Kentucky Senate Bill 1 Committee Substitute – Key Actuarial Findings

- Little analysis of cost savings or benefit changes have been disclosed
  - Our calculations are based primarily on 2017 PFM calculations
  - Cost savings are uncertain

- Teacher COLA reduction provides increased loss in purchasing power, particularly due to absence of Social Security safety net

Change in Cash Balance crediting rate results in less security and reduced benefits

**Non-Hazardous Duty Pension Replacement**

Change in Crediting Rate Will Decrease Pension Benefits

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**KERS Age 65**

- **Current Cash Balance Approach**
- **Proposed SB1**

**CERS Age 65**

- **Current Cash Balance Approach**
- **Proposed SB1**