



# Kentucky Public Retirees

## BLUEGRASS EAST CHAPTER

September 2015 Newsletter

### **Bluegrass East Chapter**

12:00 PM (ET), 2nd Wednesday  
Golden Corral  
185 E. New Circle Road  
Lexington, KY  
Contact Doug Price  
(859) 797-7600 for information

### **UPCOMING MEETINGS**

October 14, 2015: Natural Bridge State Resort Park in the Lobby Meeting Room. Eat first and then the meeting will start at 12:30 pm. Our speaker will be from the Alzheimer Foundation and we hope to have an area Legislator provide information.

November 11, 2015: back at the Golden Corral with a speaker from the New Opportunity School.

December 9, 2015: Benny Rainwater! All members are encouraged to bring a gift for the Veterans at the Thompson—Hood Nursing Home

January 13, 2016: We hope to have an area Legislator provide information on the 2016 General Assembly.

### **Local Chapter Highlight**

KPR Covered Bridge Chapter will hold their October 8th meeting at Blue Licks Battlefield State Resort Park. The meeting starts in the Private Dining Room at 11 am followed by lunch in this room. The speaker will be Representative Donna Mayfield. She represents a portion of Madison County which is in our Chapter area.

### **DID YOU KNOW??**

The Bluegrass East Chapter includes the following counties: Bourbon, Clark, Estill, Fayette, Garrard, Harrison, Jessamine, Lincoln, Madison, Nicholas, Powell, and Scott. We have approximately 220 members. According to figures supplied by the Kentucky Retirement System there are over 12,000 beneficiaries in these 12 counties who draw an annual benefit totaling almost \$207 Million annually!!

The Legislators in our area include 9 Senators and 20 Representatives— 15 of these represent portions of Fayette County. 18 Republicans and 11 Democrats.

## **NEWS FROM KPR**

### **UPDATE TO LEGISLATIVE PAGE.....AUGUST 19, 2015**

A list of speaking points has been compiled by the Lobbying Committee in conjunction with the State Legislative Chair and the Legislative Agent to be used when talking to your legislators. These points as of this date are the following:

The Kentucky Retirement System is one of the worst funded in the nation. Recently KERS was listed as the worst funded. Do you favor full funding of the Actuarial Required Contribution (ARC) to our retirement system each year?

KRS is facing more than \$17 billion in unfunded liabilities due to the underfunding by the governors and legislators during the last fifteen of twenty-two years, and the investment losses during the recession. Do you think funding beyond the ARC is now needed? If so, how do you propose or suggest a means of doing this?

Nearly 96% of all retirees still live in Kentucky. Most in the same area where they worked. Their benefits have a significant impact on the economy of every county in Kentucky. Will you assure retirees their benefits will not be reduced?

We are reading more and more about the new taxing committee that has recently been named to look into changing the tax code. Retirees have \$41,500 exempted from state taxes. Would you vote to start taxing retiree's benefits?

Recently news reports showed that the assets for KERS dropped to \$2.26 billion at the end of June. The KRS monthly performance update ending June 30 showed a 2 percent growth in investment returns over the past year for its five pension plans.

This list will be periodically updated informing you of news you need to know to better inform you when speaking to your legislators. We have asked each chapter throughout the state to invite legislators in their chapter areas to their monthly meetings beginning now through December. Watch the KPR web site and our Facebook page.

**Shirley J. Clark, State Legislative Chair**

#### **Important Date**

The Lobbying Committee of KPR is organizing a gathering of KPR members in the Kentucky Capitol Rotunda and Mezzanine from 12:30 pm— 2:00 on January 27, 2016. More details to follow. We will carpool and hope to have many members of BGE attend.

The Legislative Committee of KPR wants every member to contact Legislators asking them to support paying the full Actuarial Required Contribution (ARC) this coming biennium. We hope to have a letter writing campaign— we have home and/or Frankfort addresses and a listing of your Legislative reps.

#### **Kentucky Retirement Systems**

KERS Non Haz (KERSNH) is the worst funded pension system in the USA. Funding at present is around 21%. According to actuaries there is a 5% - 8% possibility that the Fund will fail. If the ARC is funded every year for the next 30 years then the Fund will reach approximately 50% funding. Theoretically the fund should be at 100% but a pension fund is considered to be safe with funding in the range of 65%. In 2001 KERSNH was funded at 125.7%. From 1992-2012 the Legislators and Governors underfunded the Plan by over \$2.6 billion.