



## WINTER 2026 ISSUE

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



### From the Desk of Ryan Barrow Executive Director

Happy New Year! Turning the calendar brings change and possibility, and the shift to 2026 is no exception at KPPA.

#### **Improvements in Funding**

Actuarial valuations are in, and there has been improvement for pension funding levels across the board. The KERS Nonhazardous pension's funded ratio improved to 28.6%. While that may not sound great, it represents the highest level of funding in more than a decade, and a 3.8 percentage point improvement from FY 2024. The KERS Hazardous pension's funded ratio improved to 72.3%. The SPRS pension's funded ratio was 61.9%, up from 58.6% the prior fiscal year. For CERS, the Nonhazardous pension's funded ratio stood at 61.4% at the end of FY 2025, while the Hazardous pension's funded ratio was 57%, both improvements over FY 2024.

Full actuarial reports can be found on our [Actuarial Valuations page](#).

#### **Other News**

We published separate Annual Comprehensive Financial Reports for CERS and KRS for the first time in 2024 and are happy to report that we have again received the GFOA Certificate of Achievement for Excellence in Financial Reporting for each report. Those CERS and KRS reports for FY 2025 are available now on our [Annual Reports page](#).

#### **2026 General Assembly**

As always, we look forward to working with the General Assembly on bills that affect KPPA. The 60-day session convened on Tuesday, January 6, and you can find more information below.

Ryan Barrow, KPPA Executive Director

## NEW DEPUTY EXECUTIVE DIRECTOR NAMED



Erin Surratt has been appointed KPPA Deputy Executive Director.

Erin brings more than 20 years of dedicated service to KPPA, most recently serving as Executive Director of the Office of Benefits, where she led the day-to-day administration of retirement benefits for members and beneficiaries. Since joining KPPA in March 2003, she has held a variety of key roles, including retirement system counselor, START Project lead, business analyst, and

Division Director of Quality Assurance.

## LEGISLATIVE SESSION

The 2026 Regular Session of the Kentucky General Assembly began on Tuesday, January 6, 2026. This is a 60-day session that will include passage of the Commonwealth's biennial state budget.

During the session, KPPA reviews proposed bills and provides detailed information on how they could affect the systems. While KPPA's analyses are instrumental in supporting informed decision-making, the agency does not have the authority to enact legislation.

Visit our [website](#) and follow us on social media for the latest information about bills that may affect KPPA.

## CERS MEMBERS: LEGISLATIVE CHANGES YOU SHOULD KNOW

*Retirement law updates often depend on your participation date and whether your service is classified as hazardous or nonhazardous. You can review your membership details anytime by logging in to your account at [MyRetirement.ky.gov](https://myretirement.ky.gov).*

### SENATE BILL 10 (2025 REGULAR SESSION)

[Senate Bill 10](#) applies to CERS Tier 1 members hired July 1, 2003 and after and all Tier 2 and Tier 3 members. This bill makes two important changes affecting retiree insurance contributions and employee insurance contributions.

### ENHANCED RETIREE INSURANCE CONTRIBUTION FOR CAREER EMPLOYEES

Beginning January 2026, Senate Bill 10 increases the insurance dollar contribution for non-Medicare retirees who meet career threshold service requirements. If you're considering retirement, review the eligibility criteria to see if you qualify for the higher contribution available to career employees. [Learn more.](#)

### EMPLOYEE HEALTH INSURANCE CONTRIBUTION

*Information will be sent directly to impacted CERS members soon. Please check your email for updates.*



Your employer deducts contributions from your paycheck and submits them to KPPA each month. Effective July 1, 2026:

- Tier 1 members with a participation date of July 1, 2003 - August 31, 2008 will begin paying a non-refundable health insurance contribution (HIC).

Nonhazardous members will pay a non-refundable one percent (1%) HIC. There is no change for Tier 2 and Tier 3.

Hazardous members will pay a two percent (2%) non-refundable HIC. Tier 2 and Tier 3 will see a one percent (1%) increase.

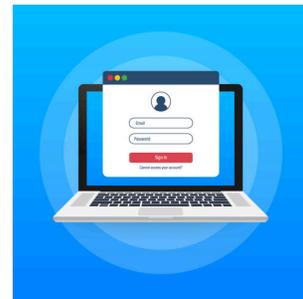
	Participation Date	Service Type	Current HIC	7/1/2026 HIC
<b>Tier 1</b>	7/1/2003-8/31/2008*	Nonhazardous	0%	1%
<b>Tier 1</b>	7/1/2003-8/31/2008*	Hazardous	0%	2%
<b>Tier 2</b>	9/1/2008-12/31/13	Nonhazardous	1%	1% (no change)
<b>Tier 2</b>	9/1/2008-12/31/13	Hazardous	1%	2%
<b>Tier 3</b>	1/1/2014 and after	Nonhazardous	1%	1% (no change)
<b>Tier 3</b>	1/1/2014 and after	Hazardous	1%	2%

*\* This change does not apply to members with a participation date between July 1, 2003, and July 31, 2004, and a hire date before July 1, 2003.*

## ACCESSING YOUR ACCOUNT ONLINE

Go to [MyRetirement.ky.gov](http://MyRetirement.ky.gov) to access your account online:

- Upload documents
- Verify your benefit details
- Maintain your contact information
- Apply for retirement and more



Registration is easy and gives you 24/7 access to your account.

## KERS TRUSTEE ELECTION



- KERS members may vote for two candidates to serve a four-year term beginning April 1, 2026. Ballots have been mailed and are available online.

The voting deadline is March 1, 2026. Members must cast their electronic vote online or ensure their paper ballot is postmarked by March 1, 2026.

Learn more about the five KERS Trustee candidates on our website at [Board Elections](#).

## WEBINARS

KPPA hosts monthly webinars for non-retired members. Please take advantage of these opportunities to learn more about your benefits.



Webinar schedule for February:

Tier 1 Webinar  
Wednesday, Feb. 11, 3:00pm ET

Tier 1 Strategies for Retirement Webinar  
Wednesday, Feb. 18, 3:00pm ET

Tier 3 - Member Self Service Webinar  
Wednesday, Feb. 25, 3:00pm ET

[Register for Webinars](#)

To view and register for any of our webinars for 2026, go to our [website](#).

## PHONE SURVEY



KPPA is conducting post-call phone surveys to help enhance services and better support your needs. Your feedback is valuable, and we appreciate your time and insights.

At the end of the call, you will be invited to participate in a phone survey based on your recent experience with your KPPA representative. To take part, simply remain on the line

to be directed to the survey.

## SECURITY SPOTLIGHT



When it comes to Cybersecurity, we all have to remain alert and apply what we have learned over the years about best practices for managing our various digital accounts.

One of the most important steps you can take is to create unique passwords for each of your accounts. Using a password manager can help organize and streamline your online activities.

Reports indicate that we will continue to encounter some of the same basic hacking methods, like emails or texts that create a sense of urgency, potentially leading you to make hasty decisions without careful thought.

New threats will be more advanced. Artificial Intelligence (AI) has the potential to do amazing things, but in the wrong hands, it can also cause significant damage. One of the many capabilities of AI is to imitate both a person's appearance and voice. This could be exploited in various scenarios, such as receiving a call from someone you know well asking you to transfer money to a specific account.

You can use the same basic responses that have been suggested for other scams; stay calm, and contact the person through a reliable communication method to verify the request. Remain alert and avoid making snap decisions if approached through digital channels.

[Learn more](#) on how to protect yourself on our website.

## FISCAL YEAR 2025 ANNUAL REPORTS NOW AVAILABLE

The [CERS](#) and the [KRS](#) annual reports for Fiscal Year ended June 30, 2025, are now on the KPPA website. These Annual Comprehensive Financial Reports (ACFRs) and the Summary Annual Financial Report (SAFR) explain the structure, financial status, investments, and governance of CERS, KERS and SPRS. The [Fiscal Year 2025 SAFR](#), which provides an overview of all systems, is also available online.

## INVESTMENT RETURNS

For the first four months of FY 2026 ending October 31, 2025, the average return for the CERS Nonhazardous and Hazardous pensions was 5.3%. CERS Nonhazardous insurance trust assets under management earned 5.2% and CERS Hazardous insurance trust assets earned 5.1%.

For KERS Nonhazardous pension assets the four-month FY 2026 return was 5.0% and for Hazardous pension assets it was 5.3%. Insurance trust assets for KERS Nonhazardous and Hazardous plans earned 5.2% and 5.1%, respectively. SPRS pension and insurance trust asset returns for the same period were 5.0% and 5.1%, respectively.

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

### Pension Fund Performance

	FY 2026*	5-Year	10-Year	30-Year
CERS NH	5.3%	10.4%	8.6%	7.8%
CERS H	5.3%	10.4%	8.6%	7.8%
KERS NH	5.0%	8.8%	7.6%	7.5%
KERS H	5.3%	10.1%	8.5%	7.8%
SPRS	5.0%	8.9%	7.7%	7.5%

### Insurance Fund Performance

	FY 2026*	5-Year	10-Year	30-Year
<b>CERS NH</b>	5.2%	10.3%	8.6%	7.1%
<b>CERS H</b>	5.1%	10.4%	8.6%	7.1%
<b>KERS NH</b>	5.2%	10.1%	8.3%	7.0%
<b>KERS H</b>	5.1%	10.2%	8.5%	7.1%
<b>SPRS</b>	5.1%	10.3%	8.6%	7.1%

\*Through October 2025 and trailing 12-month periods.

NH - Nonhazardous

H - Hazardous

---

Did this newsletter include helpful information?



Kentucky Public Pensions Authority | 1260 Louisville Road | Hours of Operation: Monday through Friday, 8:00 a.m. to 4:30 p.m. ET.  
| Frankfort, KY 40601 US

[Unsubscribe](#) | [Constant Contact Data Notice](#)



Try email marketing for free today!