

Actuarial Analysis Summary

BR or Bill Ref.	HB 252 (26 RS BRS 107)	Actuarial Analysis Conducted For:
Date:	1/26/2026	<input type="checkbox"/> KERS NH <input checked="" type="checkbox"/> KERS Haz <input checked="" type="checkbox"/> SPRS <input type="checkbox"/> TRS
Actuary:	GRS	<input type="checkbox"/> CERS NH <input checked="" type="checkbox"/> CERS Haz <input type="checkbox"/> LRP <input type="checkbox"/> 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 actuarially determined contribution rates increase by 0.65% of pay and 0.77% of pay for the CERS hazardous and SPRS funds, respectively, due to the proposed legislation. As long as employer contribution requirements are increased accordingly, we do not believe this benefit change will impact the current actuarial soundness of the funds.

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.

Section II: Financial Projections

	Combined Pension and Retiree Health Plan					
	CERS Hazardous*		KERS Hazardous*		SPRS*	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected Employer Cost* (\$ in Millions)						
30-Yr Nominal \$	\$8,281	\$8,495	\$1,213	\$1,213	\$1,113	\$1,133
30-Yr Net Present Value \$	\$3,823	\$3,911	\$605	\$605	\$580	\$586
Proj. Normal Cost for New Hire	8.11%	8.73%	6.70%	6.80%	19.10%	19.82%
	of pay	of pay	of pay	of pay	of pay	of pay

*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 subtracting employee contributions.

	Pension Plan					
	CERS Hazardous		KERS Hazardous		SPRS	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected UAL (\$ in Millions)						
Baseline (Year 1)	\$2,709	\$2,709	\$412	\$412	\$430	\$430
5 Years	\$2,363	\$2,363	\$296	\$296	\$330	\$330
10 Years	\$2,162	\$2,162	\$260	\$260	\$311	\$311
20 Years	\$1,182	\$1,182	\$153	\$153	\$222	\$222
30 Years	\$0	\$0	\$0	\$0	\$0	\$0
Projected Funding Ratio (%)						
Baseline (Year 1)	57%	57%	72%	72%	62%	62%
5 Years	66%	66%	82%	82%	72%	72%
10 Years	73%	73%	86%	86%	74%	74%
20 Years	89%	89%	94%	94%	83%	83%
30 Years	100%	100%	100%	100%	100%	100%

	Retiree Health Plan					
	CERS Hazardous		KERS Hazardous		SPRS	
	Current	Proposed	Current	Proposed	Current	Proposed
Projected UAL (\$ in Millions)						
Baseline (Year 1)	\$177	\$187	(\$280)	(\$279)	(\$4)	(\$2)
5 Years	\$86	\$102	(\$389)	(\$388)	(\$16)	(\$15)
10 Years	\$131	\$144	(\$517)	(\$515)	(\$12)	(\$7)
20 Years	\$158	\$161	(\$942)	(\$932)	(\$6)	\$6
30 Years	\$0	\$0	(\$1,744)	(\$1,721)	(\$16)	(\$4)
Projected Funding Ratio (%)						
Baseline (Year 1)	91%	90%	167%	166%	102%	101%
5 Years	96%	95%	188%	188%	106%	105%
10 Years	94%	93%	216%	216%	105%	103%
20 Years	93%	94%	301%	296%	103%	98%
30 Years	100%	100%	432%	423%	107%	102%

Section III: Brief Summary of Bill

The proposed legislation provides increased insurance benefits for members who receive a satisfactory determination of a hazardous disability that is a direct result of an act in line of duty. Under the proposed legislation, the premium for the member, the member's spouse, and the member's dependents will be paid in full by the system.

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:

N/A

Section V: Comment from Actuary

N/A

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

Please see attached.



January 26, 2026

Mr. Ryan Barrow
Executive Director
Kentucky Public Pensions Authority
1260 Louisville Road
Frankfort, KY 40601

Re: Actuarial Analysis of Proposed Legislation HB 252 (26 RS BR 107) and its Financial Impact on the Systems Maintained by KPPA

Dear Mr. Barrow:

We have reviewed the proposed legislation HB 252 (26 RS BR 107), and the purpose of this letter is to communicate the actuarial analysis of this legislation in regards to the five Systems administered by the Kentucky Public Pensions Authority (KPPA).

Summary of Provisions of Proposed Legislation and Fiscal Impact

The proposed legislation provides increased insurance benefits for members who receive a satisfactory determination of a hazardous disability that is a direct result of an act in line of duty. Under the proposed legislation, the premium for the member, the member’s spouse, and the member’s dependents will be paid in full by the system.

The impact of the proposed legislation on the unfunded actuarial accrued liability and the employer contribution requirements calculated as of June 30, 2025 are shown in the table below.

Increase in Unfunded Liability and Actuarially Determined Contribution Requirements

Plan	Increase in the Unfunded Liability	Increase in the Contribution Rate	Increase in Annual Contribution ¹
CERS Hazardous	\$ 10,608,000	0.65%	\$ 5,347,000
KERS Hazardous	435,000	0.00% ²	0
SPRS	1,363,000	0.77%	573,000

¹ Based on projected payroll based on the June 30, 2025 valuation. Future annual increases in contributions will depend on payroll experience.

² The proposed legislation increases the actuarially determined contribution for the KERS hazardous insurance fund by 0.10% of pay; however, the actuarially determined contribution is still less than 0% of pay so the net impact is 0% of pay.

Comments on the Proposed Legislation

Hazardous members participating in the system prior to July 1, 2003 who become disabled as a direct result of an act in the line of duty are currently eligible to receive 100% of their monthly insurance premium, so the proposed legislation is extending the coverage to spouses and dependents. Non-hazardous members who become disabled as a result of a duty-related injury (as well as hazardous members who become totally and permanently disabled as a direct result of an act in the line of duty) are already eligible under current statutes, so the proposed legislation only affects the hazardous funds.

Members participating in the system on or after July 1, 2003 who become disabled as a direct result of an act in the line of duty are currently entitled to the insurance dollar benefit payable as though the member had twenty (20) years of service in a hazardous position. These members will also have their premium, their spouse's premium, and their dependent's premium paid in full by the system under the proposed legislation.

Basis of Calculations

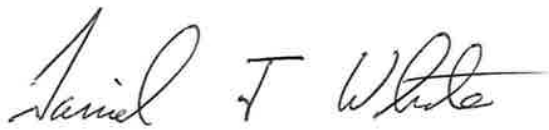
Except where noted, the calculations are based on the methods, assumptions, and plan provisions documented in the actuarial valuation as of June 30, 2025. Our calculations are based upon assumptions regarding future events, which may or may not materialize. Depending on actual plan experience, actual results could deviate significantly.

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

All three of the undersigned are 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,

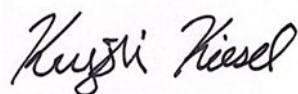
Gabriel, Roeder, Smith & Company



Daniel J. White, FSA, EA, MAAA
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Actuarial Analysis of HB 252
Section 1.
Comparison of Fiscal Impact
Current Plan vs. Proposed Changes

Kentucky Public Pensions Authority
Exhibit 1-1
CERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Comparison of Current Plan and Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1,	Unfunded Actuarial Accrued Liability			Funded Ratio			Employer Contributions			Employer Contribution Rate		
	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2025	\$ 177	\$ 187	\$ 10	91%	90%	-1%	\$ 14	\$ 14	\$ -	1.7%	1.7%	0.0%
2026	180	195	15	91%	90%	-1%	26	32	6	3.2%	3.9%	0.7%
2027	133	148	15	93%	93%	0%	23	29	6	2.8%	3.5%	0.7%
2028	99	115	16	95%	94%	-1%	18	24	6	2.1%	2.8%	0.7%
2029	86	102	16	96%	95%	-1%	14	20	6	1.6%	2.3%	0.7%
2030	92	107	15	96%	95%	-1%	12	18	6	1.3%	2.0%	0.7%
2031	101	115	14	95%	95%	0%	11	18	7	1.2%	2.0%	0.8%
2032	110	124	14	95%	94%	-1%	11	17	6	1.1%	1.9%	0.8%
2033	120	134	14	94%	94%	0%	10	17	7	1.1%	1.8%	0.7%
2034	131	144	13	94%	93%	-1%	10	17	7	1.0%	1.8%	0.8%
2035	143	155	12	93%	93%	0%	10	17	7	1.0%	1.7%	0.7%
2036	155	167	12	93%	92%	-1%	10	17	7	1.0%	1.7%	0.7%
2037	169	180	11	92%	92%	0%	10	17	7	0.9%	1.7%	0.8%
2038	184	194	10	91%	91%	0%	10	17	7	0.9%	1.7%	0.8%
2039	200	209	9	91%	91%	0%	9	17	8	0.9%	1.7%	0.8%
2040	217	225	8	90%	90%	0%	15	23	8	1.4%	2.1%	0.7%
2041	230	236	6	90%	90%	0%	27	36	9	2.5%	3.2%	0.7%
2042	230	235	5	90%	90%	0%	62	71	9	5.5%	6.3%	0.8%
2043	195	199	4	92%	92%	0%	61	69	8	5.3%	6.0%	0.7%
2044	158	161	3	93%	94%	1%	62	71	9	5.3%	6.1%	0.8%
2045	119	119	-	95%	95%	0%	41	49	8	3.5%	4.1%	0.6%
2046	97	97	-	96%	96%	0%	44	51	7	3.6%	4.2%	0.6%
2047	71	72	1	97%	97%	0%	50	58	8	4.1%	4.7%	0.6%
2048	38	38	-	99%	99%	0%	55	63	8	4.4%	5.0%	0.6%
2049	-	-	-	100%	100%	0%	13	20	7	1.0%	1.6%	0.6%
2050	-	-	-	100%	100%	0%	12	20	8	0.9%	1.5%	0.6%
2051	-	-	-	100%	100%	0%	12	20	8	0.9%	1.5%	0.6%
2052	-	-	-	100%	100%	0%	12	20	8	0.9%	1.5%	0.6%
2053	-	-	-	100%	100%	0%	12	20	8	0.8%	1.4%	0.6%
2054	-	-	-	100%	100%	0%	12	20	8	0.8%	1.4%	0.6%



Kentucky Public Pensions Authority
Exhibit 1-2
KERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Comparison of Current Plan and Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1,	Unfunded Actuarial Accrued Liability			Funded Ratio			Employer Contributions			Employer Contribution Rate		
	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2025	\$ (280)	\$ (279)	\$ 1	167%	166%	-1%	\$ -	\$ -	\$ -	0.0%	0.0%	0.0%
2026	(297)	(297)	-	169%	169%	0%	-	-	-	0.0%	0.0%	0.0%
2027	(331)	(330)	1	176%	176%	0%	-	-	-	0.0%	0.0%	0.0%
2028	(362)	(360)	2	183%	182%	-1%	-	-	-	0.0%	0.0%	0.0%
2029	(389)	(388)	1	188%	188%	0%	-	-	-	0.0%	0.0%	0.0%
2030	(412)	(409)	3	193%	192%	-1%	-	-	-	0.0%	0.0%	0.0%
2031	(435)	(433)	2	198%	197%	-1%	-	-	-	0.0%	0.0%	0.0%
2032	(461)	(458)	3	204%	203%	-1%	-	-	-	0.0%	0.0%	0.0%
2033	(489)	(485)	4	210%	209%	-1%	-	-	-	0.0%	0.0%	0.0%
2034	(517)	(515)	2	216%	216%	0%	-	-	-	0.0%	0.0%	0.0%
2035	(549)	(545)	4	224%	222%	-2%	-	-	-	0.0%	0.0%	0.0%
2036	(583)	(577)	6	232%	229%	-3%	-	-	-	0.0%	0.0%	0.0%
2037	(618)	(613)	5	240%	237%	-3%	-	-	-	0.0%	0.0%	0.0%
2038	(656)	(650)	6	248%	245%	-3%	-	-	-	0.0%	0.0%	0.0%
2039	(697)	(689)	8	256%	253%	-3%	-	-	-	0.0%	0.0%	0.0%
2040	(740)	(732)	8	265%	261%	-4%	-	-	-	0.0%	0.0%	0.0%
2041	(785)	(778)	7	273%	270%	-3%	-	-	-	0.0%	0.0%	0.0%
2042	(835)	(826)	9	283%	279%	-4%	-	-	-	0.0%	0.0%	0.0%
2043	(886)	(877)	9	291%	287%	-4%	-	-	-	0.0%	0.0%	0.0%
2044	(942)	(932)	10	301%	296%	-5%	-	-	-	0.0%	0.0%	0.0%
2045	(1,001)	(991)	10	310%	306%	-4%	-	-	-	0.0%	0.0%	0.0%
2046	(1,064)	(1,052)	12	320%	315%	-5%	-	-	-	0.0%	0.0%	0.0%
2047	(1,132)	(1,118)	14	331%	325%	-6%	-	-	-	0.0%	0.0%	0.0%
2048	(1,204)	(1,189)	15	343%	336%	-7%	-	-	-	0.0%	0.0%	0.0%
2049	(1,280)	(1,264)	16	355%	348%	-7%	-	-	-	0.0%	0.0%	0.0%
2050	(1,361)	(1,345)	16	367%	361%	-6%	-	-	-	0.0%	0.0%	0.0%
2051	(1,448)	(1,429)	19	382%	374%	-8%	-	-	-	0.0%	0.0%	0.0%
2052	(1,540)	(1,520)	20	397%	389%	-8%	-	-	-	0.0%	0.0%	0.0%
2053	(1,639)	(1,617)	22	413%	405%	-8%	-	-	-	0.0%	0.0%	0.0%
2054	(1,744)	(1,721)	23	432%	423%	-9%	-	-	-	0.0%	0.0%	0.0%



Kentucky Public Pensions Authority
Exhibit 1-3
SPRS Insurance Fund
Actuarial Analysis of HB 252
Comparison of Current Plan and Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1,	Unfunded Actuarial Accrued Liability			Funded Ratio			Employer Contributions			Employer Contribution Rate		
	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference	Current	Proposed	Difference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2025	\$ (4)	\$ (2)	\$ 2	102%	101%	-1%	\$ 2	\$ 2	\$ -	2.3%	2.3%	0.0%
2026	(4)	(2)	2	101%	101%	0%	2	2	-	2.5%	3.3%	0.8%
2027	(10)	(8)	2	104%	103%	-1%	2	2	-	2.5%	3.3%	0.8%
2028	(15)	(13)	2	105%	105%	0%	-	1	1	0.0%	0.7%	0.7%
2029	(16)	(15)	1	106%	105%	-1%	-	1	1	0.0%	0.7%	0.7%
2030	(16)	(14)	2	106%	105%	-1%	-	-	-	0.0%	0.0%	0.0%
2031	(15)	(12)	3	106%	104%	-2%	-	-	-	0.0%	0.0%	0.0%
2032	(15)	(11)	4	106%	104%	-2%	-	-	-	0.0%	0.0%	0.0%
2033	(14)	(9)	5	105%	103%	-2%	-	-	-	0.0%	0.0%	0.0%
2034	(12)	(7)	5	105%	103%	-2%	-	-	-	0.0%	0.0%	0.0%
2035	(12)	(6)	6	105%	102%	-3%	-	-	-	0.0%	0.0%	0.0%
2036	(11)	(4)	7	104%	102%	-2%	-	-	-	0.0%	0.0%	0.0%
2037	(10)	(2)	8	104%	101%	-3%	-	-	-	0.0%	0.0%	0.0%
2038	(9)	-	9	104%	100%	-4%	-	-	-	0.0%	0.0%	0.0%
2039	(8)	2	10	103%	99%	-4%	-	-	-	0.0%	0.0%	0.0%
2040	(7)	5	12	103%	98%	-5%	-	-	-	0.0%	0.0%	0.0%
2041	(6)	7	13	103%	97%	-6%	-	-	-	0.0%	0.0%	0.0%
2042	(5)	9	14	102%	96%	-6%	2	4	2	2.8%	5.8%	3.0%
2043	(6)	8	14	103%	97%	-6%	2	4	2	2.8%	5.8%	3.0%
2044	(6)	6	12	103%	98%	-5%	3	5	2	3.8%	6.9%	3.1%
2045	(8)	4	12	103%	98%	-5%	3	5	2	3.8%	6.9%	3.1%
2046	(11)	1	12	105%	100%	-5%	2	4	2	3.1%	5.8%	2.7%
2047	(12)	(2)	10	105%	101%	-4%	2	4	2	3.1%	5.8%	2.7%
2048	(14)	(5)	9	106%	102%	-4%	4	6	2	4.9%	7.7%	2.8%
2049	(17)	(8)	9	107%	103%	-4%	-	-	-	0.0%	0.5%	0.5%
2050	(16)	(7)	9	107%	103%	-4%	-	-	-	0.0%	0.6%	0.6%
2051	(17)	(6)	11	107%	102%	-5%	-	1	1	0.0%	0.7%	0.7%
2052	(16)	(6)	10	107%	102%	-5%	-	1	1	0.0%	0.8%	0.8%
2053	(16)	(4)	12	107%	102%	-5%	-	1	1	0.0%	0.9%	0.9%
2054	(16)	(4)	12	107%	102%	-5%	-	1	1	0.0%	1.1%	1.1%



Actuarial Analysis of HB 252
Section 2.
Projected Cost of the Retirement and Insurance
Current Plan

Kentucky Public Pensions Authority
Exhibit 2-1
CERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Current Plan
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (10)
2025	\$ 1,940	\$ 1,763	\$ 177	91%	\$ 14	\$ 15	\$ 803	1.73%	1.73%
2026	1,986	1,806	180	91%	26	15	819	3.20%	3.20%
2027	2,018	1,885	133	93%	23	16	836	2.80%	2.80%
2028	2,043	1,944	99	95%	18	17	852	2.11%	2.11%
2029	2,061	1,975	86	96%	14	17	870	1.61%	1.61%
2030	2,076	1,984	92	96%	12	18	887	1.32%	1.32%
2031	2,089	1,988	101	95%	11	18	905	1.22%	1.22%
2032	2,098	1,988	110	95%	11	18	923	1.14%	1.14%
2033	2,104	1,984	120	94%	10	19	941	1.09%	1.09%
2034	2,110	1,979	131	94%	10	19	960	1.04%	1.04%
2035	2,115	1,972	143	93%	10	20	979	0.99%	0.99%
2036	2,123	1,968	155	93%	10	20	999	0.97%	0.97%
2037	2,135	1,966	169	92%	10	20	1,019	0.94%	0.94%
2038	2,151	1,967	184	91%	10	21	1,039	0.92%	0.92%
2039	2,171	1,971	200	91%	9	21	1,060	0.89%	0.89%
2040	2,196	1,979	217	90%	15	22	1,081	1.36%	1.36%
2041	2,226	1,996	230	90%	27	22	1,103	2.47%	2.47%
2042	2,260	2,030	230	90%	62	22	1,125	5.51%	5.51%
2043	2,299	2,104	195	92%	61	23	1,147	5.29%	5.29%
2044	2,342	2,184	158	93%	62	23	1,170	5.30%	5.30%
2045	2,388	2,269	119	95%	41	24	1,194	3.47%	3.47%
2046	2,434	2,337	97	96%	44	24	1,218	3.59%	3.59%
2047	2,480	2,409	71	97%	50	25	1,242	4.06%	4.06%
2048	2,527	2,489	38	99%	55	25	1,267	4.37%	4.37%
2049	2,572	2,572	-	100%	13	26	1,292	0.97%	0.97%
2050	2,616	2,616	-	100%	12	26	1,318	0.94%	0.94%
2051	2,660	2,660	-	100%	12	27	1,344	0.90%	0.90%
2052	2,703	2,703	-	100%	12	27	1,371	0.87%	0.87%
2053	2,744	2,744	-	100%	12	28	1,399	0.84%	0.84%
2054	2,783	2,783	-	100%	12	29	1,427	0.81%	0.81%

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 remain level throughout the entire projection.

Covered payroll is assumed to increase 2% each year throughout the entire projection.

The Board certified contribution rate paid by employers is assumed to be equal to the full actuarially determined contribution rate, except as allowed by

House Bill 362 (passed during the 2018 legislative session), which limits the certified contribution rate to a 12% increase over the prior year rate for the period of July 1, 2018 to June 30, 2028.



Kentucky Public Pensions Authority
Exhibit 2-2
KERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Current Plan
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (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:

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 full actuarially determined contribution rate.



Kentucky Public Pensions Authority
Exhibit 2-3
SPRS Insurance Fund
Actuarial Analysis of HB 252
Current Plan
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (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%.

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.



Actuarial Analysis of HB 252
Section 3.
Projected Cost of the Retirement and Insurance
Proposed Legislation

Kentucky Public Pensions Authority
Exhibit 3-1
CERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (10)
2025	\$ 1,950	\$ 1,763	\$ 187	90%	\$ 14	\$ 15	\$ 803	1.73%	1.73%
2026	2,001	1,806	195	90%	32	15	819	3.85%	3.85%
2027	2,039	1,891	148	93%	29	16	836	3.48%	3.48%
2028	2,070	1,955	115	94%	24	17	852	2.80%	2.80%
2029	2,094	1,992	102	95%	20	17	870	2.32%	2.32%
2030	2,115	2,008	107	95%	18	18	887	2.04%	2.04%
2031	2,134	2,019	115	95%	18	18	905	1.95%	1.95%
2032	2,150	2,026	124	94%	17	18	923	1.87%	1.87%
2033	2,164	2,030	134	94%	17	19	941	1.83%	1.83%
2034	2,176	2,032	144	93%	17	19	960	1.79%	1.79%
2035	2,189	2,034	155	93%	17	20	979	1.74%	1.74%
2036	2,205	2,038	167	92%	17	20	999	1.71%	1.71%
2037	2,225	2,045	180	92%	17	20	1,019	1.69%	1.69%
2038	2,249	2,055	194	91%	17	21	1,039	1.67%	1.67%
2039	2,277	2,068	209	91%	17	21	1,060	1.65%	1.65%
2040	2,310	2,085	225	90%	23	22	1,081	2.12%	2.12%
2041	2,347	2,111	236	90%	36	22	1,103	3.23%	3.23%
2042	2,389	2,154	235	90%	71	22	1,125	6.27%	6.27%
2043	2,436	2,237	199	92%	69	23	1,147	6.04%	6.04%
2044	2,487	2,326	161	94%	71	23	1,170	6.05%	6.05%
2045	2,540	2,421	119	95%	49	24	1,194	4.08%	4.08%
2046	2,593	2,496	97	96%	51	24	1,218	4.20%	4.20%
2047	2,647	2,575	72	97%	58	25	1,242	4.66%	4.66%
2048	2,700	2,662	38	99%	63	25	1,267	4.98%	4.98%
2049	2,752	2,752	-	100%	20	26	1,292	1.56%	1.56%
2050	2,803	2,803	-	100%	20	26	1,318	1.53%	1.53%
2051	2,853	2,853	-	100%	20	27	1,344	1.49%	1.49%
2052	2,902	2,902	-	100%	20	27	1,371	1.45%	1.45%
2053	2,949	2,949	-	100%	20	28	1,399	1.41%	1.41%
2054	2,994	2,994	-	100%	20	29	1,427	1.37%	1.37%

Notes and assumptions:

The analysis above is based on the same methods, assumptions, and benefit provisions as the analysis under the Current Plan, except for the proposed changes in HB252.



Kentucky Public Pensions Authority
Exhibit 3-2
KERS Hazardous Insurance Fund
Actuarial Analysis of HB 252
Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (10)
2025	\$ 421	\$ 700	\$ (279)	166%	\$ -	\$ 2	\$ 266	0.00%	0.00%
2026	430	727	(297)	169%	-	2	266	0.00%	0.00%
2027	436	766	(330)	176%	-	2	266	0.00%	0.00%
2028	441	801	(360)	182%	-	2	266	0.00%	0.00%
2029	443	831	(388)	188%	-	2	266	0.00%	0.00%
2030	445	854	(409)	192%	-	3	266	0.00%	0.00%
2031	446	879	(433)	197%	-	3	266	0.00%	0.00%
2032	447	905	(458)	203%	-	3	266	0.00%	0.00%
2033	447	932	(485)	209%	-	3	266	0.00%	0.00%
2034	446	961	(515)	216%	-	3	266	0.00%	0.00%
2035	446	991	(545)	222%	-	3	266	0.00%	0.00%
2036	447	1,024	(577)	229%	-	3	266	0.00%	0.00%
2037	447	1,060	(613)	237%	-	3	266	0.00%	0.00%
2038	448	1,098	(650)	245%	-	3	266	0.00%	0.00%
2039	451	1,140	(689)	253%	-	3	266	0.00%	0.00%
2040	454	1,186	(732)	261%	-	3	266	0.00%	0.00%
2041	457	1,235	(778)	270%	-	3	266	0.00%	0.00%
2042	462	1,288	(826)	279%	-	3	266	0.00%	0.00%
2043	468	1,345	(877)	287%	-	3	266	0.00%	0.00%
2044	475	1,407	(932)	296%	-	3	266	0.00%	0.00%
2045	481	1,472	(991)	306%	-	3	266	0.00%	0.00%
2046	489	1,541	(1,052)	315%	-	3	266	0.00%	0.00%
2047	496	1,614	(1,118)	325%	-	3	266	0.00%	0.00%
2048	503	1,692	(1,189)	336%	-	3	266	0.00%	0.00%
2049	509	1,773	(1,264)	348%	-	3	266	0.00%	0.00%
2050	515	1,860	(1,345)	361%	-	3	266	0.00%	0.00%
2051	521	1,950	(1,429)	374%	-	3	266	0.00%	0.00%
2052	526	2,046	(1,520)	389%	-	3	266	0.00%	0.00%
2053	530	2,147	(1,617)	405%	-	3	266	0.00%	0.00%
2054	533	2,254	(1,721)	423%	-	3	266	0.00%	0.00%

Notes and assumptions:

The analysis above is based on the same methods, assumptions, and benefit provisions as the analysis under the Current Plan, except for the proposed changes in HB252.



Kentucky Public Pensions Authority
Exhibit 3-3
SPRS Insurance Fund
Actuarial Analysis of HB 252
Proposed Legislation
(\$ in Millions)

Fiscal Year Beginning July 1, (1)	Actuarial Accrued Liability (2)	Actuarial Value of Assets (3)	Unfunded Actuarial Accrued Liability (4)	Funded Ratio (3) / (2) (5)	Employer Contribution (6)	Member Contribution (7)	Covered Payroll (8)	Employer Contribution as % of Covered Payroll (9)	Employer Actuarially Determined Contribution (10)
2025	\$ 275	\$ 277	(2)	101%	\$ 2	\$ -	74	2.31%	1.46%
2026	280	282	(2)	101%	2	1	74	3.26%	3.26%
2027	283	291	(8)	103%	2	1	74	3.26%	2.21%
2028	284	297	(13)	105%	1	1	74	0.74%	0.74%
2029	283	298	(15)	105%	1	1	74	0.74%	0.00%
2030	282	296	(14)	105%	-	1	74	0.00%	0.00%
2031	280	292	(12)	104%	-	1	74	0.00%	0.00%
2032	277	288	(11)	104%	-	1	74	0.00%	0.00%
2033	274	283	(9)	103%	-	1	74	0.00%	0.00%
2034	270	277	(7)	103%	-	1	74	0.00%	0.00%
2035	266	272	(6)	102%	-	1	74	0.00%	0.00%
2036	262	266	(4)	102%	-	1	74	0.00%	0.00%
2037	258	260	(2)	101%	-	1	74	0.00%	0.00%
2038	255	255	-	100%	-	1	74	0.00%	0.00%
2039	252	250	2	99%	-	1	74	0.00%	0.00%
2040	250	245	5	98%	-	1	74	0.00%	0.00%
2041	248	241	7	97%	-	1	74	0.00%	0.00%
2042	246	237	9	96%	4	1	74	5.77%	5.77%
2043	246	238	8	97%	4	1	74	5.77%	6.17%
2044	246	240	6	98%	5	1	74	6.85%	6.85%
2045	247	243	4	98%	5	1	74	6.85%	5.65%
2046	248	247	1	100%	4	1	74	5.84%	5.84%
2047	249	251	(2)	101%	4	1	74	5.84%	6.87%
2048	250	255	(5)	102%	6	1	74	7.65%	7.65%
2049	252	260	(8)	103%	-	1	74	0.52%	0.52%
2050	253	260	(7)	103%	-	1	74	0.60%	0.60%
2051	254	260	(6)	102%	1	1	74	0.70%	0.70%
2052	254	260	(6)	102%	1	1	74	0.81%	0.81%
2053	254	258	(4)	102%	1	1	74	0.92%	0.92%
2054	253	257	(4)	102%	1	1	74	1.06%	1.06%

Notes and assumptions:

The analysis above is based on the same methods, assumptions, and benefit provisions as the analysis under the Current Plan, except for the proposed changes in HB252.

