



# JUDICIAL FORM RETIREMENT SYSTEM

QUARTERLY INVESTMENT UPDATE

PUBLIC PENSION OVERSIGHT BOARD – NOVEMBER 15, 2022



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# VALUATION PROCESS



- **Full Actuarial Valuations performed every other year (odd numbered FYs)**
  - Determination of Required Funding (i.e. ADEC or ARC) for 2 year budget period
  - July 1, 2021 Valuation provided requirements for 2022 and 2023 fiscal years
- **Roll Forward Valuations performed in even Numbered Fiscal Years**
  - Only GASB results are provided
  - Based on data and assumptions from previous full actuarial valuation
  - Liability compared to Actual Market Value of assets rather than 5-year smoothed value
- **Experience Analysis conducted periodically, generally at least each 5 years**
  - Most recent full study (economic and demographic assumptions) completed in 2020
  - HB 76 requires investigation of key economic assumptions, slated for next review prior to 2023 full actuarial valuation



# GASB RESULTS



- **All plans remain fully funded from GASB point of view, but ratios did decline**

- Slight change in liability, as expected given roll-forward methodology
- But market values declined fairly significantly due to investment experience

	Judicial Retirement		Legislators Retirement	
	Pension	Health	Pension	Health
Total Liability	\$376.6M	\$40.6M	\$77.1M	\$15.9M
Market Value Assets	\$390.9M	\$119.3M	\$84.6M	\$63.3M
<b>GASB Funding Ratio</b>	<b>103.8%</b>	<b>293.8%</b>	<b>119.0%</b>	<b>398.1%</b>

- GASB data provided for information purposes, does NOT have impact on funding or budget request.

- **Looking Forward, FY2023 full valuation incorporate two significant events**

- Investment Experience: Large FY2021 gain still being recognized, BUT recent results could offset
- Retirements/Turnover: End of term is bringing with it above average retirements, could see liability grow marginally more than expected



# DO YOU HAVE ANY QUESTIONS?

Contact us anytime!

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Phone Number

502.564.5310

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Website

[kfjrs.ky.gov](http://kfjrs.ky.gov)

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Email Address

[bo.cracraft@ky.gov](mailto:bo.cracraft@ky.gov)

