Actuarial Analysis Summary – BR 424 (Fixed Allocation for KERS NH)

BR or Bill Ref.	BR 424/ HB 8 AA Statement 1 of 1	**Actuarial Analysis Conducted For:**
Date:	December 23, 2020	■ KERS NH ❑ KERS Haz ❑ SPRS ❑ TRS
Actuary:	GRS	❑ CERS NH ❑ CERS Haz ❑ LRP ❑ JRP

Section I: Executive Summary

In the opinion of the actuary, this bill would make the affected state-administered retirement system(s) actuarially:

■ MORE SOUND ❑ LESS SOUND ❑ NO IMPACT

If actuarially MORE SOUND OR LESS SOUND, please summarize the factors leading to the actuary's opinion:

The change to the method of allocating the contribution requirement among employers would have no fiscal impact to the Retirement System as a whole; however, we believe this legislation will significantly reduce the System's risk of receiving insufficient contributions because employers will no longer be able to reduce their pension cost by reducing their covered payroll. In summary, we believe this legislation will result in an improved and sustainable funding policy for the KERS Non-Hazardous System.

Does this bill increase or decrease employer costs?	■ **INCREASE** ■ **DECREASE** ❑ **NO IMPACT**
Does this bill increase or decrease benefits?	❑ **INCREASE** ❑ **DECREASE** ■ **NO IMPACT**
Does this bill increase or decrease benefit participation?	■ **INCREASE** ❑ **DECREASE** ❑ **NO IMPACT**

If the bill impacts employer costs, benefits, or benefit participation, please explain and estimate the impact in Sections II and VI.

Note: This legislation will not change the aggregate contributions collected by the retirement system. However, this legislation will increase the contribution requirement for some employers and decrease the contribution requirement for other employers. Please refer to the information in the appendix to identify the fiscal impact on individual employers in the System.

Section II: Financial Projections

	Combined Pension and Retiree Health Plan					
	KERS NH		N/A		N/A	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected Employer Cost ($Millions) *						
30-Yr Nominal	**$32,963**	**$32,963**	N/A	N/A	N/A	N/A
30-Yr Net Present Value	**$17,015**	**$17,015**	N/A	N/A	N/A	N/A
Proj. Normal Cost for New Hire	**4.0% of pay**	**4.0% of pay**	N/A	N/A	N/A	N/A

**Projected costs are for all employers and all fund sources for entire 30 year period. Proj. normal cost is the normal cost for new hires after taking into account employee contributions.*

	Pension Plan					
	KERS NH		N/A		N/A	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected UAL ($Millions)						
Baseline (Year 1)	**$14,026**	**$14,026**	N/A	N/A	N/A	N/A
5 Years	**$13,236**	**$13,236**	N/A	N/A	N/A	N/A
10 Years	**$11,754**	**$11,754**	N/A	N/A	N/A	N/A
20 Years	**$7,325**	**$7,325**	N/A	N/A	N/A	N/A
30 Years	**$0**	**$0**	N/A	N/A	N/A	N/A
Projected Funding Ratio (%)						
Baseline (Year 1)	**14%**	**14%**	N/A	N/A	N/A	N/A
5 Years	**19%**	**19%**	N/A	N/A	N/A	N/A
10 Years	**25%**	**25%**	N/A	N/A	N/A	N/A
20 Years	**46%**	**46%**	N/A	N/A	N/A	N/A
30 Years	**100%**	**100%**	N/A	N/A	N/A	N/A

	Retiree Health Plan					
	KERS NH		N/A		N/A	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected UAL ($Millions)						
Baseline (Year 1)	**$1,469**	**$1,469**	N/A	N/A	N/A	N/A
5 Years	**$1,430**	**$1,430**	N/A	N/A	N/A	N/A
10 Years	**$1,305**	**$1,305**	N/A	N/A	N/A	N/A
20 Years	**$918**	**$918**	N/A	N/A	N/A	N/A
30 Years	**$0**	**$0**	N/A	N/A	N/A	N/A
Projected Funding Ratio (%)						
Baseline (Year 1)	**43%**	**43%**	N/A	N/A	N/A	N/A
5 Years	**49%**	**49%**	N/A	N/A	N/A	N/A
10 Years	**56%**	**56%**	N/A	N/A	N/A	N/A
20 Years	**68%**	**68%**	N/A	N/A	N/A	N/A
30 Years	**100%**	**100%**	N/A	N/A	N/A	N/A

Section III: Brief Summary of Bill

Beginning with the 2021/2022 fiscal year, the proposed legislation would change the method for allocating the contribution requirement related to the amortization of the unfunded actuarial accrued liability among employers in the KERS Non-Hazardous System. Currently employers contribute a percentage of their covered payroll. The proposed legislation would allocate a dollar contribution amount that is based on the percentage of the System's total actuarial accrued liability (calculated as of the June 30, 2019 valuation) that is attributable to each employer's current and former employees. Employers would continue contributing a normal cost as a percentage of their employees' covered payroll.

Section IV: Statement of Assumptions and Methods

Did the analysis rely solely upon the same assumptions & methods previously established and utilized by the actuary in the retirement system's most recent actuarial valuation? ■ **YES** ❑ **NO**

If NO, please describe each new assumption or method utilized, the basis for selecting the revised assumption or method, and whether each new assumption or method increased or decreased projected employer costs:

Not Applicable.

Section V: Comment from Actuary

The change to the method of allocating the contribution requirement among employers would have no fiscal impact to the Retirement System as a whole; however, we believe this legislation will significantly reduce the System's risk of receiving insufficient contributions because employers will no longer be able to reduce their pension cost by reducing their covered payroll. In summary, we believe this legislation will result in an improved and sustainable funding policy for the KERS Non-Hazardous System.

Section VI: Detailed Actuarial Analysis and Projections (May be attached as Appendix)

Please see attached.

P: 469.524.0000 | www.grsconsulting.com

December 23, 2020

Mr. David Eager
Executive Director
Kentucky Retirement Systems
1260 Louisville Road
Frankfort, KY 40601

Re: Actuarial Analysis of Proposed Legislation BR 424 and its Financial Impact on the Kentucky Employees Retirement Non-Hazardous System

Dear Mr. Eager:

We have reviewed the proposed legislation BR 424 and the purpose of this letter is to communicate the actuarial analysis of this proposed legislation on the KERS Non-Hazardous System.

Provisions of Proposed Legislation

Beginning with the 2021/2022 fiscal year, the proposed legislation would change the method for allocating the contribution requirement related to the amortization of the unfunded actuarial accrued liability among employers in the KERS Non-Hazardous System. Currently employers contribute a percentage of their covered payroll. The proposed legislation would allocate a dollar contribution amount that is based on the percentage of the System's total actuarial accrued liability (calculated as of the June 30, 2019 valuation) that is attributable to each employer's current and former employees. Employers would continue contributing a normal cost as a percentage of their employees' covered payroll.

Summary of Cost Impact

This proposed legislation would have no fiscal impact to the Retirement System as a whole; **however, we believe this legislation will significantly reduce the System's risk of receiving insufficient contributions because employers will no longer be able to reduce their pension cost by reducing their covered payroll. In summary, we believe this legislation will result in an improved and sustainable funding policy for the KERS Non-Hazardous System.**

5605 North MacArthur Boulevard | Suite 870 | Irving, Texas 75038-2631

Cost Impact on Individual Employers

While the proposed legislation does not change the employer contributions expected to be paid to the System in total, the proposed legislation modifies the method for allocating the total contribution requirement to the participating employers in the System from being based on covered payroll to being based on the employer's share of the System's actuarial accrued liability. As a result, each participating employer's contribution requirement could increase or decrease.

Below is a table summarizing the expected magnitude of the change in the contribution requirement by employer type.

Table 1. Comparison of Contribution Effort for FY 2021/2022 under Current and Proposed Funding Method ($ in Millions)

Agency Type	Projected FY 21/22 Payroll	Effective Contribution Rate		Estimated Required Contribution	
		Current	Proposed	Current	Proposed
(1)	(2)	(3)	(4)	(5)	(6)
Health Departments	$83.9	85.03%	93.17%	$71.3	$78.1
Non-P1 State Assoc./Corp.	28.3	85.03%	52.75%	24.0	14.9
Non-P1 State Agencies	10.7	85.03%	29.36%	9.1	3.1
Reg Mental Health Units	80.1	85.03%	88.44%	68.1	70.9
Universities	88.8	85.03%	76.92%	75.5	68.3
County Attorneys	8.6	85.03%	69.49%	7.3	5.9
Legislative Branch	21.4	85.03%	97.22%	18.2	20.8
Judicial Branch	60.3	85.03%	52.38%	51.3	31.6
Executive Branch	1,005.7	85.03%	88.13%	855.1	886.3
Total for all employers*	**$1,387.8**	**85.03%**	**85.03%**	**$1,180.0**	**$1,180.0**

*Total may not add due to rounding

Please refer to Exhibits 1. and 2. for the expected fiscal impact of the proposed legislation on each agency that is currently participating in the System.

While there is no fiscal impact on the Retirement System as a whole, 30-year projections of the liability and contribution requirements of the pension and insurance funds have been provided in Section 3 for completeness.

Comments regarding the Proposed Legislation

Currently KRS collects contributions from participating employers based on the employer's total payroll of employees who are earning benefits in KERS (i.e. covered payroll). The actuarially determined contribution rate is comprised of two components: (1) the normal cost rate (to pay for the benefits accruing in the next year) and (2) the unfunded amortization (to pay for the benefits accrued by members in previous years). The unfunded amortization is calculated by first determining the dollar amount necessary to pay for the unfunded liability based on KRS's funding policy and then by dividing that dollar amount by expected covered payroll to convert that contribution requirement to a percentage of payroll (i.e. a contribution rate). Based on the June 30, 2020 actuarial valuation, the contribution rate for the KERS Non-Hazardous System beginning July 1, 2021 will be 85.03% of pay (pension and insurance) which is comprised of a 10.10% normal cost rate and a 74.93% amortization cost rate.

Under the current funding methodology, an employer can decrease their pension cost by $850.30 for every $1,000 reduction in their reported payroll to the System. Consequently, it is not surprising to see many participating employers performing deliberate workforce actions to reduce their payroll reported to the System (e.g. through use of technology improvements or contractors and outsourcing agencies) in order to reduce their pension cost. The reported payroll and active membership in the KERS Non-Hazardous System has decreased from $1.732 billion in payroll and 46.6 thousand active members in 2011 to $1.388 billion in payroll and 31.7 thousand active members in 2020. This is a 20% decrease in covered payroll and a 32% reduction in active membership over the last nine years. This decrease in the covered payroll requires subsequent increases in the contribution rate (as a percentage of covered payroll) in order to maintain the same contribution dollars to the System.

Under the proposed legislation, employers would continue contributing a normal cost rate (currently 10.10% of pay) times the payroll of their employees earning benefits in KERS plus an allocated portion of the System's annual amortization cost. The amortization cost will be based on the percentage of the System's total actuarial accrued liability (calculated as of the June 30, 2019 valuation) that is attributable to each employer's current and former employees who earned a benefit in the System. Since the amortization cost is no longer tied to employer payroll, the System would be expected to receive the entire contribution requirement regardless of employer workforce actions to reduce covered payroll. Also, since an employer's allocated portion of the amortization cost is fixed as a percentage of the System's total amortization cost, an employer can increase their payroll without seeing large increases in their pension contributions. In other words, the employers pension cost would increase by $101.00 for every $1,000 increase in covered payroll (versus the current $850.30).

Based on historic employer behavior and the current contribution rates, we believe employers will continue reducing their covered payroll in future years if the current method for collecting contributions on covered payroll remains unchanged, which will result in contribution rates continuing to increase in future years, thereby further increasing employers' incentive to reduce

covered payroll. Maintaining the current method poses a significant risk to the KERS Non-Hazardous System of receiving insufficient contributions. This proposed legislation is expected to significantly reduce this risk by reducing employers' ability to control their pension contribution requirement through covered payroll reduction. In summary, we believe the proposed legislation will result in a more sustainable funding outlook compared to the current payroll-based contribution method.

In general, the dollar amount of the employer's amortization cost will increase or decrease from year-to-year, depending the System's liability and investment experience, but is expected to remain relatively level during the duration of the funding period for the unfunded liability as of June 30, 2019, which is 29 years as of July 1, 2020. For certain employers (e.g. health departments and mental health centers that receive general fund appropriations), the proposed legislation would only allow the amortization cost to be adjusted upon the completion of an actuarial investigation and only every four years.

The basis for determining each employer's required amortization cost is a policy decision, but it is relatively easy to reason that this allocation method is fair because the contributions from each employer are more directly linked to the liability attributable to their current and former employees. **However, the change in allocation method will result in a number of employers experiencing a significant increase or decrease in their pension contribution requirement at July 1, 2021. This could be a significant fiscal budgeting problem for those employers experiencing an increase in pension cost.** Please refer to Exhibit 2. for a list of the expected changes in the contribution requirements for individual employers.

Basis of Calculations

GRS based the calculations and analysis in this letter on the member and financial data provided by KRS for use in performing the actuarial valuation as of June 30, 2019 and June 30, 2020. The projections assume no actuarial gains or losses will occur in the future, and that members will terminate, retire, become disabled, or die as anticipated by the actuarial assumptions used to perform the June 30, 2020 actuarial valuation. The analysis and projections were performed without regard to HB 1 that was enacted during the 2019 special legislative session (and amended by SB 249 passed during the 2020 legislative session) as individual employer elections regarding their future cessation from participating in KERS is unknown at this time.

Our calculations are based upon assumptions regarding future events, which may or may not materialize. Depending on actual plan experience, actual results could deviate significantly from our projections.

Closing

We are not attorneys and we cannot provide a legal opinion regarding the changes in this proposed legislation. Also, nothing in this letter should be construed as providing investment or tax advice.

Both of the undersigned are Enrolled Actuaries, 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 contained herein. In addition, both of the undersigned are experienced in performing valuations for large public retirement systems.

Sincerely,

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

Janie Shaw, ASA, EA, MAAA
Consultant

Enclosures

Exhibit 1. Calculation of Employer Required Contributions under Proposed Legislation

			Fixed Percentage of the Total Amortization Cost		Required Contribution[1]			Effective Employer Contribution Rate[2] Required Contribution / Payroll		
Agency Name[3] (1)	Agency Classification[3] (2)	Projected Payroll FY 21/22 (3)	Accrued Liability based on June 30, 2019 Valuation (4)	Fixed Allocation of Amortization Cost (5) = (4) / $19,128M	Normal Cost Contributions (6) = (3) x 10.10%	Amortization Cost (7) = (5) x $1,040M	Total Required Contribution (8) = (6) + (7)	Normal Cost Contributions (9) = (6) / (3)	Amortization Cost (10) = (7) / (3)	Total Estimated Required Contribution as a % of Projected Pay (11) = (8) / (3)
LEGISLATIVE BRANCH AGENCIES	LEGISLATIVE BRANCH	21,425,535	343,338,931	1.79500%	2,163,979	18,665,294	20,829,273	10.10%	87.12%	97.22%
JUDICIAL BRANCH AGENCIES	JUDICIAL BRANCH	60,337,522	469,266,488	2.45336%	6,094,090	25,511,246	31,605,336	10.10%	42.28%	52.38%
EXECUTIVE BRANCH AGENCIES	EXECUTIVE BRANCH	1,005,690,168	14,434,001,594	75.46198%	101,574,707	784,690,828	886,265,535	10.10%	78.03%	88.13%
LEX FAYETTE CO HLTH DEPT	Health Departments	6,352,348	89,050,918	0.46556%	641,587	4,841,122	5,482,709	10.10%	76.21%	86.31%
LAKE CUMBERLAND DISTRICT	Health Departments	5,091,437	73,620,021	0.38489%	514,235	4,002,276	4,516,511	10.10%	78.61%	88.71%
BARREN RVR DIST HLTH DEPT	Health Departments	3,155,170	68,855,538	0.35998%	318,672	3,743,249	4,061,921	10.10%	118.64%	128.74%
GREEN RVR DIST HLTH DEPT	Health Departments	5,613,414	82,561,808	0.43164%	566,955	4,488,405	5,055,360	10.10%	79.96%	90.06%
NORTHERN KY DIST HLTH DEP	Health Departments	5,952,172	54,194,473	0.28333%	601,169	2,946,205	3,547,374	10.10%	49.50%	59.60%
LINCOLN TRL DIST HLTH DEP	Health Departments	3,303,056	67,158,260	0.35111%	333,609	3,651,015	3,984,624	10.10%	110.53%	120.63%
KY RIVER DIST HEALTH DEPT	Health Departments	2,506,336	70,590,492	0.36905%	253,140	3,837,564	4,090,704	10.10%	153.11%	163.21%
MADISON CO HEALTH DEP	Health Departments	3,408,628	53,565,044	0.28004%	344,271	2,911,994	3,256,265	10.10%	85.43%	95.53%
CUMBERLAND VLY DIST HEALT	Health Departments	1,686,688	89,949,862	0.47026%	170,355	4,889,995	5,060,350	10.10%	289.92%	300.02%
WEDCO DIST HEALTH DEPT	Health Departments	2,553,392	28,173,710	0.14729%	257,893	1,531,594	1,789,487	10.10%	59.98%	70.08%
FRANKLIN CO HEALTH DEPT	Health Departments	2,258,366	22,689,496	0.11862%	228,095	1,233,469	1,461,564	10.10%	54.62%	64.72%
WHITLEY CO HEALTH DEPT	Health Departments	1,584,248	28,890,387	0.15104%	160,009	1,570,588	1,730,597	10.10%	99.14%	109.24%
PIKE CO HEALTH DEPT	Health Departments	1,694,765	25,165,288	0.13157%	171,171	1,368,130	1,539,301	10.10%	80.73%	90.83%
THREE RIVERS DIST HLTH	Health Departments	1,603,709	22,852,018	0.11947%	161,975	1,242,308	1,404,283	10.10%	77.46%	87.56%
KNOX CO HEALTH DEPT	Health Departments	1,572,717	28,079,768	0.14680%	158,844	1,526,499	1,685,343	10.10%	97.06%	107.16%
PURCHASE DIST HLTH DEPT	Health Departments	1,565,332	44,833,499	0.23439%	158,099	2,437,303	2,595,402	10.10%	155.71%	165.81%
CLARK CO HEALTH DEPT	Health Departments	1,296,765	17,846,746	0.09330%	130,973	970,179	1,101,152	10.10%	74.82%	84.92%
GATEWAY DIST HEALTH DEPT	Health Departments	2,108,078	29,474,251	0.15409%	212,916	1,602,304	1,815,220	10.10%	76.01%	86.11%
N CENTRAL DIST HLTH DEPT	Health Departments	1,373,203	21,562,812	0.11273%	138,694	1,172,222	1,310,916	10.10%	85.36%	95.46%
BREATHITT CO HEALTH DEPT	Health Departments	1,181,013	18,565,852	0.09706%	119,282	1,009,278	1,128,560	10.10%	85.46%	95.56%
PENNYRILE DIST HLTH DEPT	Health Departments	1,123,919	16,344,611	0.08545%	113,516	888,551	1,002,067	10.10%	79.06%	89.16%
MARSHALL CO HEALTH DEPT	Health Departments	1,089,849	17,193,457	0.08989%	110,075	934,720	1,044,795	10.10%	85.77%	95.87%
CHRISTIAN CO HEALTH DEPT	Health Departments	1,300,943	13,360,854	0.06985%	131,395	726,335	857,730	10.10%	55.83%	65.93%
MONTGOMERY CO HEALTH DEPT	Health Departments	1,276,491	11,887,257	0.06215%	128,926	646,266	775,192	10.10%	50.63%	60.73%
HOPKINS CO HEALTH DEPT	Health Departments	1,525,626	17,815,060	0.09314%	154,088	968,516	1,122,604	10.10%	63.48%	73.58%
JOHNSON CO HEALTH DEPT	Health Departments	1,188,756	15,484,079	0.08095%	120,064	841,758	961,822	10.10%	70.81%	80.91%
FLOYD CO HEALTH CENTER	Health Departments	974,974	12,800,870	0.06692%	98,472	695,867	794,339	10.10%	71.37%	81.47%
ASHLAND BOYD CO HEALTH DP	Health Departments	996,910	17,780,422	0.09296%	100,688	966,644	1,067,332	10.10%	96.96%	107.06%
LAUREL CO HEALTH DEPT	Health Departments	1,097,868	14,475,341	0.07568%	110,885	786,958	897,843	10.10%	71.68%	81.78%
BULLITT CO HEALTH DEPT	Health Departments	1,226,387	13,823,739	0.07227%	123,865	751,499	875,364	10.10%	61.28%	71.38%
BELL CO HEALTH DEPT	Health Departments	882,868	10,731,667	0.05611%	89,170	583,459	672,629	10.10%	66.09%	76.19%
GREENUP CO HLTH DEPT	Health Departments	890,487	11,509,071	0.06017%	89,939	625,677	715,616	10.10%	70.26%	80.36%
JESSAMINE CO HEALTH DEPT	Health Departments	890,093	8,686,531	0.04541%	89,899	472,196	562,095	10.10%	53.05%	63.15%
GRAVES CO HEALTH CENTER	Health Departments	1,036,104	6,110,503	0.03195%	104,647	332,232	436,879	10.10%	32.07%	42.17%
HARLAN CO HEALTH DEPT	Health Departments	651,241	7,218,470	0.03774%	65,775	392,439	458,214	10.10%	60.26%	70.36%
OLDHAM CO HEALTH DEPT	Health Departments	967,052	10,480,598	0.05479%	97,672	569,733	667,405	10.10%	58.91%	69.01%
ALLEN CO HEALTH DEPT	Health Departments	856,279	7,911,333	0.04136%	86,484	430,082	516,566	10.10%	50.23%	60.33%
BUFFALO TRACE HEALTH DEPT	Health Departments	667,333	10,788,599	0.05640%	67,401	586,475	653,876	10.10%	87.88%	97.98%
MUHLENBERG CO.HEALTH DEPT	Health Departments	690,447	7,886,100	0.04123%	69,735	428,730	498,465	10.10%	62.09%	72.19%
MERCER CO HEALTH DEPT	Health Departments	469,848	10,106,660	0.05284%	47,455	549,456	596,911	10.10%	116.94%	127.04%
LAWRENCE CO HEALTH DEPT	Health Departments	705,934	3,868,705	0.02023%	71,299	210,362	281,661	10.10%	29.80%	39.90%
WOODFORD CO HEALTH DEPT	Health Departments	440,222	5,453,322	0.02851%	44,462	296,461	340,923	10.10%	67.34%	77.44%
CALLOWAY CO HEALTH DEPT	Health Departments	586,271	4,137,638	0.02163%	59,213	224,919	284,132	10.10%	38.36%	48.46%
MAGOFFIN CO HEALTH DEPT	Health Departments	473,550	6,467,092	0.03381%	47,829	351,573	399,402	10.10%	74.24%	84.34%
MARTIN CO HEALTH DEPT	Health Departments	414,117	5,286,010	0.02764%	41,826	287,414	329,240	10.10%	69.40%	79.50%
BOYLE CO HEALTH DEPT	Health Departments	483,047	6,346,920	0.03318%	48,788	345,022	393,810	10.10%	71.43%	81.53%
BOURBON CO HEALTH CENTER	Health Departments	545,937	10,577,403	0.05530%	55,140	575,037	630,177	10.10%	105.33%	115.43%
ANDERSON CO HEALTH DEPT	Health Departments	359,508	5,076,042	0.02654%	36,310	275,976	312,286	10.10%	76.76%	86.86%
LEWIS CO HEALTH DEPT	Health Departments	448,079	3,061,131	0.01600%	45,256	166,376	211,632	10.10%	37.13%	47.23%
ESTILL CO HEALTH DEPT	Health Departments	223,878	5,579,547	0.02917%	22,612	303,324	325,936	10.10%	135.49%	145.59%
LINCOLN CO HEALTH DEPT	Health Departments	451,096	4,897,375	0.02560%	45,561	266,201	311,762	10.10%	59.01%	69.11%
BRECKINRIDGE CO HEALTH BD	Health Departments	432,068	7,704,261	0.04028%	43,639	418,851	462,490	10.10%	96.94%	107.04%
GRAYSON COUNTY HEALTH DEPT	Health Departments	483,387	4,598,067	0.02404%	48,822	249,980	298,802	10.10%	51.71%	61.81%
GARRARD COUNTY HEALTH DPT	Health Departments	330,436	3,926,271	0.02053%	33,374	213,481	246,855	10.10%	64.61%	74.71%

Exhibit 1. Calculation of Employer Required Contributions under Proposed Legislation

			Fixed Percentage of the Total Amortization Cost		Required Contribution[1]			Effective Employer Contribution Rate[2] Required Contribution / Payroll		
Agency Name[3] (1)	Agency Classification[3] (2)	Projected Payroll FY 21/22 (3)	Accrued Liability based on June 30, 2019 Valuation (4)	Fixed Allocation of Amortization Cost (5) = (4) / $19,128M	Normal Cost Contributions (6) = (3) x 10.10%	Amortization Cost (7) = (5) x $1,040M	Total Required Contribution (8) = (6) + (7)	Normal Cost Contributions (9) = (6) / (3)	Amortization Cost (10) = (7) / (3)	Total Estimated Required Contribution as a % of Projected Pay (11) = (8) / (3)
TODD CO HEALTH DEPT	Health Departments	299,524	4,687,868	0.02451%	30,252	254,867	285,119	10.10%	85.09%	95.19%
FLEMING CO HEALTH DEP	Health Departments	329,868	4,386,549	0.02293%	33,317	238,437	271,754	10.10%	72.28%	82.38%
MONROE CO HEALTH DEPT	Health Departments	255,878	3,137,459	0.01640%	25,844	170,535	196,379	10.10%	66.65%	76.75%
BRACKEN CO HEALTH DEPT	Health Departments	343,433	2,410,616	0.01260%	34,687	131,021	165,708	10.10%	38.15%	48.25%
POWELL CO HEALTH DEPT	Health Departments	249,359	4,200,545	0.02196%	25,185	228,351	253,536	10.10%	91.58%	101.68%
CARTER CO HEALTH DEPT	Health Departments	339,213	5,555,239	0.02904%	34,261	301,972	336,233	10.10%	89.02%	99.12%
KY HIGHER ED STUD LN CORP	Non-P1 State Assoc/Corp.	11,328,215	81,896,904	0.42816%	1,144,150	4,452,219	5,596,369	10.10%	39.30%	49.40%
KENTUCKY HOUSING CORP	Non-P1 State Assoc/Corp.	10,513,748	98,280,874	0.51382%	1,061,889	5,342,953	6,404,842	10.10%	50.82%	60.92%
CSG HEADQUARTERS	Non-P1 State Assoc/Corp.	3,569,873	19,274,916	0.10077%	360,557	1,047,856	1,408,413	10.10%	29.35%	39.45%
KET FOUNDATION	Non-P1 State Assoc/Corp.	1,672,922	15,066,238	0.07877%	168,965	819,089	988,054	10.10%	48.96%	59.06%
ASST OF COMMONWEALTH ATTY	Non-P1 State Assoc/Corp.	1,040,758	5,807,856	0.03036%	105,117	315,698	420,815	10.10%	30.33%	40.43%
HIGHSCHOOL ATHLETIC ASSOC	Non-P1 State Assoc/Corp.	135,887	1,413,847	0.00739%	13,725	76,845	90,570	10.10%	56.55%	66.65%
O A S I S	Non-P1 State Agencies	738,979	2,304,549	0.01205%	74,637	125,302	199,939	10.10%	16.96%	27.06%
KDVA	Non-P1 State Agencies	777,016	2,431,059	0.01271%	78,479	132,165	210,644	10.10%	17.01%	27.11%
B.R.A.S.S.	Non-P1 State Agencies	600,869	2,132,362	0.01115%	60,688	115,943	176,631	10.10%	19.30%	29.40%
BLUEGRASS RAPE CRISIS CTR	Non-P1 State Agencies	738,605	2,744,493	0.01435%	74,599	149,218	223,817	10.10%	20.20%	30.30%
SAFE HARBOR	Non-P1 State Agencies	857,090	1,312,696	0.00686%	86,566	71,334	157,900	10.10%	8.32%	18.42%
SANCTUARY INC	Non-P1 State Agencies	502,831	2,510,255	0.01312%	50,786	136,428	187,214	10.10%	27.13%	37.23%
LOTUS	Non-P1 State Agencies	791,779	1,074,054	0.00562%	79,970	58,440	138,410	10.10%	7.38%	17.48%
BETHANY HOUSE ABUSE SHELT	Non-P1 State Agencies	483,249	1,675,224	0.00876%	48,808	91,091	139,899	10.10%	18.85%	28.95%
SPRINGHAVEN INC	Non-P1 State Agencies	497,101	1,527,812	0.00799%	50,207	83,084	133,291	10.10%	16.71%	26.81%
KASAP	Non-P1 State Agencies	487,251	943,862	0.00493%	49,212	51,265	100,477	10.10%	10.52%	20.62%
SILVERLEALF	Non-P1 State Agencies	402,324	2,017,711	0.01055%	40,635	109,704	150,339	10.10%	27.27%	37.37%
WOMEN AWARE	Non-P1 State Agencies	228,407	975,811	0.00510%	23,069	53,032	76,101	10.10%	23.22%	33.32%
D.O.V.E.S.	Non-P1 State Agencies	447,458	1,319,147	0.00690%	45,193	71,750	116,943	10.10%	16.04%	26.13%
NURSING HOME OMBUDSMAN	Non-P1 State Agencies	237,582	879,808	0.00460%	23,996	47,833	71,829	10.10%	20.13%	30.23%
HOPE HARBOR INC	Non-P1 State Agencies	501,864	824,202	0.00431%	50,688	44,818	95,506	10.10%	8.93%	19.03%
KY OFFICE OF BAR ADMISSIO	Non-P1 State Agencies	155,606	2,552,890	0.01335%	15,716	138,820	154,536	10.10%	89.21%	99.31%
CHILD WATCH ADVOCACY CTR	Non-P1 State Agencies	230,995	759,321	0.00397%	23,330	41,282	64,612	10.10%	17.87%	27.97%
FRANKLIN CO COUNCIL AGING	Non-P1 State Agencies	116,388	2,147,140	0.01123%	11,755	116,775	128,530	10.10%	100.33%	110.43%
JUDI'S PLACE FOR KIDS, INC.	Non-P1 State Agencies	315,584	777,468	0.00406%	31,874	42,218	74,092	10.10%	13.38%	23.48%
CUMBERLAND V C A CENTER	Non-P1 State Agencies	267,641	821,917	0.00430%	27,032	44,714	71,746	10.10%	16.71%	26.81%
KY ASSOC OF REGIONAL PROG	Non-P1 State Agencies	118,750	1,817,343	0.00950%	11,994	98,786	110,780	10.10%	83.19%	93.29%
BARREN RIVER CHILD ADVOCA	Non-P1 State Agencies	352,179	406,450	0.00212%	35,570	22,045	57,615	10.10%	6.26%	16.36%
CHILD ADV CTR OF GRN RVR	Non-P1 State Agencies	84,400	572,517	0.00299%	8,524	31,091	39,615	10.10%	36.84%	46.94%
MUN ELEC POW ASSOC OF KY	Non-P1 State Agencies	135,853	1,745,743	0.00913%	13,721	94,938	108,659	10.10%	69.88%	79.98%
KY RIVER CHILD ADVOCACY	Non-P1 State Agencies	137,637	290,885	0.00152%	13,901	15,806	29,707	10.10%	11.48%	21.58%
PENNYRILE CHILD ADV CTR	Non-P1 State Agencies	156,216	460,162	0.00241%	15,778	25,060	40,838	10.10%	16.04%	26.14%
LAKE CUMB CHILD ADV CTR	Non-P1 State Agencies	153,294	545,959	0.00285%	15,483	29,636	45,119	10.10%	19.33%	29.43%
BUFFALO TR CHILD ADV INC	Non-P1 State Agencies	161,504	252,189	0.00132%	16,312	13,726	30,038	10.10%	8.50%	18.60%
NEW VISTA OF THE BLUEGRASS, INC.	Reg Mental Hlth Units	33,781,037	375,801,295	1.96471%	3,411,885	20,430,022	23,841,907	10.10%	60.48%	70.58%
CUMBERLAND RIVER MHMR	Reg Mental Hlth Units	9,268,064	98,266,354	0.51374%	936,074	5,342,122	6,278,196	10.10%	57.64%	67.74%
LIFESKILLS INC	Reg Mental Hlth Units	13,349,097	143,816,131	0.75188%	1,348,259	7,818,419	9,166,678	10.10%	58.57%	68.67%
COMMUNICARE INC	Reg Mental Hlth Units	5,182,445	66,588,437	0.34813%	523,427	3,620,027	4,143,454	10.10%	69.85%	79.95%
ADANTA/BEHAVIORAL HLTH SR	Reg Mental Hlth Units	3,640,830	89,023,918	0.46542%	367,724	4,839,666	5,207,390	10.10%	132.93%	143.03%
MOUNTAIN COMP CARE CENTER	Reg Mental Hlth Units	4,932,808	45,921,039	0.24008%	498,214	2,496,470	2,994,684	10.10%	50.61%	60.71%
GREEN RVR REG MHMR BD	Reg Mental Hlth Units	2,396,182	32,599,922	0.17043%	242,014	1,772,215	2,014,229	10.10%	73.96%	84.06%
NORTHERN KY REG MHMR BD	Reg Mental Hlth Units	135,991	57,312,274	0.29963%	13,735	3,115,700	3,129,435	10.10%	2291.11%	2301.21%
WESTERN KY REG MHMR ADV	Reg Mental Hlth Units	3,236,123	35,526,557	0.18574%	326,848	1,931,416	2,258,264	10.10%	59.68%	69.78%
COMPREHEND INC REG MHMR B	Reg Mental Hlth Units	4,212,094	29,064,447	0.15195%	425,421	1,580,051	2,005,472	10.10%	37.51%	47.61%
SEVEN CO SERVICES INC	Reg Mental Hlth Units	-	154,213,520	0.80624%	-	8,383,681	8,383,681	N/A	N/A	N/A
KY RIVER COMM CARE INC	Reg Mental Hlth Units	-	26,687,511	0.13952%	-	1,450,798	1,450,798	N/A	N/A	N/A
NORTHERN KY UNIVERSITY	Universities	34,069,223	216,716,312	1.13301%	3,440,992	11,781,596	15,222,588	10.10%	34.58%	44.68%
EASTERN KY UNIV	Universities	5,200,717	239,050,334	1.24977%	525,272	12,995,724	13,520,996	10.10%	249.88%	259.98%
KCTCS	Universities	17,933,365	156,357,525	0.81745%	1,811,270	8,500,248	10,311,518	10.10%	47.40%	57.50%
WESTERN KENTUCKY UNIV	Universities	15,052,063	180,798,950	0.94523%	1,520,258	9,828,967	11,349,225	10.10%	65.30%	75.40%
MURRAY STATE UNIV	Universities	8,180,790	133,053,240	0.69561%	826,260	7,233,295	8,059,555	10.10%	88.42%	98.52%
MOREHEAD STATE UNIVERSITY	Universities	3,798,957	121,265,619	0.63398%	383,695	6,592,436	6,976,131	10.10%	173.53%	183.63%
KENTUCKY STATE UNIVERSITY	Universities	4,582,383	44,391,511	0.23208%	462,821	2,413,282	2,876,103	10.10%	52.66%	62.76%

Exhibit 1. Calculation of Employer Required Contributions under Proposed Legislation

			Fixed Percentage of the Total Amortization Cost		Required Contribution[1]			Effective Employer Contribution Rate[2] Required Contribution / Payroll		
Agency Name[3] (1)	Agency Classification[3] (2)	Projected Payroll FY 21/22 (3)	Accrued Liability based on June 30, 2019 Valuation (4)	Fixed Allocation of Amortization Cost (5) = (4) / $19,128M	Normal Cost Contributions (6) = (3) x 10.10%	Amortization Cost (7) = (5) x $1,040M	Total Required Contribution (8) = (6) + (7)	Normal Cost Contributions (9) = (6) / (3)	Amortization Cost (10) = (7) / (3)	Total Estimated Required Contribution as a % of Projected Pay (11) = (8) / (3)
ALLEN COUNTY ATTORNEY	County Attorneys	219,811	1,658,981	0.00867%	22,201	90,155	112,356	10.10%	41.01%	51.11%
ANDERSON COUNTY ATTORNEY	County Attorneys	106,316	1,971,500	0.01031%	10,738	107,208	117,946	10.10%	100.84%	110.94%
BARREN COUNTY ATTORNEY	County Attorneys	132,522	2,875,029	0.01503%	13,385	156,289	169,674	10.10%	117.93%	128.03%
BATH COUNTY ATTORNEY	County Attorneys	-	2,729	0.00001%	-	104	104	N/A	N/A	N/A
BELL COUNTY ATTORNEY	County Attorneys	118,560	1,931,690	0.01010%	11,975	105,025	117,000	10.10%	88.58%	98.68%
BOONE COUNTY ATTORNEY	County Attorneys	433,417	5,092,956	0.02663%	43,775	276,912	320,687	10.10%	63.89%	73.99%
BOYLE COUNTY ATTORNEY	County Attorneys	-	155,378	0.00081%	-	8,423	8,423	N/A	N/A	N/A
BRECKINRIDGE CO ATTORNEY	County Attorneys	165,146	1,029,674	0.00538%	16,680	55,944	72,624	10.10%	33.88%	43.98%
BULLITT COUNTY ATTORNEY	County Attorneys	-	703,350	0.00368%	-	38,266	38,266	N/A	N/A	N/A
CALLOWAY COUNTY ATTORNEY	County Attorneys	-	54,643	0.00029%	-	3,016	3,016	N/A	N/A	N/A
CARROLL COUNTY ATTORNEY	County Attorneys	35,254	873,614	0.00457%	3,561	47,521	51,082	10.10%	134.80%	144.90%
CASEY COUNTY ATTORNEY	County Attorneys	168,437	947,428	0.00495%	17,012	51,473	68,485	10.10%	30.56%	40.66%
CHILD SUPPORT ENCORCEMENT	County Attorneys	323,558	255,979	0.00134%	32,679	13,934	46,613	10.10%	4.31%	14.41%
CHRISTIAN COUNTY ATTORNEY	County Attorneys	-	984,086	0.00514%	-	53,448	53,448	N/A	N/A	N/A
CLARK COUNTY ATTORNEY	County Attorneys	354,031	1,322,750	0.00692%	35,757	71,958	107,715	10.10%	20.33%	30.43%
CRITTENDEN CO ATTORNEY	County Attorneys	131,795	365,437	0.00191%	13,311	19,861	33,172	10.10%	15.07%	25.17%
DAVIESS COUNTY ATTORNEY	County Attorneys	186,658	1,578,350	0.00825%	18,852	85,788	104,640	10.10%	45.96%	56.06%
EDMONSON COUNTY ATTORNEY	County Attorneys	186,741	474,886	0.00248%	18,861	25,788	44,649	10.10%	13.81%	23.91%
FAYETTE CO ATTORNEY OFF	County Attorneys	-	3,136,743	0.01640%	-	170,535	170,535	N/A	N/A	N/A
FLOYD COUNTY ATTORNEY	County Attorneys	126,787	1,121,075	0.00586%	12,805	60,935	73,740	10.10%	48.06%	58.16%
FRANKLIN COUNTY ATTORNEY	County Attorneys	160,098	4,833,960	0.02527%	16,170	262,770	278,940	10.10%	164.13%	174.23%
GARRARD COUNTY ATTORNEY	County Attorneys	49,239	988,761	0.00517%	4,973	53,760	58,733	10.10%	109.18%	119.28%
GRANT COUNTY CHILD SUPPOR	County Attorneys	-	363,477	0.00190%	-	19,757	19,757	N/A	N/A	N/A
GRAVES COUNTY ATTORNEY	County Attorneys	492,798	3,272,663	0.01711%	49,773	177,918	227,691	10.10%	36.10%	46.20%
HANCOCK COUNTY ATTORNEY	County Attorneys	-	386,098	0.00202%	-	21,005	21,005	N/A	N/A	N/A
HARRISON COUNTY ATTORNEY	County Attorneys	36,600	114,873	0.00060%	3,697	6,239	9,936	10.10%	17.05%	27.15%
HICKMAN COUNTY ATTORNEY	County Attorneys	184,874	1,028,593	0.00538%	18,672	55,944	74,616	10.10%	30.26%	40.36%
HOPKINS COUNTY ATTORNEY	County Attorneys	241,200	1,751,470	0.00916%	24,361	95,250	119,611	10.10%	39.49%	49.59%
JACKSON COUNTY ATTORNEY	County Attorneys	-	700,551	0.00366%	-	38,058	38,058	N/A	N/A	N/A
JEFFERSON CO ATTORNEY	County Attorneys	128,215	17,151,984	0.08967%	12,950	932,433	945,383	10.10%	727.24%	737.34%
JOHNSON COUNTY ATTORNEY	County Attorneys	-	230,506	0.00121%	-	12,582	12,582	N/A	N/A	N/A
KENTON COUNTY ATTORNEY	County Attorneys	-	1,021,997	0.00534%	-	55,528	55,528	N/A	N/A	N/A
KNOTT COUNTY ATTORNEY	County Attorneys	287,101	900,207	0.00471%	28,997	48,977	77,974	10.10%	17.06%	27.16%
KNOX COUNTY ATTORNEY	County Attorneys	-	5,454	0.00003%	-	312	312	N/A	N/A	N/A
LARUE COUNTY ATTORNEY	County Attorneys	261,000	1,041,769	0.00545%	26,361	56,672	83,033	10.10%	21.71%	31.81%
LAUREL COUNTY ATTORNEY	County Attorneys	72,261	353,526	0.00185%	7,298	19,237	26,535	10.10%	26.62%	36.72%
LAWRENCE COUNTY ATTORNEY	County Attorneys	-	144	0.00000%	-	-	-	N/A	N/A	N/A
LEE COUNTY ATTORNEY	County Attorneys	29,344	888,298	0.00464%	2,964	48,249	51,213	10.10%	164.43%	174.53%
LOGAN COUNTY ATTORNEY	County Attorneys	74,500	1,781,059	0.00931%	7,525	96,810	104,335	10.10%	129.95%	140.05%
MADISON COUNTY ATTORNEY	County Attorneys	306,724	6,472,384	0.03384%	30,979	351,885	382,864	10.10%	114.72%	124.82%
MAGOFFIN CO ATTORNEY	County Attorneys	77,059	195,563	0.00102%	7,783	10,606	18,389	10.10%	13.76%	23.86%
MCCRACKEN COUNTY ATTORNEY	County Attorneys	-	1,092,697	0.00571%	-	59,375	59,375	N/A	N/A	N/A
MCCREARY COUNTY ATTORNEY	County Attorneys	227,087	1,920,823	0.01004%	22,936	104,401	127,337	10.10%	45.97%	56.07%
MEADE COUNTY ATTORNEY	County Attorneys	192,938	1,485,282	0.00777%	19,487	80,796	100,283	10.10%	41.88%	51.98%
MENIFEE COUNTY ATTORNEY	County Attorneys	-	568,840	0.00297%	-	30,884	30,884	N/A	N/A	N/A
MERCER COUNTY ATTORNEY	County Attorneys	68,616	507,084	0.00265%	6,930	27,556	34,486	10.10%	40.16%	50.26%
MONROE CO ATTORNEY	County Attorneys	-	617,699	0.00323%	-	33,587	33,587	N/A	N/A	N/A
MONTGOMERY CO ATTORNEY	County Attorneys	154,822	1,684,951	0.00881%	15,637	91,611	107,248	10.10%	59.17%	69.27%
MORGAN COUNTY ATTORNEY	County Attorneys	276,181	1,815,404	0.00949%	27,894	98,682	126,576	10.10%	35.73%	45.83%
OLDHAM COUNTY ATTORNEY	County Attorneys	294,858	1,690,959	0.00884%	29,781	91,923	121,704	10.10%	31.18%	41.28%
OWEN COUNTY ATTORNEY	County Attorneys	154,599	490,212	0.00256%	15,614	26,620	42,234	10.10%	17.22%	27.32%
PENDLETON COUNTY ATTORNEY	County Attorneys	-	155,600	0.00081%	-	8,423	8,423	N/A	N/A	N/A
POWELL COUNTY ATTORNEY	County Attorneys	-	26,895	0.00014%	-	1,456	1,456	N/A	N/A	N/A
PULASKI COUNTY ATTORNEY	County Attorneys	587,791	1,602,159	0.00838%	59,367	87,139	146,506	10.10%	14.82%	24.92%
ROCKCASTLE CO ATTORNEY	County Attorneys	27,040	774,276	0.00405%	2,731	42,114	44,845	10.10%	155.75%	165.85%
ROWAN COUNTY ATTORNEY	County Attorneys	115,827	820,120	0.00429%	11,699	44,610	56,309	10.10%	38.51%	48.61%
SHELBY COUNTY ATTORNEY	County Attorneys	64,845	400,120	0.00209%	6,549	21,733	28,282	10.10%	33.52%	43.61%
SIMPSON COUNTY ATTORNEY	County Attorneys	35,224	521,989	0.00273%	3,558	28,388	31,946	10.10%	80.59%	90.69%

Kentucky Employees Retirement Plan (Non-Hazardous) - Retirement and Insurance Combined
Actuarial Analysis of BR424

Exhibit 1. Calculation of Employer Required Contributions under Proposed Legislation

			Fixed Percentage of the Total Amortization Cost		Required Contribution[1]			Effective Employer Contribution Rate[2] Required Contribution / Payroll		
Agency Name[3]	Agency Classification[3]	Projected Payroll FY 21/22	Accrued Liability based on June 30, 2019 Valuation	Fixed Allocation of Amortization Cost	Normal Cost Contributions	Amortization Cost	Total Required Contribution	Normal Cost Contributions	Amortization Cost	Total Estimated Required Contribution as a % of Projected Pay
(1)	(2)	(3)	(4)	(5) = (4) / $19,128M	(6) = (3) x 10.10%	(7) = (5) x $1,040M	(8) = (6) + (7)	(9) = (6) / (3)	(10) = (7) / (3)	(11) = (8) / (3)
SPENCER COUNTY ATTORNEY	County Attorneys	342,597	1,200,709	0.00628%	34,602	65,303	99,905	10.10%	19.06%	29.16%
TRIGG COUNTY ATTORNEY	County Attorneys	48,208	933,350	0.00488%	4,869	50,745	55,614	10.10%	105.26%	115.36%
TRIMBLE COUNTY ATTORNEY	County Attorneys	37,077	749,934	0.00392%	3,745	40,762	44,507	10.10%	109.94%	120.04%
UNION COUNTY ATTORNEY	County Attorneys	47,550	293,278	0.00153%	4,803	15,910	20,713	10.10%	33.46%	43.56%
WAYNE COUNTY ATTORNEY	County Attorneys	-	668,657	0.00350%	-	36,395	36,395	N/A	N/A	N/A
WEBSTER COUNTY ATTORNEY	County Attorneys	457,980	1,413,256	0.00739%	46,256	76,845	123,101	10.10%	16.78%	26.88%
WHITLEY COUNTY ATTORNEY	County Attorneys	333,255	2,013,956	0.01053%	33,659	109,496	143,155	10.10%	32.86%	42.96%
	Total	**1,387,760,907**	**19,127,526,963**	**100.00000%**	**140,163,855**	**1,039,849,248**	**1,180,013,103**	**10.10%**	**74.93%**	**85.03%**
Agencies that have ceased participation in the System:										
KENTUCKY BAR ASSOCIATION	Non-P1 State Agencies	-	9,726,855	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KENTUCKY ASSOCIATION OF CHILDREN'S ADVOCACY C	Non-P1 State Agencies	-	14,508	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMMONWEALTH CREDIT UNION	Non-P1 State Agencies	-	46,950,704	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KENTUCKY EMPLOYERS MUTUAL INSURANCE	Non-P1 State Agencies	-	15,220,243	N/A	N/A	N/A	N/A	N/A	N/A	N/A
GATEWAY CHILD ADVOCACY	Non-P1 State Agencies	-	53,228	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Total	**1,387,760,907**	**19,199,492,501**	**100.00000%**	**140,163,855**	**1,039,849,248**	**1,180,013,103**	**10.10%**	**74.93%**	**85.03%**

Summary of Above Information by Agency Classification

		Fixed Percentage of the Total Amortization Cost		Required Contribution[1]			Effective Employer Contribution Rate[2] Required Contribution / Payroll		
Agency Classification[3]	Projected Payroll FY 21/22	Accrued Liability based on June 30, 2019 Valuation	Fixed Allocation of Amortization Cost	Normal Cost Contributions	Amortization Cost	Total Required Contribution	Normal Cost Contributions	Amortization Cost	Total Estimated Required Contribution as a % of Projected Pay
Health Departments	83,859,117	1,281,433,525	6.69938%	8,469,772	69,663,452	78,133,224	10.10%	83.07%	93.17%
Non-P1 State Assoc/Corp.	28,261,403	221,740,635	1.15927%	2,854,403	12,054,660	14,909,063	10.10%	42.65%	52.75%
Non-P1 State Agencies	10,678,452	37,823,029	0.19775%	1,078,523	2,056,304	3,134,827	10.10%	19.26%	29.36%
Reg Mental Hlth Units	80,134,671	1,154,821,405	6.03747%	8,093,601	62,780,587	70,874,188	10.10%	78.34%	88.44%
Universities	88,817,498	1,091,633,491	5.70713%	8,970,568	59,345,548	68,316,116	10.10%	66.82%	76.92%
County Attorneys	8,556,541	93,467,865	0.48866%	864,212	5,081,329	5,945,541	10.10%	59.39%	69.49%
Legislative Branch	21,425,535	343,338,931	1.79500%	2,163,979	18,665,294	20,829,273	10.10%	87.12%	97.22%
Judicial Branch	60,337,522	469,266,488	2.45336%	6,094,090	25,511,246	31,605,336	10.10%	42.28%	52.38%
Executive Branch	1,005,690,168	14,434,001,594	75.46198%	101,574,707	784,690,828	886,265,535	10.10%	78.03%	88.13%
Total	**1,387,760,907**	**19,127,526,963**	**100.00000%**	**140,163,855**	**1,039,849,248**	**1,180,013,103**	**10.10%**	**74.93%**	**85.03%**

Notes and Assumptions

[1] Actual normal cost contributions will be based on an employer's actual salary for the fiscal year 2021/2022 multiplied by 10.10%.

[2] Required contribution as a percentage of pay shown for illustrative purposes only. Actual required contributions will be equal to 10.10% of an employer's actual payroll for fiscal year 2021/2022 plus the amortization cost shown in column (7).

[3] Agency names and classification information has been provided to GRS by KRS. We have reviewed this data for consistency but did not audit the data. At KRS request, the $7,237,775 actuarial accrued liability attributable to Little Sandy District Health (#3043) was reallocated evenly to Carter County Health Department (#3088) and Gateway District Health Department (#3036). GRS is not responsible for the accuracy or completeness of the information provided to us by KRS.

Exhibit 2. Impact of Proposed Legislation on Employer Contribution Rates

			Required Contribution			Effective Employer Contribution Rate Required Contribution / Payroll		
Agency Name[1]	Agency Classification[1]	Projected Payroll FY 21/22	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation
(1)	(2)	(3)	(4) = (3) x 85.03%	(5) = Exhibit 1, Column (8)	(6) = (5) - (4)	(7) = (4) / (3)	(8) = Exhibit 1, Column (11)	(9) = (8) - (7)
LEGISLATIVE BRANCH AGENCIES	LEGISLATIVE BRANCH	21,425,535	18,218,132	20,829,273	2,611,141	85.03%	97.22%	12.19%
JUDICIAL BRANCH AGENCIES	JUDICIAL BRANCH	60,337,522	51,304,995	31,605,336	(19,699,659)	85.03%	52.38%	-32.65%
EXECUTIVE BRANCH AGENCIES	EXECUTIVE BRANCH	1,005,690,168	855,138,350	886,265,535	31,127,185	85.03%	88.13%	3.10%
LEX FAYETTE CO HLTH DEPT	Health Departments	6,352,348	5,401,402	5,482,709	81,307	85.03%	86.31%	1.28%
LAKE CUMBERLAND DISTRICT	Health Departments	5,091,437	4,329,249	4,516,511	187,262	85.03%	88.71%	3.68%
BARREN RVR DIST HLTH DEPT	Health Departments	3,155,170	2,682,841	4,061,921	1,379,080	85.03%	128.74%	43.71%
GREEN RVR DIST HLTH DEPT	Health Departments	5,613,414	4,773,086	5,055,360	282,274	85.03%	90.06%	5.03%
NORTHERN KY DIST HLTH DEP	Health Departments	5,952,172	5,061,132	3,547,374	(1,513,758)	85.03%	59.60%	-25.43%
LINCOLN TRL DIST HLTH DEP	Health Departments	3,303,056	2,808,589	3,984,624	1,176,035	85.03%	120.63%	35.60%
KY RIVER DIST HEALTH DEPT	Health Departments	2,506,336	2,131,138	4,090,704	1,959,566	85.03%	163.21%	78.18%
MADISON CO HEALTH DEP	Health Departments	3,408,628	2,898,356	3,256,265	357,909	85.03%	95.53%	10.50%
CUMBERLAND VLY DIST HEALT	Health Departments	1,686,688	1,434,191	5,060,350	3,626,159	85.03%	300.02%	214.99%
WEDCO DIST HEALTH DEPT	Health Departments	2,553,392	2,171,149	1,789,487	(381,662)	85.03%	70.08%	-14.95%
FRANKLIN CO HEALTH DEPT	Health Departments	2,258,366	1,920,289	1,461,564	(458,725)	85.03%	64.72%	-20.31%
WHITLEY CO HEALTH DEPT	Health Departments	1,584,248	1,347,086	1,730,597	383,511	85.03%	109.24%	24.21%
PIKE CO HEALTH DEPT	Health Departments	1,694,765	1,441,059	1,539,301	98,242	85.03%	90.83%	5.80%
THREE RIVERS DIST HLTH	Health Departments	1,603,709	1,363,634	1,404,283	40,649	85.03%	87.56%	2.53%
KNOX CO HEALTH DEPT	Health Departments	1,572,717	1,337,281	1,685,343	348,062	85.03%	107.16%	22.13%
PURCHASE DIST HLTH DEPT	Health Departments	1,565,332	1,331,002	2,595,402	1,264,400	85.03%	165.81%	80.78%
CLARK CO HEALTH DEPT	Health Departments	1,296,765	1,102,639	1,101,152	(1,487)	85.03%	84.92%	-0.11%
GATEWAY DIST HEALTH DEPT	Health Departments	2,108,078	1,792,499	1,815,220	22,721	85.03%	86.11%	1.08%
N CENTRAL DIST HLTH DEPT	Health Departments	1,373,203	1,167,635	1,310,916	143,281	85.03%	95.46%	10.43%
BREATHITT CO HEALTH DEPT	Health Departments	1,181,013	1,004,215	1,128,560	124,345	85.03%	95.56%	10.53%
PENNYRILE DIST HLTH DEPT	Health Departments	1,123,919	955,668	1,002,067	46,399	85.03%	89.16%	4.13%
MARSHALL CO HEALTH DEPT	Health Departments	1,089,849	926,699	1,044,795	118,096	85.03%	95.87%	10.84%
CHRISTIAN CO HEALTH DEPT	Health Departments	1,300,943	1,106,192	857,730	(248,462)	85.03%	65.93%	-19.10%
MONTGOMERY CO HEALTH DEPT	Health Departments	1,276,491	1,085,400	775,192	(310,208)	85.03%	60.73%	-24.30%
HOPKINS CO HEALTH DEPT	Health Departments	1,525,626	1,297,240	1,122,604	(174,636)	85.03%	73.58%	-11.45%
JOHNSON CO HEALTH DEPT	Health Departments	1,188,756	1,010,799	961,822	(48,977)	85.03%	80.91%	-4.12%
FLOYD CO HEALTH CENTER	Health Departments	974,974	829,020	794,339	(34,681)	85.03%	81.47%	-3.56%
ASHLAND BOYD CO HEALTH DP	Health Departments	996,910	847,673	1,067,332	219,659	85.03%	107.06%	22.03%
LAUREL CO HEALTH DEPT	Health Departments	1,097,868	933,517	897,843	(35,674)	85.03%	81.78%	-3.25%
BULLITT CO HEALTH DEPT	Health Departments	1,226,387	1,042,797	875,364	(167,433)	85.03%	71.38%	-13.65%
BELL CO HEALTH DEPT	Health Departments	882,868	750,703	672,629	(78,074)	85.03%	76.19%	-8.84%
GREENUP CO HLTH DEPT	Health Departments	890,487	757,181	715,616	(41,565)	85.03%	80.36%	-4.67%
JESSAMINE CO HEALTH DEPT	Health Departments	890,093	756,846	562,095	(194,751)	85.03%	63.15%	-21.88%
GRAVES CO HEALTH CENTER	Health Departments	1,036,104	880,999	436,879	(444,120)	85.03%	42.17%	-42.86%
HARLAN CO HEALTH DEPT	Health Departments	651,241	553,750	458,214	(95,536)	85.03%	70.36%	-14.67%
OLDHAM CO HEALTH DEPT	Health Departments	967,052	822,284	667,405	(154,879)	85.03%	69.01%	-16.02%
ALLEN CO HEALTH DEPT	Health Departments	856,279	728,094	516,566	(211,528)	85.03%	60.33%	-24.70%
BUFFALO TRACE HEALTH DEPT	Health Departments	667,333	567,433	653,876	86,443	85.03%	97.98%	12.95%
MUHLENBERG CO.HEALTH DEPT	Health Departments	690,447	587,087	498,465	(88,622)	85.03%	72.19%	-12.84%
MERCER CO HEALTH DEPT	Health Departments	469,848	399,512	596,911	197,399	85.03%	127.04%	42.01%
LAWRENCE CO HEALTH DEPT	Health Departments	705,934	600,256	281,661	(318,595)	85.03%	39.90%	-45.13%
WOODFORD CO HEALTH DEPT	Health Departments	440,222	374,321	340,923	(33,398)	85.03%	77.44%	-7.59%
CALLOWAY CO HEALTH DEPT	Health Departments	586,271	498,506	284,132	(214,374)	85.03%	48.46%	-36.57%
MAGOFFIN CO HEALTH DEPT	Health Departments	473,550	402,660	399,402	(3,258)	85.03%	84.34%	-0.69%
MARTIN CO HEALTH DEPT	Health Departments	414,117	352,124	329,240	(22,884)	85.03%	79.50%	-5.53%
BOYLE CO HEALTH DEPT	Health Departments	483,047	410,735	393,810	(16,925)	85.03%	81.53%	-3.50%
BOURBON CO HEALTH CENTER	Health Departments	545,937	464,210	630,177	165,967	85.03%	115.43%	30.40%
ANDERSON CO HEALTH DEPT	Health Departments	359,508	305,690	312,286	6,596	85.03%	86.86%	1.83%
LEWIS CO HEALTH DEPT	Health Departments	448,079	381,002	211,632	(169,370)	85.03%	47.23%	-37.80%
ESTILL CO HEALTH DEPT	Health Departments	223,878	190,363	325,936	135,573	85.03%	145.59%	60.56%
LINCOLN CO HEALTH DEPT	Health Departments	451,096	383,567	311,762	(71,805)	85.03%	69.11%	-15.92%
BRECKINRIDGE CO HEALTH BD	Health Departments	432,068	367,387	462,490	95,103	85.03%	107.04%	22.01%
GRAYSON COUNTY HEALTH DEPT	Health Departments	483,387	411,024	298,802	(112,222)	85.03%	61.81%	-23.22%
GARRARD COUNTY HEALTH DPT	Health Departments	330,436	280,970	246,855	(34,115)	85.03%	74.71%	-10.32%

Exhibit 2. Impact of Proposed Legislation on Employer Contribution Rates

			Required Contribution			Effective Employer Contribution Rate Required Contribution / Payroll		
Agency Name[1]	Agency Classification[1]	Projected Payroll FY 21/22	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation
(1)	(2)	(3)	(4) = (3) x 85.03%	(5) = Exhibit 1, Column (8)	(6) = (5) - (4)	(7) = (4) / (3)	(8) = Exhibit 1, Column (11)	(9) = (8) - (7)
TODD CO HEALTH DEPT	Health Departments	299,524	254,685	285,119	30,434	85.03%	95.19%	10.16%
FLEMING CO HEALTH DEP	Health Departments	329,868	280,487	271,754	(8,733)	85.03%	82.38%	-2.65%
MONROE CO HEALTH DEPT	Health Departments	255,878	217,573	196,379	(21,194)	85.03%	76.75%	-8.28%
BRACKEN CO HEALTH DEPT	Health Departments	343,433	292,021	165,708	(126,313)	85.03%	48.25%	-36.78%
POWELL CO HEALTH DEPT	Health Departments	249,359	212,030	253,536	41,506	85.03%	101.68%	16.65%
CARTER CO HEALTH DEPT	Health Departments	339,213	288,433	336,233	47,800	85.03%	99.12%	14.09%
KY HIGHER ED STUD LN CORP	Non-P1 State Assoc/Corp.	11,328,215	9,632,381	5,596,369	(4,036,012)	85.03%	49.40%	-35.63%
KENTUCKY HOUSING CORP	Non-P1 State Assoc/Corp.	10,513,748	8,939,840	6,404,842	(2,534,998)	85.03%	60.92%	-24.11%
CSG HEADQUARTERS	Non-P1 State Assoc/Corp.	3,569,873	3,035,463	1,408,413	(1,627,050)	85.03%	39.45%	-45.58%
KET FOUNDATION	Non-P1 State Assoc/Corp.	1,672,922	1,422,486	988,054	(434,432)	85.03%	59.06%	-25.97%
ASST OF COMMONWEALTH ATTY	Non-P1 State Assoc/Corp.	1,040,758	884,957	420,815	(464,142)	85.03%	40.43%	-44.60%
HIGHSCHOOL ATHLETIC ASSOC	Non-P1 State Assoc/Corp.	135,887	115,545	90,570	(24,975)	85.03%	66.65%	-18.38%
O A S I S	Non-P1 State Agencies	738,979	628,354	199,939	(428,415)	85.03%	27.06%	-57.97%
KDVA	Non-P1 State Agencies	777,016	660,697	210,644	(450,053)	85.03%	27.11%	-57.92%
B.R.A.S.S.	Non-P1 State Agencies	600,869	510,919	176,631	(334,288)	85.03%	29.40%	-55.63%
BLUEGRASS RAPE CRISIS CTR	Non-P1 State Agencies	738,605	628,036	223,817	(404,219)	85.03%	30.30%	-54.73%
SAFE HARBOR	Non-P1 State Agencies	857,090	728,784	157,900	(570,884)	85.03%	18.42%	-66.61%
SANCTUARY INC	Non-P1 State Agencies	502,831	427,557	187,214	(240,343)	85.03%	37.23%	-47.80%
LOTUS	Non-P1 State Agencies	791,779	673,250	138,410	(534,840)	85.03%	17.48%	-67.55%
BETHANY HOUSE ABUSE SHELT	Non-P1 State Agencies	483,249	410,907	139,899	(271,008)	85.03%	28.95%	-56.08%
SPRINGHAVEN INC	Non-P1 State Agencies	497,101	422,685	133,291	(289,394)	85.03%	26.81%	-58.22%
KASAP	Non-P1 State Agencies	487,251	414,310	100,477	(313,833)	85.03%	20.62%	-64.41%
SILVERLEALF	Non-P1 State Agencies	402,324	342,096	150,339	(191,757)	85.03%	37.37%	-47.66%
WOMEN AWARE	Non-P1 State Agencies	228,407	194,214	76,101	(118,113)	85.03%	33.32%	-51.71%
D.O.V.E.S.	Non-P1 State Agencies	447,458	380,474	116,943	(263,531)	85.03%	26.13%	-58.90%
NURSING HOME OMBUDSMAN	Non-P1 State Agencies	237,582	202,016	71,829	(130,187)	85.03%	30.23%	-54.80%
HOPE HARBOR INC	Non-P1 State Agencies	501,864	426,735	95,506	(331,229)	85.03%	19.03%	-66.00%
KY OFFICE OF BAR ADMISSIO	Non-P1 State Agencies	155,606	132,312	154,536	22,224	85.03%	99.31%	14.28%
CHILD WATCH ADVOCACY CTR	Non-P1 State Agencies	230,995	196,415	64,612	(131,803)	85.03%	27.97%	-57.06%
FRANKLIN CO COUNCIL AGING	Non-P1 State Agencies	116,388	98,965	128,530	29,565	85.03%	110.43%	25.40%
JUDI'S PLACE FOR KIDS, INC.	Non-P1 State Agencies	315,584	268,341	74,092	(194,249)	85.03%	23.48%	-61.55%
CUMBERLAND V C A CENTER	Non-P1 State Agencies	267,641	227,575	71,746	(155,829)	85.03%	26.81%	-58.22%
KY ASSOC OF REGIONAL PROG	Non-P1 State Agencies	118,750	100,973	110,780	9,807	85.03%	93.29%	8.26%
BARREN RIVER CHILD ADVOCA	Non-P1 State Agencies	352,179	299,458	57,615	(241,843)	85.03%	16.36%	-68.67%
CHILD ADV CTR OF GRN RVR	Non-P1 State Agencies	84,400	71,765	39,615	(32,150)	85.03%	46.94%	-38.09%
MUN ELEC POW ASSOC OF KY	Non-P1 State Agencies	135,853	115,516	108,659	(6,857)	85.03%	79.98%	-5.05%
KY RIVER CHILD ADVOCACY	Non-P1 State Agencies	137,637	117,033	29,707	(87,326)	85.03%	21.58%	-63.45%
PENNYRILE CHILD ADV CTR	Non-P1 State Agencies	156,216	132,830	40,838	(91,992)	85.03%	26.14%	-58.89%
LAKE CUMB CHILD ADV CTR	Non-P1 State Agencies	153,294	130,346	45,119	(85,227)	85.03%	29.43%	-55.60%
BUFFALO TR CHILD ADV INC	Non-P1 State Agencies	161,504	137,327	30,038	(107,289)	85.03%	18.60%	-66.43%
NEW VISTA OF THE BLUEGRASS, INC.	Reg Mental Hlth Units	33,781,037	28,724,016	23,841,907	(4,882,109)	85.03%	70.58%	-14.45%
CUMBERLAND RIVER MHMR	Reg Mental Hlth Units	9,268,064	7,880,635	6,278,196	(1,602,439)	85.03%	67.74%	-17.29%
LIFESKILLS INC	Reg Mental Hlth Units	13,349,097	11,350,737	9,166,678	(2,184,059)	85.03%	68.67%	-16.36%
COMMUNICARE INC	Reg Mental Hlth Units	5,182,445	4,406,633	4,143,454	(263,179)	85.03%	79.95%	-5.08%
ADANTA/BEHAVIORAL HLTH SR	Reg Mental Hlth Units	3,640,830	3,095,798	5,207,390	2,111,592	85.03%	143.03%	58.00%
MOUNTAIN COMP CARE CENTER	Reg Mental Hlth Units	4,932,808	4,194,367	2,994,684	(1,199,683)	85.03%	60.71%	-24.32%
GREEN RVR REG MHMR BD	Reg Mental Hlth Units	2,396,182	2,037,474	2,014,229	(23,245)	85.03%	84.06%	-0.97%
NORTHERN KY REG MHMR BD	Reg Mental Hlth Units	135,991	115,633	3,129,435	3,013,802	85.03%	2301.21%	2216.18%
WESTERN KY REG MHMR ADV	Reg Mental Hlth Units	3,236,123	2,751,675	2,258,264	(493,411)	85.03%	69.78%	-15.25%
COMPREHEND INC REG MHMR B	Reg Mental Hlth Units	4,212,094	3,581,544	2,005,472	(1,576,072)	85.03%	47.61%	-37.42%
SEVEN CO SERVICES INC	Reg Mental Hlth Units	-	-	8,383,681	8,383,681	N/A	N/A	N/A
KY RIVER COMM CARE INC	Reg Mental Hlth Units	-	-	1,450,798	1,450,798	N/A	N/A	N/A
NORTHERN KY UNIVERSITY	Universities	34,069,223	28,969,060	15,222,588	(13,746,472)	85.03%	44.68%	-40.35%
EASTERN KY UNIV	Universities	5,200,717	4,422,170	13,520,996	9,098,826	85.03%	259.98%	174.95%
KCTCS	Universities	17,933,365	15,248,740	10,311,518	(4,937,222)	85.03%	57.50%	-27.53%
WESTERN KENTUCKY UNIV	Universities	15,052,063	12,798,769	11,349,225	(1,449,544)	85.03%	75.40%	-9.63%
MURRAY STATE UNIV	Universities	8,180,790	6,956,126	8,059,555	1,103,429	85.03%	98.52%	13.49%
MOREHEAD STATE UNIVERSITY	Universities	3,798,957	3,230,253	6,976,131	3,745,878	85.03%	183.63%	98.60%
KENTUCKY STATE UNIVERSITY	Universities	4,582,383	3,896,400	2,876,103	(1,020,297)	85.03%	62.76%	-22.27%

Exhibit 2. Impact of Proposed Legislation on Employer Contribution Rates

			Required Contribution			Effective Employer Contribution Rate Required Contribution / Payroll		
Agency Name[1]	Agency Classification[1]	Projected Payroll FY 21/22	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation
(1)	(2)	(3)	(4) = (3) x 85.03%	(5) = Exhibit 1, Column (8)	(6) = (5) - (4)	(7) = (4) / (3)	(8) = Exhibit 1, Column (11)	(9) = (8) - (7)
ALLEN COUNTY ATTORNEY	County Attorneys	219,811	186,905	112,356	(74,549)	85.03%	51.11%	-33.92%
ANDERSON COUNTY ATTORNEY	County Attorneys	106,316	90,400	117,946	27,546	85.03%	110.94%	25.91%
BARREN COUNTY ATTORNEY	County Attorneys	132,522	112,683	169,674	56,991	85.03%	128.03%	43.00%
BATH COUNTY ATTORNEY	County Attorneys	-	-	104	104	N/A	N/A	N/A
BELL COUNTY ATTORNEY	County Attorneys	118,560	100,812	117,000	16,188	85.03%	98.68%	13.65%
BOONE COUNTY ATTORNEY	County Attorneys	433,417	368,534	320,687	(47,847)	85.03%	73.99%	-11.04%
BOYLE COUNTY ATTORNEY	County Attorneys	-	-	8,423	8,423	N/A	N/A	N/A
BRECKINRIDGE CO ATTORNEY	County Attorneys	165,146	140,424	72,624	(67,800)	85.03%	43.98%	-41.05%
BULLITT COUNTY ATTORNEY	County Attorneys	-	-	38,266	38,266	N/A	N/A	N/A
CALLOWAY COUNTY ATTORNEY	County Attorneys	-	-	3,016	3,016	N/A	N/A	N/A
CARROLL COUNTY ATTORNEY	County Attorneys	35,254	29,976	51,082	21,106	85.03%	144.90%	59.87%
CASEY COUNTY ATTORNEY	County Attorneys	168,437	143,222	68,485	(74,737)	85.03%	40.66%	-44.37%
CHILD SUPPORT ENCORCEMENT	County Attorneys	323,558	275,121	46,613	(228,508)	85.03%	14.41%	-70.62%
CHRISTIAN COUNTY ATTORNEY	County Attorneys	-	-	53,448	53,448	N/A	N/A	N/A
CLARK COUNTY ATTORNEY	County Attorneys	354,031	301,033	107,715	(193,318)	85.03%	30.43%	-54.60%
CRITTENDEN CO ATTORNEY	County Attorneys	131,795	112,065	33,172	(78,893)	85.03%	25.17%	-59.86%
DAVIESS COUNTY ATTORNEY	County Attorneys	186,658	158,715	104,640	(54,075)	85.03%	56.06%	-28.97%
EDMONSON COUNTY ATTORNEY	County Attorneys	186,741	158,786	44,649	(114,137)	85.03%	23.91%	-61.12%
FAYETTE CO ATTORNEY OFF	County Attorneys	-	-	170,535	170,535	N/A	N/A	N/A
FLOYD COUNTY ATTORNEY	County Attorneys	126,787	107,807	73,740	(34,067)	85.03%	58.16%	-26.87%
FRANKLIN COUNTY ATTORNEY	County Attorneys	160,098	136,131	278,940	142,809	85.03%	174.23%	89.20%
GARRARD COUNTY ATTORNEY	County Attorneys	49,239	41,868	58,733	16,865	85.03%	119.28%	34.25%
GRANT COUNTY CHILD SUPPOR	County Attorneys	-	-	19,757	19,757	N/A	N/A	N/A
GRAVES COUNTY ATTORNEY	County Attorneys	492,798	419,026	227,691	(191,335)	85.03%	46.20%	-38.83%
HANCOCK COUNTY ATTORNEY	County Attorneys	-	-	21,005	21,005	N/A	N/A	N/A
HARRISON COUNTY ATTORNEY	County Attorneys	36,600	31,121	9,936	(21,185)	85.03%	27.15%	-57.88%
HICKMAN COUNTY ATTORNEY	County Attorneys	184,874	157,198	74,616	(82,582)	85.03%	40.36%	-44.67%
HOPKINS COUNTY ATTORNEY	County Attorneys	241,200	205,092	119,611	(85,481)	85.03%	49.59%	-35.44%
JACKSON COUNTY ATTORNEY	County Attorneys	-	-	38,058	38,058	N/A	N/A	N/A
JEFFERSON CO ATTORNEY	County Attorneys	128,215	109,021	945,383	836,362	85.03%	737.34%	652.31%
JOHNSON COUNTY ATTORNEY	County Attorneys	-	-	12,582	12,582	N/A	N/A	N/A
KENTON COUNTY ATTORNEY	County Attorneys	-	-	55,528	55,528	N/A	N/A	N/A
KNOTT COUNTY ATTORNEY	County Attorneys	287,101	244,122	77,974	(166,148)	85.03%	27.16%	-57.87%
KNOX COUNTY ATTORNEY	County Attorneys	-	-	312	312	N/A	N/A	N/A
LARUE COUNTY ATTORNEY	County Attorneys	261,000	221,928	83,033	(138,895)	85.03%	31.81%	-53.22%
LAUREL COUNTY ATTORNEY	County Attorneys	72,261	61,444	26,535	(34,909)	85.03%	36.72%	-48.31%
LAWRENCE COUNTY ATTORNEY	County Attorneys	-	-	-	-	N/A	N/A	N/A
LEE COUNTY ATTORNEY	County Attorneys	29,344	24,951	51,213	26,262	85.03%	174.53%	89.50%
LOGAN COUNTY ATTORNEY	County Attorneys	74,500	63,347	104,335	40,988	85.03%	140.05%	55.02%
MADISON COUNTY ATTORNEY	County Attorneys	306,724	260,807	382,864	122,057	85.03%	124.82%	39.79%
MAGOFFIN CO ATTORNEY	County Attorneys	77,059	65,523	18,389	(47,134)	85.03%	23.86%	-61.17%
MCCRACKEN COUNTY ATTORNEY	County Attorneys	-	-	59,375	59,375	N/A	N/A	N/A
MCCREARY COUNTY ATTORNEY	County Attorneys	227,087	193,092	127,337	(65,755)	85.03%	56.07%	-28.96%
MEADE COUNTY ATTORNEY	County Attorneys	192,938	164,055	100,283	(63,772)	85.03%	51.98%	-33.05%
MENIFEE COUNTY ATTORNEY	County Attorneys	-	-	30,884	30,884	N/A	N/A	N/A
MERCER COUNTY ATTORNEY	County Attorneys	68,616	58,344	34,486	(23,858)	85.03%	50.26%	-34.77%
MONROE CO ATTORNEY	County Attorneys	-	-	33,587	33,587	N/A	N/A	N/A
MONTGOMERY CO ATTORNEY	County Attorneys	154,822	131,645	107,248	(24,397)	85.03%	69.27%	-15.76%
MORGAN COUNTY ATTORNEY	County Attorneys	276,181	234,837	126,576	(108,261)	85.03%	45.83%	-39.20%
OLDHAM COUNTY ATTORNEY	County Attorneys	294,858	250,718	121,704	(129,014)	85.03%	41.28%	-43.75%
OWEN COUNTY ATTORNEY	County Attorneys	154,599	131,456	42,234	(89,222)	85.03%	27.32%	-57.71%
PENDLETON COUNTY ATTORNEY	County Attorneys	-	-	8,423	8,423	N/A	N/A	N/A
POWELL COUNTY ATTORNEY	County Attorneys	-	-	1,456	1,456	N/A	N/A	N/A
PULASKI COUNTY ATTORNEY	County Attorneys	587,791	499,799	146,506	(353,293)	85.03%	24.92%	-60.11%
ROCKCASTLE CO ATTORNEY	County Attorneys	27,040	22,992	44,845	21,853	85.03%	165.85%	80.82%
ROWAN COUNTY ATTORNEY	County Attorneys	115,827	98,488	56,309	(42,179)	85.03%	48.61%	-36.42%
SHELBY COUNTY ATTORNEY	County Attorneys	64,845	55,138	28,282	(26,856)	85.03%	43.61%	-41.42%
SIMPSON COUNTY ATTORNEY	County Attorneys	35,224	29,951	31,946	1,995	85.03%	90.69%	5.66%

Exhibit 2. Impact of Proposed Legislation on Employer Contribution Rates

Agency Name[1]	Agency Classification[1]	Projected Payroll FY 21/22	Required Contribution			Effective Employer Contribution Rate Required Contribution / Payroll		
			Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation
(1)	(2)	(3)	(4) = (3) x 85.03%	(5) = Exhibit 1, Column (8)	(6) = (5) - (4)	(7) = (4) / (3)	(8) = Exhibit 1, Column (11)	(9) = (8) - (7)
SPENCER COUNTY ATTORNEY	County Attorneys	342,597	291,310	99,905	(191,405)	85.03%	29.16%	-55.87%
TRIGG COUNTY ATTORNEY	County Attorneys	48,208	40,991	55,614	14,623	85.03%	115.36%	30.33%
TRIMBLE COUNTY ATTORNEY	County Attorneys	37,077	31,527	44,507	12,980	85.03%	120.04%	35.01%
UNION COUNTY ATTORNEY	County Attorneys	47,550	40,432	20,713	(19,719)	85.03%	43.56%	-41.47%
WAYNE COUNTY ATTORNEY	County Attorneys	-	-	36,395	36,395	N/A	N/A	N/A
WEBSTER COUNTY ATTORNEY	County Attorneys	457,980	389,420	123,101	(266,319)	85.03%	26.88%	-58.15%
WHITLEY COUNTY ATTORNEY	County Attorneys	333,255	283,367	143,155	(140,212)	85.03%	42.96%	-42.07%
	Total	**1,387,760,907**	**1,180,013,103**	**1,180,013,103**	**0**	**85.03%**	**85.03%**	**0.00%**

Summary of Above Information by Agency Classification

Agency Classification[1]	Projected Payroll FY 21/22	Required Contribution			Effective Employer Contribution Rate		
		Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation	Current Funding Arrangement	Proposed Legislation[2]	Increase/(Decrease) due to Legislation
Health Departments	83,859,117	71,305,410	78,133,224	6,827,814	85.03%	93.17%	8.14%
Non-P1 State Assoc/Corp.	28,261,403	24,030,672	14,909,063	(9,121,609)	85.03%	52.75%	-32.28%
Non-P1 State Agencies	10,678,452	9,079,890	3,134,827	(5,945,063)	85.03%	29.36%	-55.67%
Reg Mental Hlth Units	80,134,671	68,138,512	70,874,188	2,735,676	85.03%	88.44%	3.41%
Universities	88,817,498	75,521,518	68,316,116	(7,205,402)	85.03%	76.92%	-8.11%
County Attorneys	8,556,541	7,275,624	5,945,541	(1,330,083)	85.03%	69.49%	-15.54%
Legislative Branch	21,425,535	18,218,132	20,829,273	2,611,141	85.03%	97.22%	12.19%
Judicial Branch	60,337,522	51,304,995	31,605,336	(19,699,659)	85.03%	52.38%	-32.65%
Executive Branch	1,005,690,168	855,138,350	886,265,535	31,127,185	85.03%	88.13%	3.10%
Total	**1,387,760,907**	**1,180,013,103**	**1,180,013,103**	**0**	**85.03%**	**85.03%**	**0.00%**

Notes and Assumptions

[1] Agency names and classification information has been provided to GRS by KRS. We have reviewed this data for consistency but did not audit the data. At KRS request, the $7,237,775 actuarial accrued liability attributable to Little Sandy District Health (#3043) was reallocated evenly to Carter County Health Department (#3088) and Gateway District Health Department (#3036). GRS is not responsible for the accuracy or completeness of the information provided to us by KRS.

[2] Required contribution as a percentage of pay shown for illustrative purposes only. Actual required contributions will be equal to 10.10% of an employer's actual payroll for fiscal year 2021/2022 plus the amortization cost shown in column (7) on Exhibit (1).

Actuarial Analysis of BR 424
Section 3.
Projected Cost of the Retirement and Insurance
Current Plan

Kentucky Retirement Systems
Exhibit 3-1
KERS Non-Hazardous Retirement Fund
Actuarial Analysis of BR 424
Current Plan
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio (3) / (2)	Total Employer Contribution	Member Contribution	Covered Payroll	Total Employer Contribution as % of Covered Payroll	Employer Actuarial Determined Contribution Rate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2020	$ 16,349	$ 2,323	$ 14,026	14%	$ 923	$ 69	$ 1,388	66.51%	73.28%
2021	16,361	2,446	13,915	15%	1,036	69	1,375	75.32%	75.32%
2022	16,351	2,656	13,695	16%	1,034	68	1,367	75.61%	75.61%
2023	16,321	2,851	13,470	17%	1,028	68	1,360	75.61%	75.80%
2024	16,271	3,035	13,236	19%	1,030	68	1,354	76.02%	76.02%
2025	16,202	3,231	12,971	20%	1,026	67	1,349	76.02%	76.17%
2026	16,112	3,421	12,691	21%	1,025	67	1,345	76.22%	76.22%
2027	16,003	3,608	12,395	23%	1,022	67	1,340	76.22%	76.23%
2028	15,874	3,791	12,083	24%	1,019	67	1,337	76.26%	76.26%
2029	15,726	3,972	11,754	25%	1,017	67	1,333	76.26%	76.26%
2030	15,561	4,152	11,409	27%	1,015	67	1,331	76.24%	76.24%
2031	15,385	4,341	11,044	28%	1,014	66	1,330	76.24%	76.20%
2032	15,195	4,536	10,659	30%	1,011	66	1,329	76.07%	76.07%
2033	14,993	4,738	10,255	32%	1,011	66	1,329	76.07%	75.95%
2034	14,779	4,952	9,827	34%	1,007	66	1,329	75.78%	75.78%
2035	14,556	5,177	9,379	36%	1,008	67	1,331	75.78%	75.63%
2036	14,325	5,421	8,904	38%	1,006	67	1,334	75.41%	75.41%
2037	14,090	5,684	8,406	40%	1,010	67	1,339	75.41%	75.12%
2038	13,855	5,977	7,878	43%	1,005	67	1,345	74.73%	74.73%
2039	13,622	6,297	7,325	46%	1,009	68	1,351	74.73%	74.33%
2040	13,394	6,655	6,739	50%	1,005	68	1,357	74.09%	74.09%
2041	13,171	7,045	6,126	53%	1,009	68	1,362	74.09%	73.76%
2042	12,953	7,478	5,475	58%	1,003	68	1,368	73.32%	73.32%
2043	12,743	7,945	4,798	62%	1,006	69	1,372	73.32%	72.87%
2044	12,539	8,459	4,080	67%	997	69	1,376	72.45%	72.45%
2045	12,344	9,010	3,334	73%	1,000	69	1,380	72.45%	72.18%
2046	12,157	9,611	2,546	79%	995	69	1,383	71.92%	71.92%
2047	11,978	10,258	1,720	86%	997	69	1,387	71.92%	71.69%
2048	11,809	10,960	849	93%	993	69	1,390	71.47%	71.47%
2049	11,651	11,651	-	100%	52	70	1,393	3.76%	3.76%
2050	11,503	11,503	-	100%	52	70	1,396	3.75%	3.75%

Notes and assumptions:

The projection is based on the results of the June 30, 2020 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 to replace the current active members as they 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.

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

The 2020 legislative session did not set the employer contribution rates for FYE 2022. Employer contribution rates for FYE 2022 are assumed to be based on the June 30, 2020 actuarial valuation.

The 66.51% employer contribution rate for FYE 2021 is the effective contribution rate after reflecting HB 352 (passed during the 2020 legislative session) which allowed Regional Mental Health/Mental Retardation Boards, Local and District Health Departments, State Universities, Community Colleges and any other agency eligible to voluntarily cease participating in KERS to contribute 41.06% of pay to the pension fund for FY 2021. Collectively these entities reflect approximately 21% of the covered payroll in the System.

Kentucky Retirement Systems
Exhibit 3-2
KERS Non-Hazardous Insurance Fund
Actuarial Analysis of BR 424
Current Plan
($ in Millions)

Fiscal Year Beginning July 1,	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio (3) / (2)	Total Employer Contribution	Member Contribution	Covered Payroll	Total Employer Contribution as % of Covered Payroll	Employer Actuarial Determined Contribution Rate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2020	$ 2,565	$ 1,096	$ 1,469	43%	$ 146	$ 6	$ 1,377	10.57%	11.15%
2021	2,633	1,187	1,446	45%	132	6	1,364	9.71%	9.71%
2022	2,700	1,258	1,442	47%	131	7	1,355	9.70%	9.70%
2023	2,763	1,325	1,438	48%	131	7	1,348	9.70%	9.70%
2024	2,820	1,390	1,430	49%	131	8	1,342	9.73%	9.73%
2025	2,870	1,461	1,409	51%	130	8	1,336	9.73%	9.71%
2026	2,913	1,528	1,385	52%	128	9	1,332	9.61%	9.61%
2027	2,948	1,587	1,361	54%	127	9	1,327	9.61%	9.50%
2028	2,973	1,640	1,333	55%	124	10	1,322	9.38%	9.38%
2029	2,989	1,684	1,305	56%	124	10	1,319	9.38%	9.28%
2030	2,996	1,722	1,274	57%	120	10	1,316	9.15%	9.15%
2031	2,995	1,751	1,244	58%	120	11	1,314	9.15%	9.05%
2032	2,987	1,777	1,210	59%	118	11	1,313	8.96%	8.96%
2033	2,973	1,799	1,174	61%	118	11	1,313	8.96%	8.88%
2034	2,955	1,818	1,137	62%	116	12	1,313	8.80%	8.80%
2035	2,933	1,834	1,099	63%	116	12	1,314	8.80%	8.72%
2036	2,909	1,852	1,057	64%	114	12	1,317	8.64%	8.64%
2037	2,885	1,872	1,013	65%	114	13	1,321	8.64%	8.59%
2038	2,862	1,896	966	66%	113	13	1,327	8.50%	8.50%
2039	2,840	1,922	918	68%	113	13	1,333	8.50%	8.44%
2040	2,819	1,954	865	69%	135	13	1,339	10.06%	10.06%
2041	2,800	2,013	787	72%	135	13	1,344	10.06%	9.95%
2042	2,784	2,080	704	75%	132	13	1,349	9.80%	9.80%
2043	2,770	2,153	617	78%	133	13	1,353	9.80%	9.66%
2044	2,759	2,233	526	81%	129	13	1,357	9.53%	9.53%
2045	2,749	2,318	431	84%	130	14	1,361	9.53%	9.50%
2046	2,741	2,411	330	88%	129	14	1,364	9.46%	9.46%
2047	2,732	2,509	223	92%	129	14	1,367	9.46%	9.44%
2048	2,723	2,614	109	96%	129	14	1,370	9.42%	9.42%
2049	2,713	2,713	-	100%	3	14	1,373	0.24%	0.24%
2050	2,701	2,701	-	100%	3	14	1,376	0.24%	0.24%

Notes and assumptions:

The projection is based on the results of the June 30, 2020 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 to replace the current active members as they 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.

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

The 2020 legislative session did not set the employer contribution rates for FYE 2022. Employer contribution rates for FYE 2022 are assumed to be based on the June 30, 2020 actuarial valuation.

The 10.57% employer contribution rate for FYE 2021 is the effective contribution rate after reflecting HB 352 (passed during the 2020 legislative session) which allowed Regional Mental Health/Mental Retardation Boards, Local and District Health Departments, State Universities, Community Colleges and any other agency eligible to voluntarily cease participating in KERS to contribute 8.41% of pay to the insurance fund for FY 2021. Collectively these entities reflect approximately 21% of the covered payroll in the System.