



Kentucky Public Pensions Authority

Public Pension Oversight Board

Investment Returns and Cash Flows

November 22, 2021
Data for periods ending June 30, 2021

Investment Performance and Cash Flow Highlights

FY 2021 was a record year for investment performance

- Returns ranged from 21.7% for SPRS Pension to 25.7% for CERS Pension
- All 10 plans returns exceeded their benchmarks adding over \$200 million

Net cash flow for the total KRS Plans was positive

- Only \$24 million negative for the total CERS Plans

Pension – Investment Returns

For the period ending June 30, 2021

Net of Fees Rates of Return

	Market Value (\$ in millions)	FYTD	1 Year	3 Years	5 Years	10 Years	20 Years	30 Years
KERS Non-Hazardous	\$3,039.5	22.6%	22.6%	9.9%	9.8%	7.6%	6.5%	8.3%
<i>Plan Index</i>		21.0%	21.0%	9.1%	9.4%	7.5%	6.5%	8.2%
KERS Hazardous	\$871.3	25.2%	25.2%	10.1%	10.5%	7.9%	6.7%	8.4%
<i>Plan Index</i>		24.9%	24.9%	10.0%	10.3%	7.9%	6.7%	8.2%
CERS Non-Hazardous	\$8,604.4	25.7%	25.7%	10.3%	10.7%	7.9%	6.7%	8.4%
<i>Plan Index</i>		24.9%	24.9%	10.0%	10.4%	7.9%	6.7%	8.3%
CERS Hazardous	\$2,917.3	25.6%	25.6%	10.2%	10.6%	8.0%	6.7%	8.4%
<i>Plan Index</i>		24.9%	24.9%	9.9%	10.3%	7.9%	6.7%	8.3%
SPRS	\$349.4	21.7%	21.7%	9.6%	9.8%	7.4%	6.5%	8.2%
<i>Plan Index</i>		21.0%	21.0%	9.1%	9.4%	7.5%	6.5%	8.2%

Insurance - Investment Returns

For the period ending June 30, 2021

Net of Fees Rates of Return

	Market Value (\$ in millions)	FYTD	1 Year	3 Years	5 Years	10 Years	20 Years	30 Years
KERS Non-Hazardous	\$1,388.3	25.2%	25.2%	9.9%	10.3%	7.4%	5.9%	7.5%
<i>Plan Index</i>		23.9%	23.9%	9.6%	10.2%	7.9%	6.2%	7.8%
KERS Hazardous	\$624.5	25.0%	25.0%	9.8%	10.4%	7.6%	6.0%	7.6%
<i>Plan Index</i>		23.9%	23.9%	9.6%	10.2%	7.9%	6.2%	7.8%
CERS Non-Hazardous	\$3,126.3	24.8%	24.8%	9.8%	10.5%	7.6%	6.1%	7.6%
<i>Plan Index</i>		23.9%	23.9%	9.6%	10.2%	7.9%	6.2%	7.8%
CERS Hazardous	\$1,603.1	25.0%	25.0%	9.9%	10.5%	7.7%	6.1%	7.6%
<i>Plan Index</i>		23.9%	23.9%	9.6%	10.2%	7.9%	6.2%	7.8%
SPRS	\$245.2	25.3%	25.3%	10.1%	10.7%	7.7%	6.1%	7.6%
<i>Plan Index</i>		23.9%	23.9%	9.6%	10.2%	7.9%	6.2%	7.8%

Pension Fund Contribution Report
(KERS Non Hazardous, KERS Hazardous & SPRS)
For the periods ending June 30, 2021 and June 30, 2020
(\$ in millions)

						
Contributions	FY21	FY20	FY21	FY20	FY21	FY20
<i>Member Contributions</i>	\$90.2	\$96.6	\$20.0	\$19.8	\$4.8	\$4.8
<i>Employer Contributions*</i>	1,134.2	948.6	62.2	59.1	59.6	59.5
<i>Net Investment Income</i>	50.6	38.7	13.9	13.3	5.9	5.3
Contribution Inflows	1,275.0	1,083.9	96.1	92.2	70.3	69.6
<i>Benefit Payments/Refunds</i>	1,018.4	1,011.3	78.3	75.0	63.5	62.5
<i>Administrative Expenses</i>	11.6	12.0	1.3	1.2	0.2	0.3
Contribution Outflows	1,030.0	1,023.3	79.6	76.2	63.7	62.8
NET Contributions	245.0	60.6	16.5	16.0	6.6	6.8
<i>Realized and Unrealized Gain/(Loss)</i>	477.8	15.0	161.0	(6.5)	56.1	1.0
Change in Net Position	722.8	75.6	177.5	9.5	62.7	7.8
<i>Beginning of Period</i>	2,362.2	2,286.6	697.4	687.9	295.0	287.2
<i>End of Period</i>	\$3,085.0	\$2,362.2	\$874.9	\$697.4	\$357.7	\$295.0

*FY21 Employer Contributions include a cessation payment of \$175.6M

Pension Fund Contribution Report
(CERS-Non Hazardous and CERS-Hazardous)
For the periods ending June 30, 2021 and June 30, 2020
(\$ in millions)

				
Contributions	FY21	FY20	FY21	FY20
<i>Member Contributions</i>	\$165.7	\$169.0	\$62.4	\$63.2
<i>Employer Contributions</i>	472.2	475.4	172.2	168.4
<i>Net Investment Income</i>	135.7	133.9	45.8	46.4
Contribution Inflows	773.6	778.3	280.4	278.0
<i>Benefit Payments/Refunds</i>	840.6	810.9	294.7	279.6
<i>Administrative Expenses</i>	21.8	22.3	1.9	2.0
Contribution Outflows	862.4	833.2	296.6	281.6
NET Contributions	(88.8)	(54.9)	(16.2)	(3.6)
<i>Realized and Unrealized Gain/(Loss)</i>	1,648.5	(77.2)	554.9	(30.3)
Change in Net Position	1,559.7	(132.1)	538.7	(33.9)
<i>Beginning of Period</i>	7,110.9	7,243.0	2,395.7	2,429.6
<i>End of Period</i>	\$8,670.6	\$7,110.9	\$2,934.4	\$2,395.7

Insurance Fund Contribution Report
(KERS Non-Hazardous, KERS Hazardous & SPRS)
For the periods ending June 30, 2021 and June 30, 2020
(\$ in millions)

						
Contributions	FY21	FY20	FY21	FY20	FY21	FY20
<i>Employer Contributions</i>	\$182.0	\$170.5	\$-	\$4.5	\$9.3	\$13.1
<i>Insurance Premiums</i>	17.3	0.2	1.2	-	0.8	-
<i>Retired Reemployed Healthcare</i>	4.7	4.5	1.3	1.3	-	-
<i>Health Insurance Contributions (HB1)</i>	6.3	6.1	1.2	1.1	0.2	0.2
<i>Net Investment Income</i>	18.5	18.9	8.4	9.9	3.1	3.7
Contribution Inflow	228.8	200.2	12.1	16.8	13.4	17.0
<i>Healthcare Premiums</i>	121.5	126.7	19.9	19.8	14.5	14.2
<i>Administrative Expenses</i>	0.8	0.8	0.1	0.1	0.1	0.1
Contribution Outflow	122.3	127.5	20.0	19.9	14.6	14.3
NET Contributions	106.5	72.7	(7.9)	(3.1)	(1.2)	2.7
<i>Realized and Unrealized Gain/(Loss)</i>	240.1	(8.3)	118.1	(9.3)	47.0	(2.6)
Change in Net Position	346.6	64.4	110.2	(12.4)	45.8	0.1
<i>Beginning of Period</i>	1,006.5	942.1	514.7	527.1	200.2	200.1
<i>Ending of Period</i>	\$1,353.1	\$1,006.5	\$624.9	\$514.7	\$246.0	\$200.2

*FY21 Employer Contributions include a cessation payment of \$28.4M

Insurance Fund Contribution Report
(CERS Non Hazardous and CERS Hazardous)
For the periods ending June 30, 2021 and June 30, 2020
(\$ in millions)

				
Contributions	FY21	FY20	FY21	FY20
<i>Employer Contributions</i>	\$124.7	\$124.7	\$58.5	\$56.7
<i>Insurance Premiums</i>	21.2	0.6	2.8	-
<i>Retired Reemployed Healthcare</i>	5.2	4.5	1.3	1.2
<i>Health Insurance Contributions (HB1)</i>	13.6	13.0	3.1	2.7
<i>Net Investment Income</i>	41.0	47.7	20.3	25.0
Contribution Inflows	205.7	190.5	86.0	85.6
<i>Healthcare Premiums</i>	139.7	139.0	85.4	82.0
<i>Administrative Expenses</i>	0.9	0.9	0.5	0.5
Contribution Outflows	140.6	139.9	85.9	82.5
NET Contributions	65.1	50.6	0.1	3.1
<i>Realized and Unrealized Gain/(Loss)</i>	578.6	(39.0)	302.6	(22.8)
Change in Net Position	643.7	11.6	302.7	(19.7)
<i>Beginning of Period</i>	2,498.1	2,486.5	1,305.1	1,324.8
<i>End of Period</i>	\$3,141.8	\$2,498.1	\$1,607.8	\$1,305.1