	<b>\$2,024,331</b>	<b>\$13,743,973</b>	<b>\$1,515,473</b>	<b>\$319,817</b>



## CERS Outstanding Invoices by Type and Employer

Invoice Type	6/30/2022	6/30/2022	Change H/(L)
Averaging Refund to Employer	\$(202,340)	\$(202,340)	0%
Employer Free Military and Decompression Service	97,087	97,087	0%
Member Pension Spiking Refund	(12,958)	(12,958)	0%
Monthly Reporting Invoice	194,197	194,197	0%
Penalty – Monthly Reporting	193,435	193,435	0%
Reinstatement	171,358	171,358	0%
Actuarially Accrued Liability Contribution	-	-	0%
<b>Total</b>	<b>440,779</b>	<b>440,779</b>	
Health Insurance Reimbursement	570,905	570,905	0%
Omitted Employer	1,305,400	1,305,400	0%
Employer Pension Spiking*	1,384,377	1,384,377	0%
Standard Sick Leave	235,263	235,263	0%
<b>Total</b>	<b>3,495,945</b>	<b>3,495,945</b>	<b>0%</b>
<b>Grand Total</b>	<b>\$3,936,723</b>	<b>\$3,936,723</b>	<b>0%</b>

\*Pension Spiking invoices on this report are Employer Pension Spiking. By statute these invoices are due 12 months from the invoice date. Employer Pension Spiking is in effect only for retirements prior to July 1, 2018, therefore, unless there has been a recently created invoice for a backdated retirement, all of these invoices are greater than 12 months old.

Employer Name (Top Ten)	6/30/2022	6/30/2022	Change H/(L)
Kentucky River Regional Jail	\$893,893	\$893,893	0%
City of Covington	385,017	385,017	0%
Kenton County Airport Board	355,440	355,440	0%
City of Fort Thomas	235,207	235,207	0%
Livingston County Fiscal Court	228,710	228,710	0%
Henry County Fiscal Court	206,904	206,904	0%
TARC Transit Authority of River City	188,954	188,954	0%
City of Jeffersontown	102,949	102,949	0%
Bullitt County Fiscal Court	90,351	90,351	0%
Henderson County Fiscal Court	\$87,497	\$87,497	0%

	Total Unpaid Balance	Average Invoice Age
CERS	\$2,285,048	756
CERH	1,657,503	888
<b>Grand Total:</b>	<b>\$3,942,551</b>	



County Employees Retirement System  
 Penalty Invoices Report  
 From: 4/1/2022 To: 6/30/2022  
 Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Comments
\$1,000	\$-	6/14/2022	8/6/2020	CANC	Cities	New employer reporting official.
1,000	-	6/14/2022	8/20/2020	CANC	Cities	New employer reporting official.
1,000	-	6/14/2022	9/23/2020	CANC	Cities	New employer reporting official.
1,000	-	6/14/2022	10/17/2020	CANC	Cities	New employer reporting official.
1,000	-	6/14/2022	11/29/2020	CANC	Cities	New employer reporting official.
1,000	-	6/14/2022	4/16/2021	CANC	Cities	New employer reporting official.
1,000	-	4/14/2022	5/11/2022	CANC	Cities	Agency in good standing with KPPA.
1,000	-	4/14/2022	5/11/2022	CANC	Cities	Agency in good standing with KPPA.
1,000	-	4/14/2022	5/11/2022	CANC	Cities	Agency in good standing with KPPA.
1,000	-	5/31/2022	6/15/2022	CANC	Cities	New employer reporting official.
1,000	-	5/31/2022	6/24/2022	CANC	Cities	New employer reporting official.
<b>Total</b>	<b>\$11,000</b>					
\$1,000	\$-	4/11/2022	5/11/2022	CRTD	County Attorneys	
1,000	-	4/11/2022	5/11/2022	CRTD	County Attorneys	
1,000	-	4/14/2022	5/14/2022	CRTD	Planning Commissions	
1,000	-	4/18/2022	5/18/2022	CRTD	Cities	
1,395	-	4/20/2022	5/20/2022	CRTD	Cities	
1,000	-	5/3/2022	6/2/2022	CRTD	Conservation Districts	
1,000	-	5/16/2022	6/15/2022	CRTD	Cities	
1,000	-	5/18/2022	6/17/2022	CRTD	County Attorneys	
1,691	-	5/19/2022	6/18/2022	CRTD	Cities	
1,842	-	5/20/2022	6/19/2022	CRTD	Cities	
1,809	-	5/20/2022	6/19/2022	CRTD	Cities	
1,000	-	5/23/2022	6/22/2022	CRTD	Fiscal Courts	
1,000	-	5/23/2022	6/22/2022	CRTD	Fiscal Courts	
1,000	-	5/31/2022	6/30/2022	CRTD	Cities	
1,000	-	5/31/2022	6/30/2022	CRTD	Planning Commissions	
2,699	-	6/1/2022	7/1/2022	CRTD	Cities	
1,000	-	6/16/2022	7/16/2022	CRTD	Fiscal Courts	
<b>Total</b>	<b>\$21,435</b>					
\$1,000	\$-	6/16/2022	11/20/2013	PAID	Cities	
1,000	-	6/16/2022	2/1/2014	PAID	Cities	
1,000	-	6/16/2022	2/20/2014	PAID	Cities	
1,000	-	4/19/2022	9/18/2014	PAID	County Attorneys	
1,000	-	4/19/2022	9/26/2014	PAID	Fiscal Courts	
1,000	-	4/19/2022	10/22/2014	PAID	County Attorneys	



**County Employees Retirement System**  
**Penalty Invoices Report**  
 From: 4/1/2022 To: 6/30/2022  
 Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Comments
\$1,000	\$-	4/14/2022	12/16/2016	PAID	Sanitation Districts	
1,000	-	4/14/2022	8/18/2017	PAID	Sanitation Districts	
1,000	-	5/11/2022	9/17/2017	PAID	Sanitation Districts	
1,000	-	5/11/2022	2/18/2018	PAID	Sanitation Districts	
1,000	-	5/11/2022	9/15/2018	PAID	Sanitation Districts	
1,000	-	5/11/2022	4/17/2019	PAID	Sanitation Districts	
1,000	-	5/11/2022	10/18/2019	PAID	Sanitation Districts	
1,000	-	5/11/2022	11/17/2019	PAID	Sanitation Districts	
1,000	-	5/11/2022	2/15/2020	PAID	Sanitation Districts	
1,000	-	5/11/2022	11/20/2020	PAID	Sanitation Districts	
1,000	-	5/10/2022	2/12/2021	PAID	Boards of Education	
1,000	-	5/10/2022	3/19/2021	PAID	Boards of Education	
1,000	-	4/5/2022	9/23/2021	PAID	Boards of Education	
1,000	-	5/4/2022	9/26/2021	PAID	Fiscal Courts	
1,000	-	5/4/2022	11/7/2021	PAID	Fiscal Courts	
1,000	-	4/5/2022	2/2/2022	PAID	Boards of Education	
1,000	-	5/11/2022	2/10/2022	PAID	Sanitation Districts	
1,000	-	4/1/2022	4/8/2022	PAID	Conservation Districts	
1,000	-	4/11/2022	4/27/2022	PAID	Utility Boards	
1,000	-	4/11/2022	4/29/2022	PAID	Utility Boards	
1,000	-	4/11/2022	4/30/2022	PAID	Utility Boards	
1,000	-	5/16/2022	5/12/2022	PAID	Parks and Recreation	
1,000	-	5/16/2022	5/15/2022	PAID	Parks and Recreation	
1,000	-	5/16/2022	5/18/2022	PAID	Parks and Recreation	
1,000	-	5/16/2022	5/19/2022	PAID	Parks and Recreation	
1,000	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	
1,000	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	
1,000	-	5/23/2022	6/3/2022	PAID	Fiscal Courts	
1,000	-	6/14/2022	6/16/2022	PAID	Cities	
7,360	-	6/10/2022	6/17/2022	PAID	Utility Boards	
1,000	-	6/15/2022	7/8/2022	PAID	Cities	
1,000	-	6/14/2022	7/13/2022	PAID	Libraries	
<b>Total</b>	<b>\$44,360</b>					

**Notes:**  
**Invoice Status:**  
 CANC - Cancelled  
 PAID - Paid





**KENTUCKY PUBLIC PENSIONS AUTHORITY**

David L. Eager, Executive Director

1260 Louisville Road · Frankfort, Kentucky 40601  
 kyret.ky.gov · Phone: 502-696-8800 · Fax: 502-696-8822



Kentucky Public Pensions Authority

To: CERS Finance Committee

From: D’Juan Surratt  
 Director of Employer Reporting, Compliance and Education

Date: August 23, 2022

Subject: Hazardous Position Classification

AGENCIES ARE REQUESTING HAZARDOUS DUTY COVERAGE FOR THE FOLLOWING POSITIONS:

<u>Agency</u>	<u>Position</u>	<u>Effective Date</u>
Okolona Fire District	Captain (Career)	7/1/2003
Okolona Fire District	Fire Sergeant (Career)	7/1/2003
Okolona Fire District	EMS Paramedic/Training Officer	10/1/2022
Hebron Fire Protection District	Apparatus Operator	7/1/2020
Hebron Fire Protection District	Lieutenant	4/1/2022
Hebron Fire Protection District	Captain	8/1/2022
Hebron Fire Protection District	Assistant Chief	10/1/2022
Hebron Fire Protection District	Chief	10/1/2022
Fern Creek Fire Protection District	Battalion Chief	10/1/2022
Fern Creek Fire Protection District	EMS Battalion Chief	10/1/2022
Burlington Fire Protection District	EMS Provider- Paramedic	10/1/2022
City of Florence	Paramedic Only	10/1/2022
City of Springfield	Firefighter/Trainer	10/1/2022
City of Morehead	Firefighter (full-time)	9/1/2022
City of Elizabethtown	Fire Captain	4/1/2022
Clay County Board of Education	Law Enforcement Officer	8/01/2022
Clay County Board of Education	Law Enforcement Supervisor	8/01/2022

Kentucky Public Pensions Authority has reviewed the above requests and determined that they meet the statutory guidelines for Hazardous coverage. Position Questionnaires and Job Descriptions are attached.

(DRAFT)

## 2022 ACFR - SAFR Timeline DRAFT

Planned/ End Date	Task	Category	Owner
8/8/2022	KPPA transmits preliminary data files with new file layout to Actuary (Complete through June; not fully reviewed by KPPA)	Actuary	IT
8/5-8/8/2022	FYE Processing: Proration of service and member account interest posting, Member annual statements and actuary file creation	IT	IT
8/12/2022	Solid set of financial statements available	Auditor	KPPA
8/25/2022	**** Status Meeting	Auditor	
8/31/2022	Receipt of financial statements from KPPA GASB 67 & 74 & Data	Actuary	KPPA
8/31/2022	Solid trial balance	Auditor	KPPA
9/1/2022	**** Status Meeting	Auditor	
9/8/2022	**** Status Meeting	Auditor	
9/9/2022	Draft GASB 67 & 74 reports	Actuary	GRS
9/15/2022	Complete Valuation Program	Actuary	GRS
9/15/2022	Review GASB 67 & 74 reports	Actuary	GRS
9/15/2022	Run gain/loss programs and analyze Valuation	Actuary	GRS
9/15/2022	Draft GASB 67 & 74 reports to KPPA	Actuary	GRS
9/15/2022	**** Status Meeting	Auditor	
9/22/2022	**** Status Meeting	Auditor	
9/28/2022	GASB 67 & 74 report comments from KPPA	Actuary	KRS
9/29/2022	**** Status Meeting	Auditor	
9/30/2022	KPPA provides Actuary Reports to Auditor (Info (from the Actuary) for the Required Supplementary Info section of the Draft Financial Report)	ACFR	Actuary/KPPA
10/3/2022	Final GASB 67 & 74 reports to KPPA	Actuary	GRS
10/6/2022	20 - Year Projections review Valuation	Actuary	GRS
10/6/2022	**** Status Meeting	Auditor	
10/7/2022	ACFR Financial Section Review	ACFR	RA, SW, CD, AC, KC
10/12/2022	Draft valuation report	Actuary	GRS
10/12/2022	Draft information for ACFR Valuation	Actuary	GRS
10/13/2022	**** Status Meeting	Auditor	
10/14/2022	Draft Actuary Valuation Report available	Auditor	GRS & KPPA
10/14/2022	Solid set of financial statements (including notes and RSI)	Auditor	KPPA
10/19/2022	***Status Meeting - Reports Review for Board meeting on 11/8 and 11/9	Auditor	

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## 2022 ACFR - SAFR Timeline DRAFT

Planned/ End Date	Task	Category	Owner
10/28/2022	Financial Section - 3rd Draft (unaudited) submitted for Audit Committee & Communications	ACFR	Accounting
10/26/2022	Actuary returns to KPPA the info needed for actuary section of ACFR including GASB numbers	KPPA	Actuary/KPPA
10/28/2022	Draft report to KPPA, including 20-year projection and sensitivity information Valuation	Actuary	GRS
11/15/2022	Report comments from KPPA Valuation	Actuary	KPPA
11/1/2022	Draft audit report sent to KPPA management	Auditor	External Auditor Blue & Co.
11/2/2022	Draft actuary report presented to <b>CERS Actuarial Committee</b>	Actuary	GRS
11/8/2022	Draft audit report presented to the <b>KRS Board</b>	Auditor	External Auditor Blue & Co.
11/9/2022	Draft audit report presented to the <b>CERS Board</b>	Auditor	External Auditor Blue & Co.
11/14/2022	***Status Meeting - Reports Review for Committee and Board meeting on 11/28, 12/1, 12/5, 12/7		
11/15/2022	Final actuary report to KPPA	Auditor	GRS & KRS
11/17/2022	Auditor provides audit report to KPPA (Auditor prepares and provides Draft Financial Report that contains the financial statement, draft opinion, notes, findings (with deficiency level defined for each), KPPA responses to findings, MDA (provided by KPPA), required supplementary information (info from the actuary), SAS 114, management letter, etc.)	Auditor	Accounting
11/21/2022	<b>CHECKPOINT FOR CHANGES</b>		RA, SW, CD, AC, KC
11/21/2022	<b>ACFR loaded on Board Books</b>	ACFR	Accounting
11/28/2022	<b>Draft audit report presented to the Joint Audit Committee</b>	Auditor	External Auditor Blue & Co.
11/30/2022	<b>Draft Valuation and Audit Reports presented to CERS Finance Committee</b>	<b>Actuary</b>	<b>GRS/KRS</b>
12/1/2022	<b>KRS Board approves final audit report</b> (External Auditor Blue & Co. Final Audit Report Released)	Auditor	External Auditor Blue & Co.
12/5/2022	<b>CERS Board approves final audit report</b> (External Auditor Blue & Co. Final Audit Report Released.)	Auditor	External Auditor Blue & Co.
12/7/2022	<b>KPPA Board of Directors approves final audit report</b> (External Auditor Blue & Co. Final Audit Report Released)	Auditor	External Auditor Blue & Co.
12/7/2022	KPPA Board of Directors approves final audit report (External Auditor Blue & Co. Final Audit Report Released)	Auditor	External Auditor Blue & Co.

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## 2022 ACFR - SAFR Timeline DRAFT

Planned/ End Date	Task	Category	Owner
12/7/2022	End of Field work (All signed management representation letters must be in hand.)	Auditor	External Auditor Blue & Co. & KPPA
12/7/2022	Results of subsequent events between the component unit or fund opinion date and ACFR date reported to <b>ACFR AIC</b> .	Auditor	External Auditor Blue & Co. & KPPA
12/13/2022	Deadline to have subsequent events from auditors reports until December 13, 2022 to the APA	Auditor	External Auditor Blue & Co.
1/25/2023	***Status Meeting - Reports Review for Committee meeting on 2/8		
2/6/2023	***Status Meeting - Reports Review for Committee meeting on 2/20, 2/28, 3/1		
2/8/2023	<b>CERS Actuarial Committee Meeting (Tentative)</b> Reviewing and approving Actuarial Reports GASB68 and GASB75	Auditor	
2/20/2023	<b>CERS Finance Committee Meeting (Tentative)</b> Reviewing the CERS GASB68 and GASB75 Proportionate Share Audit Reports and make recommendation to CERS board to approve them	Auditor	
2/28/2023	<b>Joint Audit Committee Meeting (Tentative)</b> Reviewing and approving the GASB68 and GASB75 Proportionate Share Audit Reports and making a recommendation to the KPPA to approve them	Auditor	
3/1/2023	<b>KRS Board Meeting (Tentative)</b> KRS Board to approve GASB68 and GASB75 Proportionate Share Audit Reports	Auditor	
3/1/2023	***Status Meeting - Reports Review for Board meeting on 3/15, 3/23		
3/15/2023	<b>CERS Board Meeting (Tentative)</b> CERS Board to approve GASB68 and GASB75 Proportionate Share Audit Reports	Auditor	
3/23/2023	<b>KPPA Board Meeting (Tentative)</b> KPPA Board to approve GASB68 and GASB75 Proportionate Share Audit Reports	Auditor	

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## 2022 ACFR - SAFR Timeline **DRAFT**

Planned/ End Date	Task	Category	Owner
			RA - Rebecca Adkins
			CD - Connie Davis
			KC - Kristen Coffey
			SW - Steve Willer
			AC - Ann Case

	A	C	D
1	<b>TRUST BUDGET</b>		
2		<b>Proposed Trust Budget FY 2023</b>	<b>Description of Budget Line Item</b>
3	<b>CONSULTING SERVICES</b>		
4	Wilshire Associates	\$1,190,000	Investment Consultant
5	<b>SUBTOTAL</b>	<b>1,190,000</b>	
6	<b>LEGAL SERVICES</b>		
7	Faegre Drinker	375,000	Delaware litigation counsel
8	Intelligent Management Solutions (IMS)	75,000	IMS is an expert witness in the Bay Hills case.
9	McClain/Goldberg	25,000	Blackstone litigation counsel
10	Reinhart	437,500	Bay Hills counsel
11	Stoll-Keenon-Ogden	250,000	Mayberry counsel
12	Haystack	140,000	Conduct Mayberry eDiscovery
13	Umberg Zipser	360,000	PAAMCO-Prisma (California litigation)
14	Frost Brown Todd	50,000	Currently has no investment-related cases
15	Miscellaneous	200,000	For unknown litigation
16	<b>SUBTOTAL</b>	<b>1,912,500</b>	
17	<b>CONTRACTURAL SERVICES</b>		
18	Bloomberg	150,000	5 License @ \$2,020 Quarterly
19	BNY Custodial Fees	4,000,000	Custodial Fees
20	eVestment	35,000	Research Management Program
21	FactSet	150,000	Workstation and Quant/Risk Applications
22	Russell Index Subscription	1,500	Access to Russell Indexes
23	S&P Global	28,000	License to 10,000 Identifiers
24	S&P Dow Jones Indices	28,000	Data on the S & P US Index
25	Solovis	250,000	Performance Reporting Software
26	TradeWeb	7,500	Program to trade Treasuries
27	State Street/Elkins McSherry	10,000	Equity Trade Cost Analysis
28	ISS	37,000	Portfolio Monitoring
29	Fundfire - Money Media	3,500	Annual Subscription to Fundfire
30	MSCI	1,000	International Equity Data Package
31	KPMG Tax Guarantor Services	7,500	
32	Jayant Ghevaria and CO	55,000	Tax Accounting Services
33	India Renewal Fee (SEBI)	3,000	Registration of India Local Market Accounts
34	Miscellaneous	200,000	
35	<b>SUBTOTAL</b>	<b>4,967,000</b>	
36	<b>NON-MANAGER FEE SUBTOTAL</b>	<b>8,069,500</b>	
37	<b>MANAGER FEES</b>		
38	Management Fees	0	
39	Performance Fees	0	
40	Miscellaneous	0	Expenditures that are outside of the management and performance fees. Primarily Partnership expenses from LPs.
41	Lending Fee Rebate	0	Income for participating in the securities lending program
42	Security Lending Fee	0	Paid in order to participate in the securities lending program
44	<b>MANAGER FEE SUBTOTAL</b>	<b>0</b>	