

#freeCERS

KENTUCKY PUBLIC PENSIONS AUTHORITY

House Bill 484 maintains one pension administrative structure, currently known as the Kentucky Retirement Systems (KRS). The current KRS Board of Trustees would continue to oversee the Kentucky Employees Retirement System (KERS) and the State Police Retirement System (SPRS). County Employees Retirement System (CERS) representatives would transition to a new CERS Board of Trustees whose sole focus would be the CERS trust.

CERS BOARD OF TRUSTEES

Responsible for CERS pension and insurance, including investment decisions, actuarial data, auditing, asset allocations, medical and other professional or technical services.

KRS BOARD OF TRUSTEES

Responsible for Kentucky Employees Retirement System (KERS) and State Police Retirement System (SPRS) pension and insurance, including investment decisions, actuarial data, auditing, asset allocations, medical and other professional or technical services.

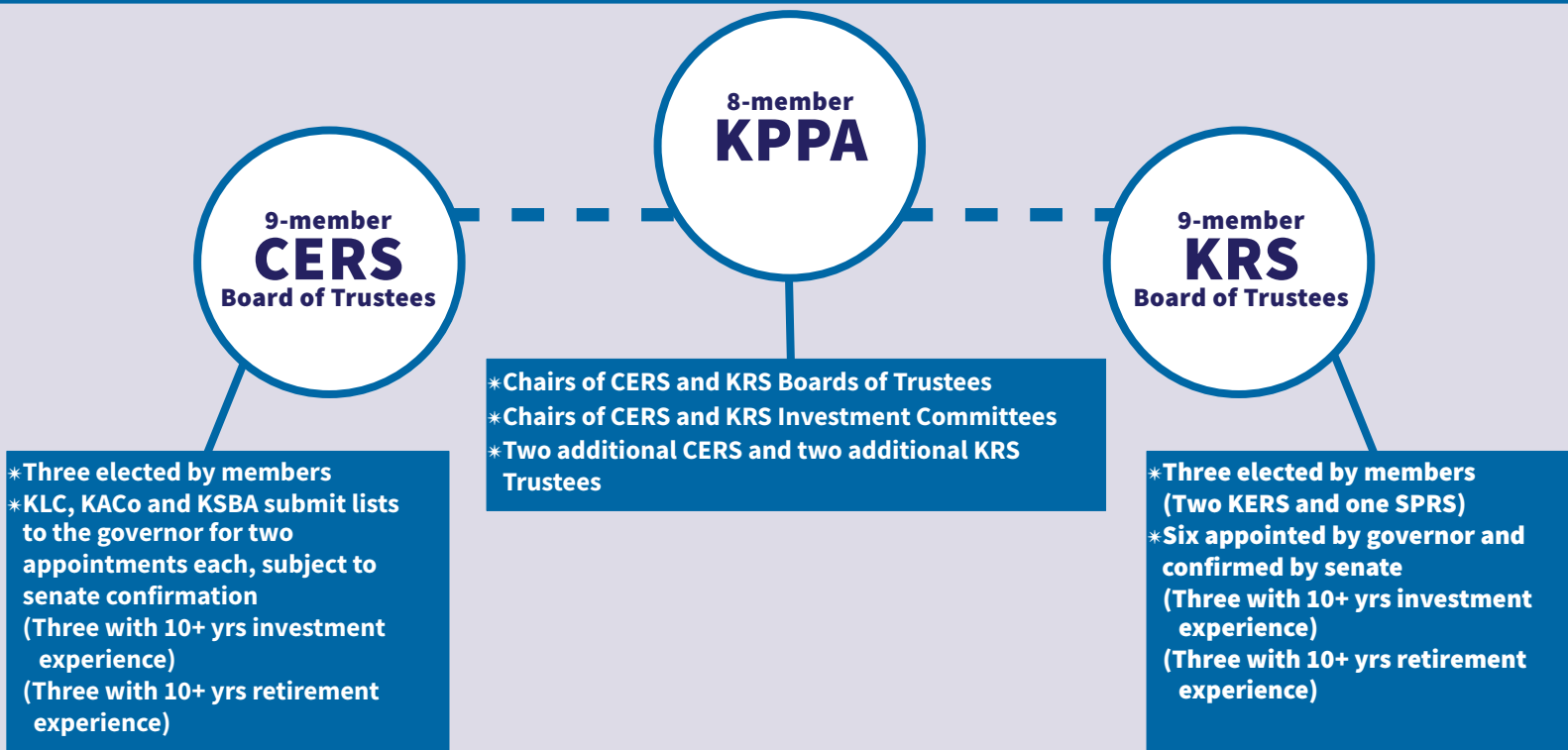
KRS and CERS board members would form a joint KPPA committee.
KRS staff would maintain employment with KPPA.

- ☑ KRS and CERS will report their actuarial valuations no later than November 15. In addition, CERS will report a summary of their actuarial valuation which shall include employer contribution rates, assumptions and trends to PPOB by Dec 31.
- ☑ A municipality could not file for bankruptcy protection if it is in default or delinquent in the payment of pension contributions.
- ☑ The governor could not reorganize, replace, amend or abolish either board.
- ☑ CERS investment, actuarial and allocation decisions would be made by trustees with a fiduciary duty to CERS, free from political influence regardless of future administrations.

HOUSE BILL 484 IS SUPPORTED BY...



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CERS Questions and Components	Under Current Law	House Bill 484
What happens if one employer leaves CERS?	Liability is shared with other 1,140 CERS employers	NO CHANGE
What happens if a CERS employer declares bankruptcy?	Liability is shared with other 1,140 CERS employers, but Commonwealth is responsible for inviolable contract	NO CHANGE Added protection prohibits municipalities from discharging pension liability in bankruptcy.
Change in benefits for CERS members	Changes must be made through legislation enacted by the General Assembly	NO CHANGE
Rates set by CERS Board are out of alignment with comparable systems	Rates are set by KRS Board of Trustees for both CERS, KERS and SPRS	Rates would be set by CERS Board of Trustees for the CERS system and reported to the General Assembly by December 31. Legislators could intervene if rates are out of alignment.
Inviolable contract	Benefits cannot be reduced or impaired for members who began participating prior to January 1, 2014	NO CHANGE