KPPA
Kentucky Public Pensions Authority

Interim Joint Committee
on
State Government

KPPA Financial, Actuary, and Legislative Update

Ryan Barrow, Executive Director
Erin Surratt, Deputy Executive Director

November 17, 2026

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Kentucky Public Pensions Authority

Fiscal Year 2026 Highlights

- All Funds exceeded their Actuarial Assumed Rates of Return
- All Pension and Insurance funds exceeded their respective Total Fund Benchmarks for FY 2026
- All funds produced top decile or top quartile risk adjusted performance (Sharpe Ratios) within the Wilshire All Public Pans Peer Universe over the latest three- and five-year periods
- Positive Net Contributions for all pension funds
- Asset Allocations for all funds are in range
- Focus continues on the reduction of accounts receivable

PENSION – INVESTMENT RETURNS

FISCAL YEAR ENDING JUNE 30, 2026

NET OF FEES RATES OF RETURN

	MARKET VALUE ($ IN MILLIONS)	1 YEAR	3 YEARS	5 YEARS	10 YEARS	20 YEARS	30 YEARS
KERS NH	**$6,049.8**	12.3%	11.0%	6.8%	8.3%	6.7%	7.4%
PLAN BENCHMARK		11.4%	9.8%	6.1%	7.6%	6.5%	7.3%
KERS HAZ	**$1,296.5**	13.6%	12.2%	7.8%	9.1%	7.1%	7.7%
PLAN BENCHMARK		12.7%	11.2%	7.4%	8.8%	7.1%	7.7%
SPRS	**$842.4**	12.1%	10.9%	6.9%	8.3%	6.6%	7.4%
PLAN BENCHMARK		11.0%	9.8%	6.2%	7.8%	6.5%	7.3%
CERS NH	**$11,764.7**	13.8%	12.3%	8.0%	9.3%	7.2%	7.7%
PLAN BENCHMARK		13.3%	11.9%	7.9%	9.1%	7.2%	7.7%
CERS HAZ	**$4,301.5**	13.8%	12.4%	8.0%	9.3%	7.2%	7.7%
PLAN BENCHMARK		13.3%	11.9%	7.9%	9.1%	7.2%	7.7%

Assumed Rates of Return for Fiscal Year 2026 for Pension Plans: KERS NH and SPRS 5.25%, KERS Haz 6.25% and All CERS Plans 6.50%

INSURANCE – INVESTMENT RETURNS

FISCAL YEAR ENDING JUNE 30, 2026

NET OF FEES RATES OF RETURN

	MARKET VALUE ($ IN MILLIONS)	1 YEAR	3 YEARS	5 YEARS	10 YEARS	20 YEARS	30 YEARS
KERS NH	**$2,014.1**	13.3%	12.0%	7.7%	9.0%	6.5%	7.1%
PLAN BENCHMARK		12.4%	11.1%	7.8%	8.9%	6.8%	7.4%
KERS HAZ	**$798.7**	13.0%	11.8%	7.8%	9.1%	6.7%	7.1%
PLAN BENCHMARK		11.8%	10.8%	7.3%	8.7%	6.7%	7.3%
SPRS	**$310.1**	12.9%	11.7%	7.8%	9.2%	6.7%	7.2%
PLAN BENCHMARK		11.9%	10.8%	7.4%	8.7%	6.7%	7.4%
CERS NH	**$4,286.7**	13.4%	12.2%	8.0%	9.2%	6.8%	7.2%
PLAN BENCHMARK		12.7%	11.6%	7.8%	8.9%	6.8%	7.4%
CERS HAZ	**$1,980.8**	13.2%	12.0%	8.0%	9.3%	6.8%	7.2%
PLAN BENCHMARK		12.7%	11.6%	7.8%	8.9%	6.8%	7.4%

Assumed Rates of Return for Fiscal Year 2026 is 6.50% for All Insurance Plans.

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Asset Allocation vs. IPS Targets & Ranges

FY 2026

	KRS PENSION COMPOSITE			CERS PENSION COMPOSITE			KRS INSURANCE COMPOSITE			CERS INSURANCE COMPOSITE		
	ACTUAL	TARGET	RANGE	ACTUAL	TARGET	RANGE	ACTUAL	TARGET	RANGE	ACTUAL	TARGET	RANGE
EQUITY												
PUBLIC EQUITY	35.3%	31.6%	20.8%-41.6%	50.5%	45.0%	30%-55%	45.4%	40.0%	25-50%	50.5%	45.0%	30%-55%
PRIVATE EQUITY	4.1%	6.3%	3.2%-9.6%	4.5%	8.0%	4%-12%	5.1%	8.0%	4%-12%	4.6%	8.0%	4%-12%
FIXED INCOME												
SPECIALTY CREDIT	20.4%	20.9%	15.8%-25.8%	19.3%	20.0%	16%-24%	24.4%	25.0%	20%-30%	19.4%	20.0%	16%-24%
CORE FIXED INCOME	24.0%	24.2%	19.8%-31.8%	12.4%	13.0%	10%-20%	9.7%	10.0%	8%-15%	12.5%	13.0%	10%-20%
CASH	2.4%	2.0%	0%-5%	2.1%	2.0%	0%-5%	1.7%	2.0%	0%-5%	1.7%	2.0%	0%-5%
INFLATION PROTECTED												
REAL RETURN	9.3%	9.7%	6.7%-12.7%	6.7%	7.0%	4%-10%	8.1%	8.0%	5%-11%	6.7%	7.0%	4%-10%
REAL ESTATE	4.5%	5.3%	3.2%-7.5%	4.0%	5.0%	3%-7%	5.6%	7.0%	4%-10%	4.6%	5.0%	3%-7%

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Cash Flows

Data for FY 2025 & 2026

PENSION FUND CONTRIBUTION REPORT (KERS NHZ, KERS HAZ, & SPRS)

FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30, 2026, AND JUNE 30, 2025 ($ IN MILLIONS)

NET CONTRIBUTIONS LESS NET INVESTMENT INCOME	KERS NONHAZARDOUS Kentucky Employees Retirement System		KERS HAZARDOUS Kentucky Employees Retirement System		SPRS State Police Retirement System	
CONTRIBUTIONS	**FY26**	**FY25**	**FY26**	**FY25**	**FY26**	**FY25**
MEMBER CONTRIBUTIONS	$110.7	$104.8	$24.1	$22.1	$6.0	$6.0
EMPLOYER CONTRIBUTIONS	165.2	154.4	78.6	70.7	56.3	53.0
ACTUARIALLY ACCRUED LIABILITY CONTRIBUTIONS	865.7	864.5	-	-	-	-
GENERAL FUND APPROPRIATIONS	300.00	300.00	-	-	25.0	25.0
NET INVESTMENT INCOME	154.6	129.3	32.4	28.8	22.3	20.0
CONTRIBUTION INFLOWS	1,596.2	1,553.0	135.1	121.6	109.6	104.0
BENEFIT PAYMENTS/REFUNDS	1,067.6	1,057.2	100.8	93.8	72.8	66.0
ADMINISTRATIVE EXPENSES	14.6	14.1	1.7	1.6	0.3	0.3
CONTRIBUTION OUTFLOWS	1,082.2	1,071.3	102.5	95.4	73.1	66.3
NET CONTRIBUTIONS	514.0	481.7	32.6	26.2	36.5	37.7
REALIZED AND UNREALIZED GAIN/(LOSS)	488.3	364.0	122.7	92.6	67.9	52.0
CHANGE IN NET POSITION	1,002.3	845.7	155.3	118.8	104.4	89.7
BEGINNING OF PERIOD	5,143.3	4,297.6	1,148.7	1,029.9	742.9	653.2
END OF PERIOD	$6,145.6	$5,143.3	$1,304.0	$1,148.7	$847.3	$742.9
NET CONTRIBUTIONS (WITHOUT INVESTMENT INCOME)	$359.4	$352.4	$0.2	($2.6)	$14.2	$17.7
CASH FLOW AS % OF ASSETS	5.85%	6.85%	0.02%	-0.23%	1.68%	2.39%
NET INVESTMENT INCOME	$154.6	$129.3	$32.4	$28.8	$22.3	$20.0
YIELD AS % OF ASSETS	2.52%	2.51%	2.48%	2.51%	2.63%	2.69%

PENSION FUND CONTRIBUTION REPORT (CERS NHZ AND CERS HAZ)

FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30, 2026, AND JUNE 30, 2025 ($ IN MILLIONS)

*NET CONTRIBUTIONS LESS NET INVESTMENT INCOME	CERS NONHAZARDOUS County Employees Retirement System		CERS HAZARDOUS County Employees Retirement System	
CONTRIBUTIONS	**FY26**	**FY25**	**FY26**	**FY25**
MEMBER CONTRIBUTIONS	$176.6	$167.1	$70.0	$65.8
EMPLOYER CONTRIBUTIONS	674.6	677.4	309.0	306.0
NET INVESTMENT INCOME	262.3	234.8	97.2	85.6
CONTRIBUTION INFLOWS	1,113.5	1,079.3	476.2	457.4
BENEFIT PAYMENTS/REFUNDS	1,050.0	1,017.7	394.4	384.4
ADMINISTRATIVE EXPENSES	27.3	25.9	2.4	2.3
CONTRIBUTION OUTFLOWS	1,077.3	1,043.6	396.8	386.7
NET CONTRIBUTIONS	36.2	35.7	79.4	70.7
REALIZED AND UNREALIZED GAIN/(LOSS)	1,179.0	872.2	423.9	311.4
CHANGE IN NET POSITION	1,215.2	907.9	503.3	382.1
BEGINNING OF PERIOD	10,625.5	9,717.6	3,822.0	3,439.9
END OF PERIOD	11,840.7	10,625.5	4,325.3	3,822.0
NET CONTRIBUTIONS (WITHOUT INVESTMENT INCOME)	($226.1)	($199.1)	($17.8)	($14.9)
CASH FLOW AS % OF ASSETS	-1.91%	-1.87%	-0.41%	-0.39%
NET INVESTMENT INCOME	$262.3	$234.8	$97.2	$85.6
YIELD AS % OF ASSETS	2.22%	2.21%	2.25%	2.24%

INSURANCE FUND CONTRIBUTION REPORT (KERS NHZ, KERS HAZ, & SPRS)

FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30, 2026 AND JUNE 30, 2025 ($ IN MILLIONS)

*NET CONTRIBUTIONS LESS NET INVESTMENT INCOME	KERS NONHAZARDOUS Kentucky Employees Retirement System		KERS HAZARDOUS Kentucky Employees Retirement System		SPRS State Police Retirement System	
CONTRIBUTIONS	**FY26**	**FY25**	**FY26**	**FY25**	**FY26**	**FY25**
EMPLOYER CONTRIBUTIONS	$32.2	$30.3	-	-	$1.8	$1.9
ACTUARIALLY ACCRUED LIABILITY CONTRIBUTIONS	2.0	1.9	-	-	-	-
INSURANCE PREMIUMS	0.1	-	-	(0.1)	-	-
HUMANA GAIN SHARE	-	-	-	-	-	-
RETIRED REEMPLOYED HEALTHCARE	10.0	8.6	2.3	2.2	-	-
HEALTH INSURANCE CONTRIBUTIONS (HB1)	13.7	12.3	2.5	2.2	0.5	0.4
NET INVESTMENT INCOME	50.5	47.7	18.5	16.9	7.6	6.9
CONTRIBUTION INFLOW	108.5	100.8	23.3	21.2	9.9	9.2
HEALTHCARE PREMIUMS	111.0	105.6	22.5	21.6	17.8	14.6
ADMINISTRATIVE EXPENSES	0.6	0.7	0.2	0.1	0.1	0.1
CONTRIBUTION OUTFLOW	111.6	106.3	22.7	21.7	17.9	14.7
NET CONTRIBUTIONS	(3.1)	(5.5)	0.6	(0.5)	(8.0)	(5.5)
REALIZED AND UNREALIZED GAIN/(LOSS)	189.4	147.3	74.3	56.7	28.9	22.9
CHANGE IN NET POSITION	186.3	141.8	74.9	56.2	20.9	17.4
BEGINNING OF PERIOD	1,833.9	1,692.1	724.1	667.9	289.5	272.1
ENDING OF PERIOD	$2,020.2	$1,833.9	$799.0	$724.1	$310.4	$289.5
NET CONTRIBUTIONS (WITHOUT INVESTMENT INCOME)	$(53.6)	$(53.2)	$(17.9)	$(17.4)	$(15.6)	$(12.4)
CASH FLOW AS % OF ASSETS	-2.66%	-2.90%	-2.24%	-2.39%	-5.03%	-4.30%
NET INVESTMENT INCOME	$50.5	$47.7	$18.5	$16.9	$7.6	$6.9
YIELD AS % OF ASSETS	2.50%	2.60%	2.32%	2.33%	2.45%	2.48%

INSURANCE FUND CONTRIBUTION REPORT (CERS NHZ, & CERS HAZ)

FOR THE TWELVE-MONTH PERIOD ENDING JUNE 30, 2026 AND JUNE 30, 2025 ($ IN MILLIONS)

*NET CONTRIBUTIONS LESS NET INVESTMENT INCOME	CERS NONHAZARDOUS County Employees Retirement System		CERS HAZARDOUS County Employees Retirement System	
CONTRIBUTIONS	**FY26**	**FY25**	**FY26**	**FY25**
EMPLOYER CONTRIBUTIONS	$0.7	$0.8	$15.7	$17.7
INSURANCE PREMIUMS	0.1	0.1	(0.3)	(0.3)
HUMANA GAIN SHARE	-	-	-	-
RETIRED REEMPLOYED HEALTHCARE	13.6	12.0	2.5	2.2
HEALTH INSURANCE CONTRIBUTIONS (HB1)	25.2	22.8	6.6	5.7
NET INVESTMENT INCOME	96.1	86.3	43.3	39.2
CONTRIBUTION INFLOW	135.7	122.0	67.8	64.5
HEALTHCARE PREMIUMS	133.1	142.1	114.3	105.1
ADMINISTRATIVE EXPENSES	0.6	0.9	0.5	0.5
CONTRIBUTION OUTFLOW	133.7	143.0	114.8	105.6
NET CONTRIBUTIONS	2.0	(21.0)	(47.0)	(41.1)
REALIZED AND UNREALIZED GAIN/(LOSS)	415.4	311.0	193.4	148.1
CHANGE IN NET POSITION	417.4	290.0	146.4	107.0
BEGINNING OF PERIOD	3,875.9	3,585.9	1,836.4	1,729.4
ENDING OF PERIOD	$4,293.3	$3,875.9	$1,982.8	$1,836.4
NET CONTRIBUTIONS (WITHOUT INVESTMENT INCOME)	($94.1)	($107.3)	($90.3)	($80.3)
CASH FLOW AS % OF ASSETS	-2.19%	-2.77%	-4.55%	-4.37%
NET INVESTMENT INCOME	$96.1	$86.3	$43.3	$39.2
YIELD AS % OF ASSETS	2.24%	2.22%	2.18%	2.13%

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Valuation Update

and

CERS Employer Rates for FY 2027

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Historical Actuarial Information

		Pension						
		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
CERS Nonhaz	UL $ B	$7,390	$7,179	$7.525	$6.711	$6.565	$6.240	$5,946
	Funding %	**49.4**	**51.8**	**52.0**	**56.1**	**58.4**	**61.4**	**64.0**
CERS Haz	UL $ B	$2,983	$3,001	$3.073	$2.842	$2.791	$2.709	$2,611
	Funding %	**45.1**	**46.7**	**47.6**	**51.4**	**54.0**	**57.0**	**59.9**
KERS Nonhaz	UL $ B	$14,026	$13,586	$13.511	$12.752	$12.526	$12.029	$11.450
	Funding %	**14.2**	**16.8**	**18.5**	**21.8**	**24.8**	**28.6**	**32.6**
KERS Haz	UL $ B	$0.574	$0.513	$0.484	$0.472	$0.458	$0.412	$0.378
	Funding %	**55.3**	**60.4**	**63.2**	**65.4**	**68.3**	**72.3%**	**75.6**
SPRS	UL $ B	$.757	$.730	$0.507	$0.502	$0.481	$0.431	$0.388
	Funding %	**28.1**	**30.7**	**52.5**	**54.0**	**56.7**	**61.9**	**66.5**

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Historical Actuarial Information

		Insurance						
		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
CERS Nonhaz	UL $ B	$731	$503	($0.768)	($0.806)	($0.648)	($0.231)	($0.307)
	Funding %	**78.5**	**85.4**	**132.1**	**131.5**	**122.3**	**106.5**	**108.2**
CERS Haz	UL $ B	$379	$276	($0.016)	($0.011)	($0.008)	$0.176	$0.134
	Funding %	**78.2**	**84.3**	**101.0**	**100.7**	**100.5**	**90.9**	**93.2**
KERS Nonhaz	UL $ B	$1,469	$1,283	$0.373	$0.344	$0.383	$0.657	$0.625
	Funding %	**42.7**	**50.2**	**79.1**	**81.7**	**81.7**	**73.4**	**75.4**
KERS Haz	UL $ B	($0.111)	($0.151)	($0.251)	($0.256)	($0.273)	($0.279)	($0.313)
	Funding %	**126.0**	**135.5**	**172.2**	**170.4**	**171.9**	**166.4**	**173.1**
SPRS	UL $ B	$0.069	$0.049	($0.001)	($0.001)	($0.012)	($0.003)	($0.004)
	Funding %	**75.0**	**82.0**	**100.6**	**100.5**	**104.9**	**101.2**	**101.6**

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CERS Employer Contribution Rates

CERS
County Employees Retirement System

	CERS Nonhazardous		CERS Hazardous	
	FY 2025	FY 2026	FY 2025	FY 2026
(1)	(2)	(3)	(4)	(5)
Pension Fund	17.14%	16.23%	31.52%	29.64%
Insurance Fund	0.29%	0.00%	3.20%	2.31%
Actuarially Determined Contribution Rate **Payable as a percentage of payroll**	**17.43%**	**16.23%**	**34.72%**	**31.95%**
Difference		**-1.20%**		**-2.77%**

Note: 2025 Valuation set the contribution rates for FY2027.
2026 Valuation will be used to set the contribution rates for FY2028.

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CERS Employer Contribution in Millions

CERS
County Employees Retirement System

	CERS Nonhazardous		CERS Hazardous	
	FY 2025	FY 2026	FY 2025	FY 2026
(1)	(2)	(3)	(4)	(5)
Pension Fund	$583	$575	$259	$259
Insurance Fund	10	0	26	20
Total Actuarially Determined Employer Contribution	**$593**	**$575**	**$285**	**$279**
Change in Actuarially Determined Employer Contribution		**($18)**		**($6)**

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Supplemental General Fund Appropriations

PENSION FUND CONTRIBUTION REPORT
KENTUCKY EMPLOYEE RETIREMENT SYSTEM Nonhazardous
FOR THE FISCAL YEARS ENDING JUNE 30 ($ IN MILLIONS)
INCLUDING GENERAL FUND APPROPRIATIONS
(unaudited)

	FY 2026	FY2025	FY2024	FY2023	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017
NET ASSETS	**$6,145.5**	**$5,143.3**	**$4,297.6**	**$3,607.0**	**$3,076.6**	**$3,085.0**	**$2,362.2**	**$2,286.5**	**$2,048.7**	**$2,092.8**
LESS:										
SUPPLEMENTAL GF APPROPRIATIONS	300.0	300.0	240.0	240.0	-	-	-	75.9	67.6	58.2
SUPPLEMENT EARNINGS	163.4	80.1	63.8	25.4	(15.3)	48.9	3.8	7.6	5.4	3.6
PRIOR SUPPLEMENTAL	981.7	681.7	441.7	201.7	201.7	201.7	201.7	125.8	58.2	-
PRIOR SUPPLEMENTAL EARNINGS	223.3	143.2	79.4	54.0	69.3	20.4	16.6	9.0	3.6	-
ADJUSTED NET ASSETS	**$4,477.1**	**$3,938.1**	**$3,472.5**	**$3,085.9**	**$2,820.9**	**$2,814.0**	**$2,140.1**	**$2,068.2**	**$1,913.9**	**$2,031.0**
INCREASE IN ASSETS DUE TO SUPPLEMENT CONTRIBUTIONS	**$1,668.4**	**$1,205.0**	**$824.9**	**$521.1**	**$255.7**	**$271.0**	**$222.1**	**$218.3**	**$134.8**	**$61.8**

PENSION FUND CONTRIBUTION REPORT
KENTUCKY EMPLOYEE RETIREMENT SYSTEM Hazardous
FOR THE FISCAL YEARS ENDING JUNE 30 ($ IN MILLIONS)
INCLUDING GENERAL FUND APPROPRIATIONS
(unaudited)

	FY2026	FY2025	FY2024	FY2023	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017
NET ASSETS	**$1,303.9**	**$1,148.7**	**$1,029.9**	**$902.5**	**$819.2**	**$874.9**	**$697.4**	**$687.9**	**$651.2**	**$605.9**
LESS:										
SUPPLEMENTAL GF APPROPRIATIONS	-	-	-	-	-	-	-	-	10.0	
SUPPLEMENT EARNINGS	5.4	4.4	3.5	2.6	(1.7)	6.4	0.6	1.5	1.4	1.0
PRIOR SUPPLEMENTAL	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	15.0	-
PRIOR SUPPLEMENTAL EARNINGS	19.7	15.3	11.8	9.2	10.9	4.5	3.9	2.4	1.0	-
ADJUSTED NET ASSETS	**$1,253.8**	**$1,104.0**	**$989.6**	**$865.7**	**$785.0**	**$839.0**	**$667.9**	**$659.0**	**$623.8**	**$589.9**
INCREASE IN ASSETS DUE TO SUPPLEMENT CONTRIBUTIONS AND	**$50.1**	**$44.7**	**$40.3**	**$36.8**	**$34.2**	**$35.9**	**$29.5**	**$28.9**	**$27.4**	**$16.0**

PENSION FUND CONTRIBUTION REPORT
STATE POLICE RETIREMENT SYSTEM
FOR THE FISCAL YEARS ENDING JUNE 30 ($ IN MILLIONS)
INCLUDING GENERAL FUND APPROPRIATIONS
(unaudited)

	FY2026	FY2025	FY2024	FY2023	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017
NET ASSETS	**$847.1**	**$742.9**	**$653.2**	**$592.6**	**$552.8**	**$357.6**	**$294.9**	**$287.1**	**$268.2**	**$256.3**
LESS:										
SUPPLEMENTAL GF APPROPRIATIONS	25.0	25.0	-	-	215.0	0.4	1.1	1.1	10.0	25.0
SUPPLEMENT EARNINGS	50.5	32.6	26.8	19.5	(8.9)	9.6	2.0	2.2	2.2	1.7
PRIOR SUPPLEMENTAL	277.6	252.6	252.6	252.6	37.6	37.2	36.1	35.0	25.0	-
PRIOR SUPPLEMENTAL EARNINGS	87.7	55.1	28.3	8.8	17.7	8.1	6.1	3.9	1.7	-
ADJUSTED NET ASSETS	**$406.3**	**$377.4**	**$345.3**	**$311.7**	**$291.4**	**$302.3**	**$249.6**	**$244.9**	**$229.3**	**$229.6**
INCREASE IN ASSETS DUE TO SUPPLEMENT CONTRIBUTIONS AND EARNINGS	**$440.8**	**$365.3**	**$307.7**	**$280.9**	**$261.4**	**$55.3**	**$45.3**	**$42.2**	**$38.9**	**$26.7**

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2027 Regular Session

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2027 Legislative Priorities: KPPA Housekeeping Bill

KPPA plans to pursue a housekeeping bill during the 2027 Regular Session to clarify statutory provisions, streamline administrative processes, ensure compliance with federal requirements, and correct technical references.

IRS Forms KRS 61.505

Allows KPPA to require the use of IRS-mandated tax forms without promulgating administrative regulations.

Employee Reinstatement KRS 61.569

Treats settlements of Personnel Board and other employment actions the same as if the Board or court had ordered the agreed resolution.

Disability Retirement KRS 61.665

Clarifies that disability applications may be processed while employees remain on paid leave and receiving creditable compensation, prior to establishing a last day of paid employment.

Reciprocity KRS 61.680

Clarify membership dates and benefit eligibility across state-administered retirement systems, consistent with federal tax requirements.

Survivor Benefits KRS 61.703

Increase the maximum benefit that may be collected by surviving relatives without formal estate administration from $1,000 to $5,000.

Technical Corrections KRS 78.5528 and 78.784

Correct statutory citations related to disability benefit reinstatement and actuarial administration.

Appendix

KPPA
Kentucky Public Pensions Authority

KRS Employer Contribution Rates

KRS
Kentucky Retirement Systems

	KERS Nonhazardous		KERS Hazardous		SPRS	
	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Pension Fund	6.65%	6.53%	18.83%	17.10%	51.84%	51.79%
Insurance Fund	1.11%	1.00%	0.00%	0.00%	2.49%	1.21%
Actuarially Determined Contribution **Payable as a percentage of payroll**	**7.76%**	**7.53%**	**18.83%**	**17.10%**	**54.33%**	**53.00%**
Difference		**-0.23%**		**-1.73%**		**-1.33%**
Note: The 2025 Valuation will be used to set the contribution requirement for FY2027 and FY2028.						
Amortization Cost – Pension	$831M	$822M				
Amortization Cost – Ins	$37M	$30M				
Amortization Cost – Total	**$868M**	**$852M**	**NA**	**NA**	**NA**	**NA**
Difference		**($16M)**				

KPPA
Kentucky Public Pensions Authority

KRS Employer Contributions in Millions

KRS
Kentucky Retirement Systems

	KERS Nonhazardous		KERS Hazardous		SPRS	
	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Pension Fund	$965	$961	$50	$50	$39	$38
Insurance Fund	60	52	0	0	2	1
Total Actuarially Determined Employer Contribution	**$1,025**	**$1,013**	**$50**	**$50**	**$41**	**$39**
Note: The 2025 valuation establishes the contribution requirement for FY2027 and FY2028.						
Change in Actuarially Determined Employer Contribution		**($12)**		**$0**		**($2)**