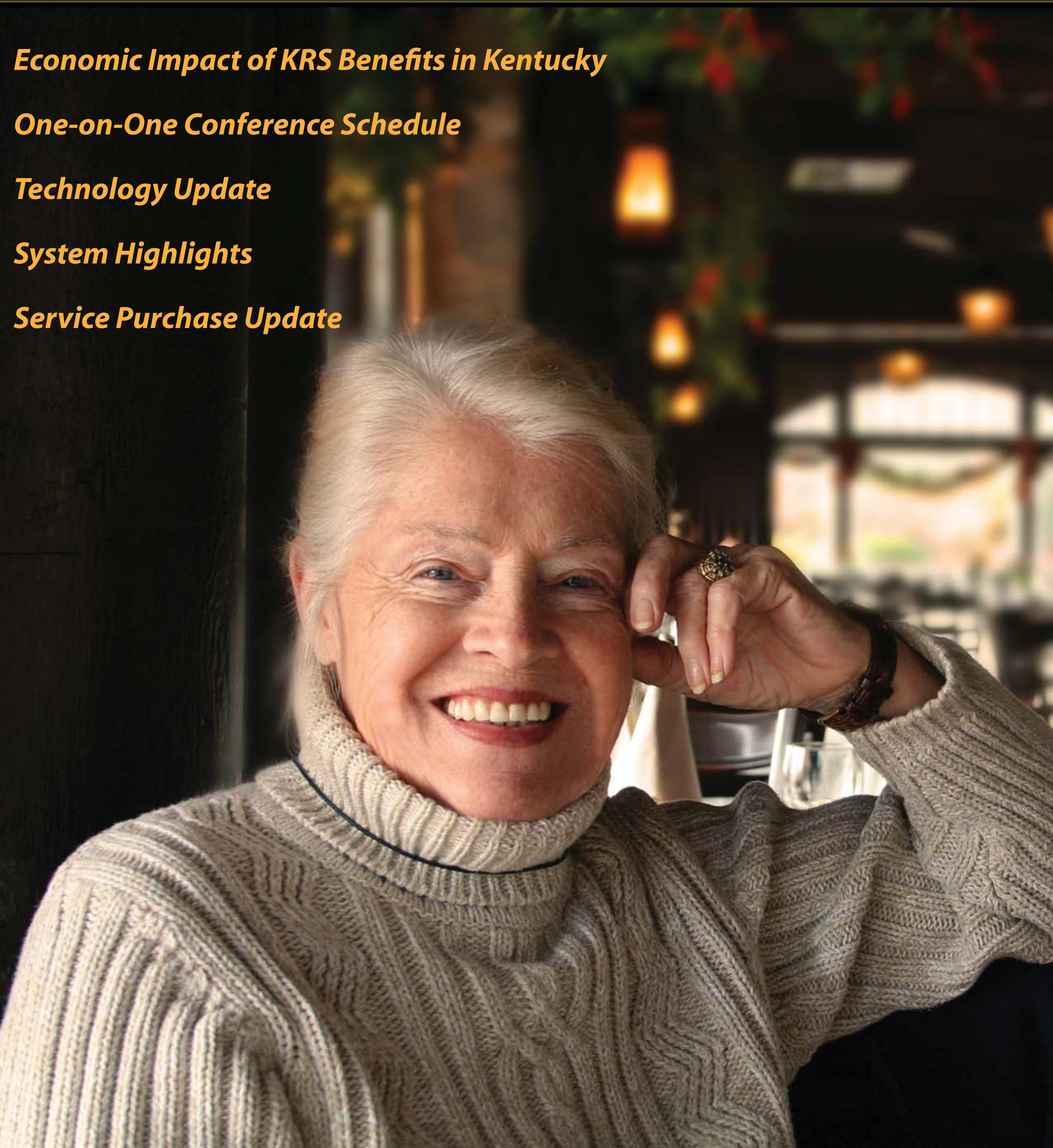
KRS Member News

Volume 25, Issue 1 February 2007



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CONCERNS FOR THE NEW YEAR:
Pension Plans in Crisis

By William P. Hanes, Executive Director

You have no doubt heard the saying: "New Year's resolutions are made to be broken." Yes, it is undoubtedly true that despite the best of intentions, most New Year's resolutions are soon broken and old, sometimes harmful, ways once again prevail. Well, I have a New Year's resolution for you that for the good of the 300,000+ members of Kentucky Retirement Systems and for the long-term good of the Commonwealth and its taxpayers should be made and kept without fail.

The Kentucky General Assembly should resolve for 2007, and in every New Year thereafter, that it will develop and follow a plan to pay in full the actuarially recommended employer contribution rates for the Kentucky Employees Retirement System (KERS) and the State Police Retirement System (SPRS) every biennium. Unless it does so now, the Kentucky Retirement Systems is faced with a bleak future without funds available to pay the pension and health insurance benefits that it is contractually obligated to pay to thousands of state retirees.

In order for you to appreciate how critical this situation has become, you must first understand how benefits are funded. Retirement benefits, including both the pension benefit and the health insurance benefit, are funded "in advance" from three sources: employee contributions, employer contributions, and investment earnings. The KERS non-hazardous employee contributions are fixed by statute at 5% of compensation, while the hazardous and SPRS rates are set at 8%. Employer contributions are set each year by the Kentucky Retirement Systems Board of Trustees based on an actuarial valuation; however, the employer contribution rates for KERS and SPRS, which are paid by the Commonwealth, must be enacted in the biennial budget by the General Assembly.

An actuarial valuation is conducted each year to determine the projected liabilities of each retirement plan and to compare those projected liabilities with plan assets. The plan liabilities are not arbitrarily determined, but are projected based on actuarial principles and the historical experience of the plans. Based on a comparison of the current and projected value of assets with the actuary's projected liabilities, a recommended employer contribution rate is determined. A very significant purpose of the annual actuarial valuation is to determine an employer contribution amount that is intended to be spread as a level percentage of payroll over the period of a typical employee's working career so that one generation of taxpayers will not have to bear a disproportionate share of the funding obligation. Like your home mortgage, the total costs are amortized over a 30 year period.

The employee and employer contributions are invested, and those amounts, along with investment earnings, make up the funds that pay retirement benefits. Historically, on average, employees contribute about 16¢ of each dollar paid out in retirement benefits; employer contributions make up about 20¢ of each benefit dollar, and investment income contributes about 64¢ of every benefit dollar paid out. That's a pretty good investment when an employee can expect a dollar in retirement benefits for each 36¢ contributed by the employee and his or her employer.

But, what happens if the employer fails to contribute the full actuarially recommended employer contribution rate, as the Commonwealth has failed to do so many times? In that case, the Kentucky Retirement Systems not only doesn't receive the amount actuarially recommended from the employer, but, more importantly, it also fails to receive the investment income that would have been earned on that amount over the assumed working life of the typical employee. The failure of the Commonwealth to pay the full actuarially recommended rate has caused losses in contributions and investment income for both the KERS and SPRS pension and insurance trust funds. This has created a negative cash flow in the KERS and SPRS trusts, meaning that less money is being contributed than is being paid out to beneficiaries. This scenario is not the case, however, with the County Employees Retirement System (CERS), where employer contributions are being fully paid.

Eventually, if the Commonwealth's failure to pay the full actuarially recommended rate persists, these retirement plans will run out of money. **In fact, the Kentucky Retirement Systems' actuary has recently reported that based on the trend established by the Commonwealth of paying less than the actuarially recommended contributions, the KERS non-hazardous health insurance trust will be in default by the year 2013 and the pension trust will be in default beginning in 2021 to 2023.** When that happens, retirees are still legally entitled to receive promised retirement benefits and the Commonwealth would have to fund benefit payments to KERS retirees on a "pay-as-you-go" basis without the help of years of investment earnings.

Taxpayers should be outraged at the idea that the policy makers of the Commonwealth of Kentucky can consistently defer a very huge financial burden, biennium after biennium, so that these costs impact later generations of taxpayers when deferment is no longer an option. To put this into perspective, in the 2005-2006 fiscal year, KERS and SPRS paid over $728 million to retirees and beneficiaries for pension and health insurance benefits. By 2013, considering the higher benefits and greater number of baby boomers that will soon be retiring, the taxpayer burden on an annual basis will be over $1 billion, and by 2021 will probably be closer to $2 billion or more on an annual basis. Remember, the contractual obligation to pay retirement benefits is constitutionally protected and, unlike in the private sector, may not be reduced or eliminated. The state and federal constitutions, as well as case law, make it clear that the Commonwealth cannot take any action to impair the contractual obligation, and when the trusts are in default, the taxpayers must pay the costs of the obligation as it comes due.

Unfortunately, the trend of failing to pay the recommended employer contribution rate for KERS and SPRS has continued for some time. When the 2006-08 budget biennium is complete, reductions to the KERS and SPRS employer contribution rates will have occurred in 9 of the last 15 fiscal years and for six years in a row. Past failures to address the funding needs of the Kentucky Retirement Systems (while benefits are being increased) are coming home to roost. On November 16, 2006, the actuary presented the 2006 Annual Actuarial Report to the Kentucky Retirement Systems Board of Trustees, which showed that the funding levels of the KERS and SPRS plans are at a critical low point. The actuarial unfunded liabilities for the combined KERS and SPRS plans increased from 4.5 billion dollars to 11.9 billion dollars in just one year.

You may wonder why the Kentucky Retirement Systems' liabilities are so high. The most obvious reason is the exceptionally high level of benefits provided to retirees by statutes enacted by the General Assembly over the years. Members are entitled to receive both pension benefits and a high level of health insurance benefits based on years of service earned. As you are likely aware, health insurance benefits are extremely costly and costs have risen significantly in the past few years. Unlike Kentucky Retirement Systems, most state retirement systems do not provide retiree health insurance; those that do are obligated to pay only a modest subsidy. On the other hand, after 20 years of service, a Kentucky Retirement Systems non-hazardous retiree who became a member before July 1, 2003 receives 100% of the cost for the same individual health insurance coverage that is provided to active state employees. In the case of hazardous duty retirees with 20 years of service, Kentucky Retirement Systems pays the premium to fully cover the retiree and dependents. This level of health insurance benefits is contractually guaranteed, which means the legislature cannot reduce or eliminate the benefit.

Additionally, because of new accounting and reporting requirements adopted by the Government Accounting Standards Board (GASB), public retirement systems like Kentucky Retirement Systems must now recognize and report the cost of retiree health insurance benefits over the working life of the employee, rather than on a "pay-as-you-go" basis. This is much like the approach that has been applied for funding pension benefits. This greatly increases the present liability for future promised benefits and, likewise, greatly increases the employer contribution rate necessary to "advance fund" these future liabilities. This new standard applies to Kentucky Retirement Systems for fiscal years beginning in 2007.

While there are experience factors, such as investment return, rate of deaths, disabilities and retirements, that affect the overall level of liabilities, the high cost of health insurance and the impact of the new GASB standards stand out prominently as cost drivers.

CERS members may wonder how any of this applies to them, since the General Assembly does not set employer contribution rates for these agencies. Although the reduction in funding by the Commonwealth does not apply to CERS employers, the high cost of CERS benefits (including a contractual health insurance benefit) and the correspondingly high employer contribution rates are significant for CERS employers. Kentucky Retirement Systems Board of Trustees is aware of the difficulties facing CERS employers in paying contribution rates and has attempted to provide short term relief by adopting a phase-in of the increase in the insurance portion of the employer rate caused by the new GASB standards. The same type of phase-in was not appropriate for KERS and SPRS employers because the Commonwealth has failed to contribute at the recommended levels in past years, and the rules associated with the new GASB statements do not allow for such accommodation when there is a history of contribution shortfalls as we have experienced in the state systems.

As I mentioned in a previous newsletter, there have been discussions about creating a new plan structure to resolve the funding problem. Keep in mind, however, that the billions of dollars in liabilities owed by Kentucky Retirement Systems are contractually guaranteed for the benefit of members and current retirees. Those liabilities will not disappear with a new plan, but still must be paid as members retire. In addition, any new plan will involve benefit and administrative costs that must be funded. So, although a new plan structure that the General Assembly might choose to adopt, with presumably lesser benefits, may ultimately provide some long range reductions in costs, in the near term the costs will be greater because of the obligation to pay benefit costs of the old systems as well as the costs of a new plan.

In light of the situation described above, the best thing you, as a member, can do to improve the future safety of your retirement benefits is to contact the Governor and your legislators and stress to them the importance of fully funding the recommended KERS and SPRS employer contribution rates each year.

Governor Fletcher and his staff have recently expressed serious concerns about KERS and SPRS funding, and have sent out a statement to members and retirees expressing the Governor's commitment to allocate significant monies to KERS and SPRS from the current revenue surplus. I want to thank Governor Fletcher in advance for his strong commitment toward more significant funding. This commitment is a very significant step in the right direction.

I urge Kentucky Retirement Systems members to stay in close contact with the Governor's office and members of the Kentucky General Assembly to ensure that the Governor's commitment to provide significant funds from the revenue surplus and ongoing allocations from the State's general fund are satisfied. You should understand that while Governor Fletcher has committed significant monies from the revenue surplus to help fund the Retirement Systems, all allocations of monies must be approved by the Kentucky General Assembly. At every opportunity, you should impress upon Governor Fletcher's office and legislators your expectations regarding the commitment and the critical need to make retirement system funding a high priority. With the appropriate level of funding support from the Governor and the General Assembly, Kentucky Retirement Systems can look forward to paying you the benefits which you are entitled to receive. Finally, as numerous candidates for Governor and Lieutenant Governor are developing campaign strategies to support their election bids, I believe that it is in your best interest to seek funding commitments from the candidates. Please join me in seeking a New Year's resolution by the Commonwealth of Kentucky to adequately fund its promised retirement obligations and making sure that it keeps that resolution without fail.

CONTACTING THE GENERAL ASSEMBLY

For more information on contacting your legislator, please review the information below.

By Phone:
You can leave a message for your legislator by dialing 1-800-372-7181.

By Mail:
Mail a letter to a legislator C/O:
Legislative Research Commission
700 Capitol Ave.
Frankfort, KY. 40601

Online Information:
Visit the Legislative Research Commission (LRC) web site at http://lrc.ky.gov/whoswho/whoswho.htm.

The Economic Benefits of Kentucky Public Pensions

By Keith Brainard

We often think of all taxes and government spending as having a negative effect on the economy. Conventional wisdom says that money is better left in the hands of taxpayers, and should be collected only for government services that are absolutely essential.

But there is one area of government spending that is certifiably good for the economy, promotes economic growth and activity, and supports jobs. This spending is contributions made by Kentucky public employers to the Kentucky Retirement Systems (KRS) and the Teachers' Retirement System (TRS) of Kentucky. These systems administer pension and other benefits for nearly all employees of the state, counties, school districts, and many of Kentucky's cities and towns.

Last year the KRS and TRS distributed nearly $1.9 billion in pension benefits to more than 100,000 retired and disabled public employees and their beneficiaries.

Taxpayers last year contributed $545 million to these retirement systems for pension benefits. Do the math: for every dollar in taxpayer contributions made to the KRS and TRS pension funds, more than $3.50 was distributed into the Kentucky economy.

Where did the extra $1.3 billion come from? Investment earnings. Contributions made both by taxpayers and public employees are invested in diversified portfolios that include stocks, bonds, real estate, and other types of assets. These investments grow in value during employees' working lives, so that when an employee retires, their pension benefit is financed not only with contributions, but also with investment earnings.

These pension benefits are sent to every city and town in Kentucky, since that's where most retired Kentucky public employees live, resulting in a continuous and steady stream of income and economic stimulus for every city and town in the state. These benefits are spent on such items as housing, food, cars, entertainment, appliances, and countless other items, all of which supports and promotes economic activity and jobs in the state.

A 2004 study for the Pension Research Council found that because of their investment returns, public retirement systems in the United States add around two percent to the nation's total economic output. Kentucky is surely benefiting from this same public pension-based economic value-added happening around the country.

An economic study conducted in 2006 found that the benefits provided by the Teacher Retirement System of Texas add billions of dollars in economic output and income to that state's economy. The study also found that these benefits support tens of thousands of permanent jobs throughout the state, and the economic effects of these benefits are particularly strong in rural areas. We have every reason to believe the same is true in Kentucky.

The $2 billion paid out by the KRS and TRS each year is as much as the income generated by Kentucky's entire mining industry, and nearly as much as the income Kentuckians receive each year from the state's farming, fishing, and forestry industries, *combined*. Considering that most of the pension benefit was financed not by taxpayers, but by investment earnings; and that all Kentuckians benefit from an economy that is strong and growing, that sounds like a pretty good deal for everyone.

Keith Brainard is research director for the National Association of State Retirement Administrators.

Kentucky Retirement Systems
2006 Retirement Payments[1] By County

[1]Payments include pension obligations. Insurance totals are separately maintained.

County	Recipients	Benefits Paid	County	Recipients	Benefits Paid	County	Recipients	Benefits Paid
ADAIR	276	$3,656,958	GRANT	367	$5,553,201	MASON	247	$3,240,849
ALLEN	260	$2,723,969	GRAVES	593	$6,974,688	MEADE	258	$3,196,986
ANDERSON	915	$17,890,989	GRAYSON	418	$5,114,672	MENIFEE	137	$1,471,742
BALLARD	139	$1,308,799	GREEN	190	$2,253,542	MERCER	481	$6,976,607
BARREN	658	$8,022,972	GREENUP	372	$3,959,686	METCALFE	211	$1,853,749
BATH	249	$3,128,199	HANCOCK	137	$1,292,222	MONROE	152	$1,613,420
BELL	460	$5,761,080	HARDIN	1,205	$16,308,487	MONTGOMERY	337	$4,311,689
BOONE	922	$13,881,799	HARLAN	420	$5,059,415	MORGAN	321	$4,037,258
BOURBON	358	$4,766,140	HARRISON	314	$3,474,284	MUHLENBERG	395	$3,574,475
BOYD	698	$9,158,646	HART	227	$2,579,706	NELSON	577	$7,577,564
BOYLE	614	$8,290,103	HENDERSON	661	$8,928,083	NICHOLAS	148	$1,504,857
BRACKEN	135	$1,474,645	HENRY	657	$11,543,549	OHIO	347	$3,268,698
BREATHITT	337	$4,698,080	HICKMAN	79	$599,312	OLDHAM	834	$13,442,997
BRECKINRIDGE	292	$3,516,283	HOPKINS	743	$8,764,258	OWEN	380	$6,795,390
BULLITT	797	$11,128,416	JACKSON	174	$2,046,329	OWSLEY	144	$1,587,514
BUTLER	211	$2,257,349	JEFFERSON	11,521	$187,726,605	PENDLETON	224	$3,098,938
CALDWELL	375	$4,232,285	JESSAMINE	553	$8,146,570	PERRY	396	$4,302,394
CALLOWAY	810	$8,043,505	JOHNSON	405	$4,992,123	PIKE	809	$9,292,192
CAMPBELL	944	$13,096,586	KENTON	1,396	$22,415,336	POWELL	249	$2,652,595
CARLISLE	116	$1,062,094	KNOTT	331	$4,874,005	PULASKI	1,488	$20,421,838
CARROLL	218	$2,692,284	KNOX	344	$4,387,260	ROBERTSON	54	$591,442
CARTER	495	$5,775,170	LARUE	237	$2,884,052	ROCKCASTLE	246	$2,665,543
CASEY	227	$2,535,249	LAUREL	747	$10,129,681	ROWAN	612	$7,777,601
CHRISTIAN	1,199	$16,777,286	LAWRENCE	197	$1,980,385	RUSSELL	339	$3,956,627
CLARK	510	$6,615,166	LEE	166	$2,018,910	SCOTT	665	$11,097,653
CLAY	361	$4,405,135	LESLIE	167	$1,894,744	SHELBY	1,145	$21,886,394
CLINTON	155	$1,521,710	LETCHER	355	$3,685,101	SIMPSON	161	$1,450,269
CRITTENDEN	157	$1,603,527	LEWIS	212	$2,065,702	SPENCER	296	$4,290,959
CUMBERLAND	132	$1,612,450	LINCOLN	385	$3,772,098	TAYLOR	385	$4,490,524
DAVIESS	1,535	$22,811,472	LIVINGSTON	169	$2,185,102	TODD	209	$2,098,139
EDMONSON	134	$1,374,680	LOGAN	395	$4,354,599	TRIGG	389	$4,295,284
ELLIOTT	99	$1,145,987	LYON	235	$3,257,436	TRIMBLE	201	$2,251,739
ESTILL	247	$2,539,225	MCCRACKEN	1,134	$16,283,038	UNION	240	$2,102,385
FAYETTE	3,493	$61,414,573	MCCREARY	232	$1,892,357	WARREN	1,757	$24,539,845
FLEMING	311	$4,213,540	MCLEAN	197	$1,993,862	WASHINGTON	235	$2,702,717
FLOYD	596	$7,971,191	MADISON	1,387	$17,296,704	WAYNE	318	$3,835,917
FRANKLIN	5,554	$134,637,983	MAGOFFIN	206	$2,379,728	WEBSTER	241	$2,319,890
FULTON	141	$1,462,782	MARION	330	$3,547,874	WHITLEY	656	$7,996,970
GALLATIN	78	$1,006,047	MARSHALL	618	$6,861,937	WOLFE	208	$2,537,996
GARRARD	275	$3,094,845	MARTIN	139	$1,288,614	WOODFORD	584	$11,500,632

	Recipients	Benefits Paid
Payments to Recipients Living in Kentucky	71,174	$1,048,684,730
Payments to Recipients Living in Other States	4,176	$52,411,162
Total Payments	75,350	$1,101,095,892

New IRS Regulations Affect Service Purchases

Kentucky Retirement Systems administers three governmental defined benefit plans – the Kentucky Employees Retirement System ("KERS"), the County Employees Retirement System ("CERS"), and the State Police Retirement System ("SPRS") .

KRS has taken necessary steps to assure that the Systems are in compliance with federal law.

Each of the plans has received IRS approval of their status as a qualified plan under the Internal Revenue Code. KRS must protect the members' tax advantages that can only be obtained from a qualified plan. One area where KRS has devoted a great deal of time and effort is the area of service purchases, as the Code imposes significant requirements on service purchases.

Kentucky law provides for thirty-five (35) types of service purchases for members of the Systems at the full actuarial cost. KRS recognizes how valuable these service purchases are to members and has developed a process that should protect available service purchase options for those who are eligible for them while protecting the interests of all members.

KRS will continue to provide members with a wide range of service purchase options.

Working with the Legislature and the Kentucky Deferred Compensation Plan, KRS has revised the plan documents for the Systems so that members are able to make service purchases in a variety of ways:

- Lump sum payments with after-tax dollars (such as a personal check from the member)
- Installment payments with after-tax dollars
- Installment payments with pre-tax dollars
- Rollovers from an employer retirement plan or an IRA
- Transfers from the Kentucky 401(k) plan
- Transfers from a 403(b) or 457(b) plan, including the Kentucky Deferred Compensation Plan.

In order to maintain the qualified status of the Systems, KRS must follow Internal Revenue Code 415(c) Limits, which will affect only after-tax contributions for service purchases.

Under the Internal Revenue Code, there are limits that have to be applied to service purchases made with after-tax lump sum and after-tax installment payments. These limits are called the 415(c) Limits. Under these limits, a member can contribute in one year for an after-tax service purchase the lesser of $45,000 (subject to annual adjustment) or 100% of Compensation as defined by the Code and IRS guidance. Although KRS realizes that these limits may affect some members of the Systems, KRS has taken steps to minimize the impact.

<u>There are very important exceptions from the 415(c) Limits that will benefit many KRS members.</u>

1. Repayments of Refunds

If a member is recontributing refunded contributions, the member will not be subject to the 415(c) Limits at the time of recontribution.

2. Pre-Tax Contributions, Rollovers, and Transfers

The 415(c) Limits do not apply to pre-tax contributions, rollovers (pre-tax and after-tax), and plan-to-plan transfers (pre-tax and after-tax).

3. In-Service Transfers

The 415(c) Limits do not apply to in-service transfers from 457(b) plans and 403(b) plans for service purchases. KRS has obtained IRS approval for this program. This program was recently expanded as a result of federal law changes in the Pension Protection Act of 2006.

4. Grandfathered Purchases

Individuals who first became a member of a system before July 1, 1999, are not subject to the 415(c) Limits with regard to service that was allowed to be purchased under the terms of the plan in effect on August 5, 1997. This grandfathered group reflects a significant number of purchases made in recent years.

5. Omitted Service

If a member is purchasing omitted service, the 415(c) Limits that relate to the period when the member was not covered are used instead of the 415(c) Limits for the year of the payment.

<u>KRS will use the following procedures in applying the 415(c) Limits to after-tax lump sum and installment payments.</u>

1. **The service purchase will be analyzed to determine if it is refunded service, omitted service or grandfathered service.**
   a. If the service is refunded service or grandfathered service, the 415(c) Limits will not be applied.
   b. If the service is omitted service, special 415(c) Limits will be applied.
2. **If a member wishes to contribute more than the 415(c) Limits in any particular year, then that individual's situation will be further analyzed to determine whether a multi-year approach can be followed or if other sources can be used to complete the purchase.**
3. **If the member is making the purchase with contributions other than after-tax lump sum or installment payments, no 415(c) Limits will be applied to the contributions at time of purchase.**

<u>The new implementation procedures will go into effect July 1, 2007.</u>

START *Strategic Technology Advancements for the Retirement of Tomorrow*

To enhance the quality and efficiency of services to our members, KRS is preparing to embark on the most significant improvement project in its history. This project is called **START**, Strategic Technology Advancements for the Retirement of Tomorrow.

The **START** project will begin in March of 2007 and will revolutionize the manner in which KRS conducts business. Specifically, the **START** project will replace the technology tools that have served KRS for almost thirty years. Although our computer system has served our staff and our customers well, it is now time for KRS to modernize its systems and practices.

As you know, KRS must react quickly to constantly changing federal and state regulatory requirements, customer demands, and other business factors. Simply put, our current pension administration system cannot continue to easily or quickly react to these constantly evolving requirements.

However, we recognize and understand that the most important goal of **START** is to give KRS the tools to provide improved services to you, our customer. Some of the new features of **START** project that will allow KRS to better serve you include . . .

Improved access to information

START will provide KRS with more timely information which in turn will allow us to meet your requests and answer your questions more quickly and thoroughly. Additionally, START will provide you, as a member or retiree, access to your information at KRS.

Open for business 24 hours per day, 7 days per week

Utilizing the Internet, you will be able to access information about your member or retiree account around the clock. For members, this includes access to current address information, account balances, service purchase estimates, retirement benefit estimates, and other important features. Retirees will be able to view address information, benefit payments including benefit amounts, withholding, insurance premiums and other important information.

Online enrollment for Healthcare Benefits

Once START is fully implemented, retirees will be able to enroll online into KRS provided healthcare plans more easily, and without making a long trip to Frankfort for completion of paper-based forms.

With all of the new features that we are planning, you can be assured that KRS will continue to stay focused on our mission to provide for the needs of our members while being sensitive to the importance of protecting your personal and private information. You can also depend upon KRS to provide the same one-on-one quality service that you have come to expect and appreciate.

It is important to note that **START** will take three years to complete, so you won't see any changes in the way you interact with KRS overnight. We will continue to provide information about **START**, its features, benefits, and the implementation timelines in upcoming newsletters and on our website at www.kyret.com.

Information Security

Kentucky Retirement Systems (KRS) understands the importance of protecting your information. Over the past twelve months, we have initiated a number of activities to better protect KRS member information. Some of the steps we have taken to better protect your data are:

- The position of Information Security Officer was established and filled.
- We have initiated a security awareness program for KRS staff and management. This program includes newsletters, presentations, training, alerts and security risk information.
- A review of business processes was undertaken to determine potential security risks. This process will evolve into a risk management plan that will be evaluated and reviewed on a regular basis by the KRS management team to ensure that we understand and address potential vulnerabilities.
- KRS has acquired the services of a third-party provider to assess and make recommendations regarding our technology infrastructure. We will continue these assessments on a regular basis to improve our technology based security posture.

Additionally, we have implemented a project within KRS to review all documents, forms and reports related to our members. We have already reduced a number of potential security concerns by removing your Social Security Number (SSN) from many of the materials you receive from KRS. The Board of Trustees also adopted a Disclosure Policy in August, 2006 that dictates how KRS responds to potential exposures of member information.

These improvements, along with the new policy should help ensure the proper protection of your data. The policy adoption will also provide KRS with industry standard approaches to unintended or inadvertent disclosures. Those activities, along with our strategy of continuous risk management and assessment should ensure that your personal information is protected by KRS.

Identity theft has become a significant problem for all of us. If you think you have been a victim of identity theft, you should:

- Contact your credit card and financial institutions to report the issue.
- Contact one or all of the following three major credit reporting companies and tell them you have been the victim of identity theft.

Equifax: 800-525-6285; www.equifax.com

Experian: 888-397-3742; www.experian.com

TransUnion: 800-680-7289; www.transunion.com

File a complaint with the Federal Trade Commission (FTC) at www.consumer.gov/idtheft.

File a report with your local police. You may need a copy of the report to provide various credit and financial entities.

Call the Social Security Fraud Hotline: 800-269-0271.

New Factor Changes to Take Effect July 2007

Every five years, Kentucky Retirement Systems' actuary conducts a study to ensure the actuarial assumptions reflect the experience of the Systems and continue to represent the actuary's estimate of anticipated events. The most recent experience study was approved by the Board of Trustees and, as a result of changes in the interest rate and retiree mortality assumptions, the following purchase and payment option factors will be adjusted effective July 1, 2007:

- Payment Option Factors: State law requires that all options for receiving a retirement benefit be actuarially equivalent to ensure the various options provide the same level of financial benefit to the member. For example, a member who chooses a Partial Lump Sum Option receives a lump sum amount of money up front, but their future monthly payments are reduced to reflect this event. Based upon the actuary's recommendation, the Board adjusted all payment option factors to ensure the actuarial equivalence of each.

- Special Early Factors: When a member is eligible to retire prior to attaining the necessary service or age for an unreduced benefit, a reduction must be applied to the payment amount. To maintain actuarial equivalence and to reflect assumption changes recommended by the Systems' actuary, the factors used for this calculation will also be adjusted effective July 1, 2007.

- Service Purchase and Hazardous Conversion Factors: This adjustment will impact purchases made on or after July 1, 2007. Depending upon individual circumstances, these factor changes may increase or decrease the cost of service purchases.

If you have previously requested estimates for retirement dates of July 1, 2007 or after, you should consider contacting KRS to obtain a new estimate which will reflect the factor changes. To request an estimate or service purchase cost calculation, please contact KRS at 502-696-8800 or Toll Free 1-800-928-4646.

Early Distribution Penalty Changes

The Pension Protection Act of 2006, Federal legislation that was signed into law last year, prescribes numerous changes for pension plans, several of which will affect the way Kentucky Retirement Systems administers your benefits. Although most of the reforms will not take effect until the 2008 plan year, some provisions became effective upon signing. One such reform is the exception of the 10% early distribution penalty for public safety officers who separate from service at age 50 or older.

Distributions from qualified retirement plans before the month the member reaches age 59½ are considered "early" and may be subject to a 10% excise tax. An exception from this tax exists for KRS members who choose to withdraw their contributions before they reach age 59½, if they were age 55 or older when they terminated employment. Section 828 of the Pension Protection Act creates an additional exception to the 10% premature distribution penalty for payments made to qualified public safety employees who separate from service after age 50 (rather than 55).

For the purposes of this Act, a qualified public safety employee is any employee who provides police protection, firefighting services or emergency medical services for any area within the jurisdiction of the employing state or political subdivision. Although most of our members who are classified as Hazardous will qualify for this exemption, there are some exceptions. Additionally, some members who are classified as Non-Hazardous may also qualify.

To ensure that everyone is accurately classified, any member who received an early distribution through Refund of Contributions, Partial Lump Sum Payment or Actuarial Refund, or Ten Year Certain Options on or after August 17, 2006, and was between the ages of 50 and 55 in the year in which they terminated employment, will receive a letter asking the member to verify the last position held. Those members who qualify for this exception will receive an updated 1099-R.

In the future, members applying for these options will be asked to verify their position on the application forms.

Focused on Your Health

Kentucky Retirement Systems is introducing a focus on primary prevention, living a healthy lifestyle and following preventive screenings. Kentucky is one of the least healthy states in the nation. Kentucky ranks near the top of all states in cancer and cardiovascular deaths per 100,000 residents and ranks second in overall mortality. The obesity level in Kentucky is 6th in the nation. Diabetes ranks at 7th. There are risk factors that you can control in the prevention of some chronic diseases such as cardiovascular and diabetes. Risk factors are conditions or behaviors that increase your chances of developing a disease. When you have more than one risk factor for heart disease, your risk of developing heart disease greatly multiplies. For example, if you have high blood pressure you need to take action.

Risk Factors for Heart Disease You Can Control:

- High blood pressure
- Abnormal cholesterol
- Tobacco use
- Diabetes (being overweight increases your risk of developing Type II Diabetes)
- Overweight
- Physical activity

Choosing a Healthy Lifestyle

Reduce your risks for chronic diseases such as heart disease and diabetes.

- Maintain a healthy weight.
- Eat right.
- Stay physically active.
- Quit smoking.
- Control your blood pressure and cholesterol levels.

Maintain a healthy weight – Being overweight or obese increases the risk of many diseases and health conditions, including the following:

- Hypertension or High Blood Pressure
- Dyslipidemia (for example, high total cholesterol or high levels of triglycerides)
- Type 2 Diabetes
- Coronary Heart Disease
- Stroke
- Gallbladder Disease
- Osteoarthritis
- Sleep Apnea and Respiratory Problems
- Some Cancers (endometrial, breast, and colon)

Whether you want to lose weight or maintain a healthy weight, it's important to understand the connection between the energy your body takes in (through the foods you eat and the beverages you drink) and the energy your body uses (through the activities you do).

To lose weight, you need to use more calories than you take in. To maintain a healthy weight, you need to balance the calories you use with those you take in. No matter which results you want, eating a healthy diet and being physically active can help you reach your goal.

Focused on Your Health

Some Things You Can Do:

Eating Right – Choose the most nutritionally rich foods you can from each food group each day – those packed with vitamins, minerals, fiber, and other nutrients, but lower in calories. Pick foods like fruits, vegetables, whole grains, and fat-free or low-fat milk and milk products more often.

- Vegetables and Fruits are an important part of a well balanced and healthy eating plan. Using more fruits and vegetables along with whole grains and lean meats, nuts, and beans is a safe and healthy way to maintain a healthy weight. Diets rich in fruits and vegetables may reduce the risk of some types of cancer and other chronic diseases. They also provide essential vitamins and minerals, fiber and other substances that are important for good health.

- Try steaming your vegetables, using low calorie or low-fat dressings, and using herbs and spices to add flavor. Some cooking techniques such as breading and frying, or using high-fat dressings or sauces will increase the calories and fat in the dish.

- Substitution is the key, eat fruits and vegetables instead of other high-calorie foods.

- Meats, poultry, eggs, fish, and dried beans (for example, navy, kidney, or black), especially products low in fat, such as lean meat and poultry prepared without skin.

- Limit calories and saturated fat.

- Watch portion sizes.

Keeping Active – Regular physical activity is important for your overall health and fitness. It also helps you control body weight by balancing the calories you take in as food with the calories you expend each day. If you have any medical conditions, it is important that you discuss your activity plan with your physician.

- Be physically active, at a moderate intensity for at least 30 minutes most days of the week.

- Increasing the intensity or the amount of time that you are physically active can have even greater health benefits and may be needed to control body weight. About 60 minutes a day may be needed to prevent weight gain.

- If you have not been active, start slowly.

- Choose something that fits into your daily life.

- Choose an activity you like, or try a new one.

- Ask a friend or family member to join you.

- Make time in your day – Make it a Healthy Habit.

Focused on Your Health

Screening Tests:

Another very important way to stay healthy and prevent disease is screening tests. See the listing below based on the U.S. Preventive Services Task Force recommendations.

MEN

Cholesterol Checks – have your cholesterol checked at least every 5 years, starting at age 35. If you smoke, have diabetes, or if heart disease runs in your family, start having your cholesterol checked at age 20.

Blood Pressure – have your blood pressure checked at least every 2 years.

Colorectal Cancer Tests – begin regular screening for colorectal cancer starting at age 50. Your doctor can help you decide which test is right for you. How often you need to be tested will depend on which test you have. Please discuss with your doctor any concerns about family history and screenings at an earlier age.

Diabetes Tests – have a test to screen for diabetes if you have high blood pressure or high cholesterol.

Depression – if you've felt "down," sad, or hopeless, or felt little interest or pleasure in doing things for 2 weeks straight, talk to your doctor about whether he or she can screen you for depression.

Sexually Transmitted Diseases – talk to your doctor to see whether you should be screened for sexually transmitted diseases, such as HIV.

Prostate Cancer Screening – talk to your doctor about the possible benefits and harms of prostate cancer screening if you are considering having a prostate-specific antigen (PSA) test or digital rectal examination (DRE).

WOMEN

Mammograms – have a mammogram every 1 to 2 years starting at age 40.

Pap Smears – have a pap smear every 1 to 3 years if you have been sexually active or are older than 21.

Cholesterol Checks – have your cholesterol checked regularly starting at age 45. If you smoke, have diabetes, or if heart disease runs in your family, start having your cholesterol checked at age 20.

Blood Pressure – have your blood pressure checked at least every 2 years.

Colorectal Cancer Tests – have a test for colorectal cancer starting at age 50. Your doctor can help you decide which test is right for you.

Diabetes Tests – have a test to screen for diabetes if you have high blood pressure or high cholesterol.

Depression – if you've felt "down," sad, or hopeless, or felt little interest or pleasure in doing things for 2 weeks straight, talk to your doctor about whether he or she can screen you for depression.

Osteoporosis Tests – have a bone density test at age 65 to screen for osteoporosis (thinning of the bones). If you are between the ages of 60 and 64 and weigh 154 lbs. or less, talk to your doctor about whether you should be tested.

Chlamydia Tests and Tests for Other Sexually Transmitted Diseases – have a test for Chlamydia if you are 25 or younger, and sexually active. If you are older, talk to your doctor to see if you should be tested. Also, talk to your doctor to see whether you should be tested for other sexually transmitted diseases.

Information obtained from U.S. Department of Health and Human Services Agency for Healthcare Research and Quality and Centers for Disease Control and Prevention

One-on-One Retirement Conference Schedule

For your convenience, we will be providing One-on-One Conferences throughout the state. These sessions give members the opportunity to meet individually with a Retirement Counselor to discuss retirement estimates, service purchases, and questions regarding individual retirement accounts.

You must make an appointment for the One-on-One Conferences. To reserve an appointment for a particular conference, please call the Employee Call Center at 1-888-696-8820. Members should consider what retirement dates, purchases, and information they desire for the one-on-one session before making an appointment. You are encouraged to bring your spouse, and a photo ID is required at the session.

2007 One-on-One Retirement Conference Schedule

DATE	CITY	LOCATION	CALL FOR APPT.
Feb. 19-23	Louisville	Memorial Auditorium - Ballroom 970 S. 4th Street (4th and KY) Louisville, KY 40203	Beginning January 8, 2007
March 19-22	Mt. Olivet	Blue Licks Battlefield State Resort Highway 68 Mt. Olivet, KY 41064	Beginning February 12, 2007
April 16-20	Hardin	Kenlake State Resort Park 542 Kenlake Road Hardin, KY 41064	Beginning March 12, 2007
May 14-17	Buckhorn	Buckhorn Lake State Resort Park 4441 HWY 1833 Buckhorn, KY 41721	Beginning April 16, 2006
June 18-22	Henderson	John James Audubon State Park 3100 US Highway 41N Henderson, KY 42419	Beginning May 21, 2006

Please note that postcards will no longer be mailed in advance of each One-on-One Conference. You must make appointments for conferences by contacting the Call Center at 1-888-696-8820. Please see the schedule for dates you can begin calling to schedule an appointment for a specific conference.

SPRS Trustee Election Update

As mentioned in previous newsletters, employees, inactive members and retired members of the State Police Retirement System (SPRS) will be voting for an individual to serve on the KRS Board of Trustees this year. Election ballots will be mailed by January 31, 2007.

Please remember that all ballots must be postmarked no later than March 1, 2007 and must include your signature in order to be valid. The winner of the SPRS election will be announced on or before March 15, 2007 and the trustee elected will begin his or her new term in April 2007. Please take care of your ballot, as duplicate ballots will not be provided if yours is misplaced.

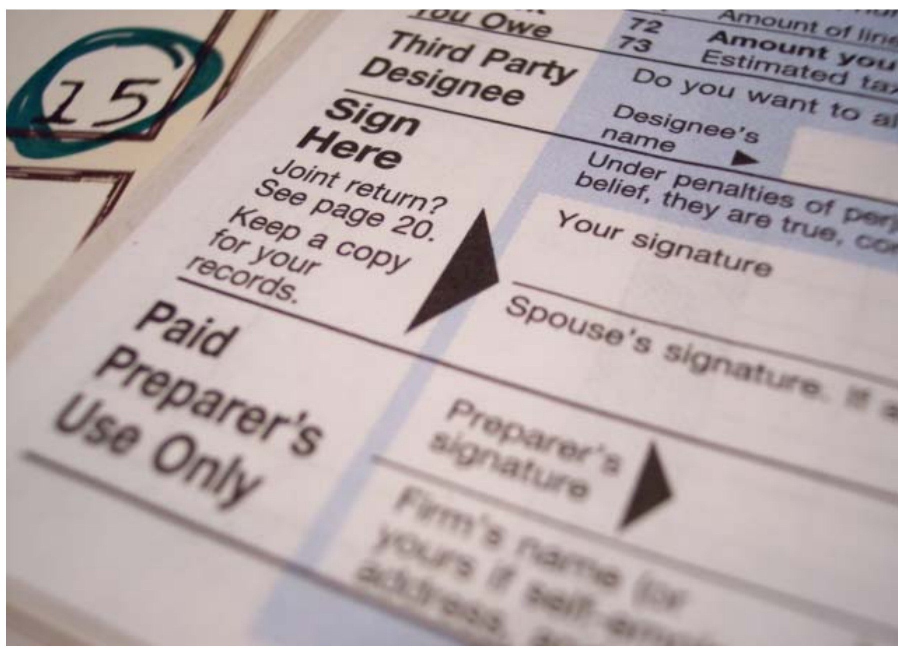
1099 Forms for 2006

If you received benefits from Kentucky Retirement Systems in calendar year 2006, you will receive a 1099-R Form.

The forms provide information about benefits received during the year and the amount withheld for federal income tax. A copy of this form should be included when filing federal income tax returns if any federal tax is withheld. The same information will be provided to the IRS.

Forms will be mailed by January 31, 2007.

Income Tax Withholdings



If you are a retiree, you have the option to choose the amount of federal income tax that is withheld from your benefit payments. This notice serves as a reminder that you may change that decision if you wish.

Starting January 1, 2007, the amount of federal tax being withheld from your payments (if any) may change because the withholding tables have changed.

Your original choice on withholding will remain in effect until you file a new election with the retirement office.

Withholding is one way for you to pay a portion of your income tax. If no tax or not enough tax is withheld from your benefits, you may have to pay estimated taxes during the year, or a tax penalty at the end of the year. Of course, whether you have to pay federal income tax on your benefit payments depends on the total amount of your taxable income. Remember, for many people, Social Security benefits are not taxable.

Your decision on withholding is an important one. You may wish to discuss it with a qualified tax advisor.

COBRA and the 2007 Kentucky Employee Health Plans

For plan year 2007, two vendors will perform COBRA administration services for the Kentucky Retirement Systems health plans.

Ceridian COBRA Continuation Services will provide COBRA administration services for the Kentucky Employees Health Plans (KEHP). The names of the KEHP plans are the Commonwealth Essential plan, the Commonwealth Enhanced plan, and the Commonwealth Premier plan. Members enrolled in these plans will receive COBRA customer service support from Ceridian COBRA Continuation Services.

Discovery Benefits, Inc. will provide COBRA administration services for the health benefit plans available to members who are eligible for Medicare coverage. The names of these plans are the "Kentucky Retirement Systems Health Plan—Medical Only", the "Kentucky Retirement Systems Health Plan—Plus" and the "Kentucky Retirement Systems Health Plan—Premium".

If you have more questions on COBRA after contacting the COBRA vendor serving your plan, please call Kentucky Retirement Systems at 1-800-928-4646 or (502) 696-8800.

Please review carefully any COBRA notices and other COBRA-related information that you receive to adequately understand your COBRA rights and obligations.

Choosing Direct Deposit

If you are now receiving a check and would prefer that the retirement office deposit your monthly payment directly to your account, call the retirement office and request a Form 6130, Authorization for Deposit of Retirement Payments, or you may download this form from www.kyret.com.

Direct deposit is the safest and most reliable method of payment because it insures that your check will not be lost, stolen or delayed. Your money will be in your account on the day you expect it, you will not need to rush to the bank to deposit your check, and you may travel without worrying about arranging for someone to watch for your check. You will receive a "check stub" every January and July, and you will receive a letter or mailer should the amount of your deposit change at any other time during the year.

2007 Cost of Living Raise to Retirees

Retired members and beneficiaries who are receiving a benefit as of June 2007 will receive a 3.2% increase on their July retirement allowance. The increase will be given automatically and is based on the percentage increase in the annual average of the Consumer Price Index for all urban consumers. The State Legislature may reduce, suspend or eliminate Cost of Living Adjustments.

Kentucky Employees Retirement System Non-Hazardous

The Kentucky Employees Retirement System (KERS) was established July 1, 1956 by the state legislature. Employees who work in a regular full time position for a participating agency must be enrolled in the retirement system at the beginning of their employment. A regular full-time position is defined by state statute as a position that averages 100 hours of work per month over a fiscal or calendar year, excluding the classifications of temporary, seasonal, and interim.

Members

Active Members:	46,707
Inactive Members:	29,143
Retired Members and Beneficiaries:	32,140

Active Membership

Average Age:	43.0
Average Years of Service:	9.0
Average Annual Salary:	$36,445

Retired Membership

Average Age:	66.2
Average Annual Benefit:	$19,256
Number Added:	2,481
Number Removed:	1,111

Normal Retirement

The KERS formula for normal retirement is:

Final Compensation x *Benefit Factor* x *Years of Service*

Insurance Benefits

The cost of insurance for the retired member may be partially, or fully paid by KRS depending upon the member's years of service, the insurance carrier selected and the level of coverage chosen.

Net Plan Assets

Pension Fund:	$5,440,133,000
Insurance Fund:	$ 612,585,000
Total:	$6,052,718,000

Cost of Living Adjustment

Monthly retirement allowances are increased July 1 each year by the percentage increase in the annual average consumer price index (CPI-U) for all urban consumers for the most recent calendar year not to exceed 5%. The State Legislature may reduce, suspend or eliminate COLAs in the future.

Contributions

Employees:		5%
Employers:	Pension:	15.55%
	Insurance:	32.82%
	Total:	48.37% *

(Rate Effective July 1,2007)

***KERS employer rates are subject to state budget approval. The KERS Non-Hazardous employer rate adopted in the 2006-2008 Executive Branch Budget enacted as HB 380 during the 2006 legislative session that will become effective on July 1, 2007 is 8.50%.**

KERS Hazardous Highlights

Members

Active Members:	4,320
Inactive Members:	2,501
Retired Members and Beneficiaries:	1,980

Active Membership

Average Age:	41.6
Average Years of Service:	7.0
Average Annual Salary:	$32,117

Retired Membership

Average Age:	61.1
Average Annual Benefit:	$12,729
Number Added:	256
Number Removed:	28

Normal Retirement

The KERS formula for normal retirement is:

Final Compensation x *Benefit Factor* x *Years of Service*

Insurance Benefits

The cost of insurance for the retired member and eligible dependents may be partially, or fully paid by KRS depending upon the member's type and years of service, the insurance carrier selected and the level of coverage chosen.

Net Plan Assets Net Plan Assets

Pension Fund:	$ 437,030,000
Insurance Fund:	$ 223,458,000
Total:	$ 660,488,000

Cost of Living Adjustment

Monthly retirement allowances are increased July 1 each year by the percentage increase in the annual average consumer price index (CPI-U) for all urban consumers for the most recent calendar year not to exceed 5%. The State Legislature may reduce, suspend or eliminate COLAs in the future.

Contributions

Employees:		8 %
Employers:	Pension:	10.20 %
	Insurance:	36.91 %
	Total:	47.11 %*

(Rate Effective July 1,2007)

*** KERS employer rates are subject to state budget approval. The KERS Hazardous employer rate adopted in the 2006-2008 Executive Branch Budget enacted as HB 380 during the 2006 legislative session that will become effective on July 1, 2007 is 24.25%.**

Kentucky Employees Retirement System Hazardous

The Kentucky Employees Retirement System (KERS) was established July 1, 1956 by the state legislature. Employees who work in a regular full time position for a participating agency must be enrolled in the retirement system at the beginning of their employment. A regular full-time position is defined by state statute as a position that average 100 hours of work per month over a fiscal or calendar year, excluding the classifications of temporary, seasonal, and interim.

County Employees Retirement System Non-Hazardous

The County Employees Retirement System (CERS) was established July 1, 1958 by the state legislature. Employees who work in a regular full time position for a participating agency must be enrolled in the retirement system at the beginning of their employment. A regular full-time position is defined by state statute as a position that average 100 hours of work per month over a fiscal or calendar year, excluding the classifications of temporary, seasonal, and interim. For school board employees participating in the CERS non-hazardous plan, a regular full-time position is defined as a position that requires the employee to average 80 hours of work per month over the actual days worked during the school year.

Members

Active Members	83,694
Inactive Members	50,046
Retired Members and Beneficiaries	33,102

Active Membership

Average Age	45.1
Average Years of Service	8.1
Average Annual Salary	$23,687

Retired Membership

Average Age	68.1
Average Annual Benefit	$9,711
Number Added	2,782
Number Removed	1,027

Normal Retirement

The CERS formula for normal retirement is:

Final Compensation	*x*	*Benefit Factor*	*x*	*Years of Service*

Net Plan Assets

Pension Fund:	$5,191,377,000
Insurance Fund:	$ 813,998,000
Total:	$6,005,375,000

Insurance Benefits

The cost of insurance for the retired member may be partially, or fully paid by KRS depending upon the member's years of service, the insurance carrier selected and the level of coverage chosen.

Cost of Living Adjustment

Monthly retirement allowances are increased July 1 each year by the percentage increase in the average consumer price index (CPI-U) for all urban consumers for the most recent calendar year not to exceed 5%. The State Legislature may reduce, suspend or eliminate COLAs in the future.

Contributions

Employees:		5%
Employers:	Pension:	6.98%
	Insurance:	20.51%
	Total	27.49%*

(Rate Effective July 1,2007)

***The KRS Board of Trustees approved a five-year phase-in of the actuarially recommended insurance rate. As a result, the CERS Non-Hazardous rate that will become effective on July 1, 2007 is 16.17%.**

CERS Hazardous Highlights

Members

Active Members	9,635
Inactive Members	1,955
Retired Members and Beneficiaries	4,712

Active Membership

Average Age	37.8
Average Years of Service	8.3
Average Annual Salary	$44,310

Retired Membership

Average Age	58.4
Average Annual Benefit	$23,530
Number Added	427
Number Removed	76

Normal Retirement

The KERS formula for normal retirement is:

Final Compensation x *Benefit Factor* x *Years of Service*

Insurance Benefits

The cost of insurance for the retired member and eligible dependents may be partially, or fully paid by KRS depending upon the member's type and years of service, the insurance carrier selected and the level of coverage chosen.

Cost of Living Adjustment

Monthly retirement allowances are increased July 1 each year by the percentage increase in the annual average consumer price index (CPI-U) for all urban consumers for the most recent calendar year not to exceed 5%. The State Legislature may reduce, suspend or eliminate COLAs in the future.

Net Plan Assets

Pension Fund:	$1,528,845,000
Insurance Fund:	$ 411,121,000
Total:	$1,939,966,000

Contributions

Employees:		8 %
Employers:	Pension:	15.01 %
	Insurance:	39.52 %
	Total:	54.53%*

(Rate Effective July 1,2007)

***The KRS Board of Trustees approved a five-year phase-in of the actuarially recommended insurance rate. As a result, the CERS Non-Hazardous rate that will become effective on July 1, 2007 is 33.87%.**

County Employees Retirement System Hazardous

The County Employees Retirement System (CERS) was established July 1, 1958 by the state legislature. Employees who work in a regular full time position for a participating agency must be enrolled in the retirement system at the beginning of their employment. A regular full-time position is defined by state statute as a position that average 100 hours of work per month over a fiscal or calendar year, excluding the classifications of temporary, seasonal, and interim.

State Police Retirement System

The State Police Retirement System (SPRS) was established July 1, 1960 by the state legislature. Employees who work in a regular full time position for a participating agency must be enrolled in the retirement system at the beginning of their employment. A regular full-time position is defined by state statute as a position that average 100 hours of work per month over a fiscal or calendar year, excluding the classifications of temporary, seasonal, and interim.

SPRS Highlights

Members

Active Members	1,028
Inactive Members	266
Retired Members and Beneficiaries	1,067

Active Membership

Average Age	36.5
Average Years of Service	10.5
Average Annual Salary	$44,443

Retired Membership

Average Age	59.8
Average Annual Benefit	$34,497
Number Added	43
Number Removed	10

Normal Retirement

The SPRS formula for normal retirement is:

Final Compensation x Benefit Factor x Years of Service

Insurance Benefits

The cost of insurance for the retired member and eligible dependents may be partially, or fully paid by KRS depending upon the member's type and years of service, the insurance carrier selected and the level of coverage chosen.

Net Plan Assets

Pension Fund:	$	352,841,000
Insurance Fund:	$	110,460,000
Total:	$	463,301,000

Cost of Living Adjustment

Monthly retirement allowances are increased July 1 each year by the percentage increase in the average consumer price index for all urban consumers for the most recent calendar year not to exceed 5%. The General Assembly may reduce, suspend or eliminate COLAs in the future.

Contributions

Employees:		8%
Employers:	Pension:	28.95 %
	Insurance:	91.05 %
	Total:	120.00% *

(Rate Effective July 1,2007)

***SPRS employer rates are subject to state budget approval. The SPRS employer rate adopted in the 2006-2008 Executive Branch Budget enacted as HB 380 during the 2006 legislative session that will become effective on July 1, 2007 is 28.00%.**

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Kentucky Retirement Systems
Perimeter Park West
1260 Louisville Road
Frankfort, Kentucky 40601

Contacting Kentucky Retirement Systems

By Mail	Kentucky Retirement Systems Perimeter Park West 1260 Louisville Road Frankfort, KY 40601-6124	All written inquiries should include the member's name, social security number, home mailing address, and signature. If you are requesting an estimate of retirement benefits, please include any retirement dates you are considering. If you are requesting a service purchase calculation, please include the type of purchase and the necessary verification if required.
By Phone	1-800-928-4646 outside Frankfort 502-696-8800 in Frankfort	Telephone inquiries are handled by the Retirement Systems' call center, which assists callers in obtaining services or forms and with answers to questions about the Retirement Systems. You can also make an appointment to see a KRS counselor at the retirement office or submit a request for information by contacting the KRS call center.
Web Page	Visit us online at: www.kyret.com	You can generate individual retirement estimates online by going to www.kyret.com and selecting "Online Benefit Estimator." Educational materials and forms are also available on our web page.