



## KENTUCKY RETIREMENT SYSTEMS

David L. Eager, Interim Executive Director

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### MEMORANDUM

**TO:** Agencies Participating in the County Employees Retirement System (CERS)

**FROM:** David L. Eager  
Interim Executive Director

**DATE:** December 11, 2017

**SUBJECT:** Employer Contribution Rates for Fiscal Year 2018-19

The Kentucky Retirement Systems Board of Trustees establishes the CERS employer contribution rates pursuant to KRS 61.565 and 61.702. The most recent actuarial valuations were performed by the Kentucky Retirement Systems' actuary, GRS Retirement Consulting, for the fiscal year ended June 30, 2017. The CERS employer contribution rates were approved by the Kentucky Retirement Systems Board of Trustees and will be in effect on July 1, 2018. The combined rate (pension and insurance), is listed below.

<b>Fiscal Year 2018-2019:</b>	CERS Nonhazardous	28.05%
	CERS Hazardous	47.86%

Please distribute copies of this memorandum to the individuals responsible for your budget.

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**78.852 Benefits not to be reduced or impaired for members who began participating before January 1, 2014 -- Exceptions -- Amendment of benefits and rights.**

- (1) For members who begin participating in the County Employees Retirement System prior to January 1, 2014, it is hereby declared that in consideration of the contributions by the members and in further consideration of benefits received by the county from the member's employment, KRS 78.510 to 78.852 shall constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall not be subject to reduction or impairment by alteration, amendment, or repeal, except:
  - (a) As provided in KRS 6.696; and
  - (b) The General Assembly reserves the right to amend, reduce, or suspend any legislative changes to the provisions of KRS 78.510 to 78.852 that become effective on or after July 1, 2018.
- (2)
  - (a) For members who begin participating in the County Employees Retirement System on or after January 1, 2014, the General Assembly reserves the right to amend, suspend, or reduce the benefits and rights provided under KRS 78.510 to 78.852 if, in its judgment, the welfare of the Commonwealth so demands, except that the amount of benefits the member has accrued at the time of amendment, suspension, or reduction shall not be affected.
  - (b) For purposes of this subsection, the amount of benefits the member has accrued at the time of amendment, suspension, or reduction shall be limited to the accumulated account balance the member has accrued at the time of amendment, suspension, or reduction.
  - (c) The provisions of this subsection shall not be construed to limit the General Assembly's authority to change any other benefit or right specified by KRS 78.510 to 78.852, except the benefits specified by paragraph (b) of this subsection, for members who begin participating in the County Employees Retirement System on or after January 1, 2014.
- (3) The provisions of this section shall not be construed to limit the General Assembly's authority to amend, reduce, or suspend the benefits and rights of members of the County Employees Retirement System as provided by KRS 78.510 to 78.852 that the General Assembly had the authority to amend, reduce, or suspend, prior to July 1, 2013.

**Effective:** July 14, 2018

**History:** Amended 2018 Ky. Acts ch. 107, sec. 34, effective July 14, 2018. -- Amended 2013 Ky. Acts ch. 120, sec. 80, effective July 1, 2013. -- Amended 1996 Ky. Acts ch. 167, sec. 27, effective July 15, 1996. -- Amended 1993 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 80, effective September 16, 1993. -- Amended 1976 Ky. Acts ch. 321, sec. 40. -- Created 1972 Ky. Acts ch. 116, sec. 75.