



PENSION INSIGHTS



SPRING 2025 ISSUE

The official newsletter for retired members of CERS, KERS, and SPRS.



From the Desk of Ryan Barrow Executive Director



Photo credit: Drew Chandler, Woodford County EMA Director

Kentucky has endured significant challenges this year, including historic flooding. Yet, in the face of adversity, our emergency responders, law enforcement, health departments, and countless other agencies, departments, and volunteers have shown extraordinary courage and commitment. Your selflessness and dedication through every stage of these

emergencies have been a source of strength for our communities. We cannot express enough gratitude for your tireless efforts. If you are able and interested in making a monetary donation, the [Team Kentucky Storm Relief Fund](#) is supporting those impacted directly.

As spring blossoms around us, we're reminded that even after the hard times, renewal and hope emerge. This season brings opportunities to rebuild, grow, and embrace new beginnings. Let's continue to move forward, inspired by the kindness, resilience, and courage that make our state exceptional.

Summary Annual Financial Report available

The 2024 Summary Annual Financial Report (SAFR) outlines the financial and funded status of CERS, KERS, and SPRS and provides insights into the combined systems.

Among the highlights is that KPPA paid out more than \$2.4 billion in monthly pension payments in FY 2024. More than \$2.2 billion of that (93%) went to Kentucky residents. The National Institute on Retirement Security estimates that every dollar in state and local pension benefits paid to Kentucky residents translates to \$1.26 in statewide economic impact. Learn more by visiting the [SAFR page](#) on KPPA's website.

Kentucky Employees Charitable Campaign (KECC)

The 2024 KECC Campaign ended on a high note, surpassing our goals. KPPA employees came together to organize several fundraising events, earning recognition for outstanding performance and achieving the largest increase in



From left to right: Kim Leet, Lori Casey, Lori Wells
(KPPA Human Resources)

per capita giving across state government. This success highlights the generosity and commitment of our team to making a positive impact.

PUBLIC SERVICE RECOGNITION WEEK

May 4 - 10, 2025

Public Service Recognition Week

Public Service Recognition Week is observed the first week of May as a time to honor those who serve at all levels of government. At KPPA, we recognize our employees as they have reached their five-year career milestones. This

April, we honored 34 employees for their dedication, with service ranging from five to thirty-five years. Beyond milestone achievements, we celebrated all KPPA employees whose commitment makes a lasting difference every day. Please join me in recognizing these exceptional public servants for their contributions to Kentucky.

Sincerely,

Ryan Barrow, KPPA Executive Director

LEGISLATIVE SESSION



Four retirement-related bills passed this session: two impact specific members and two impact administrative processes. [You can read our complete summary here.](#)

Law changes affecting members are typically based on specific membership details, such as participation date, benefit tier, and hazardous or nonhazardous service credit. To see your retirement account summary, log in or register at [MyRetirement.ky.gov](https://myretirement.ky.gov).

BILLS PASSED AFFECTING MEMBERS

[House Bill 30 Public Employee Benefits/Pension Spiking](#) This bill codifies a 2023 Kentucky Court of Appeals decision for how KPPA administers pension spiking for Tier 1 and Tier 2 members. It expands the definition of a bona fide promotion or career advancement to include pay increases for all employees in a specified group commonly known as across-the-board raises. Bona fide promotion and career advancements are exempt from pension spiking; therefore, across-the-board raises will be excluded from the pension spiking calculation.

[Senate Bill 10 CERS Retiree Insurance](#): Senate Bill 10 only applies to CERS members hired July 1, 2003 and after who are eligible for the dollar contribution

toward insurance. All Tier 2 and Tier 3 members are impacted as well as Tier 1 members hired on or after July 1, 2003.

This bill makes two important changes:

1. Increases the non-Medicare eligible retiree insurance dollar contribution for members who meet the career threshold service requirement. The higher contribution amounts will begin in January 2026 to coincide with the next health plan year.
2. Extends and adjusts employee health insurance contributions effective July 1, 2026.

Read more [here](#).

ADMINISTRATIVE BILLS

[Senate Bill 176 Statutory Committee Membership Appointments](#): This bill modifies the process for appointments to statutory committees, such as the [Public Pension Oversight Board](#), effective June 27, 2025.

[Senate Bill 183 Fiduciary Duties and Proxy Advisors](#): This bill requires state-administered retirement systems to take certain steps when utilizing proxy advisors related to shareholder-sponsored proposals and economic analysis, effective June 27, 2025.

[Click here for a summary with additional details on each bill.](#)

TRUSTEE ELECTION RESULTS

Carver re-elected to CERS Board, joined by Webb, McGraw

Dr. Patricia Carver and Steven Webb were the top two nonhazardous vote-getters in the most recent CERS Board of Trustees election. Tommy McGraw was the winning hazardous candidate. All three began serving their four-year terms on April 1.



[Dr. Patricia P. Carver](#)

Dr. Carver has served as a CERS Trustee since April 2021. She is retired from the Louisville and Jefferson Metropolitan Sewer District, where she worked in various positions from 1987 to 1999.

[Steven Webb, Jr.](#)

Mr. Webb is the Finance Director for the City of Cincinnati. He received his Bachelor of Science in Business Management from Purdue University.



[Tommy McGraw](#)

Mr. McGraw is a retired Captain from the Hopkinsville Fire Department. He was named Fire Officer of the Year in 2022.

“On behalf of the entire CERS Board of Trustees, I want to congratulate Dr. Patricia Carver, Steven Webb, and Tommy McGraw on their election and thank them for stepping forward to serve their fellow public servants,” said CERS Board Chairman Lisle Cheatham. “This system exists to protect and sustain the retirement security of our local government employees, and it takes dedicated leadership to keep that promise. I look forward to working alongside each of them to build on our momentum and ensure the long-term strength and stability of the County Employees Retirement System.”

“We are excited to welcome two new trustees, whose fresh perspectives will strengthen our efforts, alongside the continued dedication and experience of Dr. Carver,” said KPPA Executive Director Ryan Barrow. “We also extend our heartfelt gratitude to former trustees Betty Pendergrass and Jerry Powell for their invaluable service and contributions to advancing our mission.” Read more [here](#).

The nine-member [CERS Board](#) is composed of three trustees elected by members and six trustees appointed by the Governor.

CERS, KRS, KPPA NAME BOARD CHAIRS, VICE CHAIRS

[George “Lisle” Cheatham II](#) was re-elected as the Chair of the CERS Board at the systems’ annual meeting on April 16, and [Michael Foster](#) was elected Vice Chair.

[Lynn Hampton](#) and [C. Prewitt Lane](#) were re-elected as Chair and Vice Chair, respectively, of the Kentucky Retirement Systems (KRS) Board at their annual meeting on April 17.

The KPPA Board, composed of members from the CERS and KRS boards,

elected [Keith Peercy](#) as Chair and [William O'Mara](#) as Vice Chair during its annual meeting on April 23.

LIVING WELL PROMISE REMINDER

Attention KEHP non-Medicare eligible retirees. Don't miss out on premium discounts for 2026!

KEHP planholders aged 18 and older must fulfill the LivingWell Promise by completing the [Castlight Health Assessment](#) by June 30, 2025. If you do not complete the promise by the deadline, a \$40 LivingWell fee will be added to your monthly costs in 2026. The Health Assessment asks various health and lifestyle questions and only takes about 10 minutes to complete.

Don't wait. Secure your savings today!



Have you completed your LivingWell Promise?



SELF SERVICE

It's a good time to log into Self Service at MyRetirement.ky.gov for an annual check-up if you have not recently.

In Self Service you can verify contact information, update tax withholdings, view payment history, enroll in health insurance during open enrollment, and much more. To learn about all the benefits of using Self Service, visit our [Self Service page](#), or [log in](#) to Self Service.

Extensive resources are also available on our website at kyret.ky.gov:

- [Beneficiary Changes](#)
- [Taxes](#)
- [Reemployment after Retirement](#)
- [Survivor Benefits](#)
- [Disability Benefits](#)
- [Publications & Forms](#)



NOTIFY ME

Live and recorded videos of Board and Committee meetings can be viewed on the [KPPA Facebook page](#). To receive email notifications of meetings, [visit our website to submit your request](#).

SECURITY SPOTLIGHT



Why Cybersecurity Matters for Retirees in 2025

Retirees are increasingly active online, with 85% spending over six hours a day on the internet and managing an average of five devices. Retirees often use the internet to stay in touch with loved ones (91%), handle finances (87%), and access health information (73%). Many retirees spend an hour or more on Facebook and YouTube.

Retirees are among the fastest-growing demographic of internet users, making them a prime target for cybercriminals. Contributing factors include their significant savings and financial stability, limited awareness of the latest threats, and the fact that they are more likely to trust unsolicited communications. According to the FBI, seniors over 60 faced \$3.4 billion in fraud losses in 2023, with an average loss of \$34,000 per case. Understanding these risks and taking proactive steps, retirees can protect their digital and financial well-being. Below are essential best practices everyone should follow to help avoid falling victim to cyber threats.

Create Strong Passwords and Use a Password Manager

Use unique, complex passwords with at least 12 characters, including upper and lowercase letters, numbers, and special characters. Avoid guessable options like "password123" or birthdates. Update passwords regularly and use a password manager to manage them securely.

Be Skeptical of Unsolicited Communications

Avoid clicking on unknown links or attachments and verify senders through alternate methods. Always be wary of communications that play on your fears and create a sense of urgency, such as "Act now to avoid account suspension."

How to Safely Use Social Media

Limit shared personal details, adjust privacy settings, and think twice before posting content. Posting vacation pictures while on vacation shows your home may be vacant.

These simple steps can greatly improve the security of your personal information. Visit our [website for more tips](#).

FULLY FUNDED BY 2049

Through diligent financial management and collaborative efforts among stakeholders, we are steadily improving our funding status. The systems' actuary projects that all systems will be fully funded by 2049 based on:

- The most recent actuarial valuation,
- The closed amortization period set in statute,
- The systems receiving the full Actuarially Determined Employer Contribution (ADEC) each year, and
- All actuarial assumptions being met.

INVESTMENT RETURNS

For the trailing 12 months ended February 28, 2025, the average return for CERS Nonhazardous and Hazardous pension assets under management was 10.4%, while CERS insurance trust assets under management earned 10.2%.

The trailing 12-month return for the KERS Nonhazardous pension assets was 10% and for the Hazardous pension assets it was 10.5%. Insurance asset returns for KERS Nonhazardous and Hazardous were 10.6% and 10.1%, respectively. SPRS pension assets earned 9.6% while the insurance trust assets earned 10%.

For more detailed information about investment returns, holdings, and policies, visit the [Investments section](#) of the KPPA website.

Pension Fund Performance

	FY 2025*	3-Year	5-Year	10-Year	30-Year
CERS NH	6.61%	7.02%	9.03%	7.46%	8.00%
CERS H	6.63%	7.05%	9.01%	7.46%	8.00%
KERS NH	6.62%	5.67%	7.78%	6.63%	7.72%
KERS H	6.78%	6.72%	8.76%	7.31%	7.95%
SPRS	6.48%	6.04%	7.84%	6.60%	7.71%

Insurance Fund Performance

	FY 2025*	3-Year	5-Year	10-Year	30-Year
CERS NH	6.43%	7.08%	8.93%	7.47%	7.22%
CERS H	6.35%	7.05%	8.97%	7.53%	7.24%
KERS NH	6.84%	6.95%	8.84%	7.13%	7.08%
KERS H	6.40%	6.83%	8.79%	7.33%	7.18%
SPRS	6.35%	6.79%	8.93%	7.51%	7.23%

NH - Nonhazardous

H - Hazardous

*Through February 2025 and trailing 12-month periods.



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