



PENSION INSIGHTS



FALL 2024 ISSUE

The official newsletter for retired members of CERS, KERS, and SPRS.



From the Desk of Ryan Barrow Executive Director

In this edition of *Pension Insights* we have a wealth of valuable information to share with you but first let me introduce myself.

I began my current role in July after nearly a dozen years in the Finance and Administration Cabinet's Office of Financial Management (OFM), where I served as Executive Director. There I managed the state's debt portfolio, over \$14 billion in invested state funds and have long been involved with all the state's pension systems. Part of my responsibilities at OFM was to monitor issues affecting Kentucky's credit rating and pension obligations is a large component of that. Additionally, I served as the state's liaison for investors and for credit rating agencies.

Before joining OFM, I served as the Budget Director for the Lexington-Fayette Urban County Government and worked in the private sector. You can read more about my background [here](#).

In this newsletter, you can find updates on investment returns, insurance open enrollment and a preview of the next CERS trustee election.

Investment Returns

The systems enjoyed another successful year in terms of returns. For the second consecutive year, portfolio returns approached or exceeded 10% across all funds. This positive performance provided upside sharing interest for Tier 3 members and will be reflected in the systems' funded statuses in our annual reports. While we do not focus too closely on a single year it is good to know the efforts by the CERS and KRS Trustees and the Office of Investments positioned our systems with our public peers. More importantly, this success benefits the members and taxpayers of the Commonwealth.

Strategic Plan Update

KPPA has been working with Provaliant Retirement Management and Consulting to develop a strategic plan. The process kicked off in the second quarter of 2023 and has continued with workgroups and information gathering. The result thus far has identified four key areas of focus: organizational excellence, customer service delivery, infrastructure and key resources and governance. Read the summary of our plan [here](#).

Thank You David Eager

A huge thank-you to former Executive Director David Eager. Dave, the staff, CEOs and the Trustees have put the organization on a path to having all systems fully funded by 2049. After eight years of service, he graciously extended his tenure, delaying his own retirement, to help ensure KPPA's transition went smoothly and "show me the ropes". Dave's impact on KPPA will be long-lasting, and his tenure serves as an example of effective leadership.

OPEN ENROLLMENT

The following applies to all Medicare and Non-Medicare plans:



Enrollment Not Required

If you do not submit an enrollment form, you will continue with the same health insurance benefit for 2025 as you have for 2024.



Hazardous Yearly Requirement

Hazardous retirees must submit [Form 6256](#) for an eligible spouse and dependents to receive health insurance contribution. The deadline is November 30, 2024.



Personal Identification Number

Your KPPA-issued four-digit Personal Identification Number (PIN) is required to complete your online enrollment. You can request a new PIN in [Self Service](#).

Submitting Forms to KPPA

If you need to make a change to your coverage for 2025, an online enrollment form is required. Go to Self Service at [MyRetirement.ky.gov](#) to submit your form.

[Form 6256](#) can be submitted with your online enrollment or uploaded using the Documents feature in [Self Service](#). You may also mail or fax the form to our office.

Non-Medicare Plans

OPEN ENROLLMENT PERIOD OCTOBER 1-31, 2024

The same three health insurance plans are available again in 2025. Additionally, the LivingWell High Deductible Health Plan (HDHP) is offered next year.

[Open Enrollment Books](#) have been mailed and detailed information is available on our website. You can [register for a webinar](#) or watch a video to learn more about Plan Year 2025.

All plan holders who are 18 or older must fulfill the LivingWell Promise between January 1, 2025 - July 1, 2025 to earn premium discounts in 2026. Complete the online Health Assessment at mycastlight.com/mybenefits



Visit our Website

Medicare Eligible Plans

OPEN ENROLLMENT PERIOD
OCTOBER 21 - NOVEMBER 30, 2024

[Humana](#) will mail open enrollment materials, including [Form 6256](#), by mid-October. Information will be published on the KPPA website when available.

To allow us to support our members not eligible for Medicare, please call us with any questions you have during the Medicare Open Enrollment period that begins on October 21st. We appreciate your patience during this busy time of year.

YOUR FEDERAL TAX WITHHOLDINGS

Did you know KPPA offers a way for you to estimate your federal withholdings before you make a change? Access your [online account](#) to use our calculator and update your withholdings.

It's important to review your federal withholdings regularly. While the IRS makes tax changes every year, your federal withholding election for your retirement benefit is in place until you submit a change request.

Read more

TRUSTEE ELECTIONS

Every four years, members of CERS, KERS and SPRS elect representatives to serve as trustee. In January, CERS members can begin casting votes for two CERS trustee positions. The next trustee election for KERS members is in 2026 and SPRS will elect a representative in 2027. Prior to each election, you can choose to vote online or submit a paper ballot to cast your vote.



CERS Members have until November 30th to request a paper ballot. An electronic ballot will automatically be sent to all eligible voters with a valid email address on file.

[Read more](#)



Retiree Self Service (RSS)

[Log in](#) to submit your insurance enrollment, change your federal tax withholdings and more.

[Registration is easy](#) and gives you 24/7 access to your account.



Stay Connected

[Go to RSS](#) to verify your contact information and [communication preference](#).

Make sure we have your current email and mailing address, so you receive your 1099-R tax form and important notices.

SECURITY SPOTLIGHT

Protecting Your Data



Safeguard Your Email Account

Do you know how important the security of your email account is? Email accounts are one of the most popular hacks. Think



New Fake Website Scams

Hackers have introduced new scams to get your username and password by creating fake websites for companies with

about how much information you have in email. Your email account can give the bad guys access to see what other online accounts you have, which can lead to identity theft.

Pro Tips:

- 1. Change your email account password frequently.
- 2. Have a unique password for all your online accounts, including your email account.
- 3. If you see strange emails that look like a password reset or in response to something you did not initiate, you should immediately change the passwords for both your email and the account referenced in the suspicious email.

which you may do business.

For example, if you don't remember the web address, you may search for a website. When you click on the search results, you go to what appears to be the correct site. *Always take a closer look.* A fake website may have an extra letter or slight misspelling in the web address. If you go to the fake site and enter your username and password, the bad guys can now access your account.

Pro Tip: The safest way to make sure you are using the correct website is to get the address from a confirmed source using mailings, calling the business, or carefully reviewing the search results. Once you have confirmed a web address, bookmark the address in your browser for future use.

INVESTMENTS

CIO Recognition

[Steve Willer, KPPA's Chief Investment Officer](#), has been named to the Elite 100 list published by Markets Group, a financial forum and event producer. The list includes 100 CIOs from U.S. public and corporate pension funds, endowments, and foundations who have "navigated mission-driven mandates and unique investment challenges with wisdom and poise, often maintaining a steady course amid external pressures," those who have "led their organizations through political and resource-constrained environments," and "rising stars who have shown extraordinary potential." Read more and see the full list [here](#).

Investment Returns

For the Fiscal Year (FY) ended June 30, 2024, the average composite return for pension assets under management was 10.7%, while insurance trust assets under management earned 11.4%.

Pension and insurance total assets increased to \$26.9 billion as of June 30, compared to \$23.9 billion at the end of FY 2023. For more detailed information about FY 2024 returns, read our press release [here](#).

Pension Investment Returns

	FY 2024	3-Year	5-Year	10-Year	30-Year
--	---------	--------	--------	---------	---------

CERS NH	11.6%	5.0%	8.0%	6.9%	8.1%
CERS HAZ	11.7%	5.0%	7.9%	6.9%	8.1%
KERS NH	9.5%	3.6%	6.9%	6.1%	7.8%
KERS HAZ	11.1%	4.6%	7.7%	6.7%	8.0%
SPRS	9.6%	4.0%	7.0%	6.0%	7.8%

Insurance Investment Returns

	FY 2024	3-Year	5-Year	10-Year	30-Year
CERS NH	11.8%	5.3%	7.9%	6.9%	7.2%
CERS HAZ	11.7%	5.3%	7.9%	7.0%	7.3%
KERS NH	11.1%	4.6%	7.7%	6.5%	7.1%
KERS HAZ	11.2%	5.1%	7.8%	6.8%	7.2%
SPRS	11.0%	5.1%	7.9%	7.0%	7.3%

Do you find the tips and resources in our newsletter helpful?

YES

NO



Kentucky Public Pensions Authority | 1260 Louisville Road | Hours of Operation: Monday through Friday, 8:00 a.m. to 4:30 p.m. ET. | Frankfort, KY 40601 US

[Unsubscribe](#) | [Constant Contact Data Notice](#)



Try email marketing for free today!