



**County Employees Retirement System
Finance Committee - Regular Meeting
May 20, 2024 at 2:00 PM ET
Live Video Conference/Facebook Live**

AGENDA

- | | |
|--|-----------------------|
| 1. Call to Order | Bill O'Mara |
| 2. Legal Public Statement | Eric Branco |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Minutes* - February 19, 2024 | Bill O'Mara |
| 6. Fiscal Year Financial Reports | Mike Lamb |
| a. Fiscal Year Financial Spreadsheet | |
| b. Administrative Expense to Budget | |
| c. Contribution Report | |
| d. Outstanding Invoice Report | |
| e. Penalty Waiver Report | |
| 7. Hazardous Duty Requests* | D'Juan Surratt |
| 8. Other Financial Updates | Steve Willer |
| a. Investment Trust Budget | |
| 9. Adjourn | Bill O'Mara |

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

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM
FINANCE COMMITTEE MEETING
FEBRUARY 19, 2024, AT 2:00 P.M., E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the meeting of the County Employees Retirement System Finance Committee held on February 19, 2024, the following members were present: William O’Mara (Chair), George Cheatham, and Jim Tony Fulkerson. Staff members present were CERS CEO Ed Owens, III, David Eager, Rebecca Adkins, Erin Surratt, Michael Board, Victoria Hale, Steve Willer, Michael Lamb, Connie Davis, Elizabeth Smith, D’Juan Surratt, Ashley Gabbard, Shaun Case, Phillip Cook, Sherry Rankin, and Katie Park. Others in attendance included Eric Branco with Johnson Bowman Branco, LLP.

Mr. O’Mara called the meeting to order.

Mr. Branco read the Legal Public Statement.

Ms. Rankin called roll.

Ms. Rankin advised that two **Public Comments** were received and read each aloud to the Committee.

Submitted by Mark Doran

The unfunded liabilities basically arose for many reasons. Whether is was not paying actuarial rates, planning for COLA’s or investment oversight, the system was not properly managed. The employees / retirees fulfilled their funding responsibilities. Attempts have now been made to address the unfunded liability, which is necessary. The problem is, inflation is being ignored by both the State Legislature and our KPPA representatives, especially the CERS board. It’s not realistic to expect retirees to maintain a stagnated 2011 level pension benefit. The CERS Board has been decreasing participating entity contributions recently instead of taking any approach to plan for a COLA. From a CERS contributing participant standpoint, I understand pensions are already expensive to fund. I also understand that people are the most important asset and deserve to be treated better than we have been. My former employer hasn’t frozen the taxes I pay at 2011

levels. They can fund a retiree COLA instead of a pet project or two. Don't just read this and move on...we need you to speak to this topic and help now. I've been told KPPA and CERS don't feel as though it's their duty to actively promote any increase. It most definitely is...you are there to responsibly and fully represent your members. We have sacrificed and it's time we receive some inflation relief. Please don't move to the next order of business until you speak about this.

Submitted by William David Jones

Why have we not received a COLA for decades and will we finally get some relief?

Mr. O'Mara introduced agenda item ***Approval of Minutes – November 16, 2023*** (Video 00:08:58 to 00:10:26). A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the minutes as presented. The motion passed unanimously.

The Committee Members amended the agenda and reviewed items ***Hazardous Duty Requests*** and ***Other Financial Updates*** prior to ***Fiscal Year to Date Financial Reports***.

Mr. O'Mara introduced agenda item ***Hazardous Duty Requests*** (Video 00:10:27 to 00:11:38). Mr. D'Juan Surratt presented nine police, fire and EMT positions requesting Hazardous Duty coverage. KPPA has reviewed the positions and determined that they meet the statutory guidelines for Hazardous Duty coverage, said Mr. Surratt. A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the Hazardous Duty requests as presented and forward to the CERS Board of Trustees for ratification. The motion passed unanimously.

Mr. O'Mara introduced agenda item ***Other Financial Updates*** (Video 00:11:39 to 00:15:30). Mr. Willer briefly reviewed the Investment Trust Budget and the Pension and Insurance Investment Fees and Expenses for the six-month period ending December 31, 2023, with the CERS Finance Committee. The Committee had no questions for Mr. Willer regarding his presentation.

Mr. O'Mara introduced agenda item ***Fiscal Year to Date Financial Reports*** (Video 00:15:31 to 00:33:00). Mr. Lamb presented the Fiscal Year to Date Financial Reports. He reviewed Fiscal Year Financial Spreadsheet, Administrative Expense to Budget, Contribution Reports, Outstanding Invoice Report, and the Penalty Waiver Report with the CERS Finance Committee.

Mr. O'Mara introduced agenda item ***Strategic Planning Process*** (Video 00:33:01 to 00:38:21). CERS CEO Mr. Ed Owens, III, advised that the Strategic Planning Process has been ongoing for about year and half. KPPA began their own Strategic Planning Process within the last six to nine months, said Mr. Owens. Therefore, the CERS Board of Trustees wished to coordinate their Strategic Plan with KPPA. Mr. Owens reported that KPPA determined four key areas of focus for their Strategic Plan; (1) Governance; (2) Organizational Excellence; (3) Customer Service Delivery; and (4) Infrastructure and Key Resources. Mr. Owens intends to present final objectives and strategic goals at the May 2024 CERS Finance Committee meeting. Then, these objectives will be incorporated into the KPPA Strategic Plan. Mr. Eager advised that the presented order of key areas may have updated. He asked that Mr. Owens work with Staff to verify. Ms. Adkins noted that the Authority will be involved in the process as well.

There being no further business, Mr. O'Mara ***adjourned*** the meeting.

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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.

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 February 19, 2024, were approved on May 20, 2024.

Chair of the CERS Finance Committee

I have reviewed the Minutes of the February 19, 2024, CERS Finance Committee Meeting for content, form, and legality.

Executive Director
Office of Legal Services



Combining Statement of Fiduciary Net Position - Pension Funds

As of March 31, 2024, with Comparative Totals as of March 31, 2023 (\$ in Thousands)
(Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
CASH AND SHORT-TERM INVESTMENTS						
Cash Deposits	\$275	\$27	\$302	\$1,258	(75.96)%	1
Short-term Investments	304,787	153,450	458,237	326,086	40.53%	2
Total Cash and Short-term Investments	305,062	153,477	458,539	327,344	40.08%	
RECEIVABLES						
Accounts Receivable	71,851	29,179	101,031	89,135	13.35%	3
Accounts Receivable - Investments	43,752	15,840	59,592	74,419	(19.92)%	4
Total Receivables	115,603	45,020	160,622	163,554	(1.79)%	
INVESTMENTS, AT FAIR VALUE						
Core Fixed Income	911,540	320,862	1,232,403	1,115,693	10.46%	5
Public Equities	4,971,618	1,737,606	6,709,224	5,616,609	19.45%	6
Private Equities	643,065	228,216	871,281	909,102	(4.16)%	
Specialty Credit	1,862,885	641,377	2,504,262	2,337,129	7.15%	
Derivatives	146	56	203	1,346	(84.94)%	7
Real Return	374,550	131,124	505,673	349,734	44.59%	8
Real Estate	499,783	159,154	658,937	684,484	(3.73)%	
Total Investments, at Fair Value	9,263,587	3,218,395	12,481,983	11,014,097	13.33%	
Securities Lending Collateral Invested	185,956	65,486	251,442	267,051	(5.84)%	
CAPITAL/INTANGIBLE ASSETS						
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	(9,961)	(827)	(10,788)	(10,757)	0.29%	
Total Capital Assets	-	-	-	31	(100.00)%	
Total Assets	9,870,208	3,482,378	13,352,586	11,772,077	13.43%	
LIABILITIES						
Accounts Payable	5,818	1,150	6,967	5,658	23.15%	9
Investment Accounts Payable	93,772	32,984	126,756	69,167	83.26%	10
Securities Lending Collateral	185,956	65,486	251,442	267,051	(5.84)%	
Total Liabilities	285,545	99,620	385,165	341,876	12.66%	
Total Fiduciary Net Position Restricted for Pension Benefits	\$9,584,663	\$3,382,758	\$12,967,421	\$11,430,201	13.45%	

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

- 1) The variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account. As a result of an Internal Audit finding, we continue to evaluate the optimum cash balances at JP Morgan Chase.
- 2) Short term investments are primarily comprised of cash on hand at the custodial bank, the variance in the balance is a result of the cash flows of each plan.
- 3) The increase in Accounts Receivable is primarily the result of an increase in the member/employer accruals due to an increase in payroll for CERS and CERH.
- 4) The variance in Investment Accounts Receivable is due to pending trades.
- 5) The increase in Core Fixed Income is a result of favorable market conditions from the prior fiscal year as well as additional funding.
- 6) The increase in Public Equities is the result of favorable market conditions resulting in an increase in gains/losses and additional funding.
- 7) The variance in Derivatives is a result of hedging and arbitration of risk within the portfolios.
- 8) The increase in Real Return is a result of additional funding of new managers and favorable market conditions.
- 9) The variance in Accounts Payable is due to an increase in the payroll and leave liability accrual as well as an increase in outstanding employer credit invoices.
- 10) The variance in Investment Accounts Payable is due to pending trades.



Combining Statement of Changes In Fiduciary Net Position - Pension Funds

For the nine month period ending March 31, 2024, with Comparative Totals for the nine month period ending March 31, 2023 (\$ in Thousands) (Unaudited)

	CERS		Total		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
ADDITIONS						
Member Contributions	\$115,511	\$44,979	\$160,490	\$145,176	10.55%	1
Employer Pay Credit	44,184	18,832	63,017	51,961	21.28%	2
Employer Contributions	506,050	216,093	722,143	661,350	9.19%	
Actuarially Accrued Liability Contributions (AALC)	-	-	-	-		
Pension Spiking Contributions	28	51	79	186	(57.80)%	3
Health Insurance Contributions (HB1)	(39)	(54)	(93)	(38)	145.84%	4
Employer Cessation Contributions	-	-	-	-		
Total Contributions	665,734	279,901	945,636	858,635	10.13%	
INVESTMENT INCOME						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments						
Investments	722,555	255,535	978,090	535,061	82.80%	5
Interest/Dividends	211,917	74,542	286,459	233,718	22.57%	6
Total Investing Activities Income	934,472	330,077	1,264,548	768,779		
Less: Investment Expense	44,725	15,012	59,737	48,249	23.81%	7
Less: Performance Fees	12,999	4,409	17,408	1,501	1,059.98%	8
Net Income from Investing Activities	876,747	310,656	1,187,403	719,029		
From Securities Lending Activities						
Securities Lending Income	8,295	2,969	11,264	8,396		
Less: Securities Lending Borrower Rebates (Income)/Expense	7,364	2,638	10,003	7,340		
Less: Securities Lending Agent Fees	139	50	189	158		
Net Income from Securities Lending	791	281	1,072	898	19.40%	9
Net Investment Income	877,538	310,937	1,188,475	719,927	65.08%	
Total Additions	1,543,272	590,838	2,134,111	1,578,562	35.19%	
DEDUCTIONS						
Benefit Payments	701,037	256,372	957,409	906,339	5.63%	
Refunds	19,709	5,806	25,514	22,271	14.56%	10
Administrative Expenses	19,303	1,700	21,003	19,024	10.40%	11
Total Deductions	740,049	263,877	1,003,926	947,634	5.94%	
Net Increase (Decrease) in Fiduciary Net Position Restricted for Pension Benefits						
	803,223	326,961	1,130,185	630,927		
Total Fiduciary Net Position Restricted for Pension Benefits						
Beginning of Period	8,781,440	3,055,797	11,837,237	10,799,273	9.61%	
End of Period	\$9,584,663	\$3,382,758	\$12,967,421	\$11,430,201	13.45%	

NOTE - Variance Explanation Differences due to rounding

- 1) The increase in Member Contributions is due to an increase in covered payroll across all plans.
- 2) The Employer Pay Credit will continue to increase as Tier 3 members increase.
- 3) Pension Spiking contributions decreased due to a decrease in pension spiking billed to employers.
- 4) Health Insurance Contributions continue to fluctuate in the Pension accounts due to Tier 2 and Tier 3 retiree health insurance system costs as well as corrections being processed to previous fiscal years.
- 5) The increase in Net Appreciation in Fair Value of Investments is the result of gains primarily from Public Equities and Specialty Credit.
- 6) The increase in Interest/Dividend Income is primarily the result of increased Dividends/Interest from Specialty Credit, Private Equity and Cash.
- 7) The increase in Investment Expense is primarily the result of increased market value due to favorable performance and additional funding across all asset classes.
- 8) The increase in performance fees is the result of more favorable market conditions creating higher performance fees for Private Equity and Specialty Credit.
- 9) The variance is a result of the demand of the Securities Lending Program.



Combining Statement of Fiduciary Net Position - Insurance Funds

As of March 31, 2024, with Comparative Totals as of March 31, 2023 (\$ in Thousands) (Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
CASH AND SHORT-TERM INVESTMENTS						
Cash Deposits	\$120	\$32	\$153	\$541	(71.81)%	1
Short-term Investments	93,038	45,380	138,418	113,032	22.46%	2
Total Cash and Short-term Investments	93,158	45,413	138,571	113,574	22.01%	
RECEIVABLES						
Accounts Receivable	4,737	2,288	7,025	15,272	(54.00)%	3
Investment Accounts Receivable	17,192	7,301	24,494	30,175	(18.83)%	4
Total Receivables	21,929	9,589	31,518	45,447	(30.65)%	
INVESTMENTS, AT FAIR VALUE						
Core Fixed Income	349,857	149,637	499,494	468,221	6.68%	
Public Equities	1,874,269	891,065	2,765,334	2,347,046	17.82%	5
Private Equities	259,587	145,869	405,456	417,903	(2.98)%	
Specialty Credit	697,683	334,447	1,032,130	983,667	4.93%	
Derivatives	68	36	103	582	(82.28)%	6
Real Return	124,105	60,541	184,646	121,550	51.91%	7
Real Estate	181,209	99,432	280,641	278,653	0.71%	
Total Investments, at Fair Value	3,486,777	1,681,027	5,167,804	4,617,622	11.91%	
Securities Lending Collateral Invested	48,468	23,431	71,899	72,898	(1.37)%	
Total Assets	3,650,332	1,759,460	5,409,792	4,849,540	11.55%	
LIABILITIES						
Accounts Payable	258	14	272	171	59.50%	8
Investment Accounts Payable	33,343	14,112	47,455	28,663	65.56%	9
Securities Lending Collateral	48,468	23,431	71,899	72,898	(1.37)%	
Total Liabilities	82,070	37,557	119,626	101,732	17.59%	
Total Fiduciary Net Position Restricted for OPEB	\$3,568,263	\$1,721,903	\$5,290,166	\$4,747,808	11.42%	

NOTE - Variance Explanation Differences due to rounding

- 1) The variance is a result of continuous fluctuation of deposits and transactions that flow through the cash account. As a result of an Internal Audit finding, we continue to evaluate the optimum cash balances at JP Morgan Chase.
- 2) Short term investments are primarily comprised of cash on hand at the custodial bank, the variance in the balance is a result of the cash flows of each plan.
- 3) The decrease in Accounts Receivable is the result of a decrease in the member/employer month-end accrual due to the decreased insurance transfer rate.
- 4) The variance in Investment Accounts Receivable is the result of pending trades.
- 5) The increase in Public Equities is the result of favorable market conditions resulting in an increase in gains/losses and additional funding.
- 6) The variance in Derivatives is a result of hedging and arbitration of risk within the portfolios.
- 7) The increase in Real Return is a result of additional funding of new managers and favorable market conditions.
- 8) The increase in Accounts Payable is primarily due to an increase in outstanding employer credit invoices.
- 9) The variance in Investment Accounts Payable is due to pending trades.



Combining Statement of Changes In Fiduciary Net Position - Insurance Funds

For the nine month period ending March 31, 2024, with Comparative Totals for the nine month period ending March 31, 2023 (\$ In Thousands) (Unaudited)

	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
ADDITIONS						
Employer Contributions	\$2,458	\$15,152	\$17,611	\$106,415	(83.45)%	1
Actuarially Accrued Liability Contributions (AALC)	-	-	-	-		
Medicare Drug Reimbursement	-	-	-	-		
Insurance Premiums	251	(147)	104	(84)	224.77%	2
Humana Gain Share Payment	10,445	1,637	12,082	6,864	76.00%	3
Retired Re-employed Healthcare	5,222	1,512	6,733	4,778	40.94%	4
Health Insurance Contributions (HB1)	14,741	3,659	18,400	15,552	18.31%	5
Employer Cessation Contributions	-	-	-	-		
Total Contributions	33,117	21,813	54,930	133,525	(58.86)%	
INVESTMENT INCOME						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments	275,765	133,508	409,274	224,519	82.29%	6
Interest/Dividends	80,280	38,758	119,038	96,482	23.38%	7
Total Investing Activities Income	356,045	172,266	528,312	321,001		
Less: Investment Expense	16,639	8,732	25,371	20,442	24.11%	8
Less: Performance Fees	5,293	2,921	8,214	3	237,731.89%	9
Net Income from Investing Activities	334,113	160,613	494,726	300,555		
From Securities Lending Activities						
Securities Lending Income	2,354	1,101	3,455	2,887		
Less: Securities Lending Borrower Rebates (Income)/Expense	2,011	944	2,955	2,496		
Less: Securities Lending Agent Fees	51	24	75	59		
Net Income from Securities Lending	291	134	426	332	28.07%	10
Net Investment Income	334,404	160,747	495,152	300,888	64.56%	
Total Additions	367,522	182,560	550,082	434,412	26.63%	
DEDUCTIONS						
Healthcare Premiums Subsidies	85,831	73,696	159,527	168,141	(5.12)%	
Administrative Expenses	698	395	1,094	1,098	(0.43)%	
Self-Funded Healthcare Costs	2,256	153	2,408	2,566	(6.15)%	
Excise Tax Insurance	7	-	7	-	(100.00)%	11
Total Deductions	88,792	74,244	163,035	171,806	(5.10)%	
Net Increase (Decrease) in Fiduciary Net Position Restricted for OPEB	278,730	108,316	387,046	262,607		
Total Fiduciary Net Position Restricted for OPEB						
Beginning of Period	3,289,532	1,613,587	4,903,119	4,485,201	9.32%	
End of Period	\$3,568,262	\$1,721,903	\$5,290,165	\$4,747,808	11.42%	

NOTE - Variance Explanation Differences due to rounding

- 1) Employer Contributions decreased due to a decrease in the employer insurance rate.
- 2) Health Insurance Premiums increased primarily due to a decrease in refunds processed to hazardous retirees for premiums paid for dependents that should have been covered by KPPA.
- 3) The Humana Gain Share payment will fluctuate year to year based on claims paid.
- 4) Retired Reemployed contributions increased due to an increase in retired reemployed members.
- 5) Health Insurance Contributions will continue to rise as Tier 2 and Tier 3 members increase.
- 6) The increase in Net Appreciation in Fair Value of Investments is the result of gains primarily from Public Equities and Specialty Credit.
- 7) The increase in Interest/Dividend Income is primarily the result of increased Dividends/Interest from Specialty Credit, Private Equity and Cash.
- 8) The increase in Investment Expense is primarily the result of increased market value due to favorable performance and additional funding across all asset classes.
- 9) The increase in performance fees is the result of more favorable market conditions creating higher performance fees for Private Equity and Specialty Credit.
- 10) The variance is a result of the demand of the Securities Lending Program.
- 11) The Excise Tax will fluctuate based on the timing of the posting of the payment.

Pension Funds Contribution Report

For the nine month period ending March 31, 2024, with Comparative Totals for the nine month period ending MArch 31, 2023 (\$ in Millions)



County Employees Retirement System

	Nonhazardous		Hazardous	
	FY24	FY23	FY24	FY23
Member Contributions	\$115.5	\$105.3	\$44.9	\$39.8
Employer Pay Credit	44.1	37.0	18.8	15.0
Employer Contributions	506.1	461.8	216.2	199.7
Net Investment Income	155.0	136.8	55.4	48.0
Total Inflows	820.7	740.9	335.3	302.5
Benefit Payments/Refunds	720.7	685.9	262.1	242.7
Administrative Expenses	19.3	17.5	1.7	1.5
Total Outflows	740.0	703.4	263.8	244.2
NET Contributions	80.7	37.5	71.5	58.3
Realized Gain/(Loss)	99.5	(25.1)	35.3	(10.3)
Unrealized Gain/(Loss)	623.1	423.1	220.2	147.4
Change in Net Position	803.3	435.5	327.0	195.4
Beginning of Period	8,781.4	8,062.3	3,055.8	2,736.9
End of Period	\$9,584.7	\$8,497.8	\$3,382.8	\$2,932.3

Differences due to rounding.

Net Contributions*	(\$74.3)	(\$99.3)	\$16.1	\$10.3
Cash Flow as % of Assets	(0.78)%	(1.17)%	0.48%	0.35%
Net Investment Income	\$155.0	\$136.8	\$55.4	\$48.0
Yield as % of Assets	1.62%	1.61%	1.64%	1.64%

**Net Contributions are less Net Investment Income.*

Insurance Fund Contribution Report

For the nine month period ending March 31, 2024, with Comparative Totals for the nine month period ending March 31, 2023 (\$ in Millions)



County Employees Retirement System

	Nonhazardous		Hazardous	
	FY24	FY23	FY24	FY23
Employer Contributions	\$2.5	\$72.3	\$15.1	\$34.1
Insurance Premiums	0.3	0.3	(0.1)	(0.4)
Humana Gain Share	10.5	6.0	1.6	0.9
Retired Reemployed Healthcare	5.2	3.6	1.5	1.2
Health Insurance Contributions	14.7	12.6	3.7	2.9
Net Investment Income	58.6	51.0	27.2	25.4
Total Inflows	91.8	145.8	49.0	64.1
Healthcare Premiums	88.1	100.5	73.8	70.2
Administrative Expenses	0.7	0.7	0.4	0.4
Total Outflows	88.8	101.2	74.2	70.6
NET Contributions	3.0	44.6	(25.2)	(6.5)
Realized Gain/(Loss)	54.0	(10.2)	27.9	(3.9)
Unrealized Gain/(Loss)	221.8	161.9	105.6	76.7
Change in Net Position	278.8	196.3	108.3	66.3
Beginning of Period	3,289.5	2,981.2	1,613.6	1,504.0
End of Period	\$3,568.3	\$3,177.5	\$1,721.9	\$1,570.3

Differences due to rounding.

Net Contributions*	\$(55.6)	\$(6.4)	\$(52.4)	\$(31.9)
Cash Flow as % of Assets	(1.56)%	(0.20)%	(3.04)%	(2.03)%
Net Investment Income	\$58.6	\$51.0	\$27.2	\$25.4
Yield as % of Assets	1.64%	1.61%	1.58%	1.62%

*Net Contributions are less Net Investment Income.

KPPA ADMINISTRATIVE BUDGET FY 2023-2024 BUDGET-TO-ACTUAL SUMMARY ANALYSIS FOR THE NINE MONTHS ENDING MARCH 31, 2024, WITH COMPARATIVE TOTALS FOR THE NINE MONTHS ENDING MARCH 31, 2023						
CATEGORY	BUDGETED	FY 2024 EXPENSE	REMAINING	PERCENT REMAINING	FY 2023 EXPENSE	PERCENT DIFFERENCE
PERSONNEL	\$34,520,287	\$25,858,602	\$8,661,685	25.09%	\$24,538,797	5.38%
LEGAL CONTRACTS	1,210,000	779,620	430,380	35.57%	497,036	56.85%
AUDITING	300,000	214,821	85,179	28.39%	100,479	113.80%
ACTUARIAL SERVICES	500,000	321,537	178,463	35.69%	252,280	27.45%
MEDICAL REVIEWERS	1,800,000	1,009,685	790,315	43.91%	961,379	5.02%
OTHER PERSONNEL	500,000	185,406	314,594	62.92%	47,298	292.00%
PERSONNEL TOTAL	\$38,830,287	\$28,369,671	\$10,460,616	26.94%	\$26,397,268	7.47%
RENTALS - BUILDING & EQUIPMENT	1,166,500	787,587	378,913	32.48%	825,668	(4.61)%
INFORMATION TECHNOLOGY	4,190,000	2,160,976	2,029,024	48.43%	1,669,003	29.48%
OTHER OPERATIONAL	1,371,200	862,754	508,446	37.08%	788,248	9.45%
OPERATIONAL TOTAL	\$6,727,700	\$3,811,317	\$2,916,383	43.35%	\$3,282,919	16.10%
RESERVE	4,882,813	-	4,882,813	100.00%	-	0.00%
ADMINISTRATIVE BUDGETED AMOUNT	\$50,440,800	\$32,180,988	\$18,259,812	36.20%	\$29,680,187	8.43%

Administrative Budget Summary Notes	
PERSONNEL (Staffing):	<p>We have spent nearly \$26M (25.858M), which is 74.91% of the budget, leaving 25.09% left in the 4th Quarter.</p> <p>The Hearing Officers line item has exceeded its annual budget (as of March) by \$33k. This is due to increased pay rate and efforts to clear our backlog of cases.</p> <p>The FBT Line item has also exceeded its annual amount by \$65k, due to an increase in activity related to on-going cases.</p> <p>However, other legal line items remain underbudget, including SKO, Reinhart, and Ice Miller. Leaving the overall Legal category with \$430k left to spend (or 36%), and we anticipate this overall sub-category remaining underbudget overall for the year.</p>
LEGAL	
AUDITING	<p>The final APA invoice was received in May (for \$19,425). So, for the year the Auditing line item should be \$235K (which is \$65k under budget).</p>
ACTUARIAL, MEDICAL, AND OTHER	<p>All other personnel categories and line items all have more than 25% Capacity left, bringing the total Personnel category to \$28.3M for the 9 months ended March 31, 2024, with 26.94% left to spend. Overall, this is 7.47% higher than the prior year driven by the salaries/wages line item.</p> <p>Is at \$3.8M with 43.35% of the budget left to spend, this is \$528k or 16.10% higher than prior year.</p>
OPERATIONAL TOTAL	<p>Postage is 53.47% or \$156k higher than prior year (and has exceeded its annual budget amount). This is due to the paperless project post card postage, as well as overall increase in postage rates.</p>

KPPA ADMINISTRATIVE BUDGET FY 2023-2024						
BUDGET-TO-ACTUAL ANALYSIS						
FOR THE NINE MONTHS ENDING MARCH 31, 2024, WITH COMPARATIVE TOTALS FOR THE NINE MONTHS ENDING MARCH 31, 2023						
Account Name	Budgeted	FY 2024 Expense	Remaining	Percent Remaining	FY 2023 Expense	Percent Difference
PERSONNEL						
Staff						
Salaries/Wages	\$17,900,000	\$13,638,615	\$4,261,385	23.81%	\$12,181,863	11.96%
Wages (Overtime)	285,000	196,292	88,708	31.13%	161,741	21.36%
Emp Paid FICA	1,294,772	991,048	303,724	23.46%	893,999	10.86%
Emp Paid Retirement	12,033,015	8,930,095	3,102,920	25.79%	9,300,601	(3.98)%
Emp Paid Health Ins	2,687,500	2,038,424	649,076	24.15%	1,757,627	15.98%
Emp Paid Sick Leave	250,000	40,221	209,779	83.91%	213,594	(81.17)%
Adoption Assistance Benefit	10,000	-	10,000	100.00%	-	0.00%
Escrow for Admin Fees	-	(1,000)	1,000	(100.00)%	-	(100.00)%
Workers Compensation	12,000	11,116	884	7.36%	11,116	0.00%
Unemployment	10,000	3,339	6,661	66.61%	8,009	0.00%
Emp Paid Life Ins	3,000	2,261	739	24.63%	2,205	2.54%
Employee Training	25,000	8,191	16,809	67.23%	8,041	1.87%
Tuition Assistance	10,000	-	10,000	100.00%	-	0.00%
Bonds	-	-	-	0.00%	-	0.00%
Staff Subtotal	34,520,287	25,858,602	8,661,685	25.09%	24,538,796	5.38%
LEGAL & AUDITING SERVICES						
Legal Hearing Officers	150,000	182,706	(32,706)	(21.80)%	129,545	41.04%
Legal (Stoll, Keenon)	250,000	8,201	241,799	96.72%	51,775	(84.16)%
Frost Brown	300,000	364,810	(64,810)	(21.60)%	113,219	222.22%
Reinhart	50,000	-	50,000	100.00%	-	0.00%
Ice Miller	300,000	164,670	135,331	45.11%	91,866	79.25%
Johnson, Bowman, Branco LLC	100,000	55,788	44,212	44.21%	76,195	(26.78)%
Dentons Bingham & Greenebaum	50,000	3,445	46,555	93.11%	34,136	(89.91)%
Legal Expense	10,000	-	10,000	100.00%	23	(100.00)%
Auditing	300,000	214,821	85,179	28.39%	100,479	113.80%
Total Legal & Auditing Services	1,510,000	994,442	515,558	34.14%	597,238	66.51%
CONSULTING SERVICES						
Medical Reviewers	1,800,000	1,010,185	789,815	43.88%	990,245	2.01%
Escrow for Actuary Fees	-	(500)	500	(100.00)%	(28,866)	0.00%
Total Consulting Services	1,800,000	1,009,685	790,315	43.91%	961,379	5.02%
CONTRACTUAL SERVICES						
Miscellaneous Contracts	390,000	157,870	232,130	59.52%	19,295	718.19%
Human Resources Consulting	10,000	-	10,000	100.00%	-	0.00%
Actuarial Services	500,000	321,537	178,463	35.69%	252,280	27.45%
Facility Security Charges	100,000	27,536	72,464	72.46%	28,003	(1.67)%
Contractual Subtotal	1,000,000	506,942	493,058	49.31%	299,578	69.22%
PERSONNEL SUBTOTAL	\$38,830,287	\$28,369,671	\$10,460,616	26.94%	\$26,397,268	7.47%
OPERATIONAL						
Natural Gas	42,000	21,555	20,445	48.68%	28,796	(25.15)%
Electric	133,000	83,797	49,203	37.00%	85,321	(1.79)%
Rent-Non State Building	56,000	-	56,000	100.00%	37,982	(100.00)%
Building Rental - PPW	1,000,000	721,477	278,523	27.85%	721,573	(0.01)%
Copier Rental	105,000	62,701	42,299	40.28%	62,939	(0.38)%
Rental Carpool	5,500	3,409	2,091	38.01%	3,174	7.40%
Vehicle/Equip. Maint.	1,000	-	1,000	100.00%	-	0.00%
Postage	420,000	450,123	(30,123)	(7.17)%	293,304	53.47%
Freight	200	-	200	100.00%	41	(100.00)%
Printing (State)	15,000	200	14,800	98.67%	995	(79.90)%
Printing (non-state)	85,000	26,523	58,477	68.80%	50,640	(47.62)%
Insurance	10,000	5,090	4,910	49.10%	5,572	(8.65)%
Garbage Collection	6,500	5,037	1,463	22.50%	4,512	11.64%
Conference Expense	45,000	25,851	19,149	42.55%	10,868	137.86%
Conference Exp. Investment	2,000	-	2,000	0.00%	64	(100.00)%
Conference Exp. Audit	3,000	-	3,000	100.00%	-	0.00%

KPPA ADMINISTRATIVE BUDGET 2023-24						
BUDGET-TO-ACTUAL ANALYSIS						
FOR THE NINE MONTHS ENDING MARCH 31, 2024, WITH COMPARATIVE TOTALS FOR THE NINE MONTHS ENDING MARCH 31, 2023						
Account Name	Budgeted	FY 2024 Expense	Remaining	Percent Remaining	FY 2023 Expense	Percent Difference
MARS Usage	50,000	20,325	29,675	59.35%	20,325	0.00%
COVID-19 Expenses	-	-	-	0.00%	2,421	0.00%
Office Supplies	100,000	29,719	70,281	70.28%	71,446	(58.40)%
Furniture & Office Equipment	12,000	-	12,000	100.00%	204	(100.00)%
Travel (In-State)	15,000	9,380	5,620	37.47%	10,305	(8.98)%
Travel (In-State) Investment	1,000	-	1,000	100.00%	41	0.00%
Travel (In-State) Audit	500	-	500	100.00%	-	0.00%
Travel (Out of State)	79,000	32,019	46,981	59.47%	33,197	(3.55)%
Travel (Out of State) Investment	135,000	14,535	120,465	89.23%	10,578	37.41%
Travel (Out of State) Audit	1,000	-	1,000	100.00%	1,077	(100.00)%
Dues & Subscriptions	69,000	44,857	24,143	34.99%	49,607	(9.58)%
Dues & Subscriptions Invest	15,000	14,321	679	4.53%	11,542	24.08%
Dues & Subscriptions Audit	1,000	380	620	62.00%	400	(5.00)%
Miscellaneous	55,000	17,571	37,430	68.05%	43,344	(59.46)%
Miscellaneous Investment	-	90	(90)	0.00%	-	100.00%
Miscellaneous Audit	-	-	-	0.00%	-	0.00%
COT Charges	40,000	12,195	27,805	69.51%	14,435	(15.52)%
Telephone - Wireless	8,500	6,308	2,192	25.79%	5,143	22.65%
Telephone - Other	105,500	68,150	37,350	35.40%	74,975	(9.10)%
Telephone - Video Conference	11,000	7,249	3,751	34.10%	-	100.00%
Computer Equip./Software	4,080,000	2,128,456	1,951,544	47.83%	1,609,836	32.22%
Comp. Equip./Software Invest	-	-	-	0.00%	-	0.00%
Comp. Equip./Software Audit	20,000	-	20,000	100.00%	24,407	(100.00)%
OPERATIONAL SUBTOTAL	\$6,727,700	\$3,811,317	\$2,916,383	43.35%	\$3,282,919	16.10%
SUB-TOTAL	\$45,557,987	\$32,180,988	\$13,376,999	29.36%	\$29,680,187	8.43%
Reserve	4,882,813	-	4,882,813	100.00%	-	0.00%
TOTAL	\$50,440,800	\$32,180,988	\$18,259,812	36.20%	\$29,680,187	8.43%

Differences due to rounding

Plan	Budgeted	FY 2024 Expense	% of Total KPPA FY 2024 Expense
CERS Nonhazardous	\$29,825,645	\$19,028,618	59.13%
CERS Hazardous	2,627,966	1,676,629	5.21%
KERS Nonhazardous	15,855,561	10,115,772	31.434%
KERS Hazardous	1,774,003	1,131,805	3.517%
SPRS	357,625	228,163	0.709%
TOTAL	\$50,440,800	\$32,180,988	

**JP MORGAN CHASE CREDIT EARNINGS AND FEES
FOR THE FISCAL YEAR ENDING JUNE 30, 2024**

	Earnings	Fees	Net Earnings
July-23	\$3,297	\$(7,049)	\$(3,751)
August-23	4,612	(7,230)	(2,618)
September-23	26,588	(8,157)	18,432
October-23	-	(7,228)	(7,228)
November-23	-	(7,672)	(7,672)
December-23	-	(7,498)	(7,498)
January-24	-	(7,999)	(7,999)
February-24	-	(6,897)	(6,897)
March-24	-	(12,518)	(12,518)
Total	\$34,498	\$(72,248)	\$(37,750)

**JP MORGAN CHASE HARD INTEREST EARNED
FOR THE FISCAL YEAR ENDING JUNE 30, 2024**

	Clearing Account	CERS	KERS	SPRS	Total
July-23	\$36,566	\$6,578	\$5,007	\$-	\$48,151
August-23	36,787	9,041	6,066	-	51,894
September-23	44,123	10,919	7,794	-	62,836
October-23	20,461	16,034	15,960	260	52,715
November-23	36,941	19,518	11,393	356	68,209
December-23	28,937	19,758	11,661	262	60,618
January-24	28,423	27,976	14,574	244	71,217
February-24	29,268	24,398	14,391	238	68,295
March-24	41,147	44,619	31,420	1,525	118,711
Total	\$203,816	\$178,842	\$118,266	\$2,886	\$602,647



CERS Outstanding Invoices by Type and Employer

Invoice Type	3/31/2024	12/31/2023	Change H/(L)
Averaging Refund to Employer	\$(406,008)	\$(306,988)	32%
Employer Free Military and Decompression Service	-	-	0%
Member Pension Spiking Refund	(21,542)	(18,336)	17%
Monthly Reporting Invoice	471,961	164,075	188%
Penalty – Monthly Reporting	250,100	212,100	18%
Reinstatement	175,292	175,292	0%
Other Invoices**	5,442	7,800	-30%
Total	475,245	233,944	
Health Insurance Reimbursement	405,387	330,394	23%
Omitted Employer	1,351,608	1,158,682	17%
Employer Pension Spiking*	1,364,775	1,333,858	2%
Standard Sick Leave	56,983	146,807	(61)%
Total	3,178,752	2,969,741	7%
Grand Total	\$3,653,997	\$3,203,685	14%

*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.

**Other Invoices include Expense Allowance; Expired Post Pending; IPS Employer Refund; Penalty EOY Reporting; Personnel Adjustment; and, Refunded Member Contributions Due.

Employer Name (Top Ten)	3/31/2024	12/31/2023	Change H/(L)
Kentucky River Regional Jail***	\$893,893	\$893,893	0%
City of Covington***	414,171	409,956	1%
Kenton County Airport Board***	406,945	399,567	2%
City of Fort Thomas***	270,335	265,350	2%
TARC Transit Authority of River City	240,404	217,658	10%
Livingston County Fiscal Court***	228,567	228,567	0%
City of Taylor Mill	141,442	135,641	4%
Audubon Area Community Services	129,436	(2,262)	(5821)%
City of Jeffersontown	119,641	117,425	2%
City of Winchester	\$117,255	\$98,537	19%

***Indicates invoices turned over to Legal for further action

	Total Unpaid Balance	Invoice Count
CERS	\$2,202,425	1,508
CERH	1,451,572	176
Grand Total:	\$3,653,997	1,684

CERS Finance Committee Meeting - Fiscal Year Financial Reports



County Employees Retirement System
Penalty Invoices Report
From: 1/1/2024 To: 3/31/2024

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Comments
\$1,000	\$-	\$-	3/26/2024	3/19/2023	CANC	Cities	New Employer Reporting Official
1,000	-	-	3/26/2024	6/21/2023	CANC	Cities	New Employer Reporting Official
1,000	-	-	1/12/2024	1/12/2024	CANC	Conservation Districts	No Participating Employees
1,000	-	-	3/19/2024	2/2/2024	CANC	County Attorneys	New Employer Reporting Official
1,000	-	-	3/12/2024	2/3/2024	CANC	County Attorneys	Employer in good standing with KPPA
1,000	-	-	3/26/2024	2/7/2024	CANC	Cities	New Employer Reporting Official
1,000	-	-	3/26/2024	2/7/2024	CANC	Cities	New Employer Reporting Official
1,000	-	-	3/26/2024	2/7/2024	CANC	Cities	New Employer Reporting Official
1,000	-	-	1/19/2024	2/17/2024	CANC	Cities	KPPA system issue
Total	\$9,000	\$-					
\$1,000	\$1,000	\$-	1/4/2024	2/3/2024	CRTD	Fiscal Courts	
1,000	1,000	-	1/8/2024	2/7/2024	CRTD	Cities	
1,000	1,000	-	1/8/2024	2/7/2024	CRTD	Cities	
1,000	1,000	-	1/8/2024	2/7/2024	CRTD	Cities	
1,000	1,000	-	1/9/2024	2/8/2024	CRTD	Cities	
1,000	1,000	-	1/10/2024	2/9/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/10/2024	2/9/2024	CRTD	Utility Boards	
1,000	1,000	-	1/17/2024	2/16/2024	CRTD	Fiscal Courts	
1,000	1,000	\$-	1/17/2024	2/16/2024	CRTD	Cities	
1,000	1,000	-	1/18/2024	2/17/2024	CRTD	Fiscal Courts	
1,000	1,000	-	1/18/2024	2/17/2024	CRTD	Libraries	
1,000	1,000	-	1/19/2024	2/18/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/24/2024	2/23/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/24/2024	2/23/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/24/2024	2/23/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/25/2024	2/24/2024	CRTD	Ambulance Services	
1,000	1,000	\$-	1/25/2024	2/24/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/25/2024	2/24/2024	CRTD	Ambulance Services	
1,000	1,000	-	1/25/2024	2/24/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/8/2024	3/9/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/15/2024	3/16/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/15/2024	3/16/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/15/2024	3/16/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/16/2024	3/17/2024	CRTD	Conservation Districts	

CERS Finance Committee Meeting - Fiscal Year Financial Reports



**County Employees Retirement System
Penalty Invoices Report
From: 1/1/2024 To: 3/31/2024**

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Comments
\$1,000	\$1,000	\$-	2/19/2024	3/20/2024	CRTD	Housing Authorities	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/19/2024	3/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	2/22/2024	3/23/2024	CRTD	Cities	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Libraries	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/1/2024	3/31/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/11/2024	4/10/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/11/2024	4/10/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/11/2024	4/10/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/11/2024	4/10/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/11/2024	4/10/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/12/2024	4/11/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/12/2024	4/11/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/13/2024	4/12/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/18/2024	4/17/2024	CRTD	Cities	
1,000	1,000	-	3/21/2024	4/20/2024	CRTD	County Attorneys	
1,000	1,000	-	3/21/2024	4/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/21/2024	4/20/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/22/2024	4/21/2024	CRTD	Ambulance Services	
1,000	1,000	-	3/26/2024	4/25/2024	CRTD	Cities	
1,000	1,000	-	3/27/2024	4/26/2024	CRTD	Fiscal Courts	
1,000	1,000	-	3/29/2024	4/28/2024	CRTD	Fiscal Courts	
Total	\$56,000	\$56,000	\$-				
\$1,000	\$-	\$-	1/4/2024	2/4/2021	PAID	Utility Boards	
1,000	-	-	1/4/2024	10/13/2023	PAID	Utility Boards	

CERS Finance Committee Meeting - Fiscal Year Financial Reports



County Employees Retirement System
Penalty Invoices Report
From: 1/1/2024 To: 3/31/2024

Note: Delinquent Interest amounts are included in the totals for the invoice

Invoice Amount	Invoice Remaining Balance	Delinquent Interest	Invoice Status Date	Invoice Due Date	Invoice Status	Employer Classification	Comments
1,000	-	-	1/4/2024	10/13/2023	PAID	Utility Boards	
1,000	-	-	1/4/2024	10/13/2023	PAID	Utility Boards	
1,000	-	-	1/4/2024	10/13/2023	PAID	Utility Boards	
1,000	-	-	1/4/2024	10/13/2023	PAID	Utility Boards	
1,000	-	-	1/4/2024	11/4/2023	PAID	Utility Boards	
1,000	-	-	2/7/2024	11/16/2023	PAID	Boards of Education	
1,000	-	-	2/5/2024	12/17/2023	PAID	Libraries	
1,000	-	-	3/13/2024	1/11/2024	PAID	Libraries	
1,000	-	-	3/13/2024	1/11/2024	PAID	Libraries	
1,000	-	-	3/13/2024	1/11/2024	PAID	Libraries	
1,000	-	-	1/8/2024	1/11/2024	PAID	Cities	
1,000	-	-	1/22/2024	1/17/2024	PAID	Boards of Education	
1,000	-	-	1/10/2024	1/17/2024	PAID	Utility Boards	
1,000	-	-	1/22/2024	1/17/2024	PAID	Boards of Education	
1,000	-	-	1/18/2024	1/18/2024	PAID	Fiscal Courts	
1,000	-	-	3/13/2024	1/19/2024	PAID	Libraries	
1,000	-	-	1/18/2024	1/26/2024	PAID	Fiscal Courts	
1,000	-	-	3/26/2024	2/1/2024	PAID	Cities	
1,000	-	-	1/9/2024	2/3/2024	PAID	Area Development Districts	
1,000	-	-	2/14/2024	2/16/2024	PAID	Fiscal Courts	
1,000	-	-	2/22/2024	2/17/2024	PAID	Fiscal Courts	
1,000	-	-	3/27/2024	2/17/2024	PAID	Fiscal Courts	
1,000	-	-	2/16/2024	2/21/2024	PAID	Boards of Education	
1,000	-	-	3/13/2024	3/2/2024	PAID	Libraries	
1,000	-	-	2/9/2024	3/3/2024	PAID	Ambulance Services	
1,000	-	-	3/5/2024	3/17/2024	PAID	Boards of Education	
1,000	-	-	3/8/2024	3/17/2024	PAID	Ambulance Services	
1,000	-	-	3/27/2024	3/17/2024	PAID	Boards of Education	
1,000	-	-	3/27/2024	3/17/2024	PAID	Boards of Education	
1,000	-	-	3/11/2024	3/20/2024	PAID	Parks and Recreation	
1,000	-	-	3/29/2024	3/23/2024	PAID	Fiscal Courts	
1,000	-	-	3/13/2024	3/30/2024	PAID	Cities	
1,000	-	-	3/26/2024	3/30/2024	PAID	Cities	
Total	\$35,000	\$-	\$-				

Notes: Invoice Status: CANC -Cancelled; CRTD - Created; 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: May 13, 2024

Subject: Hazardous Position Classification

AGENCIES ARE REQUESTING HAZARDOUS DUTY COVERAGE FOR THE FOLLOWING POSITIONS:

<u>Agency</u>	<u>Position</u>	<u>Effective Date</u>
City of Lawrenceburg	Assistant Chief of Police	2/1/2024
Barren/Metcalfe County Ambulance Service	Manager – Operations (Paramedic)	3/1/2023
Barren/Metcalfe County Ambulance Service	Paramedic Shift Supervisor	1/1/2020
Boone County Fiscal Court	Senior Deputy Director	6/1/2024
Shelby County Fiscal Court	Sergeant/Paramedic	3/1/2024
City of Smiths Grove	Chief of Police	7/1/2021
City of Smiths Grove	Police Officer	1/1/2024
City of Smiths Grove	Deputy Chief	1/1/2024
City of Smiths Grove	Sergeant	

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.

County Employees Retirement System

Investment Budget Update

Quarter Ending: March 31, 2024

KENTUCKY PUBLIC PENSIONS AUTHORITY									
Investment Budget									
For the nine month period ending March 31, 2024									
Account Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Trust Budget FY 2024	FY24 Expenditures	Remaining	Percentage Spent
CONSULTING SERVICES									
Wilshire Associates	\$ 1,021,799	\$ 1,238,170	\$ 1,225,671	\$ 1,021,175	\$ 838,172	\$ 1,200,000	\$ 847,085	\$ 352,915	71%
Albourne	-	-	-	-	306,750	275,000	202,500	72,500	74%
MercerInsight	-	-	-	-	153,548	165,000	120,000	45,000	73%
SUBTOTAL	1,021,799	1,238,170	1,225,671	1,021,175	1,298,471	1,640,000	1,169,585	470,415	71%
LEGAL & AUDITING SERVICES									
Faegre Drinker			96,039	202,502	16,428	100,000	9,313	90,687	9%
Intelligent Management Solutions (IMS)	620,001	202,140	155,700	69,884	81,880	350,000	2,179	347,822	1%
McClain/Goldberg			891	-	-	100,000	-	100,000	0%
Reinhart	317,909	671,269	663,689	619,509	109,508	2,500,000	137,068	2,362,932	5%
Stoll-Keenon-Ogden	10,314	135,353	254,211	463,560	750,438	750,000	104,343	645,657	14%
Haystack			-	-	120,175	100,000	153,456	(53,456)	153%
Umberg Zipser			289,100	498,058	606,701	850,000	529,812	320,188	62%
Fiduciary Legal Expenses	-	-	-	-	188,312	150,000	193,841	(43,841)	129%
Miscellaneous			-	-	-	50,000	3,160	46,840	6%
SUBTOTAL	948,225	1,008,762	1,459,630	1,853,513	1,873,441	4,950,000	1,133,171	3,816,829	23%
CONTRACTURAL SERVICES									
Bloomberg	68,722	71,810	98,163	102,243	104,153	150,000	82,626	67,374	55%
BNYM Custodial Fees	2,056,390	2,088,475	2,379,838	2,565,169	2,333,981	2,600,000	1,296,582	1,303,418	50%
eVestment (Solovis RMS)			-	30,000	33,800	35,000	-	35,000	0%
Solovis (Reporting & Analytics)			-	245,000	266,017	275,000	306,319	(31,319)	111%
FactSet	222,476	162,295	109,662	140,098	146,411	150,000	97,506	52,494	65%
Russell Index Subscription	1,075	1,250	1,000	1,000	750	1,500	750	750	50%
S&P Global		94,500	26,250	68,250	27,563	75,000	-	75,000	0%
TradeWeb			-	6,000	7,700	7,500	2,800	4,700	37%
State Street/Elkins McSherry	10,000	5,000	15,000	10,000	10,000	10,000	-	10,000	0%
ISS	32,050	32,050	28,288	35,813	39,875	60,000	47,156	12,844	79%
MSCI	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	100%
KPMG Tax Guarantor Services		7,606	22,050	7,350	-	7,500	9,450	(1,950)	126%
Jayant Ghevaria and CO		10,050	-	52,085	-	55,000	-	55,000	0%
India Renewal Fee (SEBI)			-	3,000	-	3,000	2,950	50	98%
With Intelligence	-	-	-	-	9,520	9,520	9,520	-	100%
Miscellaneous & New Services	-	-	-	-	-	250,000	35,253	214,747	14%
SUBTOTAL	2,391,713	2,474,036	2,681,251	3,267,008	2,980,769	3,690,020	1,891,913	1,798,107	51%

KENTUCKY PUBLIC PENSIONS AUTHORITY									
Investment Budget									
For the nine month period ending March 31, 2024									
Account Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Trust Budget FY 2024	FY24 Expenditures	Remaining	Percentage Spent
INACTIVE CONTRACTURAL SERVICES									
Dean Dorton	9,719		-	-	250	-	-	-	
Hirschler		4,794	-	-		-	-	-	
INFORMA	12,904		-	-		-	-	-	
Lighthouse Solutions	3,093		-	-		-	-	-	
London Stock Exchange GBP (GREAT BRITISH POUNDS)	6,467	3,544	-	-		-	-	-	
Deutsche Bank Trust	3,000		3,000	-		-	-	-	
Morris James LLP	94,192	20,154	-	-		-	-	-	
Calcaterra Pollack			1,200,000	-		-	-	-	
Manatt		90,798	30,757	-		-	-	-	
ORG	162,344		-	-		-	-	-	
SUBTOTAL	291,718	119,290	1,233,757	-	250	-		-	
TOTAL	\$ 4,653,455	\$ 4,840,258	\$ 6,600,309	\$ 6,141,696	\$ 6,152,931	\$ 10,280,020	4,194,669	6,085,350.87	41%

CERS Finance Committee Meeting - Other Financial Updates - Investment Trust Budget

INVESTMENT BUDGET	
CONSULTING SERVICES	
Wilshire Associates	General Investment Consulting Services, Manager Research and Due Dilligence, Reporting, Asset Allocation
Albourne	Investment Consultant Research database - Private Markets Manager Research, Private Markets Research, Pension Markets Research
MercerInsight	Investment Consultant Research database - Public Markets Manager Research, Public Markets Research, Pension Markets Research
LEGAL & AUDITING SERVICES	
Faegre Drinker	Delaware litigation counsel
Intelligent Management Solutions (IMS)	IMS is an expert witness in the Bay Hills case.
McClain/Goldberg	Blackstone litigation counsel for the Trustees and Officers
Reinhart	Bay Hills counsel and investment counsel for contract negotiations
Stoll-Keenon-Ogden	Mayberry counsel
Haystack	Conduct Mayberry eDiscovery
Umberg Zipser	PAAMCO-Prisma (California litigation)
Frost Brown Todd	Currently has no investment-related cases
Swansburg & Smith	Reimbursement of Fiduciary Legal Expenses (KKR)
Eddins Domine	Reimbursement of Fiduciary Legal Expenses (KKR)
Taft	Reimbursement of Fiduciary Legal Expenses (Calcaterra Pollack)
CONTRACTURAL SERVICES	
Bloomberg	Bloomberg Professional Services, Data Analytics and Tools, Market Information and News, Research Portal
BNYM Custodial Fees	Full Service Custodial Services, Investment Accounting, Investment Operations, Transaction Services, Performance and Attribution, Reporting
eVestment (Solovis RMS)	Research Management Program organizing internal and external research
Solovis (Reporting & Analytics)	Portfolio and Risk Analytics, Performance Measurement and Attribution, Reporting
FactSet	Workstation and Quant/Risk Applications for managing Public Equity Portfolios
Russell Index Subscription	Access to Russell Indexes for Portfolio Management, Reporting and Performance
S&P Global	Data on the S & P US Index / License to 10,000 Identifiers for Portfolio Management, Reporting and Performance
TradeWeb	Electronic Trading Platform for Internal Management
State Street/Elkins McSherry	Public Equity Trade Cost Analysis
ISS	Portfolio Monitoring and Proxy Voting Services
MSCI	International Public Equity Data Package
KPMG Tax Guarantor Services	Tax Accounting Services - Taiwan
Jayant Ghevaria and CO	Tax Accounting Services - India
India Renewal Fee (SEBI)	Registration of India Local Market Accounts
Oxford Economics	Global macroeconomics and markets research
With Intelligence	Portfolio Management Research provider

KENTUCKY PUBLIC PENSIONS AUTHORITY								
Investment Fees and Expenses								
For the nine month periods ending March 31st								
Pension								
	2024		2023		2022		2021	
	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value
Core Fixed Income	1,436,262	2,544,276,747	1,961,961	2,021,010,684	2,153,340	2,131,886,569	2,031,618	2,263,311,450
<i>Investment Advisory Fees</i>	1,405,456		1,081,599		1,773,298		1,902,240	
<i>Performance Fees</i>	-		313,985		327,140		81,121	
<i>Miscellaneous Fees and Expenses</i>	30,806		566,378		52,902		48,257	
Public Equity	10,500,632	8,817,430,444	9,871,250	7,364,652,759	10,884,478	6,939,548,432	9,171,752	6,619,150,686
<i>Investment Advisory Fees</i>	10,324,571		9,712,159		10,658,036		8,995,110	
<i>Miscellaneous Fees and Expenses</i>	176,062		159,091		226,442		176,642	
Specialty Credit Fixed Income	69,354,775	3,648,244,718	41,248,671	3,253,455,667	37,495,009	3,117,337,032	29,274,875	2,546,489,496
<i>Investment Advisory Fees</i>	14,434,211		14,472,381		12,988,501		11,228,203	
<i>Performance Fees</i>	25,547,564		8,869,883		18,829,074		15,246,975	
<i>Miscellaneous Fees and Expenses</i>	29,373,000		17,906,407		5,677,434		2,799,697	
Real Estate	4,564,242	968,171,717	4,469,109	929,393,252	25,637,587	844,241,655	5,303,814	589,400,002
<i>Investment Advisory Fees</i>	5,704,259		3,627,098		3,454,869		3,254,551	
<i>Performance Fees</i>	(4,779,365)		42,187		20,336,478		(907,044)	
<i>Miscellaneous Fees and Expenses</i>	3,639,348		799,825		1,846,240		2,956,307	
Real Return	2,848,101	924,917,847	3,159,066	460,465,548	3,848,329	568,603,601	6,282,116	1,011,388,853
<i>Investment Advisory Fees</i>	2,781,907		1,799,568		2,738,748		3,527,345	
<i>Performance Fees</i>	(193,100)		473,651		1,049,935		2,329,614	
<i>Miscellaneous Fees and Expenses</i>	259,294		885,848		59,646		425,157	
Private Equity	10,552,171	1,168,729,880	1,735,503	1,143,005,497	52,650,593	1,303,761,398	34,414,531	1,155,001,941
<i>Investment Advisory Fees</i>	4,288,725		5,111,920		5,375,037		6,202,846	
<i>Performance Fees</i>	2,729,542		(5,910,958)		44,069,198		26,932,151	
<i>Miscellaneous Fees and Expenses</i>	3,533,904		2,534,541		3,206,358		1,279,534	
Administrative Expense/Cash	3,275,020	534,190,997	2,349,103	980,437,717	3,087,180	1,088,261,843	1,932,601	285,262,649
Total Investment Mgmt Fees	102,531,203	18,605,962,349	64,794,664	16,152,421,124	135,756,516	15,993,640,530	88,411,307	14,470,005,077

KENTUCKY PUBLIC PENSIONS AUTHORITY								
Investment Fees and Expenses								
For the nine month periods ending March 31st								
Insurance								
	2024		2023		2022		2021	
	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value
Core Fixed Income	480,275	784,067,380	737,251	738,513,799	810,054	802,476,521	813,678	864,872,800
<i>Investment Advisory Fees</i>	469,632		612,135		673,659		766,735	
<i>Performance Fees</i>	-		112,040		117,337		28,448	
<i>Miscellaneous Fees and Expenses</i>	10,642		13,075		19,058		18,495	
Public Equity	4,806,899	3,941,379,593	4,563,134	3,377,277,074	4,821,293	3,215,837,276	4,102,906	2,988,294,144
<i>Investment Advisory Fees</i>	4,727,899		4,490,997		4,743,902		4,026,883	
<i>Miscellaneous Fees and Expenses</i>	78,999		72,137		77,391		76,023	
Specialty Credit Fixed Income	30,989,778	1,620,501,044	18,849,336	1,464,234,371	16,639,635	1,409,325,113	12,524,624	1,134,227,766
<i>Investment Advisory Fees</i>	6,250,818		6,424,488		5,791,524		5,087,579	
<i>Performance Fees</i>	11,723,264		4,582,063		8,397,118		6,349,014	
<i>Miscellaneous Fees and Expenses</i>	13,015,696		7,842,785		2,450,993		1,088,031	
Real Estate	2,259,264	434,538,136	2,029,870	392,477,821	10,607,357	356,747,650	2,331,407	249,384,483
<i>Investment Advisory Fees</i>	2,591,757		1,515,332		1,501,018		1,408,641	
<i>Performance Fees</i>	(1,892,121)		171,381		8,302,981		(290,973)	
<i>Miscellaneous Fees and Expenses</i>	1,559,628		343,157		803,358		1,213,739	
Real Return	1,292,405	367,246,753	1,402,993	177,947,842	1,672,090	219,995,987	2,465,100	427,472,422
<i>Investment Advisory Fees</i>	1,228,914		801,226		1,221,294		1,508,890	
<i>Performance Fees</i>	(72,537)		196,724		415,727		(139,583)	
<i>Miscellaneous Fees and Expenses</i>	136,029		405,042		35,069		1,095,793	
Private Equity	7,297,602	597,270,698	2,034,850	584,914,353	32,266,953	621,666,942	22,861,402	561,073,081
<i>Investment Advisory Fees</i>	2,686,334		3,350,796		3,739,853		4,149,597	
<i>Performance Fees</i>	2,417,277		(2,539,096)		27,332,502		18,202,847	
<i>Miscellaneous Fees and Expenses</i>	2,193,991		1,223,150		1,194,598		508,958	
Administrative Expense/Cash	1,683,584	115,745,443	1,225,286	236,662,657	1,564,044	505,485,795	1,219,907	140,405,157
Total Investment Mgmt Fees	\$ 48,809,807	\$ 7,860,749,046	\$ 30,842,720	\$ 6,972,027,917	\$ 68,381,426	\$ 7,131,535,284	\$ 46,319,024	\$ 6,365,729,853

KENTUCKY PUBLIC PENSIONS AUTHORITY				
Investment Fees and Expenses				
For the nine month period ending March 31, 2024				
Pension				
	CERS		CERS Hazardous	
	FYTD Fees	Market Value	FYTD Fees	Market Value
Core Fixed Income	578,878	916,025,852	202,425	322,441,145
<i>Investment Advisory Fees</i>	566,364		198,052	
<i>Performance Fees</i>	-		-	
<i>Miscellaneous Fees and Expenses</i>	12,514		4,373	
Public Equity	5,970,347	5,046,908,426	2,098,829	1,764,062,311
<i>Investment Advisory Fees</i>	5,871,110		2,064,547	
<i>Miscellaneous Fees and Expenses</i>	99,237		34,282	
Specialty Credit Fixed Income	38,661,090	1,879,449,560	12,959,072	647,665,580
<i>Investment Advisory Fees</i>	7,837,116		2,654,779	
<i>Performance Fees</i>	14,348,657		4,756,847	
<i>Miscellaneous Fees and Expenses</i>	16,475,317		5,547,446	
Real Estate	2,559,680	499,783,447	806,391	159,153,989
<i>Investment Advisory Fees</i>	3,197,024		1,008,017	
<i>Performance Fees</i>	(2,691,534)		(851,028)	
<i>Miscellaneous Fees and Expenses</i>	2,054,190		649,402	
Real Return	1,674,326	378,243,593	587,302	132,375,830
<i>Investment Advisory Fees</i>	1,646,040		575,438	
<i>Performance Fees</i>	165,933		(42,571)	
<i>Miscellaneous Fees and Expenses</i>	(137,647)		54,435	
Private Equity	6,383,991	643,086,458	2,173,693	228,253,308
<i>Investment Advisory Fees</i>	2,769,953		917,548	
<i>Performance Fees</i>	1,477,291		544,884	
<i>Miscellaneous Fees and Expenses</i>	2,136,747		711,261	
Administrative Expenses/Cash	1,896,126	154,857,231	593,005	100,749,017
Total Investment Mgmt Fees	57,724,438	9,518,354,567	19,420,717	3,354,701,180

KENTUCKY PUBLIC PENSIONS AUTHORITY				
Investment Fees and Expenses				
For the nine month period ending March 31, 2024				
Insurance				
	CERS		CERS Hazardous	
	FYTD Fees	Market Value	FYTD Fees	Market Value
Core Fixed Income	212,943	350,572,452	93,012	149,943,255
<i>Investment Advisory Fees</i>	208,229		90,951	
<i>Performance Fees</i>	-		-	
<i>Miscellaneous Fees and Expenses</i>	4,714		2,060	
Public Equity	2,217,025	1,902,577,349	1,097,524	904,646,815
<i>Investment Advisory Fees</i>	2,179,934		1,079,708	
<i>Miscellaneous Fees and Expenses</i>	37,090		17,816	
Specialty Credit Fixed Income	13,933,116	704,525,881	7,388,999	336,612,867
<i>Investment Advisory Fees</i>	2,781,577		1,406,567	
<i>Performance Fees</i>	5,262,099		2,854,254	
<i>Miscellaneous Fees and Expenses</i>	5,889,440		3,128,178	
Real Estate	1,007,287	181,208,694	552,519	99,432,462
<i>Investment Advisory Fees</i>	1,159,939		636,324	
<i>Performance Fees</i>	(868,881)		(476,803)	
<i>Miscellaneous Fees and Expenses</i>	716,228		392,998	
Real Return	599,407	125,273,413	285,862	61,153,002
<i>Investment Advisory Fees</i>	577,410		275,763	
<i>Performance Fees</i>	(39,471)		(22,926)	
<i>Miscellaneous Fees and Expenses</i>	61,468		33,025	
Private Equity	3,190,821	259,588,402	1,824,234	145,870,273
<i>Investment Advisory Fees</i>	1,250,335		699,723	
<i>Performance Fees</i>	939,321		566,798	
<i>Miscellaneous Fees and Expenses</i>	1,001,166		557,712	
Administrative Expenses/Cash	771,594	39,917,570	411,225	21,938,290
Total Investment Mgmt Fees	\$ 21,932,192	\$ 3,563,663,760	\$ 11,653,374	\$ 1,719,596,964