

Hollander, Bill H.

Subject: FW: KLC City Limit Action Alert: CERS Separation Needs Your Support

----- Forwarded message -----

From: **J.D. Chaney** <jchaney@klc.org>

Date: Mon, Jan 14, 2019 at 2:04 PM

Subject: KLC City Limit Action Alert: CERS Separation Needs Your Support

To: Bill Hollander

[View this email in your browser](#)



General Assembly Creates Public Pensions Working Group

Your help is needed to advocate for CERS separation!

Leadership in the General Assembly has impaneled a Public Pensions Working Group to review the structure, costs, benefits and funding of the state's public pension systems, including the County Employees Retirement System (CERS). The working group will hold its initial meeting tomorrow, Tuesday, January 15, and is expected to make recommendations to the full General Assembly by February 15. If necessary, the group may request an extension until March 1 and an additional extension until December 1.

Members of the Public Pensions Working Group include:

[Senator Wil Schroder \(R-Wilder\) \(co-chair\)](#)
[Representative Jerry Miller \(R-Louisville\) \(co-chair\)](#)
[Senate President Robert Stivers \(R-Manchester\)](#)
[Senator Jimmy Higdon \(R-Lebanon\)](#)
[Senator Chris McDaniel \(R-Taylor Mill\)](#)
[Senator Morgan McGarvey \(D-Louisville\)](#)
[Senator Damon Thayer \(R-Georgetown\)](#)
[Senator Johnny Ray Turner \(D-Prestonsburg\)](#)
[Representative R. Travis Brenda \(R-Crab Orchard\)](#)
[Representative Jim DuPlessis \(R-Elizabethtown\)](#)
[Representative Derrick Graham \(D-Frankfort\)](#)
[Representative Scott Lewis \(R-Hartford\)](#)
[Representative Diane St. Onge \(R-Fort Wright\)](#)
[Representative Buddy Wheatley \(D-Covington\)](#)

It is imperative that you contact your legislators, especially if they are serving on the Public Pensions Working Group, and let them know that any pension reform for CERS must address management and administration concerns by separating the local pension system from the Kentucky Retirement Systems (KRS). Separation ensures the system remains free of political influence, regardless of future administrations. It also addresses the unfair representation CERS currently has within KRS where it is 75 percent of the assets but only 35

percent of the KRS Board of Trustees, 11 percent of the KRS Investment Committee and 14 percent of its Actuarial Subcommittee.



Call 1-800-372-7181 and leave a message for your legislators.

- **Contact your state senator(s) or representative(s) on social media.**
- **Email your legislators.**
- **You can look up who your legislators are and access their email through our [member directory](#).**

Ask your legislators to support CERS separation and include it in any recommendation the working group makes to the General Assembly.



Copyright © 2019 Kentucky League of Cities, All rights reserved.

You are receiving this email as a service of the Kentucky League of Cities.

Our mailing address is:
Kentucky League of Cities
100 E Vine St Ste 800
Lexington, KY 40507-1444

[Add us to your address book](#)

Want to change how you receive these emails?

You can [update your preferences](#) or [unsubscribe from this list](#).

RESOLUTION NO. 094, SERIES 2017

A RESOLUTION SUPPORTING THE SEPARATION OF THE COUNTY EMPLOYEES RETIREMENT SYSTEM FROM THE KENTUCKY RETIREMENT SYSTEM.

SPONSORED BY: COUNCIL MEMBERS BILL HOLLANDER, ROBIN ENGEL, MARIANNE BUTLER, ANGELA LEET, RICK BLACKWELL, PAT MULVIHILL, VICKI AUBREY WELCH, BARBARA SEXTON SMITH, MARILYN PARKER, MARY WOOLRIDGE, CINDI FOWLER, KEVIN KRAMER AND CHERI BRYANT HAMILTON

WHEREAS, Louisville Metro Government has employees invested in the County Employees Retirement System;

WHEREAS, the County Employees Retirement System is currently funded at 62 percent, a higher funded ratio than it was prior to passage of the 2017 Senate Bill 2;

WHEREAS, the Kentucky Employees Retirement System is the worst funded system in the U.S. and was noted by R.V. Kuhns, Inc. as being set to undergo financial hurdles of "persistent funding shortfalls, elevated contribution levels, unsustainable payout ratios and in the worst-case scenario, the potential for the complete depletion of the asset base;"

WHEREAS, total assets of the County Employees Retirement System are about \$12 billion, 73 percent of the total Kentucky Retirement Systems' assets;

WHEREAS, administrative costs for the Kentucky Retirement Systems have increased 245 percent since 2000, and the County Employees Retirement System pays 63 percent of those costs;

WHEREAS, separation of the County Employees Retirement System would result in the creation of a new nine-member board whose sole responsibility would be the management of the County Employees Retirement System;

WHEREAS, the current 17-member Kentucky Retirement Systems Board of Trustees has only six seats for County Employees Retirement System

representatives; and

WHEREAS, separation of the County Employees Retirement System from the Kentucky Retirement Systems would mean local control of local pensions and would ensure the needs of the County Employees Retirement System are met so it can continue its current path of growth for years to come.

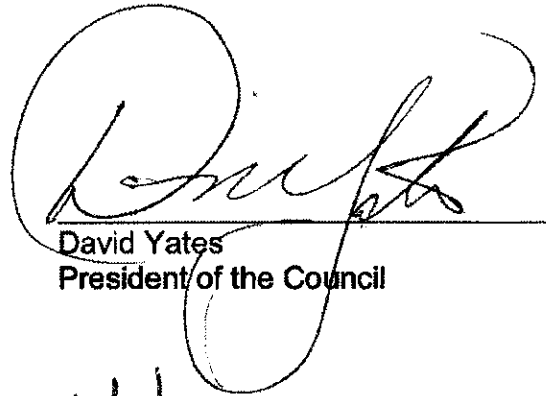
NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ("THE COUNCIL") AS FOLLOWS:

SECTION I: The Council supports the separation of the County Employees Retirement System from the Kentucky Retirement Systems.

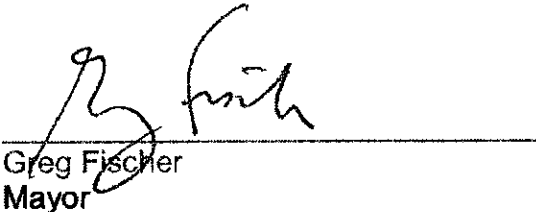
SECTION II: A copy of this Resolution shall be sent to each member of the Kentucky State Legislature.



H. Stephen Ott
Metro Council Clerk



David Yates
President of the Council



Greg Fischer
Mayor

10/9/17
Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

BY: 