

THE KERNEL

A publication of the Kentucky Public Retirees, Inc.

Issue 136

March 2022



President's Perspective

by Larry Totten

What Happens Now?

This is the most difficult Perspective I've had to write. Today it goes beyond the typical staring-at-a-blank-Word-document difficulty. My own perspective has been torn apart with the recent death of my spouse, something about which I know many of you can relate.

Suzanne was a KPR member. While never setting foot at a Bluegrass West Chapter meeting or an Annual Meeting, she was glad I had something to do in retirement and was perfectly happy staying home while I went out and played with "my people", as she called all of you. When I wrote these particular articles, I would toss out an idea or a phrase to get her reaction. She probably would have said "Yes" to anything I said, but being able to hear myself say the words out loud to someone else, did help me write them.

Although not an active participant, she knew that KPR was important to retirees, especially as more and more of our Parks friends retired, and they would ask us, "Am I going to keep getting my checks?" But, let me stay in my office at home for too long working on something, and I'd get her "Were you writing emails or cutting out paper dolls?" line, which originated in how she described my work as Deputy Commissioner for Parks. I am missing that respect for what I do. So, for now, her obituary sits on my desk – a reminder that this is all too real, the memory of her last breath etched into my memory. This will all get filed away one day into one of the "boxes" I have in my head as my perspective rebalances to my new normal. I know this happens every day to people all over the world, but this one, this time, is unique to me. I don't really care for it.

As I wrote back in November, we were looking forward to having our Annual Meeting this June, having already postponed it twice. Unfortunately, Omicron reared its spiky head and ran amok in the population. Here in mid-February, it appears that it might be waning but, as we've seen now twice before, is there something else lurking out there awaiting an opportunity to hurt us?

Putting together a conference is a big deal and takes time. It takes attendees as well as speakers who make presentations for those who attend to be successful. We want everyone to feel safe at our gatherings. Some of our chapters have yet to return to their regular monthly schedules; that tells me that we're not quite there yet. With this in mind, the KPR Board decided to postpone our 37th Annual Meeting to June 2023. Coincidentally perhaps, next year will be the 40th anniversary of Kentucky Public Retirees, our ruby anniversary and certainly one for celebration. We're pretty much going to have to do this one. The hotel probably wants us off their books; I know I want to say to everyone, "Welcome back!"

In the last *KERNEL*, I talked a little about providing support to our friends and members of the Lincoln Trail Chapter. Betty Hawkins, Robinil Jameson, and I hosted meetings in January and February, with another planned in March, in an effort to get the chapter on some solid footing once again. We're still hoping to encourage several of their members to step forward and provide the leadership necessary to be successful. I remain optimistic.

I hope your membership in KPR has been a value-added proposition for each of you whether it's by getting together monthly for lunch and camaraderie, through AMBA product availability, or even just being part of a group, each with the goal of protecting your pension benefit. When our legislative agents talk to legislators, it's the number of us behind them that makes us a credible organization. Even with the improvement in our pension financials and the incredible investment returns last year, our pensions are not yet on solid footing. The legislature providing the funds the actuaries say must be provided remains critical. Remember, we are on a now 27-year track to achieve full funding. The only way this will happen is if our legislators meet their obligations to us and we must stick together to make sure that they do. Remember what happened 20 years ago when no one was watching.

I want to again thank each of you for being members of KPR. Your participation in this endeavor, that none of us thought we would ever have to do, is so very important. None of us could do this as individuals; it takes all of us, together. Remember, our public pensions are not a handout – WE EARNED IT!

Kentucky Public Pensions Authority Update

by Larry Totten

Committee and board meetings for KPPA/KRS/CERS continue to be conducted online with ZOOM for board members and Facebook streaming to the public. Members of the public can view these online meetings in an area set up at KPPA for this specific purpose as well as their home or office.

Investment returns thus far have not been as robust as they were last year. CIO Steven Herbert has described the markets this year as “choppy” as returns ended December in the 4 - 5 percent range. New online reporting of returns and manager fees should soon become available on the KPPA website.

One provision of note in HB 297 would allow for up to six staff members in the Investment Division to be exempt from the provisions of KRS 18A, including those pertaining to salary. The CIO and Deputy CIO are the only two non-classified employees currently at KPPA other than the Executive Director.

The operation of the three distinct boards (KRS, CERS, KPPA) and their committees has settled into a more-or-less routine, although some refinement remains necessary.

Bylaws were most recently changed to allow for a more flexible meeting schedule to be set in December of each year for the following year, changing from date-specific meetings. Cost allocation among KRS and CERS for KPPA administrative expenses remains a topic for discussion for the spring.

Much more formal training programs for all board trustees began late last year and are continuing. And KPPA continues to be involved in a number of lawsuits pertaining to investment activities several years ago. The two newly-elected KERS trustees for the KRS Board will be announced in mid-March with their four-year terms beginning on April 1, 2022.

It is presumed that the acquisition process for a new Medicare Advantage plan for 65+ retirees is going smoothly. (Information to the contrary was not presented at a recent Retiree Health Plan Committee meeting.) The bid process is being conducted by the Finance Cabinet, and we are likely not to hear anything until a successful bidder is announced in the spring.

Legislative Chair Update

by Larry Totten

The 2022 General Assembly will be in its final month when this newsletter reaches members. As this is being written in mid-February, there are no bills that have been introduced that would affect our pensions in a negative manner. In fact, there is one that would provide for a one-time 1.5 percent COLA for KERS retirees (HB 446) and another that would provide the same for state police (HB 348). Neither of these is likely to move in the legislative process as sentiment for handing out COLAs seems to be focused more with the active employees. Maybe there'll be a surprise.

There are eight other pension/KPPA related bills, including the annual “housekeeping” bill. There are two bills that would restore the personal pension exclusion back to \$41,110. There are two versions of the Executive Branch Budget, both of which have provisions that would inject dollars into the KERS pension trust. The one likely to pass would also do the same for SPRS. How these funding supplements survive the budget reconciliation process remains to be seen. A bill altering the schedule for conducting assumption changes also seems likely to become law. Rolling into March puts an end to the filing of new bills, so we'll be watching daily to see what else might be added to the mix before then.

There have been just a few legislative committee meetings at which David Eager, CEO of KPPA, testified thus far and, thankfully, these were positive in content. The Public Pension Oversight Board cancelled its January meeting, and the February meeting has not yet been held as this is written. It will likely cover at least a review of last year's investment returns for all three pension plans, which was the sole topic for the January meeting.



To keep up to date with current activities affecting our retirement, sign up for our email bulletins at kentuckypublic-retirees.org.

Also, follow our Facebook page and webpage for information about issues of concern to all KPR members.



Membership Update

by Betty Hawkins

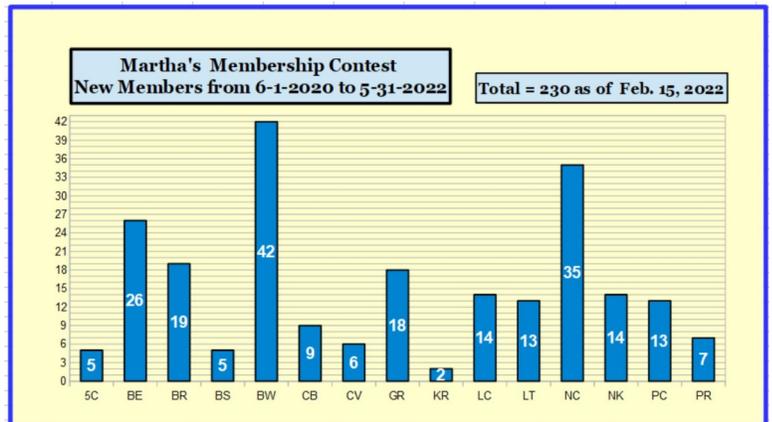
A very special thanks to all KPR members for “hanging in there.” Our lifestyle has undergone some significant changes these past two years. We’ve learned to live without certain things which we thought were absolute necessities. We’ve been forced to alter what we thought was our normal and best way of living.

We are hopeful that the remainder of 2022 will be our refocusing year when all chapter meetings will resume in some fashion, be it virtual or in-person meetings. We will finally be able to hold and attend some special events, conduct routine monthly chapter meetings, and the “good ole days” will resume even though our less-than-perfect brains and bodies might not be equipped to meet the challenge!

As I write this article (February 14, 2022), I want to remind you that Martha’s Membership Contest will end on May 31, 2022, which is three and one-half months away. Plans were under way to recognize our winners at the June 2022 Annual Meeting in Bowling Green. However, like many events, this had to be rescheduled. Many of our members have worked hard recruiting new members during the contest period and despite difficult circumstances have been successful. We will still be recognizing and awarding monetary prizes to the successful recruiters of new members: \$125 – first place; \$100 – second place; \$75 – third place; and \$50 – fourth place. There will also be three \$20 random drawings whereby members are eligible even though they have recruited only one new member. Please remember that spouses of KPR members are eligible for membership. You can recruit your spouse and be eligible for one of the random drawings.

We have recruited 230 new members during the contest period. Please check the graph to determine how your chapter is doing. As of this date, the winning number of new members recruited is eight. You still have time to participate, but the days remaining in the contest are winding down. Perhaps you can beat this number or get close enough to receive one of the other prizes.

New members may join online or mail their membership applications. Remember the recruiter’s name must be listed as the referral source for credit to be received for recruiting the new member. New member applications may also be mailed to the KPR business office, P. O. Box 4082, Frankfort, KY 40604. Should you need assistance with the paperwork or have any questions, please call me at 502-321-0649 or email me at: betty.hawkins49@gmail.com.



I am reminding and encouraging those members who have not already done so to pay their 2022 dues. Second notices will be sent soon. Those members who haven’t paid their 2022 dues will be removed from the membership roll on May 31, 2022. There are various ways to submit dues payments: online via personal credit card, online annual dues subscription, which is automatically deducted each year, or by mailing a personal check to the KPR business office, P. O. Box 4082, Frankfort, KY 40604. Should you have a question regarding the status of your dues payment, please contact Administrative Manager Floyd Parrish at 502-437-9408, or send an email to: kprmanager@gmail.com.

Why is it still important to be a KPR member when our legislators have been following the 30-year cycle funding plan enacted in 2018 for the last three years? We still have 27 years remaining for them to continually appropriate the required funds. Consequently, we need to remain vigilant and informed. KPR membership is your insurance policy to ensure this funding continues. Our statewide core group is important, and we provide updated information on a daily basis through our KPR Facebook page, periodic email bulletins to those subscribed members, and our quarterly newsletters. Even if you are unable to be an active participant due to personal circumstances, you still have someone working on your behalf. Our lobbyist is continually monitoring all legislative activities. At the present time, KPR leadership has four different representatives on the various boards which comprise the Kentucky Public Pensions Authority. We are there to represent you.

Fifteen dollars per year for membership dues is a very small amount to pay to belong to an organization which continually works to protect and ensure that you continue to receive these benefits. Membership numbers matter when we are seeking assistance from the General Assembly. Please send those dues payments in as soon as possible.



Kentucky Public Retirees
P. O. Box 4082
Frankfort, KY 40604
kprmanager@gmail.com



<p>Barren River 10 a.m. (CT), 3rd Monday BRADD Center 177 Graham Avenue (off Plum Springs Rd) Bowling Green, KY Contact Carol Douglas (270-535-4023)</p>	<p>Big Sandy 11:30 a.m., 2nd Thursday Giovanni's 1236 N. Lake Drive Prestonsburg, KY Contact Thomas Hereford III (606) 226-1753</p>	<p>Bluegrass East 12:00 a.m. (ET), 2nd Wednesday Meetings are held via Zoom To join the online meeting: Contact Jerry Powell jwpowell211@gmail.com</p>	<p>Bluegrass West 11:30 a.m. (ET), 3rd Tuesday VFW Franklin County Post 4075 104 E. Second St. Frankfort, KY Contact Jean Henning (502) 682-6996</p>
<p>Covered Bridge 11:00 a.m. (ET), 2nd Thursday Double 'S' Bowling 150 Foster St. Flemingsburg, KY Contact June Pugh (606) 849-2651</p>	<p>Cumberland Valley 11:30 a.m. (ET), 2nd Tuesday Meeting locations vary Contact David Cornett (606) 260-0490</p>	<p>Fivco 11:30 a.m. (ET), 3rd Monday Giovanni's on Greenup Avenue Ashland, KY Contact Morris Wells (606) 465-5784</p>	<p>Green River 12:00 p.m. (CT), 2nd Wednesday Briarpatch Restaurant 2760 Veach Road Owensboro, KY Contact Agnes Barron ((270) 298-7151</p>
<p>Kentucky River 3rd Friday of each month Meeting locations vary Contact Paul Bailey (606) 884-6280</p>	<p>Lake Cumberland 11:30 a.m. (ET), 3rd Monday The Mellow Mushroom 2520 Monticello St Somerset, KY Contact Bruce Brown (606) 305-9960</p>	<p>Lincoln Trail 11:30 a.m. (ET), 2nd Monday Shoney's 1406 Executive Drive Elizabethtown, KY Contact Larry Totten 502-226-0273</p>	<p>North Central 11:30 a.m. (ET), 2nd Wednesday Jumbo Buffet 2731 S. Hurstbourne Pkwy Louisville Louisville, KY Contact Suzanne Bernert (502) 641-7720</p>
<p>Northern Kentucky 1:00 p.m. (ET), 2nd Monday Golden Corral 4770 Houston Rd (KY 842) Florence Contact Milton Mains (859) 512- 9881</p>	<p>Pennyrile 11:30 a.m. (CT), 4th Thursday Country Cupboard Restaurant 518 McCoy Avenue Madisonville, KY Contact L. Peyton Adams (270) 871-9295</p>	<p>Purchase 10:30 a.m. (CT), 1st Thursday Pizza Inn Joe Clifton Drive Paducah, KY Contact Tom Moore (270) 898-7289</p>	