

CHAPTER 4 HISTORY

Section 1. Initial Incorporators

KENTUCKY PUBLIC RETIREES (formerly Kentucky Association of Public Annuitants) was founded on June 15, 1983, after more than a year of discussions and planning. The organization's Articles of Incorporation were filed with the Kentucky Secretary of State on August 16, 1983. The initial incorporators/Board of Directors were:

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|-----------------------|------------------------|
| 1. Harold Wallace | 7. Frances Travis |
| 2. Arnold L. Mitchell | 8. Taylor L. Davidson |
| 3. Charles F. Hinds | 9. Garnett Johnson |
| 4. James Childers | 10. Mitchell W. Tinder |
| 5. Ed W. Hancock | 11. J. Edgar DeShazer |
| 6. Iris Barrett | 12. Guyles E. Sutton |

Section 2. Presidents and Year(s) of Service

- 1983-1984. . . Charles F. Hinds
1984-1985. . . Frances Travis
1985-1987. . . Joe Bruna
1987-1988. . . Taylor Davidson
1988-1990. . . Kelly Hubbard
1990-1991. . . George W. Simmons, Jr.
1991-1993. . . James L. Peel
1993-1994. . . Charles R. Brackett
1994-1996. . . Bob Henson
1996-1998. . . Charles R. Brackett
1998-2000. . . Louise Greeman
2000-2002. . . Duane Ellis
2002-2004. . . C. Leslie Dawson
2004-2006. . . Milton Mains
2006-2008. . . Joe Conway
2008-2010. . . Shirley Clark
2010-2012. . . Tom Moore
2012-2014. . . Paul R. Guffey
2014-2016. . . Paul R. Guffey
2016-2018. . . Larry P. Totten
2018-2020. . . Larry P. Totten

Section 3. Harry Lee Waterfield Awards. KPR is composed of many former public servants who have given long years of service to the state, including the state police and county and city governments. These same people continue to serve the common interest and general welfare of the retired group. The Harry Lee Waterfield Awards were created to recognize

some of those who have provided exemplary service and achievement and who have demonstrated love and service to their fellow man in a humanitarian effort.

A. Creation of Awards. When approached by General Taylor Davidson, a then-member of KPR, Harry Lee Waterfield, Jr., agreed to sponsor awards to be presented annually in honor and memory of his distinguished father, the Honorable Harry Lee Waterfield, who served the people of Kentucky in many capacities, including the office of Lieutenant Governor, and who was the founder of the Investors Heritage Insurance Co. Since 1991, the KPR State Board has authorized the selection and recognition of KPR members each year to receive these two awards:

- The Harry Lee Waterfield Achievement Award-- presented to a KPR member who has demonstrated outstanding leadership to KPR
- The Harry Lee Waterfield Humanitarian Award--presented to a KPR member who has demonstrated special assistance to the welfare of others, particularly to KPR members

B. Selection of recipients and Presentation of Awards. The KPR Foundation Awards Committee is responsible for the selection of honorees and the presentation event at the Annual Meeting. Each year the membership is given an opportunity to nominate KPR members who have demonstrated unusual leadership or service that sets them apart as reaching high levels of achievement or humanitarian service.

C. Recipients of Harry Lee Waterfield Awards

YEAR	ACHIEVEMENT	HUMANITARIAN
1991.	Joseph Bruna.....	Jane Jagers
	Frances Travis	
1992.	Kelly Hubbard.....	James Yonts
1993.	Doris Thurman.....	George W. Simmons, Jr.
1994.	Charles Brackett.....	Edgar DeShazer (posthumously)
1995.	James and Ann Peel.....	James A. Moore (posthumously)
1996.	Bob Henson.....	Stuart Victor
1997.	Omar Greeman.....	North Central Chapter
1998.	Gene Drake.....	The Honorable Fred Bradley KY State Senator
1999.	Alan McDonald.....	Jean N. Bruce
2000.	General Taylor Davidson.....	Fred Miller
2001.	Dr. David Cosby.....	Dana Rich

2002.	The Honorable Marshall Long.....David Y. Taylor KY State Representative and Senator The Honorable Gippy Graham KY State Representative
2003.	Bill Picket.....Robert Mueller Bill Spillman
2004.	Shirley Clark.....Margaret Pennington Norma Collier
2005.	Rebecca Heckler.....C. Leslie Dawson
2006.	Don Carden.....Sister Jean Marie Hettinger
2007.	Martha Bradford.....Duane Ellis
2008.	J. David Corum.....Lewis Jean
2009.	Mary Helen Peter.....Eva Jane Jacobs
2010.	Ray Brittain.....Kathleen Roberts
2011.	Shirley Fallin.....Milton Mains
2012.	Joe Conway.....Ruby Gordon
2013.....	Betty Hawkins.....Claude Tiller
2014.....	Jo Stratton.....Linda Funk
2015.....	Ralph Wolff.....Donna Slaton
2016.....	Martha Parrish.....Nancy Fox
2017.....	Jerry Connell.....L. Peyton Adams
2018.....	Larry Totten.....Sarah (Missy) McCray
2019.....	Lexie Southworth.....Cathy Kunkel-Mains

HISTORY of KENTUCKY PUBLIC RETIREES

Kentucky Public Retirees was first organized and incorporated as the Kentucky Association of Public Annuitants (KAPA) on August 16, 1983, with two chapters - Frankfort and Louisville. Members of the initial Board of Directors were Harold Wallace, Arnold Mitchell, Charles Hinds, James Childers, Ed Hancock, Iris Barrett, Frances Travis, Taylor Davidson, Garnett Johnson, Mitchell Tinder, Ed Deshazer, and Guyles Sutton. KAPA originally had a constitution but this was repealed, as the law did not require one.

Charles Hinds was the first President of KAPA. Dues were \$5 a year. In 1986, a newsletter, *KAPA COMMENTS*, was launched with Joe Bruna as the Editor. In 1988, the name of the newsletter was changed to *THE KAPA KERNEL*. In 1987, KAPA completed its third annual meeting with its two chapters and it was at this meeting that the Legislative program was formulated.

The major fear in these early years was that our retirement benefits might be taxed since federal and private industry pensions were taxed by the state. This did not happen as federal retirees were exempted in the 1990 General Assembly. Also, in that Session, a 4.5% raise for state retirees with an additional \$2.50/month for each year prior to 1982 a state employee had been retired was passed due to KAPA lobbying efforts.

The year 1991 brought several changes. A major revision of KAPA's Bylaws was written by Jim and Ann Peel which was adopted at the annual meeting that year. Membership climbed to 474 members at the beginning of the year. The Waterfield Awards were also instituted.

During a board meeting in April, 1992, the Kentucky Association of Public Annuitants changed its name to Kentucky Public Retirees (KPR). Lincoln Trail in Elizabethtown became KPR's first new Chapter. Dues were raised to \$10 a year.

From 1994 through 1996, the Pennyrile Chapter in Madisonville, the Barren River Chapter in Bowling Green, the Northern Kentucky Chapter in Fort Mitchell, and the Bluegrass East Chapter in Lexington were organized. The Louisville Chapter was renamed the North Central Chapter. Other changes made during this time permitted the membership to vote by mail on changes in the Bylaws, extended the term of President to two years, and allowed for the hiring of a contractor to perform the administrative procedures. By the end of 1996, KPR's membership was 2,307.

There was only one goal for the 1996 session of the General Assembly - an annual cost-of-living adjustment which would increase retiree benefits by the lesser of 5% or the annual average increase in inflation. Our telephone tree was activated statewide, inundating legislators with requests to vote for our bill. So many members attended committee meetings that they had to be moved to accommodate our numbers. The bill passed and we continued to get COLAs until they were essentially ended during the 2013 General Assembly with SB 2.

During 1997-98, the Purchase Chapter in Paducah was organized. The Falls City Chapter in Louisville was organized by retired police and firefighters. This

chapter was later merged with the North Central Chapter. A Policy and Procedures Manual was developed for use by KPR State and Chapter officers. For all retirees, the death benefit was changed from \$2,500 to \$5,000.

In 1999, the Barren River Chapter became inactive. Happily, the Barren River Chapter was reestablished in 2011, and has become one of our most active chapters in membership growth.

KPR entered the internet age with the development of its own website. In 2000, an arrangement was established with the Personnel Cabinet providing KPR with quarterly lists of recent state retirees, which we still receive today. Dues were raised to \$15 annually effective in 2001.

In 2003 the Green River Chapter in Owensboro was established. In 2006, the FIVCO Chapter in Ashland was established after a rally held in Frankfort drew interest from a community group attending the rally. With Jefferson County having so many eligible retirees, it was felt that another Chapter was warranted and the Jefferson Regional Chapter was established in 2008.

After trying for many, many years, we were able to get Chapters established in the eastern part of the state. The first, the Covered Bridge Chapter, was established in Flemingsburg in 2009; the Cumberland Valley Chapter was established in 2012; Kentucky River Chapter in 2014; and, with the Big Sandy Chapter in 2016, KPR now has sixteen chapters covering the entire state.

In anticipation of legislative action during the 2016 General Assembly, KPR sponsored a “Save Our Pensions” Rally following the Governor’s State of the Commonwealth Address. Speakers included the Governor, members of the Public Pension Oversight Board, and other supporters.

In September 2016, Bylaw changes created the KPR Advocacy and Defense Fund. This fund would be used to pay attorneys to defend any changes made in the Inviolable Contract (the core protection to the defined benefit pensions) but could also be used for advocacy needs. With the release of the PFM Group report and its draconian reform proposals in mid-2017, as well as talk from the Governor and Legislators about additional pension reform during the 2018 Session, a letter was sent out to all KPR members asking for a donation to the fund. Within four weeks, the donations had totaled over \$27,000.

During the 2017 General Assembly, KPR finally achieved, working with Representative Derrick Graham as the primary sponsor, a legislative goal of changing the way vacancies in an elected Trustee position on the KRS Board was filled, by having only the remaining elected members vote to select a replacement for the position.

KPR focuses its efforts on protecting public retiree benefits. Of most concern is the growing unfunded liabilities in all of the KRS plans. Over a period of 22 years, Governors and Legislators failed to appropriate sufficient funding for the KERS and SPRS pensions during 14 of those years. Exacerbating this underfunding were two recessions, wildly varying investment returns, unfunded benefit enhancements, employer funding methodology, and other administrative issues. As of June 30, 2017, the KERS-NH pension system had a funded ratio of only 13.6%, in contrast with a funded ratio of 139.5% as of June 30, 2000.

In the budget for fiscal years 2015 and 2016, for the first time in many years, the Governor and the General Assembly appropriated full funding for the KERS and SPRS pension plans. During the next two years, additional money was appropriated in conjunction with full ARC payments. The budget for fiscal years 2019 and 2020 continues this increased funding with a doubling of ARC percentages and a change in funding methodology.

In both the 2008 and 2013 General Assemblies, major legislation was passed attempting to deal with the ever-increasing unfunded liabilities by primarily reforming future pension benefits. Neither of these bills met this goal and yet another major reform was passed in the 2018 Session. That legislation is now under litigation. This year, in legislation accompanying the budget bill, the pension exemption was reduced to \$31,110 as part of an overall effort to increase state revenue.

Over the past several years, KPR has expanded its presence in all KRS and Legislative activities that deal with public pensions. At the Capitol, we attend all meetings of the Public Pension Oversight Board and the particular Legislative Committee meetings that deal with pensions. We attend all KRS Committee and Board meetings. To help in communicating with our members, we created a Facebook page in 2015 and also revamped the original statewide alert system with periodic News Bulletins covering important issues. The KPR web site has been enhanced through the years adding news, the Policies and

Procedures Manual, photos, copies of *The Kernel*, as well as the ability for current and new members to pay their dues on line. A Legislative Agent was first hired in 2010, a paid position that continues today. KPR publishes at least four editions of *The Kernel* each year reaching every member. The KPR Board meets quarterly, with all sixteen Chapter Presidents serving as members along with the elected officers and the Standing Committee Chairs. As it has been since the beginning, everyone serves as volunteers.

Looking forward, maintaining our momentum will be critical to our organization's well-being. It is relatively easy to attend meetings; it is far more difficult to maintain the spirit of participation and involvement that is needed for a successful membership organization. Simply put, we need people to step forward and build on the successes of those who have come before them. For all public retirees – past, present, and future – let's make sure that happens.