



**County Employees Retirement System  
Finance Committee - Regular Meeting  
November 16, 2023 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* - August 22, 2023</b>    | <b>Bill O'Mara</b>              |
| <b>6. Fiscal Year To Date Financial Reports</b>     | <b>Mike Lamb</b>                |
| <b>a. Fiscal Year to Date Financial Spreadsheet</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. New Agency Participation*</b>                 | <b>D'Juan Surratt</b>           |
| <b>9. Other Financial Updates</b>                   | <b>Steve Willer</b>             |
| <b>a. Investment Trust Budget</b>                   |                                 |
| <b>10. Adjourn</b>                                  | <b>Bill O'Mara</b>              |

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

**MINUTES OF MEETING  
COUNTY EMPLOYEES RETIREMENT SYSTEM  
FINANCE COMMITTEE MEETING  
AUGUST 22, 2023, AT 2:00 P.M., E.T.  
VIA LIVE VIDEO TELECONFERENCE**

At the meeting of the County Employees Retirement System Finance Committee held on August 22, 2023, the following members were present: William O'Mara (Chair), George Cheatham, and Jim Tony Fulkerson. Staff members present were David Eager, Michael Board, Victoria Hale, Ann Case, Jared Crawford, Michael Lamb, Connie Davis, Elizabeth Smith, D'Juan Surratt, Ashley Gabbard, Glenna Frasher and Katie Park. Others present included CERS CEO Ed Owens, III, and Eric Branco with Johnson Bowman Branco, LLP.

Mr. O'Mara called the meeting to order.

Mr. Branco read the Legal Public Statement.

Ms. Park called roll.

Ms. Park stated that one **Public Comment** (*Video 00:08:44 to 00:09:23*) was received from Coleman Dallas Cox and read it aloud to the CERS Finance Committee:

*Questions for the board members, where does the 40 dollars go that is taken out of my check each month because I failed to fill out the living well promise that KPPA failed to explain to me about?*

Mr. O'Mara stated that the comment would be deferred to the Joint Retiree Health Plan Committee and advised that a written response would be sent to Mr. Cox.

Mr. O'Mara introduced agenda item **Approval of Minutes – May 30, 2023** (*Video 00:09:24 to 00:09:52*). A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the minutes as presented. The motion passed unanimously.

Mr. O'Mara introduced agenda item **Fiscal Year Financial Reports** (*Video 00:09:53 to 00:37:49*). Mr. Lamb, Chief Financial Officer, reviewed the Combining Statement of Fiduciary Net Position

of the Pension Funds as of June 30, 2023. Next, Mr. Lamb briefly reviewed the Combining Statement of Changes in Fiduciary Net Position of the Pension Funds for the twelve-month period ending June 30, 2023, Combining Statement of Fiduciary Net Position of Insurance Funds as of June 30, 2023, and the Combining Statement of Changes in Fiduciary Net Position of Insurance Funds for the twelve-month period ending June 30, 2023, with the CERS Finance Committee. Mr. Lamb went on to present the CERS Pension and Insurance Funds Contribution Reports for the twelve-month period ending June 30, 2023. Lastly, he briefly presented the FY 2022-2023 KPPA Administrative Budget and Budget-to-Actual Analysis for the fiscal year ending June 30, 2023. Separation/plan-specific expenses allocated based on the hybrid-percentage were highlighted by Mr. Lamb. Mr. Lamb reviewed the JP Morgan Chase Earnings and Fees and Hard Interest Earned for the fiscal year ending June 30, 2023. Lastly, the CERS Outstanding Invoices by Type and Employer and Penalty Invoices Reports were presented to the CERS Finance Committee.

Mr. O'Mara introduced agenda item ***Hazardous Duty Requests and Agency Participation*** (Video 00:37:50 to 00:40:20). Mr. D'Juan Surratt presented twenty-seven police, fire and EMT positions requesting Hazardous Duty coverage. He stated that KPPA has reviewed the positions and determined that they meet the statutory guidelines for Hazardous Duty coverage. 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.

Additionally, Mr. Surratt stated that two (2) new agencies are electing to participate with the County Employees Retirement System under non-hazardous coverage. KPPA Staff recommended approval of the participation of the Reid Village Water District and City of Hanson, as they have satisfactorily completed their trial participation period. Mr. Fulkerson made a motion to approve the participation of the Reid Village Water District and City of Hanson as presented and forward to the CERS Board of Trustees for ratification. Mr. Cheatham seconded the motion and the motion passed unanimously.

Mr. O'Mara introduced agenda item ***Other Financial Updates*** (Video 00:40:21 to 00:42:57). Mr. Lamb briefly reviewed the Investment Trust Budget on behalf of, KPPA Chief Investment Officer Steve Willer, with the Committee.

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

Copies of all documents presented are incorporated as part of the Minutes of the CERS Finance Committee meeting held August 22, 2023, except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

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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.

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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 August 22, 2023, were approved on November 16, 2023.

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Chair of the CERS Finance Committee

I have reviewed the Minutes of the August 22, 2023, 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 September 30, 2023, with Comparative Totals as of September 30, 2022 (\$ in Thousands) (Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
<b>CASH AND SHORT-TERM INVESTMENTS</b>						
Cash Deposits	\$1,766	\$513	\$2,280	\$271	740.48%	1
Short-term Investments	300,399	150,395	450,793	271,743	65.89%	2
<b>Total Cash and Short-term Investments</b>	<b>302,165</b>	<b>150,908</b>	<b>453,073</b>	<b>272,014</b>	<b>66.56%</b>	
<b>RECEIVABLES</b>						
Accounts Receivable	68,950	27,303	96,253	152,881	(37.04)%	3
Accounts Receivable - Investments	77,132	26,353	103,485	83,224	24.35%	4
<b>Total Receivables</b>	<b>146,082</b>	<b>53,656</b>	<b>199,738</b>	<b>236,105</b>	<b>(15.40)%</b>	
<b>INVESTMENTS, AT FAIR VALUE</b>						
Core Fixed Income	871,658	302,359	1,174,017	1,204,258	(2.51)%	
Public Equities	4,131,029	1,446,301	5,577,331	4,640,762	20.18%	5
Private Equities	700,524	233,962	934,486	947,830	(1.41)%	
Specialty Credit	1,741,316	599,250	2,340,566	2,271,897	3.02%	
Derivatives	(128)	(41)	(168)	(5,017)	96.64%	6
Real Return	285,153	95,701	380,855	324,390	17.41%	7
Real Estate	532,146	169,352	701,498	664,215	5.61%	
<b>Total Investments, at Fair Value</b>	<b>8,261,698</b>	<b>2,846,885</b>	<b>11,108,583</b>	<b>10,048,335</b>	<b>10.55%</b>	
Securities Lending Collateral Invested	193,059	67,379	260,438	403,560	(35.46)%	8
<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	(9,961)	(827)	(10,788)	(10,664)	1.16%	
<b>Total Capital Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124</b>	<b>(100.00)%</b>	
<b>Total Assets</b>	<b>8,903,004</b>	<b>3,118,828</b>	<b>12,021,832</b>	<b>10,960,138</b>	<b>9.69%</b>	
<b>LIABILITIES</b>						
Accounts Payable	5,643	1,149	6,792	5,093	33.35%	9
Investment Accounts Payable	91,629	31,948	123,578	97,583	26.64%	10
Securities Lending Collateral	193,059	67,379	260,438	403,560	(35.46)%	11
<b>Total Liabilities</b>	<b>290,331</b>	<b>100,477</b>	<b>390,808</b>	<b>506,236</b>	<b>(22.80)%</b>	
<b>Total Fiduciary Net Position Restricted for Pension Benefits</b>	<b>\$8,612,673</b>	<b>\$3,018,351</b>	<b>\$11,631,024</b>	<b>\$10,453,901</b>	<b>11.26%</b>	

**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 primarily due to the 06/30/2022 CERS and CERH pension/insurance split correction that was carried as a receivable into FY 2023.
- 4) The variance in Investment Accounts Receivable is due to pending trades.
- 5) The increase in Public Equities is the result of additional contributions to the public equity asset class.
- 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 favorable market conditions as well as additional funding.
- 8) The variance is a result of the demand of the Securities Lending Program.
- 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.
- 11) The variance is a result of the demand of the Securities Lending Program.



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

For the three month period ending September 30, 2023, with Comparative Totals for the three month period ending September 30, 2022 (\$ in Thousands) (Unaudited)

	CERS		Total		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
<b>ADDITIONS</b>						
Member Contributions	\$34,438	\$14,595	\$49,033	\$47,762	2.66%	
Employer Pay Credit	\$12,991	\$5,782	\$18,772	\$16,530	13.57%	1
Employer Contributions	151,100	70,696	221,796	218,379	1.56%	
Actuarially Accrued Liability Contributions (AALC)	-	-	-	-		
Pension Spiking Contributions	7	17	23	40	(41.40)%	2
Health Insurance Contributions (HB1)	(13)	(16)	(30)	(5)	482.16%	3
Employer Cessation Contributions	-	-	-	-		
<b>Total Contributions</b>	<b>198,522</b>	<b>91,073</b>	<b>289,595</b>	<b>282,705</b>	<b>2.44%</b>	
<b>INVESTMENT INCOME</b>						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments						
Investments	(169,357)	(59,801)	(229,158)	(371,785)	38.36%	4
Interest/Dividends	68,170	23,797	91,967	74,141	24.04%	5
Total Investing Activities Income	(101,187)	(36,004)	(137,191)	(297,644)		
Less: Investment Expense	15,084	5,000	20,083	15,532	29.30%	6
Less: Performance Fees	7,054	2,454	9,509	1,382	587.84%	7
Net Income from Investing Activities	(123,325)	(43,458)	(166,783)	(314,558)		
From Securities Lending Activities						
Securities Lending Income	2,702	955	3,657	2,008		
Less: Securities Lending Borrower Rebates (Income)/Expense	2,371	838	3,209	1,634		
Less: Securities Lending Agent Fees	50	17	67	56		
Net Income from Securities Lending	281	99	380	318	19.38%	8
<b>Net Investment Income</b>	<b>(123,044)</b>	<b>(43,359)</b>	<b>(166,403)</b>	<b>(314,240)</b>	<b>47.05%</b>	
<b>Total Additions</b>	<b>75,478</b>	<b>47,714</b>	<b>123,192</b>	<b>(31,535)</b>	<b>(490.65)%</b>	
<b>DEDUCTIONS</b>						
Benefit Payments	230,444	82,808	313,252	299,319	4.66%	
Refunds	7,678	1,813	9,490	8,304	14.29%	9
Administrative Expenses	6,123	538	6,662	6,215	7.19%	
<b>Total Deductions</b>	<b>244,245</b>	<b>85,159</b>	<b>329,404</b>	<b>313,837</b>	<b>4.96%</b>	
Net Increase (Decrease) in Fiduciary Net Position Restricted for Pension Benefits						
	(168,767)	(37,446)	(206,212)	(345,372)		
<b>Total Fiduciary Net Position Restricted for Pension Benefits</b>						
<b>Beginning of Period</b>	<b>8,781,440</b>	<b>3,055,797</b>	<b>11,837,237</b>	<b>10,799,273</b>	<b>9.61%</b>	
<b>End of Period</b>	<b>\$8,612,673</b>	<b>\$3,018,351</b>	<b>\$11,631,024</b>	<b>\$10,453,901</b>	<b>11.26%</b>	

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

- 1) The Employer Pay Credit will continue to increase as Tier 3 members increase.
- 2) Pension Spiking contributions decreased due to an decrease in CERS and CERS Hazardous pension spiking contributions billed to employers.
- 3) 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.
- 4) The increase in Net Appreciation in Fair Value of Investments is the result of less losses in Public Equity and gains from Private Equity and Specialty Credit.
- 5) The increase in Interest/Divident Income is primarily the result of increased partnership income from Specialty Credit.
- 6) The increase in Investment Expense is primarily the result of increased management fees and partnership expenses for Specialty Credit.
- 7) The increase in performance fees is the result of increased fees fro Private Equity and Specialty Credit.
- 8) The variance is a result of the demand of the Securities Lending Program.
- 9) Refunds to active members who have terminated employment increased in CERS and CERH.

**Pension Funds Contribution Report**

For the three month period ending September 30, 2023, with Comparative Totals for the three month period ending September 30, 2022 (\$ in Millions)

**County Employees Retirement System**

	Nonhazardous		Hazardous	
	FY24	FY23	FY24	FY23
Member Contributions	\$34.4	\$32.9	\$14.6	\$14.9
Employer Pay Credit	\$13.0	\$11.4	\$5.8	\$5.2
Employer Contributions	151.1	145.5	70.7	72.9
Net Investment Income	46.3	42.5	16.4	15.0
<b>Total Inflows</b>	<b>244.8</b>	<b>232.3</b>	<b>107.5</b>	<b>108.0</b>
Benefit Payments/Refunds	238.1	227.3	84.6	80.4
Administrative Expenses	6.1	5.7	0.5	0.5
<b>Total Outflows</b>	<b>244.2</b>	<b>233.0</b>	<b>85.1</b>	<b>80.9</b>
<b>NET Contributions</b>	<b>0.6</b>	<b>(0.7)</b>	<b>22.4</b>	<b>27.1</b>
Realized Gain/(Loss)	7.5	0.9	2.8	-
Unrealized Gain/(Loss)	(176.8)	(277.0)	(62.6)	(95.7)
<b>Change in Net Position</b>	<b>(168.7)</b>	<b>(276.8)</b>	<b>(37.4)</b>	<b>(68.6)</b>
<b>Beginning of Period</b>	<b>8,781.4</b>	<b>8,062.3</b>	<b>3,055.8</b>	<b>2,736.9</b>
<b>End of Period</b>	<b>\$8,612.7</b>	<b>\$7,785.5</b>	<b>\$3,018.4</b>	<b>\$2,668.3</b>

*Differences due to rounding.*

Net Contributions*	(\$45.7)	(\$43.2)	\$6.0	\$12.1
Cash Flow as % of Assets	(0.53)%	(0.55)%	0.20%	0.45%
Net Investment Income	\$46.3	\$42.5	\$16.4	\$15.0
Yield as % of Assets	0.54%	0.55%	0.54%	0.56%

*\*Net Contributions are less Net Investment Income.*





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

As of September 30, 2023, with Comparative Totals as of September 30, 2022 (\$ in Thousands) (Unaudited)

ASSETS	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
<b>CASH AND SHORT-TERM INVESTMENTS</b>						
Cash Deposits	\$929	\$39	\$967	\$147	557.04%	1
Short-term Investments	140,891	38,344	179,235	131,637	36.16%	2
<b>Total Cash and Short-term Investments</b>	<b>141,820</b>	<b>38,383</b>	<b>180,203</b>	<b>131,784</b>	<b>36.74%</b>	
<b>RECEIVABLES</b>						
Accounts Receivable	4,173	2,160	6,333	15,940	(60.27)%	3
Investment Accounts Receivable	30,157	13,749	43,907	34,032	29.01%	4
<b>Total Receivables</b>	<b>34,331</b>	<b>15,909</b>	<b>50,239</b>	<b>49,973</b>	<b>0.53%</b>	
<b>INVESTMENTS, AT FAIR VALUE</b>						
Core Fixed Income	329,802	147,298	477,100	503,086	(5.17)%	
Public Equities	1,560,026	764,230	2,324,257	1,964,400	18.32%	5
Private Equities	272,726	153,092	425,817	430,389	(1.06)%	
Specialty Credit	652,257	323,471	975,728	961,427	1.49%	
Derivatives	(60)	(34)	(94)	(2,079)	95.48%	6
Real Return	87,819	45,941	133,760	112,643	18.75%	7
Real Estate	192,132	105,415	297,548	269,955	10.22%	8
<b>Total Investments, at Fair Value</b>	<b>3,094,702</b>	<b>1,539,413</b>	<b>4,634,116</b>	<b>4,239,821</b>	<b>9.30%</b>	
Securities Lending Collateral Invested	52,397	25,629	78,027	126,794	(38.46)%	9
<b>Total Assets</b>	<b>3,323,250</b>	<b>1,619,334</b>	<b>4,942,585</b>	<b>4,548,372</b>	<b>8.67%</b>	
<b>LIABILITIES</b>						
Accounts Payable	219	22	241	57,340	(99.58)%	10
Investment Accounts Payable	37,138	16,734	53,872	34,037	58.28%	11
Securities Lending Collateral	52,397	25,629	78,027	126,794	(38.46)%	12
<b>Total Liabilities</b>	<b>89,754</b>	<b>42,386</b>	<b>132,140</b>	<b>218,170</b>	<b>(39.43)%</b>	
<b>Total Fiduciary Net Position Restricted for OPEB</b>	<b>\$3,233,497</b>	<b>\$1,576,948</b>	<b>\$4,810,445</b>	<b>\$4,330,202</b>	<b>11.09%</b>	

**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 due to 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 additional contributions to the public equity asset class.
- 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 favorable market conditions as well as additional funding.
- 8) The increase in Real Estate is the result of a movement of the Mesa West Accounts from Specialty Credit asset class to the Real Estate Asset Class
- 9) The variance is a result of the demands of the Securities Lending Program.
- 10) The decrease in Accounts Payable is primarily due to the 06/30/2022 CERS and CERH pension/insurance split correction that was carried as a payable into FY 2023.
- 11) The variance in Investment Accounts Payable is due to pending trades.
- 12) The variance is a result of the demands of the Securities Lending Program.



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

For the three month period ending September 30, 2023, with Comparative Totals for the three month period ending September 30, 2022 (\$ In Thousands) (Unaudited)

	CERS		TOTAL		Percentage of Change	Note
	Nonhazardous	Hazardous	FY 2024	FY 2023		
<b>ADDITIONS</b>						
Employer Contributions	\$1,122	\$5,018	\$6,140	\$35,556	(82.73)%	1
Actuarially Accrued Liability Contributions (AALC)	-	-	-	-		
Medicare Drug Reimbursement	-	-	-	-		
Insurance Premiums	102	(17)	85	120	(29.31)%	2
Humana Gain Share Payment	10,445	1,637	12,082	-	100.00%	3
Retired Re-employed Healthcare	1,780	400	2,180	1,619	34.65%	4
Health Insurance Contributions (HB1)	4,323	1,165	5,487	4,907	11.82%	5
Employer Cessation Contributions	-	-	-	-		
<b>Total Contributions</b>	<b>17,771</b>	<b>8,203</b>	<b>25,974</b>	<b>42,202</b>	<b>(38.45)%</b>	
<b>INVESTMENT INCOME</b>						
From Investing Activities						
Net Appreciation (Depreciation) in FV of Investments	(62,335)	(28,697)	(91,033)	(163,554)	44.34%	6
Interest/Dividends	25,103	12,051	37,154	32,491	14.35%	7
Total Investing Activities Income	(37,233)	(16,646)	(53,878)	(131,063)		
Less: Investment Expense	5,367	2,838	8,205	6,668	23.05%	8
Less: Performance Fees	2,957	1,656	4,613	(777)	(694.04)%	9
Net Income from Investing Activities	(45,556)	(21,140)	(66,696)	(136,954)		
From Securities Lending Activities						
Securities Lending Income	760	363	1,123	748		
Less: Securities Lending Borrower Rebates (Income)/Expense	646	309	955	599		
Less: Securities Lending Agent Fees	17	8	25	22		
Net Income from Securities Lending	97	46	143	127	12.82%	10
<b>Net Investment Income</b>	<b>(45,460)</b>	<b>(21,094)</b>	<b>(66,553)</b>	<b>(136,828)</b>	<b>51.36%</b>	
<b>Total Additions</b>	<b>(27,689)</b>	<b>(12,891)</b>	<b>(40,580)</b>	<b>(94,625)</b>	<b>57.12%</b>	
<b>DEDUCTIONS</b>						
Healthcare Premiums Subsidies	27,172	23,536	50,708	59,129	(14.24)%	11
Administrative Expenses	236	131	367	402	(8.75)%	
Self-Funded Healthcare Costs	933	81	1,014	844	20.19%	12
Excise Tax Insurance	6	-	6	-	(100.00)%	13
<b>Total Deductions</b>	<b>28,347</b>	<b>23,748</b>	<b>52,095</b>	<b>60,375</b>	<b>(13.71)%</b>	
Net Increase (Decrease) in Fiduciary Net Position Restricted for OPEB	(56,036)	(36,639)	(92,675)	(155,000)		
<b>Total Fiduciary Net Position Restricted for OPEB</b>						
<b>Beginning of Period</b>	<b>3,289,532</b>	<b>1,613,587</b>	<b>4,903,119</b>	<b>4,485,201</b>	<b>9.32%</b>	
<b>End of Period</b>	<b>\$3,233,497</b>	<b>\$1,576,948</b>	<b>\$4,810,445</b>	<b>\$4,330,201</b>	<b>11.09%</b>	

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

- 1) Employer Contributions decreased due to a decrease in the employer insurance rate.
- 2) Health Insurance Premiums decreased due to 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 less losses in Public Equity and gains from Private Equity and Speciality Credit.
- 7) The increase in Interest/Dividend Income is primarily the result of increased partnership income from Specialty Credit.
- 8) The increase in Investment Expense is primarily the result of increased management fees and partnership expenses for Specialty Credit.
- 9) The increase in performance fees is the result of increased fees for Private Equity and Specialty Credit.
- 10) The variance is a result of the demand of the Securities Lending Program.
- 11) Healthcare Subsidies decreased due to a decrease in healthcare premiums paid for CERS retirees.
- 12) Self-Funded Healthcare costs increased due to an increase in actual healthcare cost reimbursement for CERS and CERS hazardous retirees.

## Insurance Fund Contribution Report

For the three month period ending September 30, 2023, with Comparative Totals for the three month period ending September 30, 2022 (\$ in Millions)



## County Employees Retirement System

	Nonhazardous		Hazardous	
	FY24	FY23	FY24	FY23
Employer Contributions	\$1.1	\$22.9	\$5.0	\$12.6
Insurance Premiums	0.1	0.1	-	-
Humana Gain Share	10.4	-	1.6	-
Retired Reemployed Healthcare	1.8	1.2	0.4	0.4
Health Insurance Contributions	4.3	3.9	1.2	1.1
Net Investment Income	16.9	17.8	7.6	8.9
<b>Total Inflows</b>	<b>34.6</b>	<b>45.9</b>	<b>15.8</b>	<b>23.0</b>
Healthcare Premiums	28.1	36.7	23.6	23.3
Administrative Expenses	0.2	0.2	0.1	0.1
<b>Total Outflows</b>	<b>28.3</b>	<b>36.9</b>	<b>23.7</b>	<b>23.4</b>
<b>NET Contributions</b>	<b>6.3</b>	<b>9.0</b>	<b>(7.9)</b>	<b>(0.4)</b>
Realized Gain/(Loss)	2.0	(1.5)	2.0	(0.4)
Unrealized Gain/(Loss)	(64.3)	(107.7)	(30.7)	(54.0)
<b>Change in Net Position</b>	<b>(56.0)</b>	<b>(100.2)</b>	<b>(36.6)</b>	<b>(54.8)</b>
<b>Beginning of Period</b>	<b>3,289.5</b>	<b>2,981.2</b>	<b>1,613.6</b>	<b>1,504.0</b>
<b>End of Period</b>	<b>\$3,233.5</b>	<b>\$2,881.0</b>	<b>\$1,577.0</b>	<b>\$1,449.2</b>

Differences due to rounding.

Net Contributions*	\$(10.6)	\$(8.8)	\$(15.5)	\$(9.3)
Cash Flow as % of Assets	(0.33)%	(0.30)%	(0.98)%	(0.64)%
Net Investment Income	\$16.9	\$17.8	\$7.6	\$8.9
Yield as % of Assets	0.52%	0.62%	0.48%	0.62%

\*Net Contributions are less Net Investment Income.



## CERS Outstanding Invoices by Type and Employer

Invoice Type	9/30/2023	6/30/2023	Change H/(L)
Averaging Refund to Employer	\$(322,861)	\$(414,622)	-22%
Employer Free Military and Decompression Service		36,332	(100)%
Member Pension Spiking Refund	(23,880)	(16,709)	43%
Monthly Reporting Invoice	95,798	110,943	(14)%
Penalty – Monthly Reporting	216,100	214,270	1%
Reinstatement	175,292	171,358	2%
Other Invoices**	3,862	3,922	-2%
<b>Total</b>	<b>144,311</b>	<b>105,494</b>	
Health Insurance Reimbursement	331,913	393,861	(16)%
Omitted Employer	1,210,838	1,256,329	(4)%
Employer Pension Spiking*	1,308,495	1,319,450	(1)%
Standard Sick Leave	138,757	184,080	(25)%
<b>Total</b>	<b>2,990,002</b>	<b>3,153,719</b>	<b>(5)%</b>
<b>Grand Total</b>	<b>\$3,134,314</b>	<b>\$3,259,213</b>	<b>(4)%</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.

\*\*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)	9/30/2023	6/30/2023	Change H/(L)
Kentucky River Regional Jail***	\$893,893	\$893,893	0%
City of Covington***	405,820	401,760	1%
Kenton County Airport Board***	388,496	381,979	2%
City of Fort Thomas***	260,457	255,655	2%
Livingston County Fiscal Court***	228,567	228,567	0%
TARC Transit Authority of River City	196,330	161,139	22%
City of Taylor Mill	143,227	143,227	0%
City of Jeffersontown	101,529	99,395	2%
Bullitt County Fiscal Court	101,393	101,195	0%
City of Winchester	\$50,916	\$63,309	100%

\*\*\*Indicates invoices in litigation

	Total Unpaid Balance	Invoice Count
CERS	\$1,773,111	1,541
CERH	1,361,203	164
<b>Grand Total:</b>	<b>\$1,773,111</b>	<b>1,705</b>



**County Employees Retirement System  
Penalty Invoices Report  
From: 7/1/2023 To: 9/30/2023**

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	\$-	\$-	8/25/2023	3/15/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/18/2023	5/5/2023	CANC	Special Districts & Boards	No full time employees, 0 contribution
1,000	-	-	8/23/2023	8/9/2023	CANC	Fiscal Courts	Employer in good standing with KPPA
1,000	-	-	8/18/2023	8/10/2023	CANC	Housing Authorities	New Employer Reporting Official
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	8/30/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/25/2023	9/1/2023	CANC	Cities	No full time employees, 0 contribution
1,000	-	-	8/18/2023	9/10/2023	CANC	Housing Authorities	New Employer Reporting Official
1,000	-	-	8/24/2023	9/20/2023	CANC	Boards of Education	New Employer Reporting Official
<b>Total</b>	<b>\$17,000</b>	<b>\$-</b>	<b>\$-</b>				
\$1,000	\$1,000	\$-	7/3/2023	8/2/2023	CRTD	Tourist Commissions	
1,000	1,000	-	7/31/2023	8/30/2023	CRTD	Utility Boards	
1,000	1,000	-	8/2/2023	9/1/2023	CRTD	Fiscal Courts	
1,000	1,000	-	8/3/2023	9/2/2023	CRTD	Special Districts & Boards	
1,000	1,000	-	8/4/2023	9/3/2023	CRTD	Cities	
1,000	1,000	-	8/15/2023	9/14/2023	CRTD	Fiscal Courts	
1,000	1,000	-	8/16/2023	9/15/2023	CRTD	Cities	
1,000	1,000	-	8/16/2023	9/15/2023	CRTD	Cities	
1,000	1,000	-	8/16/2023	9/15/2023	CRTD	Cities	
1,000	-	-	8/16/2023	9/15/2023	CRTD	Fiscal Courts	
1,000	1,000	-	8/17/2023	9/16/2023	CRTD	Cities	
1,000	1,000	-	8/18/2023	9/17/2023	CRTD	Fiscal Courts	
1,000	1,000	-	8/29/2023	9/28/2023	CRTD	Cities	
1,000	1,000	-	8/29/2023	9/28/2023	CRTD	Housing Authorities	
1,000	1,000	-	9/8/2023	10/8/2023	CRTD	Utility Boards	
1,000	1,000	-	9/8/2023	10/8/2023	CRTD	Utility Boards	
1,000	1,000	-	9/11/2023	10/11/2023	CRTD	Cities	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	



**County Employees Retirement System  
Penalty Invoices Report  
From: 7/1/2023 To: 9/30/2023**

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	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/13/2023	10/13/2023	CRTD	Utility Boards	
1,000	1,000	-	9/15/2023	10/15/2023	CRTD	Cities	
1,000	1,000	-	9/19/2023	10/19/2023	CRTD	Area Development Districts	
1,000	1,000	-	9/19/2023	10/19/2023	CRTD	Sanitation Districts	
1,000	1,000	-	9/20/2023	10/20/2023	CRTD	Fiscal Courts	
1,000	1,000	-	9/21/2023	10/21/2023	CRTD	Fiscal Courts	
9,413	-	-	9/25/2023	10/25/2023	CRTD	Boards of Education	
1,000	-	-	9/26/2023	10/26/2023	CRTD	Fiscal Courts	
1,000	1,000	-	9/28/2023	10/28/2023	CRTD	Fiscal Courts	
<b>Total</b>	<b>\$41,413</b>	<b>\$30,000</b>	<b>\$-</b>				
\$1,000	\$-	\$-	9/21/2023	3/29/2017	PAID	Riverport Authorities	
1,000	-	-	9/21/2023	7/19/2017	PAID	Riverport Authorities	
1,000	-	-	9/21/2023	9/14/2017	PAID	Riverport Authorities	
1,000	-	-	8/2/2023	5/18/2022	PAID	Cities	
1,691	-	-	8/14/2023	6/18/2022	PAID	Cities	
1,842	-	-	8/14/2023	6/19/2022	PAID	Cities	
1,809	-	-	8/14/2023	6/19/2022	PAID	Cities	
2,699	-	-	8/14/2023	7/1/2022	PAID	Cities	
3,129	-	-	8/14/2023	12/2/2022	PAID	Cities	
73,401	-	-	7/6/2023	6/30/2023	PAID	Urban Government Agencies	
1,000	-	-	8/14/2023	7/22/2023	PAID	Cities	
1,000	-	-	8/10/2023	7/27/2023	PAID	Fiscal Courts	
1,000	-	-	7/10/2023	8/5/2023	PAID	Parks and Recreation	
1,000	-	-	7/11/2023	8/5/2023	PAID	Cities	
77,382	-	-	8/4/2023	8/5/2023	PAID	Urban Government Agencies	
1,000	-	-	8/15/2023	8/11/2023	PAID	Cities	
1,000	-	-	9/11/2023	8/18/2023	PAID	Cities	
1,000	-	-	8/7/2023	8/18/2023	PAID	County Attorneys	
4,553	-	-	8/31/2023	8/19/2023	PAID	Boards of Education	
1,000	-	-	9/19/2023	8/23/2023	PAID	Special Districts & Boards	
1,000	-	-	8/14/2023	8/31/2023	PAID	Cities	
74,992	-	-	8/16/2023	9/3/2023	PAID	Urban Government Agencies	



County Employees Retirement System  
 Penalty Invoices Report  
 From: 7/1/2023 To: 9/30/2023  
 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	-	-	9/8/2023	9/6/2023	PAID	County Attorneys	
1,000	-	-	8/10/2023	9/6/2023	PAID	Fiscal Courts	
1,000	-	-	9/8/2023	9/15/2023	PAID	Utility Boards	
79,151	-	-	8/22/2023	9/16/2023	PAID	Urban Government Agencies	
1,000	-	-	9/12/2023	9/16/2023	PAID	Utility Boards	
1,000	-	-	9/21/2023	9/16/2023	PAID	Fiscal Courts	
1,000	-	-	9/5/2023	9/16/2023	PAID	Fiscal Courts	
112,154	-	-	8/24/2023	9/21/2023	PAID	Urban Government Agencies	
67,525	-	-	9/7/2023	9/24/2023	PAID	Urban Government Agencies	
<b>Total</b>	<b>\$519,327</b>	<b>\$-</b>					

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

<b>KPPA ADMINISTRATIVE BUDGET FY 2023-2024</b> <b>BUDGET-TO-ACTUAL ANALYSIS</b> FOR THE FISCAL THE THREE MONTHS ENDING SEPTEMBER 30, 2023, WITH COMPARATIVE TOTALS FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2022						
Account Name	Budgeted	FY 2024 Expense	Remaining	Percent Remaining	FY 2023 Expense	Percent Difference
<b>PERSONNEL</b>						
<b>Staff</b>						
Salaries/Wages	\$17,900,000	\$4,444,515	\$13,455,485	75.17%	\$4,064,915	9.34%
Wages (Overtime)	285,000	62,121	222,879	78.20%	42,947	44.65%
Emp Paid FICA	1,294,772	322,894	971,878	75.06%	300,677	7.39%
Emp Paid Retirement	12,033,015	2,955,059	9,077,956	75.44%	3,068,863	(3.71)%
Emp Paid Health Ins	2,687,500	635,718	2,051,782	76.35%	563,024	12.91%
Emp Paid Sick Leave	250,000	40,221	209,779	83.91%	28,831	39.51%
Adoption Assistance Benefit	10,000	-	10,000	100.00%	-	0.00%
Workers Compensation	12,000	11,116	884	7.36%	11,116	0.00%
Unemployment	10,000	-	10,000	100.00%	-	0.00%
Emp Paid Life Ins	3,000	744	2,256	75.20%	730	1.92%
Employee Training	25,000	2,830	22,170	88.68%	2,680	5.60%
Bonds	-	-	-	100.00%	-	0.00%
<b>Staff Subtotal</b>	<b>34,510,287</b>	<b>8,475,220</b>	<b>26,035,069</b>	<b>75.44%</b>	<b>8,083,783</b>	<b>4.84%</b>
<b>LEGAL &amp; AUDITING SERVICES</b>						
Legal Hearing Officers	150,000	48,450	101,550	67.70%	36,941	31.16%
Legal (Stoll, Keenon)	250,000	1,210	248,791	99.52%	16,461	(92.65)%
Frost Brown	300,000	26,868	273,132	91.04%	10,902	146.45%
Reinhart	50,000	-	50,000	100.00%	-	0.00%
Ice Miller	505,645	84,540	215,461	71.82%	21,270	297.46%
Johnson, Bowman, Branco LLC	100,000	8,488	91,513	91.51%	28,683	(70.41)%
Dentons Bingham & Greenebaum	150,000	-	150,000	33.33%	22,274	(100.00)%
Legal Expense	10,000	-	10,000	100.00%	-	0.00%
Auditing	300,000	-	300,000	100.00%	6,578	(100.00)%
<b>Total Legal &amp; Auditing Services</b>	<b>1,610,000</b>	<b>169,555</b>	<b>1,440,446</b>	<b>89.47%</b>	<b>143,108</b>	<b>18.48%</b>
<b>CONSULTING SERVICES</b>						
Medical Reviewers	1,800,000	339,790	1,460,210	81.12%	181,080	87.65%
Escrow for Actuary Fees	-	-	-	0.00%	-	0.00%
<b>Total Consulting Services</b>	<b>1,800,000</b>	<b>339,790</b>	<b>1,460,210</b>	<b>81.12%</b>	<b>181,080</b>	<b>87.65%</b>
<b>CONTRACTUAL SERVICES</b>						
Miscellaneous Contracts	390,000	73,888	316,112	81.05%	9,886	647.40%
Human Resources Consulting	10,000	-	10,000	100.00%	-	0.00%
Actuarial Services	500,000	-	500,000	100.00%	79,953	(100.00)%
Facility Security Charges	100,000	9,156	90,844	90.84%	13,105	(30.13)%
Tuition Assistance	10,000	-	10,000	100.00%	-	0.00%
<b>Contractual Subtotal</b>	<b>1,010,000</b>	<b>83,044</b>	<b>926,956</b>	<b>91.78%</b>	<b>102,944</b>	<b>(19.33)%</b>
<b>PERSONNEL SUBTOTAL</b>	<b>\$38,930,287</b>	<b>\$9,067,608</b>	<b>\$29,862,679</b>	<b>76.71%</b>	<b>\$8,482,049</b>	<b>6.90%</b>
<b>OPERATIONAL</b>						
Natural Gas	42,000	1,566	40,434	96.27%	1,446	8.30%
Electric	133,000	31,232	101,768	76.52%	32,045	(2.54)%
Rent-Non State Building	56,000	-	56,000	100.00%	12,661	(100.00)%
Building Rental - PPW	1,000,000	240,493	759,507	75.95%	240,492	0.00%
Copier Rental	105,000	21,708	83,292	79.33%	-	100.00%
Rental Carpool	5,500	1,147	4,353	79.14%	1,065	7.70%
Vehicle/Equip. Maint.	1,000	-	1,000	100.00%	-	0.00%
Postage	420,000	77,249	342,751	81.61%	41,377	86.70%
Freight	200	-	200	100.00%	-	0.00%
Printing (State)	15,000	-	15,000	100.00%	100	(100.00)%
Printing (non-state)	85,000	-	85,000	100.00%	2,977	(100.00)%
Insurance	10,000	5,066	4,934	49.34%	5,572	(9.08)%
Garbage Collection	6,500	1,745	4,755	73.16%	1,810	(3.59)%
Conference Expense	45,000	8,180	36,820	81.82%	2,878	184.23%
Conference Exp. Investment	2,000	-	2,000	0.00%	-	0.00%
Conference Exp. Audit	3,000	-	3,000	100.00%	-	0.00%
MARS Usage	50,000	6,775	43,225	86.45%	6,775	0.00%



<b>KPPA ADMINISTRATIVE BUDGET 2023-24</b>						
<b>BUDGET-TO-ACTUAL ANALYSIS</b>						
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2023, WITH COMPARATIVE TOTALS FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2022						
<b>Account Name</b>	<b>Budgeted</b>	<b>FY 2024 Expense</b>	<b>Remaining</b>	<b>Percent Remaining</b>	<b>FY 2023 Expense</b>	<b>Percent Difference</b>
COVID-19 Expenses	-	-	-	#DIV/0!	-	0.00%
Office Supplies	100,000	9,914	90,086	90.09%	21,490	(53.87)%
Furniture & Office Equipment	12,000	-	12,000	100.00%	-	0.00%
Travel (In-State)	15,000	5,250	9,750	65.00%	3,577	46.77%
Travel (In-State) Investment	1,000	-	1,000	100.00%	-	0.00%
Travel (In-State) Audit	500	-	500	100.00%	-	0.00%
Travel (Out of State)	79,000	8,555	70,445	89.17%	11,244	(23.91)%
Travel (Out of State) Investment	135,000	9,286	125,714	93.12%	4,448	108.77%
Travel (Out of State) Audit	1,000	-	1,000	100.00%	-	0.00%
Dues & Subscriptions	69,000	13,582	55,418	80.32%	13,742	(1.16)%
Dues & Subscriptions Invest	15,000	4,470	10,530	70.20%	3,990	12.03%
Dues & Subscriptions Audit	1,000	175	825	82.51%	-	100.00%
Miscellaneous	55,000	15,075	39,925	72.59%	14,670	2.76%
Miscellaneous Investment	-	-	-	0.00%	-	0.00%
Miscellaneous Audit	-	-	-	0.00%	-	0.00%
COT Charges	40,000	3,049	36,951	92.38%	3,609	(15.52)%
Telephone - Wireless	8,500	2,151	6,349	74.70%	1,428	50.63%
Telephone - Other	105,500	19,154	86,346	81.84%	24,517	(21.87)%
Telephone - Video Conference	11,000	2,417	8,583	78.02%	-	100.00%
Computer Equip./Software	4,080,000	614,709	3,465,291	84.93%	507,190	21.20%
Comp. Equip./Software Invest	-	-	-	0.00%	-	0.00%
Comp. Equip./Software Audit	20,000	-	20,000	100.00%	-	0.00%
<b>OPERATIONAL SUBTOTAL</b>	<b>\$6,727,700</b>	<b>\$1,102,949</b>	<b>\$5,624,751</b>	<b>83.61%</b>	<b>\$957,077</b>	<b>15.24%</b>
<b>SUB-TOTAL</b>	<b>\$45,657,987</b>	<b>\$10,170,557</b>	<b>\$35,487,430</b>	<b>77.72%</b>	<b>\$9,439,126</b>	<b>7.75%</b>
<b>Reserve</b>	<b>4,882,813</b>	<b>-</b>	<b>4,882,813</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL</b>	<b>\$50,540,800</b>	<b>\$10,170,557</b>	<b>\$40,370,243</b>	<b>79.88%</b>	<b>\$9,439,126</b>	<b>7.75%</b>

*Differences due to rounding*

<b>Plan</b>	<b>Budgeted</b>	<b>FY 2024 Expense</b>	<b>% of Total KPPA FY 2024 Expense</b>
<b>CERS Nonhazardous</b>	<b>\$29,884,775</b>	<b>\$6,013,850</b>	<b>59.13%</b>
<b>CERS Hazardous</b>	<b>2,633,176</b>	<b>529,886</b>	<b>5.21%</b>
<b>KERS Nonhazardous</b>	<b>15,886,995</b>	<b>3,197,013</b>	<b>31.434%</b>
<b>KERS Hazardous</b>	<b>1,777,520</b>	<b>357,698</b>	<b>3.517%</b>
<b>SPRS</b>	<b>358,334</b>	<b>72,109</b>	<b>0.709%</b>
<b>TOTAL</b>	<b>\$50,540,800</b>	<b>\$10,170,557</b>	

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

	<b>Earnings</b>	<b>Fees</b>	<b>Net Earnings</b>
July-23	\$3,297	\$(7,049)	\$(3,751)
August-23	4,612	(7,230)	\$(2,618)
September-23	26,588	(8,157)	\$18,432
<b>Total</b>	<b>\$34,498</b>	<b>\$(22,436)</b>	<b>\$12,063</b>

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

	<b>Clearing Account</b>	<b>CERS</b>	<b>KERS</b>	<b>Total</b>
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
	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>\$117,477</b>	<b>\$26,539</b>	<b>\$18,866</b>	<b>\$162,882</b>



## 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: November 16, 2023

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 Harrodsburg	Police Chief	1/1/2024
City of Harrodsburg	Assistant Police Chief	1/1/2024
City of Harrodsburg	Police Lieutenant	10/1/2023
City of Harrodsburg	Police Sergeant	10/1/2023
City of Harrodsburg	Police Detective	10/1/2023
City of Harrodsburg	Police Corporal	10/1/2023
City of Harrodsburg	Police Officer	10/1/2023
City of Harrodsburg	Police Recruit	10/1/2023
City of Harrodsburg	School Resource Officer	1/1/2024
City of Harrodsburg	Fire Chief	10/1/2023
City of Harrodsburg	Asst Fire Chief/ Safety Coordinator Supervisor	1/1/2024
City of Harrodsburg	Fire Captain	10/1/2023
City of Harrodsburg	Fire Lieutenant	10/1/2023
City of Harrodsburg	Sergeant	1/1/2024
City of Harrodsburg	Firefighter	10/1/2023
City of Harrodsburg	Safety Coordinator/Firefighter/EMT	1/1/2024
City of Winchester	Assistant Chief of EMS	1/1/2024
Saint Matthews Fire Protection District	Suppression Training Officer	10/1/2023
Central Campbell County Fire District	Paramedic Only	1/1/2024
City of Lyndon	Police Officer	8/1/2022
City of Lyndon	Police Sergeant	8/1/2022
City of Lyndon	Police Major	8/1/2022
City of Lyndon	Police Detective	8/1/2022
City of Lyndon	Deputy Chief of Police	8/1/2022
City of Lyndon	Chief of Police	8/1/2022
Madison County EMS	Director/Paramedic	8/1/2023
Madison County EMS	Assistant Director/Paramedic	2/1/2022
Madison County EMS	QA/Training Officer-Paramedic	3/1/2021
Campbell County Fiscal Court	Police Captain	9/1/2023

City of Paris	Fire Chief	1/1/2024
City of Paris	Fire Battalion Chief	1/1/2024
City of Paris	Firefighter Lieutenant EMT	1/1/2024
City of Paris	Firefighter Lieutenant Paramedic	1/1/2024
City of Paris	EMS Major	1/1/2024
City of Paris	Firefighter EMT	1/1/2024
City of Paris	Firefighter Paramedic	1/1/2024
City of Paris	Paramedic	1/1/2024
City of Paris	EMT	1/1/2024
City of Paris	Police Chief	1/1/2024
City of Paris	Assistant Police Chief	1/1/2024
City of Paris	Police Captain	1/1/2024
City of Paris	Police Lieutenant	1/1/2024
City of Paris	Detective	1/1/2024
City of Paris	Police Officer	1/1/2024

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.



## KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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Kentucky Public  
Pensions Authority

To: CERS Finance Committee

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

Date: November 16, 2023

Subject: Participation of CERS Agencies

### PARTICIPATION-NEW CERS AGENCIES

There are two (2) new agencies electing to participate with the County Employees Retirement System under non-hazardous coverage. Copies of minutes, resolution to participate and agency budgets have been submitted. Contracts for Health Insurance have been received for the agencies electing to participate in CERS.

**RECOMMENDATION:** Kentucky Public Pensions Authority recommends approval of Hyden Leslie County Water District and Springfield Washington County 911 Dispatch, having they satisfactorily completed their trial participation period.

KENTUCKY PUBLIC PENSIONS AUTHORITY									
Investment Budget									
For the three month period ending September 30, 2023									
Account Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Trust Budget FY 2024	Q1 2024	Remaining	Percentage Spent
<b>CONSULTING SERVICES</b>									
Wilshire Associates	\$ 1,021,799	\$ 1,238,170	\$ 1,225,671	\$ 1,021,175	\$ 838,172	\$ 1,200,000	\$ 274,600	\$ 925,400	23%
Albourne	-	-	-	-	306,750	275,000	67,500	207,500	25%
MercerInsight	-	-	-	-	153,548	165,000	40,000	125,000	24%
<b>SUBTOTAL</b>	<b>1,021,799</b>	<b>1,238,170</b>	<b>1,225,671</b>	<b>1,021,175</b>	<b>1,298,471</b>	<b>1,640,000</b>	<b>382,100</b>	<b>1,257,900</b>	<b>23%</b>
<b>LEGAL &amp; AUDITING SERVICES</b>									
Faegre Drinker			96,039	202,502	16,428	100,000	3,380	96,620	3%
Intelligent Management Solutions (IMS)	620,001	202,140	155,700	69,884	81,880	350,000	-	350,000	0%
McClain/Goldberg			891	-	-	100,000	-	100,000	0%
Reinhart	317,909	671,269	663,689	619,509	109,508	2,500,000	12,347	2,487,653	0%
Stoll-Keenon-Ogden	10,314	135,353	254,211	463,560	750,438	750,000	26,960	723,040	4%
Haystack			-	-	120,175	100,000	55,008	44,992	55%
Umberg Zipser			289,100	498,058	606,701	850,000	255,459	594,541	30%
Swansburg & Smith	-	-	-	-	5,288	50,000	-	50,000	0%
Eddins Domine	-	-	-	-	40,305	50,000	-	50,000	0%
Taft	-	-	-	-	142,720	50,000	478	49,522	1%
Miscellaneous					-	50,000	-	50,000	0%
<b>SUBTOTAL</b>	<b>948,225</b>	<b>1,008,762</b>	<b>1,459,630</b>	<b>1,853,513</b>	<b>1,873,441</b>	<b>4,950,000</b>	<b>353,632</b>	<b>4,596,368</b>	<b>7%</b>
<b>CONTRACTURAL SERVICES</b>									
Bloomberg	68,722	71,810	98,163	102,243	104,153	150,000	27,533	122,467	18%
BNYM Custodial Fees	2,056,390	2,088,475	2,379,838	2,565,169	2,333,981	2,600,000	590,273	2,009,727	23%
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	31,657	118,343	21%
Russell Index Subscription	1,075	1,250	1,000	1,000	750	1,500	500	1,000	33%
S&P Global		94,500	26,250	68,250	27,563	75,000	-	75,000	0%
TradeWeb			-	6,000	7,700	7,500	2,100	5,400	28%
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	15,719	44,281	26%
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	0%
Miscellaneous & New Services	-	-	-	-	-	250,000	19,500	230,500	8%
<b>SUBTOTAL</b>	<b>2,391,713</b>	<b>2,474,036</b>	<b>2,681,251</b>	<b>3,267,008</b>	<b>2,980,769</b>	<b>3,690,020</b>	<b>1,007,001</b>	<b>2,683,019</b>	<b>27%</b>

KENTUCKY PUBLIC PENSIONS AUTHORITY									
Investment Budget									
For the three month period ending September 30, 2023									
Account Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Trust Budget FY 2024	Q1 2024	Remaining	Percentage Spent
<b>INACTIVE CONTRACTURAL SERVICES</b>									
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		-	-		-	-	-	
<b>SUBTOTAL</b>	<b>291,718</b>	<b>119,290</b>	<b>1,233,757</b>	<b>-</b>	<b>250</b>	<b>-</b>		<b>-</b>	
<b>TOTAL</b>	<b>\$ 4,653,455</b>	<b>\$ 4,840,258</b>	<b>\$ 6,600,309</b>	<b>\$ 6,141,696</b>	<b>\$ 6,152,931</b>	<b>\$ 10,280,020</b>	<b>1,742,733</b>	<b>\$ 8,537,287</b>	<b>17%</b>

<b>INVESTMENT BUDGET</b>	
<b>CONSULTING SERVICES</b>	
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
<b>LEGAL &amp; AUDITING SERVICES</b>	
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)
<b>CONTRACTURAL SERVICES</b>	
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



<b>KENTUCKY PUBLIC PENSIONS AUTHORITY</b> <b>Investment Fees and Expenses</b> <b>For the three month period ending September 30, 2023</b> <b>Pension</b>								
	2024		2023		2022		2021	
	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value	FY Fees	Market Value
<b>Core Fixed Income</b>	<b>538,998</b>	<b>2,131,936,660</b>	<b>879,295</b>	<b>2,084,448,991</b>	<b>964,078</b>	<b>2,367,680,815</b>	<b>2,648,483</b>	<b>2,380,760,174</b>
<i>Investment Advisory Fees</i>	525,105		552,736		618,246		2,579,704	
<i>Carried Interest</i>	-		313,985		327,140		-	
<i>Miscellaneous Fees and Expenses</i>	13,893		12,575		18,692		68,779	
<b>Public Equity</b>	<b>3,672,514</b>	<b>7,378,700,486</b>	<b>3,142,570</b>	<b>6,065,660,923</b>	<b>3,636,256</b>	<b>6,871,426,987</b>	<b>12,690,120</b>	<b>6,952,113,563</b>
<i>Investment Advisory Fees</i>	3,567,463		3,040,804		3,523,547		12,466,655	
<i>Miscellaneous Fees and Expenses</i>	105,051		101,766		112,709		223,465	
<b>Specialty Credit Fixed Income</b>	<b>22,856,573</b>	<b>3,275,957,851</b>	<b>12,036,439</b>	<b>3,083,985,656</b>	<b>13,440,821</b>	<b>3,152,469,147</b>	<b>44,112,571</b>	<b>3,048,523,710</b>
<i>Investment Advisory Fees</i>	4,074,866		4,746,299		3,964,000		15,415,716	
<i>Carried Interest</i>	9,400,428		1,673,157		7,358,655		24,234,258	
<i>Miscellaneous Fees and Expenses</i>	9,381,280		5,616,983		2,118,166		4,462,596	
<b>Real Estate</b>	<b>849,546</b>	<b>946,221,229</b>	<b>4,455,872</b>	<b>969,436,952</b>	<b>7,779,711</b>	<b>677,700,443</b>	<b>9,191,005</b>	<b>610,213,834</b>
<i>Investment Advisory Fees</i>	1,924,845		1,579,279		1,114,665		4,772,617	
<i>Carried Interest</i>	(2,524,451)		2,231,775		6,615,761		2,414,707	
<i>Miscellaneous Fees and Expenses</i>	1,449,153		644,817		49,285		2,003,680	
<b>Real Return</b>	<b>1,385,926</b>	<b>507,885,793</b>	<b>998,699</b>	<b>426,178,862</b>	<b>1,718,873</b>	<b>1,010,028,940</b>	<b>8,313,392</b>	<b>1,033,884,979</b>
<i>Investment Advisory Fees</i>	1,044,249		488,379		1,085,377		4,663,221	
<i>Carried Interest</i>	167,367		285,096		380,418		3,021,470	
<i>Miscellaneous Fees and Expenses</i>	174,310		225,224		253,079		628,701	
<b>Private Equity</b>	<b>7,960,728</b>	<b>1,178,285,116</b>	<b>(274,776)</b>	<b>1,209,741,651</b>	<b>24,096,611</b>	<b>1,305,498,399</b>	<b>58,785,850</b>	<b>1,236,163,938</b>
<i>Investment Advisory Fees</i>	1,360,253		1,804,660		1,673,732		8,081,476	
<i>Carried Interest</i>	5,008,292		(2,822,439)		20,395,224		48,458,818	
<i>Miscellaneous Fees and Expenses</i>	1,592,184		743,004		2,027,655		2,245,555	
<b>Administrative Expense/Cash</b>	<b>1,036,738</b>	<b>1,175,409,476</b>	<b>666,582</b>	<b>799,782,744</b>	<b>858,178</b>	<b>572,193,644</b>	<b>4,248,561</b>	<b>526,326,268</b>
<b>Total Investment Mgmt Fees</b>	<b>38,301,024</b>	<b>16,594,396,612</b>	<b>21,904,681</b>	<b>14,639,235,779</b>	<b>52,494,529</b>	<b>15,956,998,375</b>	<b>139,989,981</b>	<b>15,787,986,466</b>

<b>KENTUCKY PUBLIC PENSIONS AUTHORITY</b> <b>Investment Fees and Expenses</b> <b>For the three month period ending September 30, 2023</b> <b>Insurance</b>								
	2024		2023		2022		2021	
	FYTD Fees	Market Value	FYTD Fees	Market Value	FYTD Fees	Market Value	FY Fees	Market Value
<b>Core Fixed Income</b>	<b>184,881</b>	<b>754,337,920</b>	<b>324,043</b>	<b>767,219,317</b>	<b>354,733</b>	<b>862,879,050</b>	<b>1,050,510</b>	<b>865,995,148</b>
<i>Investment Advisory Fees</i>	180,211		208,100		230,338		995,622	
<i>Performance</i>	-		112,040		117,337		28,448	
<i>Miscellaneous Fees and Expenses</i>	4,670		3,903		7,058		26,440	
<b>Public Equity</b>	<b>1,705,220</b>	<b>3,360,758,473</b>	<b>1,436,037</b>	<b>2,807,242,353</b>	<b>1,625,181</b>	<b>3,080,276,960</b>	<b>5,708,928</b>	<b>3,116,599,040</b>
<i>Investment Advisory Fees</i>	1,657,228		1,389,622		1,574,855		5,612,577	
<i>Miscellaneous Fees and Expenses</i>	47,991		46,415		50,326		96,351	
<b>Specialty Credit Fixed Income</b>	<b>10,206,292</b>	<b>1,472,221,495</b>	<b>5,558,434</b>	<b>1,371,584,870</b>	<b>5,969,311</b>	<b>1,429,342,653</b>	<b>19,174,439</b>	<b>1,383,567,012</b>
<i>Investment Advisory Fees</i>	1,741,424		2,178,608		1,781,734		6,978,722	
<i>Carried Interest</i>	4,295,204		964,003		3,271,465		10,392,111	
<i>Miscellaneous Fees and Expenses</i>	4,169,664		2,415,823		916,112		1,803,605	
<b>Real Estate</b>	<b>511,795</b>	<b>418,297,047</b>	<b>1,799,878</b>	<b>428,984,339</b>	<b>3,228,037</b>	<b>286,774,553</b>	<b>3,945,135</b>	<b>258,214,840</b>
<i>Investment Advisory Fees</i>	870,090		604,578		482,095		2,048,449	
<i>Carried Interest</i>	(979,568)		919,660		2,722,999		1,043,274	
<i>Miscellaneous Fees and Expenses</i>	621,274		275,640		22,943		853,412	
<b>Real Return</b>	<b>603,897</b>	<b>197,048,651</b>	<b>487,514</b>	<b>166,445,599</b>	<b>740,678</b>	<b>426,269,531</b>	<b>3,278,267</b>	<b>435,909,260</b>
<i>Investment Advisory Fees</i>	466,172		266,024		484,286		2,005,961	
<i>Carried Interest</i>	59,893		116,876		140,229		91,499	
<i>Miscellaneous Fees and Expenses</i>	77,832		104,614		116,163		1,180,807	
<b>Private Equity</b>	<b>4,590,785</b>	<b>600,831,793</b>	<b>(393,210)</b>	<b>598,395,346</b>	<b>16,466,674</b>	<b>616,691,355</b>	<b>35,821,138</b>	<b>585,420,005</b>
<i>Investment Advisory Fees</i>	887,506		1,238,396		1,410,084		5,232,127	
<i>Carried Interest</i>	3,008,749		(1,963,029)		14,392,982		29,557,732	
<i>Miscellaneous Fees and Expenses</i>	694,529		331,423		663,608		1,031,279	
<b>Administrative Expense/Cash</b>	<b>503,596</b>	<b>304,679,290</b>	<b>359,092</b>	<b>272,226,093</b>	<b>453,829</b>	<b>337,944,259</b>	<b>2,183,105</b>	<b>291,596,737</b>
<b>Total Investment Mgmt Fees</b>	<b>\$ 18,306,465</b>	<b>\$ 7,108,174,671</b>	<b>\$ 9,571,788</b>	<b>\$ 6,412,097,917</b>	<b>\$ 28,838,443</b>	<b>\$ 7,040,178,361</b>	<b>\$ 71,161,521</b>	<b>\$ 6,937,302,042</b>