

Kentucky Judicial Form Retirement System

JUDICIAL RETIREMENT PLAN LEGISLATORS RETIREMENT PLAN

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MEMORANDUM

To: Katie Carney, Office of Fiscal Statement Review
From: Donna S. Early, Executive Director
RE: **2020 SB 219/BR 1863**
AA Statement 1 and 2 of 4
Date: March 23, 2020

The proposal included in **SB 219** would not increase or decrease the benefits or increase or decrease participation in the benefits or negatively change the actuarial accrued liability of the Judicial Retirement Plan (JRP) or the Legislators Retirement Plan (LRP). Therefore, I have not requested any further actuarial analysis by the Plans' independent actuary.

In accordance with KRS 6.350(2)(c), the Judicial Form Retirement System (the agency in charge with the administration of JRP and LRP, certifies the following:

1. There are no individuals affected; however, as of June 30, 2019, there were 607 JRP active members, terminated vested members, retirees and beneficiaries, and 384 LRP active members, terminated vested members, retirees and beneficiaries.
2. There is no change in benefit payments.
3. There is no change to employer costs.
4. There is no change to administrative expenses.

Please let me know if you have any questions.

March 24, 2020

Ms. Katie Carney
Office of Fiscal Statement Review
Legislative Research Commission
Capitol Annex, Room 104
Frankfort, KY 40601

RE: Senate Bill 219 (2020 RS BR 1863)
AA Statement Required by KRS 6.350
AA Statement 3 of 4

Dear Ms. Carney:

Senate Bill 219 (2020 RS BR 1863), in pertinent part for Kentucky Retirement Systems, proposes to amend KRS 61.645 to require Kentucky Retirement Systems to publicly disclose by asset class, instead of at the manager level, the dollar value of all fees and commissions paid to managers and partnerships, including but not limited to profit sharing, carried interest, and any other partnership incentive arrangements. The bill also requires that, in addition to contracts and offering documents, all renewals or modifications of those contracts for services, goods, or property be made publicly available if purchased or utilized by the retirement system for fiscal years beginning on or after July 1, 2017; and the bill requires that information withheld from public disclosure under existing statutory exemptions be redacted under a process approved by the retirement board.

Kentucky Retirement Systems staff members have examined Senate Bill 219 (2020 RS BR 1863). We have determined that the bill will not increase or decrease benefits or the participation in benefits in any of the retirement systems administered by Kentucky Retirement Systems. Furthermore, Senate Bill 219 (2020 RS BR 1863) will not change the actuarial liability of any of the retirement systems administered by Kentucky Retirement Systems.

In accordance with KRS 6.350 (2)(c), Kentucky Retirement Systems certifies the following:

1. The estimated number of individuals affected as of June 30, 2019 are 132,144 active; 140,130 inactive; and 114,437 retired members in the plans administered by Kentucky Retirement Systems;
2. There is no estimated change in benefit payments;
3. There is no estimated change to employer costs; and
4. There is no estimated change to administrative expenses.

We have not requested any further actuarial analysis of Senate Bill 219 (2020 RS BR 1863) by the Systems' independent actuary.

Please let me know if you have any questions regarding our analysis of Senate Bill 219 (2020 RS BR 1863).

Sincerely,

A handwritten signature in black ink that reads "David Eager". The signature is written in a cursive, flowing style.

David L. Eager
Executive Director
Kentucky Retirement Systems