

# Kentucky Employees Retirement System

GASB No. 67 Accounting Valuation Report  
As of June 30, 2022





December 1, 2022

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

**Re: GASB 67 Reporting – Actuarial Information – Kentucky Employees Retirement System**

Dear Members of the Board:

This report provided herein contains certain information for the **Kentucky Employees Retirement System (KERS)** in connection with the Governmental Accounting Standards Board (GASB) Statement No. 67, “Financial Reporting for Pension Plans” for the fiscal year ending June 30, 2022. A separate report will be provided at a later date with additional accounting information determined in accordance with GASB Statement No. 68, “Accounting and Financial Reporting for Pensions”.

The liability calculations presented in this report were performed for the purpose of satisfying the requirements of GASB No. 67 and are not applicable for other purposes, such as determining the plan’s funding requirements. The plan’s liability for other purposes may produce significantly different results. This report may be provided to parties other than the Board of Trustees of the Kentucky Retirement Systems only in its entirety and only with the permission of the Board.

The total pension liability, net pension liability, and sensitivity information shown in this report are based on an actuarial valuation date of June 30, 2021. The total pension liability was rolled-forward from the valuation date to the plan’s fiscal year ending June 30, 2022 using generally accepted actuarial principles. GASB 67 requires the disclosure of a 10-year history of certain information in the Required Supplementary Information within the annual financial report. The exhibits provided in this report include the applicable information for historical years that were calculated in accordance with this accounting standard. Information disclosed for years prior to June 30, 2017 were prepared by the prior actuary.

**Actuarial Assumptions and Plan Provisions**

There have been no actuarial assumption or method changes since June 30, 2021. Additionally, there have been no plan provision changes that would materially impact the total pension liability since June 30, 2021.

House Bill 1 passed during the 2022 legislative session and included a provision that provided an approximate 8% across-the-board salary increase effective July 1, 2022 for eligible State employees. While this salary increase may produce an actuarial loss with respect to the liability attributable to Tier 1 and Tier 2 active members (i.e. a higher total pension liability than expected based on current actuarial assumptions), there is not sufficient information available at this time to make a reasonable adjustment to the roll-forward Total Pension Liability to reflect these anticipated salary increases. It is our opinion that these procedures for determining the information contained in this report are reasonable, appropriate, and comply with applicable requirements under GASB No. 67.

### **Single Discount Rate**

Single discount rates of 5.25% for the non-hazardous plan and 6.25% for the hazardous plan were used to measure the total pension liability for the fiscal year ending June 30, 2022. This single discount rate was based on the expected rate of return on pension plan investments for each plan. Based on the stated assumptions and the projection of cash flows as of each fiscal year ending, the pension plan's fiduciary net position and future contributions were projected to be sufficient to finance all the future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability for each plan.

The projection of cash flows used to determine the single discount rate must include an assumption regarding actual employer contributions made each future year. Future contributions are projected assuming that the entire actuarially determined employer contribution is received by each plan each future year, calculated in accordance with the current funding policy.

### **401(h) Subaccount**

Based on guidance issued by GASB in connection with GASB Statement No. 74, the 1% of pay member contributions for Tier 2 and Tier 3 members to a 401(h) subaccount is considered an OPEB asset. As a result, the reported fiduciary net positions as of June 30, 2017 and later are net of the 401(h) asset balance.

### **Additional Disclosures**

This report is based upon information, furnished to us by the Kentucky Public Pensions Authority (KPPA), which includes benefit provisions, membership information, and financial data. We did not audit this data and information, but we did apply a number of tests and concluded that it was reasonable and consistent. GRS is not responsible for the accuracy or completeness of the information provided by KPPA. Please see the "Actuarial Valuation Report as of June 30, 2021" for additional discussion of the nature of the actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions. These reports should be considered together as a complete report for the fiscal year ending June 30, 2022.



To the best of our knowledge, this report is complete and accurate and is in accordance with generally recognized actuarial practices and methods. 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 herein. In addition, both 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 & Co.**



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



Janie Shaw, ASA, EA, MAAA  
Consultant and Actuary



# Table of Contents

			<b>Page</b>
	<b>COVER LETTER</b>		
<b>SECTION 1</b>	<b>SUPPORTING EXHIBITS</b>		
	EXHIBIT 1	— SCHEDULE OF EMPLOYERS' NET PENSION LIABILITY	2
	EXHIBIT 2	— SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY	4
	EXHIBIT 3	— SCHEDULE OF EMPLOYERS' CONTRIBUTIONS	6
	EXHIBIT 4	— SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE	9



**SECTION 1**

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## EXHIBIT 1a

### Schedule of the Employers' Net Pension Liability – KERS Non-Hazardous Plan (\$ in thousands)

Fiscal Year Ending June 30, (1)	Total Pension Liability (2)	Plan Fiduciary Net Position (3)	Employers' Net Pension Liability (Asset) (4) = (2) - (3)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (5) = (3) / (2)	Covered Employee Payroll <sup>1</sup> (6)	Net Pension Liability as a Percentage of Covered Employee Payroll (7) = (4) / (6)
2022	\$ 16,281,188	\$ 3,013,845	\$ 13,267,343	18.51%	\$ 1,432,960	925.87%
2021	16,335,657	3,018,660	13,316,997	18.48%	1,441,337	923.93%
2020	16,472,733	2,308,080	14,164,653	14.01%	1,476,156	959.56%
2019	16,356,674	2,233,672	14,123,002	13.66%	1,485,854	950.50%
2018	15,608,221	2,004,446	13,603,775	12.84%	1,509,955	900.94%
2017	15,445,206	2,056,870	13,388,336	13.32%	1,602,396	835.52%
2016	13,379,781	1,980,292	11,399,489	14.80%	1,631,025	698.92%
2015	12,359,673	2,327,783	10,031,890	18.83%	1,544,234	649.64%
2014	11,550,110	2,578,291	8,971,819	22.32%	1,577,496	568.74%

Note:

<sup>1</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later.



## EXHIBIT 1b

### Schedule of the Employers' Net Pension Liability – KERS Hazardous Plan (\$ in thousands)

Fiscal Year Ending June 30, (1)	Total Pension Liability (2)	Plan Fiduciary Net Position (3)	Employers' Net Pension Liability (Asset) (4) = (2) - (3)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (5) = (3) / (2)	Covered Employee Payroll <sup>1</sup> (6)	Net Pension Liability as a Percentage of Covered Employee Payroll (7) = (4) / (6)
2022	\$ 1,318,494	\$ 810,978	\$ 507,516	61.51%	\$ 188,648	269.03%
2021	1,311,767	866,140	445,627	66.03%	172,725	258.00%
2020	1,251,027	690,350	560,677	55.18%	171,840	326.28%
2019	1,227,226	680,932	546,294	55.49%	160,600	340.16%
2018	1,150,610	645,485	505,125	56.10%	152,936	330.29%
2017	1,098,630	601,529	497,101	54.75%	178,511	278.47%
2016	919,517	527,879	391,638	57.41%	158,828	246.58%
2015	895,433	552,468	342,965	61.70%	128,680	266.53%
2014	816,850	561,484	255,366	68.74%	129,076	197.84%

Note:

<sup>1</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later.





## EXHIBIT 2a

### Schedule of the Employers' Net Pension Liability – KERS Non-Hazardous Plan (\$ in thousands)

Change in the Net Pension Liability	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>									
Service Cost	\$ 165,616	\$ 171,472	\$ 179,702	\$ 184,988	\$ 195,681	\$ 143,858	\$ 139,631	\$ 143,847	\$ 133,361
Interest	830,440	838,084	832,178	793,163	785,123	870,725	891,897	859,509	853,653
Benefit Changes	0	2,091	0	0	9,624	0	0	0	0
Difference between actual and expected experience	(15,034)	(130,268)	115,515	70,529	153,565	(134,379)	0	30,958	0
Assumption Changes	0	0	0	700,464	0	2,145,530	923,999	694,592	0
Benefit Payments	(1,035,491)	(1,018,455)	(1,011,336)	(1,000,691)	(980,978)	(960,309)	(935,419)	(919,343)	(903,564)
<b>Net Change in Total Pension Liability</b>	<b>\$ (54,469)</b>	<b>\$ (137,076)</b>	<b>\$ 116,059</b>	<b>\$ 748,453</b>	<b>\$ 163,015</b>	<b>\$ 2,065,425</b>	<b>\$ 1,020,108</b>	<b>\$ 809,563</b>	<b>\$ 83,450</b>
<b>Total Pension Liability - Beginning</b>	<b>\$ 16,335,657</b>	<b>\$ 16,472,733</b>	<b>\$ 16,356,674</b>	<b>\$ 15,608,221</b>	<b>\$ 15,445,206</b>	<b>\$ 13,379,781</b>	<b>\$ 12,359,673</b>	<b>\$ 11,550,110</b>	<b>\$ 11,466,660</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 16,281,188</b>	<b>\$ 16,335,657</b>	<b>\$ 16,472,733</b>	<b>\$ 16,356,674</b>	<b>\$ 15,608,221</b>	<b>\$ 15,445,206</b>	<b>\$ 13,379,781</b>	<b>\$ 12,359,673</b>	<b>\$ 11,550,110</b>
<b>Plan Fiduciary Net Position<sup>1</sup></b>									
Contributions - Employer	\$ 1,116,869 <sup>6</sup>	\$ 1,134,232 <sup>6</sup>	\$ 948,592	\$ 1,035,462	\$ 689,143	\$ 757,121	\$ 513,084	\$ 521,691	\$ 296,836
Contributions - Member <sup>2</sup>	89,607	90,202	96,594	93,759	104,972	100,543	106,495	104,606	97,487
Refunds of contributions to members	(12,116)	(8,953)	(11,523)	(12,342)	(13,603)	(11,819)	(12,130)	(13,552)	(13,627)
Retirement benefits	(1,023,375)	(1,009,502)	(999,813)	(988,349)	(967,375)	(948,490)	(923,288)	(905,791)	(889,937)
Net Investment Income <sup>2</sup>	(162,461)	516,223	52,499	112,371	144,881	220,985	(20,663)	44,570	337,923
Administrative Expense	(13,339)	(11,622)	(11,941)	(11,712)	(10,692)	(10,957)	(10,989)	(10,474)	(11,145)
Other	0	0	0	37 <sup>5</sup>	301 <sup>5</sup>	(30,805) <sup>4</sup>	0	8,442	0
<b>Net Change in Plan Fiduciary Net Position</b>	<b>\$ (4,815)</b>	<b>\$ 710,580</b>	<b>\$ 74,408</b>	<b>\$ 229,226</b>	<b>\$ (52,373)</b>	<b>\$ 76,578</b>	<b>\$ (347,491)</b>	<b>\$ (250,508)</b>	<b>\$ (182,463)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>\$ 3,018,660</b>	<b>\$ 2,308,080</b>	<b>\$ 2,233,672</b>	<b>\$ 2,004,446</b>	<b>\$ 2,056,870</b>	<b>\$ 1,980,292</b>	<b>\$ 2,327,783</b>	<b>\$ 2,578,291</b>	<b>\$ 2,760,754</b>
Prior Year Adjustment	0	0	0	0	(51)	0	0	0	0
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 3,013,845</b>	<b>\$ 3,018,660</b>	<b>\$ 2,308,080</b>	<b>\$ 2,233,672</b>	<b>\$ 2,004,446</b>	<b>\$ 2,056,870</b>	<b>\$ 1,980,292</b>	<b>\$ 2,327,783</b>	<b>\$ 2,578,291</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 13,267,343</b>	<b>\$ 13,316,997</b>	<b>\$ 14,164,653</b>	<b>\$ 14,123,002</b>	<b>\$ 13,603,775</b>	<b>\$ 13,388,336</b>	<b>\$ 11,399,489</b>	<b>\$ 10,031,890</b>	<b>\$ 8,971,819</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	18.51%	18.48%	14.01%	13.66%	12.84%	13.32%	14.80%	18.83%	22.32%
<b>Covered Employee Payroll<sup>3</sup></b>	<b>\$ 1,432,960</b>	<b>\$ 1,441,337</b>	<b>\$ 1,476,156</b>	<b>\$ 1,485,854</b>	<b>\$ 1,509,955</b>	<b>\$ 1,602,396</b>	<b>\$ 1,631,025</b>	<b>\$ 1,544,234</b>	<b>\$ 1,577,496</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	925.87%	923.93%	959.56%	950.50%	900.94%	835.52%	698.92%	649.64%	568.74%

Notes:

<sup>1</sup> Does not include 401(h) assets for fiscal years 2017 and later. Assets totaled \$62,898,000 as of June 30, 2022

<sup>2</sup> Does not include 401(h) contributions or associated investment income for fiscal years 2017 and later

For fiscal year 2022, 401(h) contributions equaled -\$13,000; and associated investment return equaled -\$3,444,000

<sup>3</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later

<sup>4</sup> Adjustment due to 401(h) plan asset balance being considered an OPEB asset under GASB 74 for fiscal years 2017 and later

<sup>5</sup> Northern Trust Settlement

<sup>6</sup> Includes \$63.1 million and \$175.6 million employer cessation contributions in fiscal year 2022 and 2021, respectively



## EXHIBIT 2b

### Schedule of the Employers' Net Pension Liability – KERS Hazardous Plan (\$ in thousands)

Change in the Net Pension Liability	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>									
Service Cost	\$ 26,885	\$ 28,450	\$ 25,568	\$ 27,117	\$ 28,641	\$ 21,081	\$ 20,751	\$ 18,729	\$ 16,880
Interest	79,422	75,743	74,357	69,657	66,536	66,589	64,851	61,005	59,594
Benefit Changes	0	26	0	0	705	0	0	0	0
Difference between actual and expected experience	(17,557)	34,789	(1,095)	1,395	24,215	26,902	0	6,067	0
Assumption Changes	0	0	0	50,658	0	127,878	0	52,165	0
Benefit Payments	(82,023)	(78,268)	(75,029)	(72,211)	(68,117)	(63,338)	(61,518)	(59,383)	(57,151)
<b>Net Change in Total Pension Liability</b>	<b>\$ 6,727</b>	<b>\$ 60,740</b>	<b>\$ 23,801</b>	<b>\$ 76,616</b>	<b>\$ 51,980</b>	<b>\$ 179,112</b>	<b>\$ 24,084</b>	<b>\$ 78,583</b>	<b>\$ 19,323</b>
<b>Total Pension Liability - Beginning</b>	<b>\$ 1,311,767</b>	<b>\$ 1,251,027</b>	<b>\$ 1,227,226</b>	<b>\$ 1,150,610</b>	<b>\$ 1,098,630</b>	<b>\$ 919,517</b>	<b>\$ 895,433</b>	<b>\$ 816,850</b>	<b>\$ 797,527</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 1,318,494</b>	<b>\$ 1,311,767</b>	<b>\$ 1,251,027</b>	<b>\$ 1,227,226</b>	<b>\$ 1,150,610</b>	<b>\$ 1,098,630</b>	<b>\$ 919,517</b>	<b>\$ 895,433</b>	<b>\$ 816,850</b>
<b>Plan Fiduciary Net Position<sup>1</sup></b>									
Contributions - Employer	\$ 59,055	\$ 62,200	\$ 59,115	\$ 55,259	\$ 43,661	\$ 52,974	\$ 23,759	\$ 28,536	\$ 11,670
Contributions - Member <sup>2</sup>	20,588	19,961	19,769	17,118	17,891	17,524	15,739	13,207	12,546
Refunds of contributions to members	(4,976)	(4,380)	(3,168)	(2,684)	(2,501)	(2,106)	(2,211)	(2,610)	(2,830)
Retirement benefits	(77,047)	(73,888)	(71,861)	(69,527)	(65,616)	(61,231)	(59,306)	(56,773)	(54,320)
Net Investment Income <sup>2</sup>	(51,317)	173,152	6,739	36,380	51,467	70,994	(1,653)	8,701	80,724
Administrative Expense	(1,465)	(1,255)	(1,176)	(1,103)	(975)	(919)	(916)	(844)	(897)
Other	0	0	0	4 <sup>5</sup>	33 <sup>5</sup>	(3,586) <sup>4</sup>	0	767	0
<b>Net Change in Plan Fiduciary Net Position</b>	<b>\$ (55,162)</b>	<b>\$ 175,790</b>	<b>\$ 9,418</b>	<b>\$ 35,447</b>	<b>\$ 43,960</b>	<b>\$ 73,650</b>	<b>\$ (24,588)</b>	<b>\$ (9,016)</b>	<b>\$ 46,893</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>\$ 866,140</b>	<b>\$ 690,350</b>	<b>\$ 680,932</b>	<b>\$ 645,485</b>	<b>\$ 601,529</b>	<b>\$ 527,879</b>	<b>\$ 552,468</b>	<b>\$ 561,484</b>	<b>\$ 514,591</b>
Prior Year Adjustment	0	0	0	0	(4)	0	0	0	0
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 810,978</b>	<b>\$ 866,140</b>	<b>\$ 690,350</b>	<b>\$ 680,932</b>	<b>\$ 645,485</b>	<b>\$ 601,529</b>	<b>\$ 527,879</b>	<b>\$ 552,468</b>	<b>\$ 561,484</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 507,516</b>	<b>\$ 445,627</b>	<b>\$ 560,677</b>	<b>\$ 546,294</b>	<b>\$ 505,125</b>	<b>\$ 497,101</b>	<b>\$ 391,638</b>	<b>\$ 342,965</b>	<b>\$ 255,366</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	61.51%	66.03%	55.18%	55.49%	56.10%	54.75%	57.41%	61.70%	68.74%
<b>Covered Employee Payroll<sup>3</sup></b>	<b>\$ 188,648</b>	<b>\$ 172,725</b>	<b>\$ 171,840</b>	<b>\$ 160,600</b>	<b>\$ 152,936</b>	<b>\$ 178,511</b>	<b>\$ 158,828</b>	<b>\$ 128,680</b>	<b>\$ 129,076</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	269.03%	258.00%	326.28%	340.16%	330.29%	278.47%	246.58%	266.53%	197.84%

Notes:

<sup>1</sup> Does not include 401(h) assets for fiscal years 2017 and later. Assets totaled \$8,260,000 as of June 30, 2022

<sup>2</sup> Does not include 401(h) contributions or associated investment income for fiscal years 2017 and later  
For fiscal year 2022, 401(h) contributions equaled -\$5,000; and associated investment return equaled -\$523,000

<sup>3</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later

<sup>4</sup> Adjustment due to 401(h) plan asset balance being considered an OPEB asset under GASB 74 for fiscal years 2017 and later

<sup>5</sup> Northern Trust Settlement



## EXHIBIT 3a

### Schedule of Employers' Contributions – KERS Non-Hazardous Plan (\$ in thousands)

Fiscal Year Ending	Actuarially Determined Contribution <sup>1</sup>	Total Employer Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll <sup>2</sup>	Actual Contributions as a Percentage of Covered Payroll
2022	\$ 1,048,861	\$ 1,116,869	\$ (68,008)	\$ 1,432,960	77.94%
2021	1,056,211	1,134,232	(78,021)	1,441,337	78.69%
2020	1,048,513	948,592	99,921	1,476,156	64.26%
2019	1,055,402	1,035,462	19,940	1,485,854	69.69%
2018	633,879	689,143	(55,264)	1,509,955	45.64%
2017	623,813	757,121	(133,308)	1,602,396	47.25%
2016	512,670	513,084	(414)	1,631,025	31.46%
2015	520,948	521,691	(743)	1,544,234	33.78%
2014	520,765	296,836	223,929	1,577,496	18.82%
2013	485,396	280,874	204,522	1,644,409	17.08%

**Notes:**

<sup>1</sup> Actuarially determined contribution for fiscal year ending 2022 is based on the contribution rate calculated with the June 30, 2020 actuarial valuation, as amended by HB8 (2021 legislative session) which adjusted how the employer contribution would be allocated amongst participating employers.

<sup>2</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later.



## EXHIBIT 3b

### Schedule of Employers' Contributions – KERS Hazardous Plan (\$ in thousands)

Fiscal Year Ending	Actuarially Determined Contribution <sup>1</sup>	Total Employer Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll <sup>2</sup>	Actual Contributions as a Percentage of Covered Payroll
2022	\$ 59,052	\$ 59,055	\$ (3)	\$ 188,648	31.30%
2021	62,181	62,200	(19)	172,725	36.01%
2020	59,096	59,115	(19)	171,840	34.40%
2019	55,230	55,259	(29)	160,600	34.41%
2018	31,321	43,661	(12,340)	152,936	28.55%
2017	37,630	52,974	(15,344)	178,511	29.68%
2016	23,690	23,759	(69)	158,828	14.96%
2015	28,374	28,536	(162)	128,680	22.18%
2014	13,570	11,670	1,900	129,076	9.04%
2013	21,502	27,334	(5,832)	131,015	20.86%

**Notes:**

<sup>1</sup> Actuarially determined contribution for fiscal year ending 2022 is based on the contribution rate calculated with the June 30, 2020 actuarial valuation.

<sup>2</sup> Based on derived compensation using the provided employer contribution information for fiscal years 2017 and later.

## Notes to Schedule of Employers' Contributions for FYE 2022

The actuarially determined contributions effective for fiscal year ending 2022 that are documented in the schedules on the previous pages were calculated as of June 30, 2020. Based on the June 30, 2020 actuarial valuation report, the actuarial methods and assumptions used to calculate these contribution rates are below:

Item	KERS Non-Hazardous Plan	KERS Hazardous Plan
Determined by the Actuarial Valuation as of:	June 30, 2020	June 30, 2020
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal
Asset Valuation Method:	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized	20% of the difference between the market value of assets and the expected actuarial value of assets is recognized
Amortization Method:	Level Percent of Pay	Level Percent of Pay
Amortization Period:	30-year closed period at June 30, 2019 <i>Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases</i>	30-year closed period at June 30, 2019 <i>Gains/losses incurring after 2019 will be amortized over separate closed 20-year amortization bases</i>
Payroll Growth Rate	0.00%	0.00%
Investment Return:	5.25%	6.25%
Inflation:	2.30%	2.30%
Salary Increases:	3.30% to 15.30%, varies by service	3.55% to 20.05%, varies by service
Mortality:	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019	System-specific mortality table based on mortality experience from 2013-2018, projected with the ultimate rates from MP-2014 mortality improvement scale using a base year of 2019



## EXHIBIT 4

### Sensitivity of the Net Pension Liability to Changes in the Discount Rate (\$ in thousands)

**Table 1. Sensitivity of the Net Pension Liability to Changes in the Discount Rate for KERS (Non-Hazardous)**

1.00% Decrease (4.25%)	Current Discount Rate (5.25%)	1.00% Increase (6.25%)
\$ 15,259,602	\$ 13,267,343	\$ 11,626,900

**Table 2. Sensitivity of the Net Pension Liability to Changes in the Discount Rate for KERS (Hazardous)**

1.00% Decrease (5.25%)	Current Discount Rate (6.25%)	1.00% Increase (7.25%)
\$ 670,608	\$ 507,516	\$ 375,348