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October 31, 2025

Board of Trustees
Kentucky Retirement Systems
Perimeter Park West
1260 Louisville Road
Frankfort, KY 40601

Re: Sensitivity Analysis Based on Results of the June 30, 2025 Actuarial Valuation – KERS

Dear Members of the Board:

Per Kentucky State Statute 61.670, we are providing this supplemental information regarding the sensitivity of the valuation results to changes in some of the economic assumptions. Specifically, the enclosed tables show the impact for the **Kentucky Employees Retirement System (KERS)** due to changes in the investment return assumption, the inflation rate assumption, and the payroll growth rate assumption.

Background

Investment Assumption

The investment return assumption is used to discount future expected benefit payments to the valuation date in order to determine the liabilities of the plans. The lower the investment return assumption, the less the benefit payments are discounted and the higher the valuation liability. The current investment return assumption is 5.25% for the non-hazardous retirement fund, 6.25% for the hazardous retirement fund, and 6.50% for both insurance funds. The sensitivity analysis shows the financial impact of a 1.00% increase and a 1.00% decrease in the investment return assumption. For purposes of this sensitivity analysis, the inflation assumption and payroll growth assumption remain unchanged from the valuation assumption.

Inflation Assumption

The inflation assumption underlies most of the other economic assumptions, including the investment return, salary increases, and payroll growth rate. This is a macroeconomic assumption and as such the same assumption is used in the valuation of each of the retirement systems. The current assumption is 2.50% for all funds. The sensitivity analysis shows the financial impact of a 0.25% increase and a 0.25% decrease in the inflation assumption. Note, the change in the inflation assumption results in a corresponding change in the investment return assumption, the individual salary increase assumption for projecting members' benefit amounts, the payroll growth rate assumption, and the healthcare trend assumption that is used in the valuation of the health insurance funds.

Payroll Growth Assumption

Participating employers of the hazardous fund make contributions to the system as a percentage of covered payroll. Therefore, as payroll changes over time these amortization payments will also change. If actual covered payroll increases at a rate that is less than assumed, then the retirement system receives fewer contribution dollars than expected to finance the unfunded liability, which means the contribution rate in future years will be required to increase in order to finance the unfunded liability over the same time period. The current payroll growth assumption is 0.00% for both the retirement and insurance funds. The analysis shows the impact of a 1.00% increase and a 1.00% decrease in the payroll growth assumption.

For completeness, we have included this sensitivity for the non-hazardous fund. House Bill 8 passed during the 2021 legislative session and changed how contributions are collected and allocated amongst employers. The portion of the required contribution that amortizes (or pays for) the unfunded liability for the non-hazardous fund is no longer collected as a percentage of payroll. This sensitivity for the non-hazardous fund shows the impact of assuming that the amortization cost contributions paid by employers either decrease by 1% or increase by 1% annually (versus the valuation assumption that they remain level through the end of the funding period).

Please note that the payroll growth assumption does not impact the valuation liabilities, unfunded liability, or funded status of the system. Rather, this assumption only impacts the amortization rate for financing the existing unfunded actuarial accrued liability and the actuarially determined employer contribution. For purposes of this analysis, the investment return assumption and the inflation assumption are held at their current valuation assumptions.

Certification

The information provided in this letter compliments the information provided in the June 30, 2025 actuarial valuation report. Please refer to the June 30, 2025 actuarial valuation report for additional discussion of the actuarial valuation, including the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

Actual results can, and almost certainly will, differ as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rate, and funding periods. The actuarial calculations are intended to provide information for rational decision making. The purpose of this information is to provide stakeholders the financial sensitivity of the unfunded liability and contribution rates to changes in the inflation, assumed rate of return, and payroll growth assumption.

To the best of our knowledge, this report is complete and accurate and is in accordance with generally recognized actuarial practices and methods. All of the undersigned are Enrolled Actuaries and members of the American Academy of Actuaries and meet all of the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. In addition, all three are independent of KPPA and are experienced in performing valuations for large public retirement systems. This communication shall not be construed to provide tax advice, legal advice or investment advice.

Sincerely,

Gabriel, Roeder, Smith & Company

Daniel J. White, FSA, EA, MAAA
Senior Consultant

Janie Shaw, ASA, EA, MAAA
Consultant

Krysti Kiesel, ASA, EA, MAAA
Consultant

Sensitivity Analysis - Discount Rate
Non-Hazardous Members
(Dollar amounts expressed in thousands)

	Decrease Discount Rate	Valuation Results	Increase Discount Rate
(1)	(2)	(3)	(4)
Payroll Growth Rate	0.00%	0.00%	0.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	4.25%	5.25%	6.25%
Discount Rate - Insurance	5.50%	6.50%	7.50%
Retirement			
Actuarial Accrued Liability	$ 18,838,204	$ 16,839,319	$ 15,178,331
Actuarial Value of Assets	4,810,420	4,810,420	4,810,420
Unfunded Actuarial Accrued Liability	14,027,784	12,028,899	10,367,911
Funded Ratio	25.5%	28.6%	31.7%
Normal Cost Rate	9.75%	6.65%	4.55%
Amortization Cost	$ 907,762	$ 830,710	$ 760,265
Insurance			
Actuarial Accrued Liability	$ 2,770,600	$ 2,475,127	$ 2,228,734
Actuarial Value of Assets	1,817,923	1,817,923	1,817,923
Unfunded Actuarial Accrued Liability	952,677	657,204	410,811
Funded Ratio	65.6%	73.4%	81.6%
Normal Cost Rate	1.62%	1.11%	0.72%
Amortization Cost	$ 58,001	$ 37,448	$ 17,705
Combined			
Actuarial Accrued Liability	$ 21,608,804	$ 19,314,446	$ 17,407,065
Actuarial Value of Assets	6,628,343	6,628,343	6,628,343
Unfunded Actuarial Accrued Liability	14,980,461	12,686,103	10,778,722
Funded Ratio	30.7%	34.3%	38.1%
Normal Cost Rate	11.37%	7.76%	5.27%
Amortization Cost	$ 965,763	$ 868,158	$ 777,970

Sensitivity Analysis - Inflation Rate
Non-Hazardous Members
(Dollar amounts expressed in thousands)

	Decrease Inflation Rate	Valuation Results	Increase Inflation Rate
(1)	(2)	(3)	(4)
Payroll Growth Rate	-0.25%	0.00%	0.25%
Inflation Rate	2.25%	2.50%	2.75%
Discount Rate - Retirement	5.00%	5.25%	5.50%
Discount Rate - Insurance	6.25%	6.50%	6.75%
Retirement			
Actuarial Accrued Liability	$ 17,272,387	$ 16,839,319	$ 16,425,640
Actuarial Value of Assets	4,810,420	4,810,420	4,810,420
Unfunded Actuarial Accrued Liability	12,461,967	12,028,899	11,615,220
Funded Ratio	27.9%	28.6%	29.3%
Normal Cost Rate	7.10%	6.65%	6.23%
Amortization Cost	$ 866,003	$ 830,710	$ 796,906
Insurance			
Actuarial Accrued Liability	$ 2,500,774	$ 2,475,127	$ 2,450,885
Actuarial Value of Assets	1,817,923	1,817,923	1,817,923
Unfunded Actuarial Accrued Liability	682,851	657,204	632,962
Funded Ratio	72.7%	73.4%	74.2%
Normal Cost Rate	1.17%	1.11%	1.05%
Amortization Cost	$ 39,864	$ 37,448	$ 35,156
Combined			
Actuarial Accrued Liability	$ 19,773,161	$ 19,314,446	$ 18,876,525
Actuarial Value of Assets	6,628,343	6,628,343	6,628,343
Unfunded Actuarial Accrued Liability	13,144,818	12,686,103	12,248,182
Funded Ratio	33.5%	34.3%	35.1%
Normal Cost Rate	8.27%	7.76%	7.28%
Amortization Cost	$ 905,867	$ 868,158	$ 832,062

Sensitivity Analysis - Payroll Growth
Non-Hazardous Members
(Dollar amounts expressed in thousands)

	Decrease Payroll Growth	Valuation Results	Increase Payroll Growth
(1)	(2)	(3)	(4)
Payroll Growth Rate	-1.00%	0.00%	1.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	5.25%	5.25%	5.25%
Discount Rate - Insurance	6.50%	6.50%	6.50%
Retirement			
Actuarial Accrued Liability	$ 16,839,319	$ 16,839,319	$ 16,839,319
Actuarial Value of Assets	4,810,420	4,810,420	4,810,420
Unfunded Actuarial Accrued Liability	12,028,899	12,028,899	12,028,899
Funded Ratio	28.6%	28.6%	28.6%
Normal Cost Rate	6.65%	6.65%	6.65%
Amortization Cost	$ 908,006	$ 830,710	$ 757,332
Insurance			
Actuarial Accrued Liability	$ 2,475,127	$ 2,475,127	$ 2,475,127
Actuarial Value of Assets	1,817,923	1,817,923	1,817,923
Unfunded Actuarial Accrued Liability	657,204	657,204	657,204
Funded Ratio	73.4%	73.4%	73.4%
Normal Cost Rate	1.11%	1.11%	1.11%
Amortization Cost	$ 43,171	$ 37,448	$ 32,023
Combined			
Actuarial Accrued Liability	$ 19,314,446	$ 19,314,446	$ 19,314,446
Actuarial Value of Assets	6,628,343	6,628,343	6,628,343
Unfunded Actuarial Accrued Liability	12,686,103	12,686,103	12,686,103
Funded Ratio	34.3%	34.3%	34.3%
Normal Cost Rate	7.76%	7.76%	7.76%
Amortization Cost	$ 951,177	$ 868,158	$ 789,355

Sensitivity Analysis - Discount Rate
Hazardous Members
(Dollar amounts expressed in thousands)

(1)	Decrease Discount Rate (2)	Valuation Results (3)	Increase Discount Rate (4)
Payroll Growth Rate	0.00%	0.00%	0.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	5.25%	6.25%	7.25%
Discount Rate - Insurance	5.50%	6.50%	7.50%
Retirement			
Actuarial Accrued Liability	$ 1,674,603	$ 1,488,007	$ 1,340,607
Actuarial Value of Assets	1,076,412	1,076,412	1,076,412
Unfunded Actuarial Accrued Liability	598,191	411,595	264,195
Funded Ratio	64.3%	72.3%	80.3%
Actuarially Determined Contribution Rate	27.18%	18.83%	12.14%
Insurance			
Actuarial Accrued Liability	$ 471,777	$ 420,392	$ 378,111
Actuarial Value of Assets	699,650	699,650	699,650
Unfunded Actuarial Accrued Liability	(227,873)	(279,258)	(321,539)
Funded Ratio	148.3%	166.4%	185.0%
Actuarially Determined Contribution Rate	0.00%	0.00%	0.00%
Combined			
Actuarial Accrued Liability	$ 2,146,380	$ 1,908,399	$ 1,718,718
Actuarial Value of Assets	1,776,062	1,776,062	1,776,062
Unfunded Actuarial Accrued Liability	370,318	132,337	(57,344)
Funded Ratio	82.7%	93.1%	103.3%
Actuarially Determined Contribution Rate	27.18%	18.83%	12.14%

Sensitivity Analysis - Inflation Rate
Hazardous Members
(Dollar amounts expressed in thousands)

	Decrease Inflation Rate	Valuation Results	Increase Inflation Rate
(1)	(2)	(3)	(4)
Payroll Growth Rate	-0.25%	0.00%	0.25%
Inflation Rate	2.25%	2.50%	2.75%
Discount Rate - Retirement	6.00%	6.25%	6.50%
Discount Rate - Insurance	6.25%	6.50%	6.75%
Retirement			
Actuarial Accrued Liability	$ 1,527,989	$ 1,488,007	$ 1,450,516
Actuarial Value of Assets	1,076,412	1,076,412	1,076,412
Unfunded Actuarial Accrued Liability	451,577	411,595	374,104
Funded Ratio	70.4%	72.3%	74.2%
Actuarially Determined Contribution Rate	20.84%	18.83%	16.98%
Insurance			
Actuarial Accrued Liability	$ 425,722	$ 420,392	$ 415,372
Actuarial Value of Assets	699,650	699,650	699,650
Unfunded Actuarial Accrued Liability	(273,928)	(279,258)	(284,278)
Funded Ratio	164.3%	166.4%	168.4%
Actuarially Determined Contribution Rate	0.00%	0.00%	0.00%
Combined			
Actuarial Accrued Liability	$ 1,953,711	$ 1,908,399	$ 1,865,888
Actuarial Value of Assets	1,776,062	1,776,062	1,776,062
Unfunded Actuarial Accrued Liability	177,649	132,337	89,826
Funded Ratio	90.9%	93.1%	95.2%
Actuarially Determined Contribution Rate	20.84%	18.83%	16.98%

Sensitivity Analysis - Payroll Growth
Hazardous Members
(Dollar amounts expressed in thousands)

	Decrease Payroll Growth	Valuation Results	Increase Payroll Growth
(1)	(2)	(3)	(4)
Payroll Growth Rate	-1.00%	0.00%	1.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	6.25%	6.25%	6.25%
Discount Rate - Insurance	6.50%	6.50%	6.50%
Retirement			
Actuarial Accrued Liability	$ 1,488,007	$ 1,488,007	$ 1,488,007
Actuarial Value of Assets	1,076,412	1,076,412	1,076,412
Unfunded Actuarial Accrued Liability	411,595	411,595	411,595
Funded Ratio	72.3%	72.3%	72.3%
Actuarially Determined Contribution Rate	20.00%	18.83%	17.73%
Insurance			
Actuarial Accrued Liability	$ 420,392	$ 420,392	$ 420,392
Actuarial Value of Assets	699,650	699,650	699,650
Unfunded Actuarial Accrued Liability	(279,258)	(279,258)	(279,258)
Funded Ratio	166.4%	166.4%	166.4%
Actuarially Determined Contribution Rate	0.00%	0.00%	0.00%
Combined			
Actuarial Accrued Liability	$ 1,908,399	$ 1,908,399	$ 1,908,399
Actuarial Value of Assets	1,776,062	1,776,062	1,776,062
Unfunded Actuarial Accrued Liability	132,337	132,337	132,337
Funded Ratio	93.1%	93.1%	93.1%
Actuarially Determined Contribution Rate	20.00%	18.83%	17.73%

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October 31, 2025

Board of Trustees
Kentucky Retirement Systems
Perimeter Park West
1260 Louisville Road
Frankfort, KY 40601

Re: Sensitivity Analysis Based on Results of the June 30, 2025 Actuarial Valuation – SPRS

Dear Members of the Board:

Per Kentucky State Statute 61.670, we are providing this supplemental information regarding the sensitivity of the valuation results to changes in some of the economic assumptions. Specifically, the enclosed tables show the impact for the **State Police Retirement System (SPRS)** due to changes in the investment return assumption, the inflation rate assumption, and the payroll growth rate assumption.

Background

Investment Assumption

The investment return assumption is used to discount future expected benefit payments to the valuation date in order to determine the liabilities of the plans. The lower the investment return assumption, the less the benefit payments are discounted and the higher the valuation liability. The current investment return assumption is 5.25% for the retirement fund and 6.50% for the insurance fund. The sensitivity analysis shows the financial impact of a 1.00% increase and a 1.00% decrease in the investment return assumption. For purposes of this sensitivity analysis, the inflation assumption and payroll growth assumption remain unchanged from the valuation assumption.

Inflation Assumption

The inflation assumption underlies most of the other economic assumptions, including the investment return, salary increases, and payroll growth rate. This is a macroeconomic assumption and as such the same assumption is used in the valuation of each of the retirement systems. The current assumption is 2.50% for all funds. The sensitivity analysis shows the financial impact of a 0.25% increase and a 0.25% decrease in the inflation assumption. Note, the change in the inflation assumption results in a corresponding change in the investment return assumption, the individual salary increase assumption for projecting members' benefit amounts, the payroll growth rate assumption, and the healthcare trend assumption that is used in the valuation of the health insurance funds.

Payroll Growth Assumption

Participating employers of SPRS make contributions to the system as a percentage of covered payroll. Therefore, as payroll changes over time these amortization payments will also change. If actual covered payroll increases at a rate that is less than assumed, then the retirement system receives fewer contribution dollars than expected to finance the unfunded liability, which means the contribution rates in future years will be required to increase in order to finance the unfunded liability over the same time period. The current payroll growth assumption is 0.00% for both the retirement and insurance funds. The analysis shows the impact of a 1.00% increase and a 1.00% decrease in the payroll growth assumption.

Please note that the payroll growth assumption does not impact the valuation liabilities, unfunded liability, or funded status of the system. Rather, this assumption only impacts the amortization rate for financing the existing unfunded actuarial accrued liability and the actuarially determined employer contribution. For purposes of this analysis, the investment return assumption and the inflation assumption are held at their current valuation assumptions.

Certification

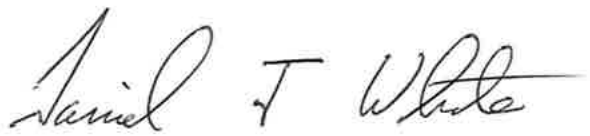
The information provided in this letter compliments the information provided in the June 30, 2025 actuarial valuation report. Please refer to the June 30, 2025 actuarial valuation report for additional discussion of the actuarial valuation, including the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

Actual results can, and almost certainly will, differ as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rate, and funding periods. The actuarial calculations are intended to provide information for rational decision making. The purpose of this information is to provide stakeholders the financial sensitivity of the unfunded liability and contribution rates to changes in the inflation, assumed rate of return, and payroll growth assumption.

To the best of our knowledge, this report is complete and accurate and is in accordance with generally recognized actuarial practices and methods. All of the undersigned are Enrolled Actuaries and members of the American Academy of Actuaries and meet all of the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. In addition, all three are independent of KPPA and are experienced in performing valuations for large public retirement systems. This communication shall not be construed to provide tax advice, legal advice or investment advice.

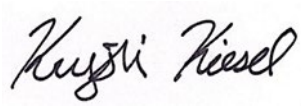
Sincerely,

Gabriel, Roeder, Smith & Company



Daniel J. White, FSA, EA, MAAA
Senior Consultant

Janie Shaw, ASA, EA, MAAA
Consultant



Krysti Kiesel, ASA, EA, MAAA
Consultant

Sensitivity Analysis - Discount Rate

(Dollar amounts expressed in thousands)

(1)	Decrease Discount Rate (2)	Valuation Results (3)	Increase Discount Rate (4)
Payroll Growth Rate	0.00%	0.00%	0.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	4.25%	5.25%	6.25%
Discount Rate - Insurance	5.50%	6.50%	7.50%
Retirement			
Actuarial Accrued Liability	$ 1,273,281	$ 1,130,393	$ 1,012,641
Actuarial Value of Assets	699,539	699,539	699,539
Unfunded Actuarial Accrued Liability	573,742	430,854	313,102
Funded Ratio	54.9%	61.9%	69.1%
Actuarially Determined Contribution Rate	71.64%	51.84%	34.70%
Insurance			
Actuarial Accrued Liability	$ 303,951	$ 273,394	$ 247,952
Actuarial Value of Assets	276,806	276,806	276,806
Unfunded Actuarial Accrued Liability	27,145	(3,412)	(28,854)
Funded Ratio	91.1%	101.2%	111.6%
Actuarially Determined Contribution Rate	7.63%	2.49%	0.00%
Combined			
Actuarial Accrued Liability	$ 1,577,232	$ 1,403,787	$ 1,260,593
Actuarial Value of Assets	976,345	976,345	976,345
Unfunded Actuarial Accrued Liability	600,887	427,442	284,248
Funded Ratio	61.9%	69.6%	77.5%
Actuarially Determined Contribution Rate	79.27%	54.33%	34.70%

Sensitivity Analysis - Inflation Rate

(Dollar amounts expressed in thousands)

(1)	Decrease Inflation Rate (2)	Valuation Results (3)	Increase Inflation Rate (4)
Payroll Growth Rate	-0.25%	0.00%	0.25%
Inflation Rate	2.25%	2.50%	2.75%
Discount Rate - Retirement	5.00%	5.25%	5.50%
Discount Rate - Insurance	6.25%	6.50%	6.75%
Retirement			
Actuarial Accrued Liability	$ 1,162,337	$ 1,130,393	$ 1,099,973
Actuarial Value of Assets	699,539	699,539	699,539
Unfunded Actuarial Accrued Liability	462,798	430,854	400,434
Funded Ratio	60.2%	61.9%	63.6%
Actuarially Determined Contribution Rate	56.90%	51.84%	47.05%
Insurance			
Actuarial Accrued Liability	$ 275,494	$ 273,394	$ 271,401
Actuarial Value of Assets	276,806	276,806	276,806
Unfunded Actuarial Accrued Liability	(1,312)	(3,412)	(5,405)
Funded Ratio	100.5%	101.2%	102.0%
Actuarially Determined Contribution Rate	2.95%	2.49%	2.04%
Combined			
Actuarial Accrued Liability	$ 1,437,831	$ 1,403,787	$ 1,371,374
Actuarial Value of Assets	976,345	976,345	976,345
Unfunded Actuarial Accrued Liability	461,486	427,442	395,029
Funded Ratio	67.9%	69.6%	71.2%
Actuarially Determined Contribution Rate	59.85%	54.33%	49.09%

Sensitivity Analysis - Payroll Growth

(Dollar amounts expressed in thousands)

(1)	Decrease Payroll Growth (2)	Valuation Results (3)	Increase Payroll Growth (4)
Payroll Growth Rate	-1.00%	0.00%	1.00%
Inflation Rate	2.50%	2.50%	2.50%
Discount Rate - Retirement	5.25%	5.25%	5.25%
Discount Rate - Insurance	6.50%	6.50%	6.50%
Retirement			
Actuarial Accrued Liability	$ 1,130,393	$ 1,130,393	$ 1,130,393
Actuarial Value of Assets	699,539	699,539	699,539
Unfunded Actuarial Accrued Liability	430,854	430,854	430,854
Funded Ratio	61.9%	61.9%	61.9%
Actuarially Determined Contribution Rate	55.98%	51.84%	47.99%
Insurance			
Actuarial Accrued Liability	$ 273,394	$ 273,394	$ 273,394
Actuarial Value of Assets	276,806	276,806	276,806
Unfunded Actuarial Accrued Liability	(3,412)	(3,412)	(3,412)
Funded Ratio	101.2%	101.2%	101.2%
Actuarially Determined Contribution Rate	2.53%	2.49%	2.46%
Combined			
Actuarial Accrued Liability	$ 1,403,787	$ 1,403,787	$ 1,403,787
Actuarial Value of Assets	976,345	976,345	976,345
Unfunded Actuarial Accrued Liability	427,442	427,442	427,442
Funded Ratio	69.6%	69.6%	69.6%
Actuarially Determined Contribution Rate	58.51%	54.33%	50.45%

Kentucky Public Pensions Authority
KERS Non-Hazardous Retirement Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution (excluding Appropriations)	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll (Normal Cost)	Employer Contribution (Amortization Cost)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2025	$ 16,839	$ 4,810	$ 12,029	29%	$ 996	$ 101	$ 2,024	6.99%	$ 855
2026	16,871	5,435	11,436	32%	965	101	2,024	6.65%	831
2027	16,870	5,790	11,080	34%	965	101	2,024	6.65%	831
2028	16,842	6,120	10,722	36%	946	101	2,024	6.32%	818
2029	16,788	6,397	10,391	38%	946	101	2,024	6.32%	818
2030	16,713	6,615	10,098	40%	927	101	2,024	6.05%	805
2031	16,620	6,817	9,803	41%	927	101	2,024	6.05%	805
2032	16,511	7,020	9,491	43%	923	101	2,024	5.83%	805
2033	16,390	7,227	9,163	44%	923	101	2,024	5.83%	805
2034	16,258	7,439	8,819	46%	919	101	2,024	5.65%	805
2035	16,116	7,660	8,456	48%	919	101	2,024	5.65%	805
2036	15,976	7,903	8,073	50%	916	101	2,024	5.49%	805
2037	15,835	8,164	7,671	52%	916	101	2,024	5.49%	805
2038	15,697	8,449	7,248	54%	914	101	2,024	5.38%	805
2039	15,565	8,762	6,803	56%	914	101	2,024	5.38%	805
2040	15,440	9,106	6,334	59%	915	101	2,024	5.31%	808
2041	15,325	9,486	5,839	62%	945	101	2,024	5.31%	837
2042	15,219	9,933	5,286	65%	949	101	2,024	5.25%	843
2043	15,124	10,425	4,699	69%	995	101	2,024	5.25%	889
2044	15,039	11,005	4,034	73%	995	101	2,024	5.20%	890
2045	14,965	11,632	3,333	78%	1,018	101	2,024	5.20%	913
2046	14,902	12,331	2,571	83%	1,021	101	2,024	5.17%	916
2047	14,849	13,083	1,766	88%	1,030	101	2,024	5.17%	925
2048	14,808	13,898	910	94%	1,037	101	2,024	5.14%	933
2049	14,778	14,778	-	100%	104	101	2,024	5.13%	-
2050	14,761	14,761	-	100%	104	101	2,024	5.12%	-
2051	14,758	14,758	-	100%	104	101	2,024	5.12%	-
2052	14,768	14,768	-	100%	103	101	2,024	5.11%	-
2053	14,793	14,793	-	100%	103	101	2,024	5.11%	-
2054	14,830	14,830	-	100%	103	101	2,024	5.11%	-

Notes and assumptions:

The projection is based on the results of the June 30, 2025 actuarial valuation and assumes that all actuarial assumptions are realized, including the assumed annual asset return of 5.25%.

New active members are assumed to be hired as current active members are assumed to terminate employment or retire.

The total active population is assumed to decrease 2% each year for each of the next 30 years.

Covered payroll is assumed to remain level throughout the entire projection.

The contribution rate established in the Commonwealth's biennium budget is assumed to be equal to the normal cost portion of the actuarially determined contribution.

The full actuarially determined amortization cost is assumed to be allocated amongst employers each biennium.

The second year of a biannual budget is assumed to take into account any expiring amortization bases.

Per HB1 and HB6 (passed in the 2024 legislative session), $300 million in additional appropriations assumed to be received in FYE 2026.

Kentucky Public Pensions Authority
KERS Hazardous Retirement Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll	Employer Actuarially Determined Contribution
(1)	(2)		(4)	(5)	(6)	(7)	(8)	(9)	(10)
2025	$ 1,488	$ 1,076	$ 412	72%	$ 63	$ 21	$ 266	23.74%	20.68%
2026	1,532	1,148	384	75%	50	21	266	18.83%	18.83%
2027	1,573	1,225	348	78%	50	21	266	18.83%	18.38%
2028	1,613	1,297	316	80%	46	21	266	17.18%	17.18%
2029	1,652	1,356	296	82%	46	21	266	17.18%	16.29%
2030	1,691	1,404	287	83%	42	21	266	15.72%	15.72%
2031	1,730	1,450	280	84%	42	21	266	15.72%	15.66%
2032	1,772	1,498	274	85%	42	21	266	15.62%	15.62%
2033	1,815	1,548	267	85%	42	21	266	15.62%	15.59%
2034	1,860	1,600	260	86%	41	21	266	15.57%	15.57%
2035	1,908	1,655	253	87%	41	21	266	15.57%	15.55%
2036	1,959	1,715	244	88%	41	21	266	15.52%	15.52%
2037	2,013	1,777	236	88%	41	21	266	15.52%	15.49%
2038	2,067	1,840	227	89%	41	21	266	15.47%	15.47%
2039	2,123	1,906	217	90%	41	21	266	15.47%	15.45%
2040	2,181	1,974	207	91%	39	21	266	14.78%	14.78%
2041	2,240	2,042	198	91%	39	21	266	14.78%	16.45%
2042	2,302	2,113	189	92%	46	21	266	17.30%	17.30%
2043	2,365	2,194	171	93%	46	21	266	17.30%	17.93%
2044	2,431	2,278	153	94%	48	21	266	17.95%	17.95%
2045	2,498	2,367	131	95%	48	21	266	17.95%	19.36%
2046	2,567	2,458	109	96%	53	21	266	19.79%	19.79%
2047	2,637	2,557	80	97%	53	21	266	19.79%	20.87%
2048	2,708	2,659	49	98%	58	21	266	21.75%	21.75%
2049	2,779	2,779	-	100%	19	21	266	7.13%	7.13%
2050	2,850	2,850	-	100%	19	21	266	7.13%	7.13%
2051	2,921	2,921	-	100%	19	21	266	7.14%	7.14%
2052	2,991	2,991	-	100%	19	21	266	7.15%	7.15%
2053	3,060	3,060	-	100%	19	21	266	7.15%	7.15%
2054	3,126	3,126	-	100%	19	21	266	7.16%	7.16%

Notes and assumptions:

The projection is based on the results of the June 30, 2025 actuarial valuation and assumes that all actuarial assumptions are realized, including the assumed annual asset return of 6.25%.

New active members are assumed to be hired as current active members are assumed to terminate employment or retire.

The total active population is assumed to decrease 2% each year for each of the next 30 years.

Covered payroll is assumed to remain level throughout the entire projection.

The contribution rate established in the Commonwealth's biennium budget is assumed to be equal to the full actuarially determined contribution rate.

Kentucky Public Pensions Authority
SPRS Retirement Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll	Employer Actuarially Determined Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2025	$ 1,130	$ 700	$ 430	62%	$ 49	$ 6	$ 74	65.79%	57.91%
2026	1,143	760	383	67%	39	6	74	51.84%	51.84%
2027	1,152	790	362	69%	39	6	74	51.84%	50.34%
2028	1,159	816	343	70%	36	6	74	47.97%	47.97%
2029	1,164	834	330	72%	36	6	74	47.97%	46.14%
2030	1,169	844	325	72%	33	6	74	44.88%	44.88%
2031	1,174	853	321	73%	33	6	74	44.88%	44.75%
2032	1,179	861	318	73%	33	6	74	44.62%	44.62%
2033	1,185	870	315	73%	33	6	74	44.62%	44.53%
2034	1,191	880	311	74%	33	6	74	44.46%	44.46%
2035	1,199	891	308	74%	33	6	74	44.46%	44.41%
2036	1,207	903	304	75%	33	6	74	44.36%	44.36%
2037	1,215	916	299	75%	33	6	74	44.36%	44.32%
2038	1,224	930	294	76%	33	6	74	44.27%	44.27%
2039	1,234	944	290	77%	33	6	74	44.27%	44.23%
2040	1,244	959	285	77%	32	6	74	43.63%	43.63%
2041	1,254	974	280	78%	32	6	74	43.63%	70.51%
2042	1,265	990	275	78%	53	6	74	71.00%	71.00%
2043	1,277	1,027	250	80%	53	6	74	71.00%	72.31%
2044	1,288	1,066	222	83%	56	6	74	75.92%	75.92%
2045	1,299	1,110	189	86%	56	6	74	75.92%	81.26%
2046	1,309	1,154	155	88%	62	6	74	82.79%	82.79%
2047	1,319	1,205	114	91%	62	6	74	82.79%	84.89%
2048	1,328	1,258	70	95%	64	6	74	86.67%	86.67%
2049	1,336	1,336	-	100%	15	6	74	20.75%	20.75%
2050	1,343	1,343	-	100%	15	6	74	20.77%	20.77%
2051	1,349	1,349	-	100%	15	6	74	20.79%	20.79%
2052	1,353	1,353	-	100%	15	6	74	20.80%	20.80%
2053	1,355	1,355	-	100%	15	6	74	20.82%	20.82%
2054	1,356	1,356	-	100%	15	6	74	20.82%	20.82%

Notes and assumptions:

The projection is based on the results of the June 30, 2025 actuarial valuation and assumes that all actuarial assumptions are realized, including the assumed annual asset return of 5.25%.

New active members are assumed to be hired as current active members are assumed to terminate employment or retire.

The total active population is assumed to decrease 2% each year for each of the next 30 years.

Covered payroll is assumed to remain level throughout the entire projection.

The contribution rate established in the Commonwealth's biennium budget is assumed to be equal to the full actuarially determined contribution rate.

Per HB1 (passed in the 2024 legislative session), $25 million in additional appropriations assumed to be received in FYE 2026.

Kentucky Public Pensions Authority
KERS Non-Hazardous Insurance Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll (Normal Cost)	Employer Contribution (Amortization Cost)
(1)	(2)		(4)	(3) / (2)	(6)	(7)	(8)	(9)	(10)
2025	$ 2,475	$ 1,818	$ 657	74%	$ 31	$ 12	$ 2,014	1.45%	$ 2
2026	2,544	1,858	686	73%	60	13	2,014	1.11%	37
2027	2,594	1,950	644	75%	60	14	2,014	1.11%	37
2028	2,631	2,020	611	77%	49	15	2,014	0.85%	32
2029	2,657	2,057	600	77%	49	15	2,014	0.85%	32
2030	2,671	2,065	606	77%	39	16	2,014	0.65%	26
2031	2,674	2,055	619	77%	39	17	2,014	0.65%	26
2032	2,668	2,036	632	76%	36	17	2,014	0.48%	26
2033	2,655	2,009	646	76%	36	18	2,014	0.48%	26
2034	2,636	1,975	661	75%	33	18	2,014	0.34%	26
2035	2,612	1,935	677	74%	33	18	2,014	0.34%	26
2036	2,587	1,892	695	73%	31	19	2,014	0.25%	26
2037	2,562	1,849	713	72%	31	19	2,014	0.25%	26
2038	2,537	1,805	732	71%	30	19	2,014	0.18%	26
2039	2,515	1,762	753	70%	30	19	2,014	0.18%	26
2040	2,495	1,720	775	69%	51	20	2,014	0.13%	49
2041	2,479	1,704	775	69%	67	20	2,014	0.13%	64
2042	2,468	1,708	760	69%	151	20	2,014	0.10%	149
2043	2,461	1,805	656	73%	155	20	2,014	0.10%	153
2044	2,458	1,917	541	78%	144	20	2,014	0.07%	143
2045	2,458	2,030	428	83%	119	20	2,014	0.07%	117
2046	2,461	2,126	335	86%	120	20	2,014	0.06%	119
2047	2,464	2,230	234	91%	124	20	2,014	0.06%	123
2048	2,467	2,345	122	95%	127	20	2,014	0.04%	127
2049	2,470	2,470	-	100%	1	20	2,014	0.03%	-
2050	2,470	2,470	-	100%	-	20	2,014	0.02%	-
2051	2,469	2,469	-	100%	-	20	2,014	0.01%	-
2052	2,467	2,467	-	100%	-	20	2,014	0.01%	-
2053	2,464	2,464	-	100%	-	20	2,014	0.00%	-
2054	2,460	2,460	-	100%	-	20	2,014	0.00%	-

Notes and assumptions:

The projection is based on the results of the June 30, 2025 actuarial valuation and assumes that all actuarial assumptions are realized, including the assumed annual asset return of 6.50%.

New active members are assumed to be hired as current active members are assumed to terminate employment or retire.

The total active population is assumed to decrease 2% each year for each of the next 30 years.

Covered payroll is assumed to remain level throughout the entire projection.

The contribution rate established in the Commonwealth's biennium budget is assumed to be equal to the normal cost portion of the actuarially determined contribution.

The full actuarially determined amortization cost is assumed to be allocated amongst employers each biennium.

The second year of a biannual budget is assumed to take into account any expiring amortization bases.

Kentucky Public Pensions Authority
KERS Hazardous Insurance Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll	Employer Actuarially Determined Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2025	$ 420	$ 700	$ (280)	167%	$ -	$ 2	$ 266	0.00%	0.00%
2026	430	727	(297)	169%	-	2	266	0.00%	0.00%
2027	435	766	(331)	176%	-	2	266	0.00%	0.00%
2028	439	801	(362)	183%	-	2	266	0.00%	0.00%
2029	442	831	(389)	188%	-	2	266	0.00%	0.00%
2030	443	855	(412)	193%	-	3	266	0.00%	0.00%
2031	444	879	(435)	198%	-	3	266	0.00%	0.00%
2032	444	905	(461)	204%	-	3	266	0.00%	0.00%
2033	444	933	(489)	210%	-	3	266	0.00%	0.00%
2034	444	961	(517)	216%	-	3	266	0.00%	0.00%
2035	443	992	(549)	224%	-	3	266	0.00%	0.00%
2036	443	1,026	(583)	232%	-	3	266	0.00%	0.00%
2037	443	1,061	(618)	240%	-	3	266	0.00%	0.00%
2038	444	1,100	(656)	248%	-	3	266	0.00%	0.00%
2039	446	1,143	(697)	256%	-	3	266	0.00%	0.00%
2040	449	1,189	(740)	265%	-	3	266	0.00%	0.00%
2041	453	1,238	(785)	273%	-	3	266	0.00%	0.00%
2042	457	1,292	(835)	283%	-	3	266	0.00%	0.00%
2043	463	1,349	(886)	291%	-	3	266	0.00%	0.00%
2044	469	1,411	(942)	301%	-	3	266	0.00%	0.00%
2045	476	1,477	(1,001)	310%	-	3	266	0.00%	0.00%
2046	483	1,547	(1,064)	320%	-	3	266	0.00%	0.00%
2047	490	1,622	(1,132)	331%	-	3	266	0.00%	0.00%
2048	496	1,700	(1,204)	343%	-	3	266	0.00%	0.00%
2049	503	1,783	(1,280)	355%	-	3	266	0.00%	0.00%
2050	509	1,870	(1,361)	367%	-	3	266	0.00%	0.00%
2051	514	1,962	(1,448)	382%	-	3	266	0.00%	0.00%
2052	519	2,059	(1,540)	397%	-	3	266	0.00%	0.00%
2053	523	2,162	(1,639)	413%	-	3	266	0.00%	0.00%
2054	526	2,270	(1,744)	432%	-	3	266	0.00%	0.00%

Notes and assumptions:

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The total active population is assumed to decrease 2% each year for each of the next 30 years.

Covered payroll is assumed to remain level throughout the entire projection.

The contribution rate established in the Commonwealth's biennium budget is assumed to be equal to the full actuarially determined contribution rate.

Kentucky Public Pensions Authority
SPRS Insurance Fund
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Employer Contribution	Member Contribution	Covered Payroll	Employer Contribution as % of Covered Payroll	Employer Actuarially Determined Contribution
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2025	$ 273	$ 277	$ (4)	102%	$ 2	$ -	$ 74	2.31%	1.46%
2026	278	282	(4)	101%	2	1	74	2.49%	2.49%
2027	280	290	(10)	104%	2	1	74	2.49%	1.37%
2028	281	296	(15)	105%	-	1	74	0.00%	0.00%
2029	280	296	(16)	106%	-	1	74	0.00%	0.00%
2030	278	294	(16)	106%	-	1	74	0.00%	0.00%
2031	275	290	(15)	106%	-	1	74	0.00%	0.00%
2032	271	286	(15)	106%	-	1	74	0.00%	0.00%
2033	267	281	(14)	105%	-	1	74	0.00%	0.00%
2034	263	275	(12)	105%	-	1	74	0.00%	0.00%
2035	258	270	(12)	105%	-	1	74	0.00%	0.00%
2036	253	264	(11)	104%	-	1	74	0.00%	0.00%
2037	249	259	(10)	104%	-	1	74	0.00%	0.00%
2038	245	254	(9)	104%	-	1	74	0.00%	0.00%
2039	241	249	(8)	103%	-	1	74	0.00%	0.00%
2040	238	245	(7)	103%	-	1	74	0.00%	0.00%
2041	235	241	(6)	103%	-	1	74	0.00%	0.00%
2042	233	238	(5)	102%	2	1	74	2.78%	2.78%
2043	232	238	(6)	103%	2	1	74	2.78%	3.18%
2044	232	238	(6)	103%	3	1	74	3.84%	3.84%
2045	232	240	(8)	103%	3	1	74	3.84%	2.87%
2046	232	243	(11)	105%	2	1	74	3.08%	3.08%
2047	233	245	(12)	105%	2	1	74	3.08%	4.11%
2048	234	248	(14)	106%	4	1	74	4.90%	4.90%
2049	235	252	(17)	107%	-	1	74	0.00%	0.00%
2050	236	252	(16)	107%	-	1	74	0.00%	0.00%
2051	236	253	(17)	107%	-	1	74	0.00%	0.00%
2052	236	252	(16)	107%	-	1	74	0.00%	0.00%
2053	236	252	(16)	107%	-	1	74	0.00%	0.00%
2054	235	251	(16)	107%	-	1	74	0.00%	0.00%

Notes and assumptions:

The projection is based on the results of the June 30, 2025 actuarial valuation and assumes that all actuarial assumptions are realized, including the assumed annual asset return of 6.50%.

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