



SCHEDULE B (continued)

		Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension Expense				
Code	Employer	Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Pension Expense	Deferred Contributions and Proportionate Share of Contributions	Total Pension Expense
State Agencies											
301	Technical Education District - Madisonville	\$ 118,051	\$ 1,447,900	\$ 147,384	\$ 9,015,330	\$ 10,728,665	\$ 1,542,945	\$ 2,157,318	\$ 3,700,263	\$ (1,404,362)	\$ 2,295,901
302	Technical Education District - Bowling Green	120,419	1,476,938	150,340	9,179,740	10,927,437	1,573,888	2,200,593	3,774,481	(2,532,380)	1,242,101
303	Technical Education District - Elizabethton	544	6,669	679	20,572,304	20,580,196	7,126	9,930	17,056	(5,876,394)	(5,859,338)
304	Technical Education District - Frankfort	95,766	1,174,578	119,562	15,629,350	17,019,256	1,251,681	1,750,098	3,001,779	(5,048,472)	(2,046,693)
305	Technical Education District - Hazard	112,611	1,381,174	140,592	12,049,351	13,683,728	1,471,838	2,057,900	3,529,738	(3,818,310)	(288,572)
308	Adult Council on Post Secondary Education	8,000	98,125	9,988	1,851,955	1,968,068	104,566	146,208	250,774	(569,711)	(318,937)
316	Office of Career and Technical Education	34,626	424,691	43,230	4,705,033	5,207,580	452,569	632,774	1,085,343	510,877	1,596,220
317	Office of Secretary of Workforce Investment	1,500	18,403	1,873	329,641	351,417	19,611	27,428	47,039	(121,338)	(74,299)
318	Department for Vocational Rehabilitation	172,791	2,119,291	215,726	27,291,983	29,799,791	2,258,408	3,157,706	5,416,114	(7,868,145)	(2,452,031)
320	School for the Blind	49,892	611,929	62,289	8,023,145	8,747,255	652,078	911,764	1,563,842	(2,433,064)	(869,222)
330	School for the Deaf	69,947	857,908	87,328	10,415,724	11,430,907	914,242	1,278,264	2,192,506	(3,205,825)	(1,013,319)
345	Department of Education	281,953	3,458,162	352,012	35,193,476	39,285,603	3,685,166	5,152,586	8,837,752	(10,428,786)	(1,591,034)
728	Department of Corrections	1,405	17,231	1,754	202,328	222,718	18,363	25,661	44,024	(63,452)	(19,428)
896	Education Professional Standards Board	19,566	239,977	24,428	2,837,171	3,121,142	255,730	357,568	613,298	(716,839)	(103,541)
	Total - State Agencies	\$ 1,087,071	\$ 13,332,976	\$ 1,357,185	\$ 157,296,531	\$ 173,073,763	\$ 14,208,211	\$ 19,865,798	\$ 34,074,009	\$ (43,576,201)	\$ (9,502,192)



SCHEDULE B (continued)

Code	Employer	June 30, 2017			Deferred Outflows of Resources			
		Employer's Proportionate Share of Net Pension Liability	State's Proportionate Share of Net Pension Liability	Total Net Pension Liability	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
Local School Districts and Educational Cooperatives								
1	Adair County Schools	\$ -	\$ 87,716,584	\$ 87,716,584				
2	Allen County Schools	-	104,612,639	104,612,639				
3	Anderson County Schools	-	120,788,524	120,788,524				
4	Ballard County Schools	-	46,164,237	46,164,237				
5	Barren County Schools	-	176,519,224	176,519,224				
6	Bath County Schools	-	73,569,801	73,569,801				
7	Bell County Schools	-	91,015,225	91,015,225				
8	Boone County Schools	-	817,224,215	817,224,215				
9	Bourbon County Schools	-	99,828,329	99,828,329				
10	Boyd County Schools	-	117,225,992	117,225,992				
11	Boyle County Schools	-	113,203,135	113,203,135				
12	Bracken County Schools	-	43,176,978	43,176,978				
13	Breathitt County Schools	-	69,382,889	69,382,889				
14	Breckinridge County Schools	-	96,194,023	96,194,023				
15	Bullitt County Schools	-	488,866,344	488,866,344				
16	Butler County Schools	-	72,155,366	72,155,366				
17	Caldwell County Schools	-	61,768,898	61,768,898				
18	Calloway County Schools	-	109,163,279	109,163,279				
19	Campbell County Schools	-	176,749,656	176,749,656				
20	Carlisle County Schools	-	28,994,847	28,994,847				
21	Carroll County Schools	-	77,824,170	77,824,170				
22	Carter County Schools	-	148,133,916	148,133,916				
23	Casey County Schools	-	73,260,579	73,260,579				
24	Christian County Schools	-	294,075,755	294,075,755				
25	Clark County Schools	-	189,692,739	189,692,739				
26	Clay County Schools	-	117,189,836	117,189,836				
27	Clinton County Schools	-	61,397,615	61,397,615				
28	Crittenden County Schools	-	43,221,229	43,221,229				
29	Cumberland County Schools	-	32,319,931	32,319,931				
30	Daviess County Schools	-	427,477,363	427,477,363				
31	Edmonson County Schools	-	66,296,602	66,296,602				
32	Elliott County Schools	-	39,335,714	39,335,714				
33	Estill County Schools	-	84,263,333	84,263,333				
34	Fayette County Schools	-	1,983,376,595	1,983,376,595				
35	Fleming County Schools	-	77,414,842	77,414,842				
36	Floyd County Schools	-	203,947,183	203,947,183				
37	Franklin County Schools	-	224,641,329	224,641,329				
38	Fulton County Schools	-	22,609,381	22,609,381				
39	Gallatin County Schools	-	60,302,386	60,302,386				
40	Garrard County Schools	-	87,025,826	87,025,826				



SCHEDULE B (continued)

Code	Employer	June 30, 2017			Deferred Outflows of Resources			
		Employer's Proportionate Share of Net Pension Liability	State's Proportionate Share of Net Pension Liability	Total Net Pension Liability	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
41	Grant County Schools	-	128,912,489	128,912,489				
42	Graves County Schools	-	154,512,637	154,512,637				
43	Grayson County Schools	-	143,273,245	143,273,245				
44	Green County Schools	-	59,598,406	59,598,406				
45	Greenup County Schools	-	102,329,629	102,329,629				
46	Hancock County Schools	-	66,273,667	66,273,667				
47	Hardin County Schools	-	541,260,627	541,260,627				
48	Harlan County Schools	-	123,534,828	123,534,828				
49	Harrison County Schools	-	99,430,873	99,430,873				
50	Hart County Schools	-	96,162,453	96,162,453				
51	Henderson County Schools	-	257,816,883	257,816,883				
52	Henry County Schools	-	78,730,791	78,730,791				
53	Hickman County Schools	-	32,230,348	32,230,348				
54	Hopkins County Schools	-	250,714,485	250,714,485				
55	Jackson County Schools	-	82,480,583	82,480,583				
56	Jefferson County Schools	-	5,016,422,679	5,016,422,679				
57	Jessamine County Schools	-	295,387,116	295,387,116				
58	Johnson County Schools	-	137,961,692	137,961,692				
59	Kenton County Schools	-	526,022,122	526,022,122				
60	Knott Counts Schools	-	83,805,975	83,805,975				
61	Knox County Schools	-	157,279,448	157,279,448				
62	Larue County Schools	-	92,601,000	92,601,000				
63	Laurel County Schools	-	308,818,587	308,818,587				
64	Law rence County Schools	-	91,890,815	91,890,815				
65	Lee County Schools	-	28,218,554	28,218,554				
66	Leslie County Schools	-	62,546,811	62,546,811				
67	Letcher County Schools	-	113,322,939	113,322,939				
68	Lewis County Schools	-	73,991,272	73,991,272				
69	Lincoln County Schools	-	128,026,106	128,026,106				
70	Livingston County Schools	-	46,984,783	46,984,783				
71	Logan County Schools	-	131,058,157	131,058,157				
72	Lyon County Schools	-	29,487,822	29,487,822				
73	Madison County Schools	-	384,985,477	384,985,477				
74	Magoffin County Schools	-	71,430,339	71,430,339				
75	Marion County Schools	-	129,140,223	129,140,223				
76	Marshall County Schools	-	173,882,200	173,882,200				
77	Martin County Schools	-	61,207,927	61,207,927				
78	Mason County Schools	-	101,226,844	101,226,844				
79	McCracken County Schools	-	257,357,367	257,357,367				
80	McCreary County Schools	-	98,779,239	98,779,239				



SCHEDULE B (continued)

Code	Employer	June 30, 2017			Deferred Outflows of Resources			
		Employer's Proportionate Share of Net Pension Liability	State's Proportionate Net Pension Liability	Total Net Pension Liability	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
81	McLean County Schools	-	56,898,243	56,898,243				
82	Meade County Schools	-	156,872,548	156,872,548				
83	Menifee County Schools	-	31,883,890	31,883,890				
84	Mercer County Schools	-	108,715,095	108,715,095				
85	Metcalfe County Schools	-	55,964,370	55,964,370				
86	Monroe County Schools	-	67,268,791	67,268,791				
87	Montgomery County Schools	-	172,778,606	172,778,606				
88	Morgan County Schools	-	63,444,526	63,444,526				
89	Muhlenberg County Schools	-	163,528,921	163,528,921				
90	Nelson County Schools	-	168,684,244	168,684,244				
91	Nicholas County Schools	-	36,410,785	36,410,785				
92	Ohio County Schools	-	137,855,110	137,855,110				
93	Oldham County Schools	-	464,913,222	464,913,222				
94	Owen County Schools	-	60,558,992	60,558,992				
95	Owsley County Schools	-	23,954,201	23,954,201				
96	Pendleton County Schools	-	79,590,461	79,590,461				
97	Perry County Schools	-	135,166,549	135,166,549				
98	Pike County Schools	-	312,509,016	312,509,016				
99	Powell County Schools	-	82,434,442	82,434,442				
100	Pulaski County Schools	-	275,575,036	275,575,036				
101	Robertson County Schools	-	13,047,776	13,047,776				
102	Rockcastle County Schools	-	105,942,079	105,942,079				
103	Rowan County Schools	-	104,836,326	104,836,326				
104	Russell County Schools	-	108,585,308	108,585,308				
105	Scott County Schools	-	313,518,441	313,518,441				
106	Shelby County Schools	-	280,579,526	280,579,526				
107	Simpson County Schools	-	108,683,795	108,683,795				
108	Spencer County Schools	-	100,935,430	100,935,430				
109	Taylor County Schools	-	92,658,744	92,658,744				
110	Todd County Schools	-	63,417,813	63,417,813				
111	Trigg County Schools	-	78,024,382	78,024,382				
112	Trimble County Schools	-	45,571,426	45,571,426				
113	Union County Schools	-	83,029,951	83,029,951				
114	Warren County Schools	-	507,432,630	507,432,630				
115	Washington County Schools	-	67,237,491	67,237,491				
116	Wayne County Schools	-	111,220,713	111,220,713				
117	Webster County Schools	-	72,342,356	72,342,356				
118	Whitley County Schools	-	156,076,827	156,076,827				
119	Wolfe County Schools	-	56,218,548	56,218,548				
120	Woodford County Schools	-	143,491,805	143,491,805				



SCHEDULE B (continued)

Code	Employer	June 30, 2017			Deferred Outflows of Resources			
		Employer's Proportionate Share of Net Pension Liability	State's Proportionate Net Pension Liability	Total Net Pension Liability	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
122	Anchorage City Schools	-	28,477,858	28,477,858				
124	Ashland City Schools	-	116,960,752	116,960,752				
125	Augusta City Schools	-	11,389,956	11,389,956				
126	Barbourville City Schools	-	23,101,007	23,101,007				
127	Bardstown City Schools	-	110,729,897	110,729,897				
128	Beechwood Independent Schools	-	53,843,257	53,843,257				
129	Bellevue City Schools	-	32,522,032	32,522,032				
131	Berea City Schools	-	42,117,905	42,117,905				
134	Bowling Green City Schools	-	158,791,831	158,791,831				
136	Burgin City Schools	-	18,001,268	18,001,268				
140	Campbellsville City Schools	-	46,301,849	46,301,849				
144	Caverna City Schools	-	29,858,565	29,858,565				
147	Cloverport City Schools	-	14,698,850	14,698,850				
150	Corbin City Schools	-	102,330,708	102,330,708				
151	Covington City Schools	-	178,677,034	178,677,034				
154	Danville City Schools	-	89,734,893	89,734,893				
155	Dawson Springs City Schools	-	23,357,882	23,357,882				
156	Dayton City Schools	-	37,116,653	37,116,653				
158	East Bernstadt City Schools	-	17,826,690	17,826,690				
160	Elizabethtown City Schools	-	95,684,588	95,684,588				
161	Eminence Independent Schools	-	29,858,565	29,858,565				
162	Erlanger-Elsmere City Schools	-	95,906,656	95,906,656				
163	Fairview Independent Schools	-	27,180,798	27,180,798				
166	Fort Thomas Independent Schools	-	126,478,915	126,478,915				
167	Frankfort City Schools	-	37,135,272	37,135,272				
170	Fulton City Schools	-	14,715,040	14,715,040				
173	Glasgow City Schools	-	89,270,790	89,270,790				
180	Harlan City Schools	-	24,955,261	24,955,261				
182	Hazard Independent Schools	-	38,101,793	38,101,793				
190	Jackson City Schools	-	9,840,607	9,840,607				
191	Jenkins City Schools	-	18,675,837	18,675,837				
206	Ludlow City Schools	-	37,666,022	37,666,022				
210	Mayfield City Schools	-	60,927,846	60,927,846				
214	Middlesboro City Schools	-	42,792,204	42,792,204				
221	Murray City Schools	-	60,524,454	60,524,454				
222	Newport City Schools	-	79,502,497	79,502,497				
224	Owensboro City Schools	-	200,057,351	200,057,351				
226	Paducah City Schools	-	114,137,548	114,137,548				
227	Paintsville City Schools	-	34,926,734	34,926,734				
228	Paris City Schools	-	25,401,286	25,401,286				



SCHEDULE B (continued)

Code	Employer	June 30, 2017			Deferred Outflows of Resources			
		Employer's Proportionate Share of Net Pension Liability	State's Proportionate Net Pension Liability	Total Net Pension Liability	Difference Between Expected and Actual Experience	Change of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources
230	Pikeville City Schools	-	58,301,885	58,301,885				
231	Pineville City Schools	-	17,638,350	17,638,350				
235	Raceland City Schools	-	38,491,964	38,491,964				
238	Russell City Schools	-	87,840,435	87,840,435				
239	Russellville City Schools	-	37,412,114	37,412,114				
240	Science Hill City Schools	-	15,957,595	15,957,595				
245	Silver Grove City Schools	-	10,015,995	10,015,995				
246	Somerset City Schools	-	61,529,291	61,529,291				
247	Southgate City Schools	-	8,761,297	8,761,297				
258	Walton-Verona Independent Schools	-	67,912,869	67,912,869				
259	West Point City Schools	-	6,059,785	6,059,785				
260	Williamsburg City Schools	-	28,792,747	28,792,747				
261	Williamstown City Schools	-	27,960,599	27,960,599				
870	Ohio Valley Educational Cooperative	-	16,838,851	16,838,851				
871	West Kentucky Educational Cooperative	-	8,406,744	8,406,744				
872	Southeast South-Central Educational Cooperative	-	1,581,728	1,581,728				
890	Green River Regional Educational Cooperative	-	8,935,066	8,935,066				
891	Central KY Special Education Cooperative	-	4,729,266	4,729,266				
892	KY Valley Educational Cooperative	-	6,437,273	6,437,273				
894	KY Educational Development Corporation	-	14,586,872	14,586,872				
895	Northern KY Cooperative for Educational Services	-	11,760,969	11,760,969				
	Total - Local School Districts	\$ -	\$ 26,334,613,008	\$ 26,334,613,008				
	Total Non University	\$ 270,258,086	\$ 26,712,486,103	\$ 26,982,744,189	\$ 1,459,559	\$ 31,888,239	\$ 11,192,264	\$ 44,540,062
	State's Proportionate Share of Outflows/Inflows				\$ 147,527,765	\$ 3,221,942,196	\$ 555,108,348	\$ 3,924,578,309



SCHEDULE B (continued)

		Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions				
Code	Employer	Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Pension Expense
<i>Local School Districts and Educational Cooperatives</i>											
1	Adair County Schools					\$ -	\$ 6,244,076	\$ 6,244,076	\$ -	\$ 6,244,076	
2	Allen County Schools					-	7,446,816	7,446,816	-	7,446,816	
3	Anderson County Schools					-	8,598,291	8,598,291	-	8,598,291	
4	Ballard County Schools					-	3,286,186	3,286,186	-	3,286,186	
5	Barren County Schools					-	12,565,462	12,565,462	-	12,565,462	
6	Bath County Schools					-	5,237,042	5,237,042	-	5,237,042	
7	Bell County Schools					-	6,478,888	6,478,888	-	6,478,888	
8	Boone County Schools					-	58,173,833	58,173,833	-	58,173,833	
9	Bourbon County Schools					-	7,106,246	7,106,246	-	7,106,246	
10	Boyd County Schools					-	8,344,693	8,344,693	-	8,344,693	
11	Boyle County Schools					-	8,058,327	8,058,327	-	8,058,327	
12	Bracken County Schools					-	3,073,539	3,073,539	-	3,073,539	
13	Breathitt County Schools					-	4,938,998	4,938,998	-	4,938,998	
14	Breckinridge County Schools					-	6,847,539	6,847,539	-	6,847,539	
15	Bullitt County Schools					-	34,799,788	34,799,788	-	34,799,788	
16	Butler County Schools					-	5,136,356	5,136,356	-	5,136,356	
17	Caldwell County Schools					-	4,396,998	4,396,998	-	4,396,998	
18	Calloway County Schools					-	7,770,752	7,770,752	-	7,770,752	
19	Campbell County Schools					-	12,581,865	12,581,865	-	12,581,865	
20	Carlisle County Schools					-	2,063,989	2,063,989	-	2,063,989	
21	Carroll County Schools					-	5,539,888	5,539,888	-	5,539,888	
22	Carter County Schools					-	10,544,863	10,544,863	-	10,544,863	
23	Casey County Schools					-	5,215,030	5,215,030	-	5,215,030	
24	Christian County Schools					-	20,933,685	20,933,685	-	20,933,685	
25	Clark County Schools					-	13,503,214	13,503,214	-	13,503,214	
26	Clay County Schools					-	8,342,119	8,342,119	-	8,342,119	
27	Clinton County Schools					-	4,370,569	4,370,569	-	4,370,569	
28	Crittenden County Schools					-	3,076,689	3,076,689	-	3,076,689	
29	Cumberland County Schools					-	2,300,684	2,300,684	-	2,300,684	
30	Daviess County Schools					-	30,429,834	30,429,834	-	30,429,834	
31	Edmonson County Schools					-	4,719,302	4,719,302	-	4,719,302	
32	Elliott County Schools					-	2,800,100	2,800,100	-	2,800,100	
33	Estill County Schools					-	5,998,257	5,998,257	-	5,998,257	
34	Fayette County Schools					-	141,186,002	141,186,002	-	141,186,002	
35	Fleming County Schools					-	5,510,750	5,510,750	-	5,510,750	
36	Floyd County Schools					-	14,517,912	14,517,912	-	14,517,912	
37	Franklin County Schools					-	15,991,018	15,991,018	-	15,991,018	
38	Fulton County Schools					-	1,609,441	1,609,441	-	1,609,441	
39	Gallatin County Schools					-	4,292,605	4,292,605	-	4,292,605	
40	Garrard County Schools					-	6,194,904	6,194,904	-	6,194,904	



SCHEDULE B (continued)

Code	Employer	Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of				
		Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Pension Expense
41	Grant County Schools						-	9,176,593	9,176,593	-	9,176,593
42	Graves County Schools						-	10,998,931	10,998,931	-	10,998,931
43	Grayson County Schools						-	10,198,858	10,198,858	-	10,198,858
44	Green County Schools						-	4,242,493	4,242,493	-	4,242,493
45	Greenup County Schools						-	7,284,301	7,284,301	-	7,284,301
46	Hancock County Schools						-	4,717,669	4,717,669	-	4,717,669
47	Hardin County Schools						-	38,529,457	38,529,457	-	38,529,457
48	Harlan County Schools						-	8,793,786	8,793,786	-	8,793,786
49	Harrison County Schools						-	7,077,954	7,077,954	-	7,077,954
50	Hart County Schools						-	6,845,292	6,845,292	-	6,845,292
51	Henderson County Schools						-	18,352,609	18,352,609	-	18,352,609
52	Henry County Schools						-	5,604,425	5,604,425	-	5,604,425
53	Hickman County Schools						-	2,294,307	2,294,307	-	2,294,307
54	Hopkins County Schools						-	17,847,027	17,847,027	-	17,847,027
55	Jackson County Schools						-	5,871,353	5,871,353	-	5,871,353
56	Jefferson County Schools						-	357,092,379	357,092,379	-	357,092,379
57	Jessamine County Schools						-	21,027,033	21,027,033	-	21,027,033
58	Johnson County Schools						-	9,820,757	9,820,757	-	9,820,757
59	Kenton County Schools						-	37,444,709	37,444,709	-	37,444,709
60	Knott Counts Schools						-	5,965,700	5,965,700	-	5,965,700
61	Knox County Schools						-	11,195,885	11,195,885	-	11,195,885
62	Larue County Schools						-	6,591,771	6,591,771	-	6,591,771
63	Laurel County Schools						-	21,983,148	21,983,148	-	21,983,148
64	Law rence County Schools						-	6,541,217	6,541,217	-	6,541,217
65	Lee County Schools						-	2,008,728	2,008,728	-	2,008,728
66	Leslie County Schools						-	4,452,374	4,452,374	-	4,452,374
67	Letcher County Schools						-	8,066,856	8,066,856	-	8,066,856
68	Lewis County Schools						-	5,267,044	5,267,044	-	5,267,044
69	Lincoln County Schools						-	9,113,496	9,113,496	-	9,113,496
70	Livingston County Schools						-	3,344,596	3,344,596	-	3,344,596
71	Logan County Schools						-	9,329,331	9,329,331	-	9,329,331
72	Lyon County Schools						-	2,099,081	2,099,081	-	2,099,081
73	Madison County Schools						-	27,405,063	27,405,063	-	27,405,063
74	Magoffin County Schools						-	5,084,745	5,084,745	-	5,084,745
75	Marion County Schools						-	9,192,804	9,192,804	-	9,192,804
76	Marshall County Schools						-	12,377,746	12,377,746	-	12,377,746
77	Martin County Schools						-	4,357,066	4,357,066	-	4,357,066
78	Mason County Schools						-	7,205,799	7,205,799	-	7,205,799
79	McCracken County Schools						-	18,319,898	18,319,898	-	18,319,898
80	McCreary County Schools						-	7,031,567	7,031,567	-	7,031,567



SCHEDULE B (continued)

		Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension				
Code	Employer	Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Pension	Total Pension Expense
81	McLean County Schools						-	4,050,282	4,050,282	-	4,050,282
82	Meade County Schools						-	11,166,920	11,166,920	-	11,166,920
83	Menifee County Schools						-	2,269,644	2,269,644	-	2,269,644
84	Mercer County Schools						-	7,738,848	7,738,848	-	7,738,848
85	Metcalfe County Schools						-	3,983,805	3,983,805	-	3,983,805
86	Monroe County Schools						-	4,788,506	4,788,506	-	4,788,506
87	Montgomery County Schools						-	12,299,187	12,299,187	-	12,299,187
88	Morgan County Schools						-	4,516,277	4,516,277	-	4,516,277
89	Muhlenberg County Schools						-	11,640,752	11,640,752	-	11,640,752
90	Nelson County Schools						-	12,007,732	12,007,732	-	12,007,732
91	Nicholas County Schools						-	2,591,890	2,591,890	-	2,591,890
92	Ohio County Schools						-	9,813,170	9,813,170	-	9,813,170
93	Oldham County Schools						-	33,094,693	33,094,693	-	33,094,693
94	Owen County Schools						-	4,310,872	4,310,872	-	4,310,872
95	Owsley County Schools						-	1,705,172	1,705,172	-	1,705,172
96	Pendleton County Schools						-	5,665,620	5,665,620	-	5,665,620
97	Perry County Schools						-	9,621,786	9,621,786	-	9,621,786
98	Pike County Schools						-	22,245,850	22,245,850	-	22,245,850
99	Powell County Schools						-	5,868,068	5,868,068	-	5,868,068
100	Pulaski County Schools						-	19,616,717	19,616,717	-	19,616,717
101	Robertson County Schools						-	928,802	928,802	-	928,802
102	Rockcastle County Schools						-	7,541,452	7,541,452	-	7,541,452
103	Rowan County Schools						-	7,462,739	7,462,739	-	7,462,739
104	Russell County Schools						-	7,729,609	7,729,609	-	7,729,609
105	Scott County Schools						-	22,317,706	22,317,706	-	22,317,706
106	Shelby County Schools						-	19,972,960	19,972,960	-	19,972,960
107	Simpson County Schools						-	7,736,620	7,736,620	-	7,736,620
108	Spencer County Schools						-	7,185,055	7,185,055	-	7,185,055
109	Taylor County Schools						-	6,595,882	6,595,882	-	6,595,882
110	Todd County Schools						-	4,514,376	4,514,376	-	4,514,376
111	Trigg County Schools						-	5,554,140	5,554,140	-	5,554,140
112	Trimble County Schools						-	3,243,987	3,243,987	-	3,243,987
113	Union County Schools						-	5,910,459	5,910,459	-	5,910,459
114	Warren County Schools						-	36,121,423	36,121,423	-	36,121,423
115	Washington County Schools						-	4,786,278	4,786,278	-	4,786,278
116	Wayne County Schools						-	7,917,209	7,917,209	-	7,917,209
117	Webster County Schools						-	5,149,667	5,149,667	-	5,149,667
118	Whitley County Schools						-	11,110,277	11,110,277	-	11,110,277
119	Wolfe County Schools						-	4,001,899	4,001,899	-	4,001,899
120	Woodford County Schools						-	10,214,416	10,214,416	-	10,214,416



SCHEDULE B (continued)

		Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions				
Code	Employer	Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Pension Expense
122	Anchorage City Schools					-	2,027,187	2,027,187	-	2,027,187	
124	Ashland City Schools					-	8,325,812	8,325,812	-	8,325,812	
125	Augusta City Schools					-	810,790	810,790	-	810,790	
126	Barbourville City Schools					-	1,644,437	1,644,437	-	1,644,437	
127	Bardstown City Schools					-	7,882,271	7,882,271	-	7,882,271	
128	Beechwood Independent Schools					-	3,832,814	3,832,814	-	3,832,814	
129	Bellevue City Schools					-	2,315,070	2,315,070	-	2,315,070	
131	Berea City Schools					-	2,998,149	2,998,149	-	2,998,149	
134	Bowling Green City Schools					-	11,303,544	11,303,544	-	11,303,544	
136	Burgin City Schools					-	1,281,414	1,281,414	-	1,281,414	
140	Campbellsville City Schools					-	3,295,982	3,295,982	-	3,295,982	
144	Caverna City Schools					-	2,125,472	2,125,472	-	2,125,472	
147	Cloverport City Schools					-	1,046,333	1,046,333	-	1,046,333	
150	Corbin City Schools					-	7,284,377	7,284,377	-	7,284,377	
151	Covington City Schools					-	12,719,065	12,719,065	-	12,719,065	
154	Danville City Schools					-	6,387,748	6,387,748	-	6,387,748	
155	Dawson Springs City Schools					-	1,662,723	1,662,723	-	1,662,723	
156	Dayton City Schools					-	2,642,137	2,642,137	-	2,642,137	
158	East Bernstadt City Schools					-	1,268,987	1,268,987	-	1,268,987	
160	Elizabethtown City Schools					-	6,811,276	6,811,276	-	6,811,276	
161	Eminence Independent Schools					-	2,125,472	2,125,472	-	2,125,472	
162	Erlanger-Elsmere City Schools					-	6,827,083	6,827,083	-	6,827,083	
163	Fairview Independent Schools					-	1,934,856	1,934,856	-	1,934,856	
166	Fort Thomas Independent Schools					-	9,003,359	9,003,359	-	9,003,359	
167	Frankfort City Schools					-	2,643,462	2,643,462	-	2,643,462	
170	Fulton City Schools					-	1,047,485	1,047,485	-	1,047,485	
173	Glasgow City Schools					-	6,354,711	6,354,711	-	6,354,711	
180	Harlan City Schools					-	1,776,432	1,776,432	-	1,776,432	
182	Hazard Independent Schools					-	2,712,263	2,712,263	-	2,712,263	
190	Jackson City Schools					-	700,500	700,500	-	700,500	
191	Jenkins City Schools					-	1,329,433	1,329,433	-	1,329,433	
206	Ludlow City Schools					-	2,681,243	2,681,243	-	2,681,243	
210	Mayfield City Schools					-	4,337,128	4,337,128	-	4,337,128	
214	Middlesboro City Schools					-	3,046,149	3,046,149	-	3,046,149	
221	Murray City Schools					-	4,308,413	4,308,413	-	4,308,413	
222	Newport City Schools					-	5,659,359	5,659,359	-	5,659,359	
224	Owensboro City Schools					-	14,241,016	14,241,016	-	14,241,016	
226	Paducah City Schools					-	8,124,843	8,124,843	-	8,124,843	
227	Paintsville City Schools					-	2,486,248	2,486,248	-	2,486,248	
228	Paris City Schools					-	1,808,182	1,808,182	-	1,808,182	



SCHEDULE B (continued)

		Deferred Inflows of Resources					Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of				
Code	Employer	Differences Between Expected and Actual Experience	Change of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Net Employer Pension Expense	Revenue State Support	Proportionate Share of Plan Pension Expense	Deferred Amounts from Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Pension Expense
230	Pikeville City Schools						-	4,150,200	4,150,200	-	4,150,200
231	Pineville City Schools						-	1,255,580	1,255,580	-	1,255,580
235	Raceland City Schools						-	2,740,038	2,740,038	-	2,740,038
238	Russell City Schools						-	6,252,892	6,252,892	-	6,252,892
239	Russellville City Schools						-	2,663,169	2,663,169	-	2,663,169
240	Science Hill City Schools						-	1,135,936	1,135,936	-	1,135,936
245	Silver Grove City Schools						-	712,985	712,985	-	712,985
246	Somerset City Schools						-	4,379,942	4,379,942	-	4,379,942
247	Southgate City Schools						-	623,670	623,670	-	623,670
258	Walton-Verona Independent Schools						-	4,834,355	4,834,355	-	4,834,355
259	West Point City Schools						-	431,364	431,364	-	431,364
260	Williamsburg City Schools						-	2,049,602	2,049,602	-	2,049,602
261	Williamstown City Schools						-	1,990,366	1,990,366	-	1,990,366
870	Ohio Valley Educational Cooperative						-	1,198,668	1,198,668	-	1,198,668
871	West Kentucky Educational Cooperative						-	598,431	598,431	-	598,431
872	Southeast South-Central Educational Cooperative						-	112,595	112,595	-	112,595
890	Green River Regional Educational Cooperative						-	636,040	636,040	-	636,040
891	Central KY Special Education Cooperative						-	336,651	336,651	-	336,651
892	KY Valley Educational Cooperative						-	458,235	458,235	-	458,235
894	KY Educational Development Corporation						-	1,038,362	1,038,362	-	1,038,362
895	Northern KY Cooperative for Educational Services						-	837,201	837,201	-	837,201
	Total - Local School Districts						\$ 0	\$ 1,874,620,652	\$ 1,874,620,652	\$ -	\$ 1,874,620,652
	Total Non University	\$ 1,471,920	\$ 18,053,170	\$ 1,837,662	\$ 233,185,287	\$ 254,548,039	\$ 19,238,234	\$ 1,901,519,419	\$ 1,920,757,653	\$ (67,042,199)	\$ 1,853,715,454
	State's Proportionate Share of Outflow s/Inflow s	\$ 157,458,080	\$ 1,823,685,955	\$ 186,015,818	\$ 9,024,908	\$ 2,176,184,761				\$ 164,639,641	



SECTION C
Teachers' Retirement System of the State of Kentucky
Schedules of Remaining Deferred Outflows and (Inflows)

Code	Employer	NPL Sensitivity		Recognition of Existing Deferred Outflows (Inflows) of Resources for					
		Less 1% - 3.49% Employer's Proportionate Share of Net Pension Liability	Plus 1% - 5.49% Employer's Proportionate Share of Net Pension Liability	Future Plan Years Ending June 30,					
				2019	2020	2021	2022	2023	Thereafter
University Employers									
263	Eastern Kentucky University	\$ 239,691,376	\$ 155,342,342	\$ (21,411,447)	\$ (18,940,974)	\$ (22,688,953)	\$ (7,876,148)	\$ -	\$ -
266	Kentucky State University	50,250,685	32,567,126	(7,369,801)	(6,851,873)	(6,059,024)	(2,278,285)	-	-
269	Morehead State University	128,274,195	83,133,629	(12,906,490)	(11,584,382)	(13,192,602)	(4,469,581)	-	-
270	Murray State University	141,581,103	91,757,745	(15,803,284)	(14,344,023)	(16,471,004)	(5,803,128)	-	-
273	Western Kentucky University	256,637,784	166,325,193	(26,198,208)	(23,553,071)	(25,680,066)	(8,926,578)	-	-
500	KCTCS Central Office - University	64,029,320	41,496,964	(9,173,362)	(8,513,419)	(8,735,544)	(3,049,423)	-	-
	Total University	\$ 880,464,463	\$ 570,622,999	\$ (92,862,592)	\$ (83,787,742)	\$ (92,827,193)	\$ (32,403,143)	\$ -	\$ -
	State's Proportionate Share of NPL - University	\$ 701,713,537	\$ 454,775,744	\$ 101,371,030	\$ 108,603,514	\$ 104,371,903	\$ 27,444,701	\$ -	\$ -
Non-University Employers									
400	KCTCS CENTRAL OFFICE	\$ 76,176,393	\$ 49,369,401	\$ (20,947,766)	\$ (20,215,963)	\$ (18,844,384)	\$ (6,354,473)	\$ -	\$ -
801	KY High School Athletic Association	2,949,389	1,911,479	(418,025)	(389,691)	(423,152)	(141,650)	-	-
805	KY School Boards Association	6,843,667	4,435,334	(1,105,100)	(1,039,355)	(1,142,452)	(356,513)	-	-
806	KY Education Association	837,857	543,009	(138,112)	(130,063)	(136,034)	(39,615)	-	-
807	KY Academic Association	539,506	349,650	(83,045)	(77,863)	(83,357)	(27,294)	-	-
809	Jefferson County Teachers' Association	244,500	158,459	(35,464)	(33,115)	(35,548)	(11,359)	-	-
		\$ 87,591,312	\$ 56,767,332	\$ (22,727,512)	\$ (21,886,050)	\$ (20,664,927)	\$ (6,930,904)	\$ -	\$ -
State Agencies									
301	Technical Education District - Madisonville	\$ 26,868,275	\$ 17,413,145	\$ (1,177,834)	\$ (919,719)	\$ (2,119,908)	\$ (797,449)	\$ -	\$ -
302	Technical Education District - Bowling Green	27,407,112	17,762,362	(2,301,309)	(2,038,018)	(2,411,998)	(832,944)	-	-
303	Technical Education District - Elizabethtown	123,755	80,205	(5,875,351)	(5,874,162)	(6,136,468)	(1,963,232)	-	-
304	Technical Education District - Frankfort	21,796,315	14,126,043	(4,864,706)	(4,655,316)	(4,041,865)	(1,287,689)	-	-
305	Technical Education District - Hazard	25,630,053	16,610,662	(3,602,222)	(3,356,002)	(3,147,256)	(1,026,945)	-	-
308	Adult Council on Post Secondary Education	1,820,875	1,180,097	(554,359)	(536,867)	(518,382)	(177,204)	-	-
316	Office of Career and Technical Education	7,880,870	5,107,538	577,321	653,030	(710,054)	(279,518)	-	-
317	Office of Secretary of Workforce Investment	341,498	221,322	(118,459)	(115,178)	(66,088)	(17,261)	-	-
318	Department for Vocational Rehabilitation	39,327,087	25,487,616	(7,536,576)	(7,158,773)	(7,768,621)	(2,593,735)	-	-
320	School for the Blind	11,355,383	7,359,346	(2,337,326)	(2,228,239)	(2,307,341)	(743,995)	-	-
330	School for the Deaf	15,919,946	10,317,608	(3,071,603)	(2,918,665)	(2,877,845)	(978,068)	-	-
345	Department of Education	64,172,134	41,589,519	(9,887,747)	(9,271,266)	(9,952,112)	(3,300,827)	-	-
728	Department of Corrections	319,757	207,232	(60,756)	(57,684)	(34,769)	(8,089)	-	-
896	Education Professional Standards Board	4,453,183	2,886,078	(679,294)	(636,514)	(768,492)	(326,835)	-	-
		\$ 247,416,243	\$ 160,348,773	\$ (41,490,221)	\$ (39,113,373)	\$ (42,861,199)	\$ (14,333,791)	\$ -	\$ -
	State's Proportionate Share of NPL - Non-University	\$ 33,112,365,898	\$ 21,459,897,916	\$ 346,214,265	\$ 664,314,538	\$ 404,038,085	\$ (7,964,488)	\$ -	\$ -



SCHEDULE D

**SUMMARY OF MAIN PLAN PROVISIONS
AS INTERPRETED FOR ACCOUNTING AND REPORTING VALUATION PURPOSES**

The Teachers' Retirement System of the State of Kentucky was established on July 1, 1940. The valuation took into account amendments to the System effective through June 30, 2014. The following summary describes the main benefit and contribution provisions of the System as interpreted for the valuation.

1 - DEFINITIONS

"Final average salary" means the average of the five highest annual salaries which the member has received for service in a covered position and on which the member has made contributions or on which the public board, institution or agency has picked up the member contributions. For a member who retires after attaining age 55 with 27 years of service, "final average salary" means the average of the three highest annual salaries.

2 - BENEFITS

Service Retirement Allowance

Members Before 7/1/2008

Condition for Allowance

Completion of 27 years of service or attainment of age 55 and 5 years of service.

Amount of Allowance

The annual retirement allowance for non-university members is equal to:

- (a) 2.0% of final average salary multiplied by service before July 1, 1983, plus
- (b) 2.5% of final average salary multiplied by service after July 1, 1983.
- (c) For individuals who become members of the Retirement System on or after July 1, 2002 and have less than 10 years of service at retirement, the retirement allowance is 2.0% of final average salary multiplied by service. If, however, they have 10 or more years, they receive a benefit percentage of 2.5% for all years of service up to 30 years.



SCHEDULE D (continued)

- (d) For members retiring on or after July 1, 2004, the retirement allowance formula is 3.0% of final average salary for each year of service credit earned in excess of 30 years.

The annual retirement allowance for university members is equal to 2.0% of final average salary multiplied by all years of service.

For all members, the annual allowance is reduced by 5% per year from the earlier of age 60 or the date the member would have completed 27 years of service.

The minimum annual service allowance for all members is \$440 multiplied by credited service.

Members on and after 7/1/2008

Condition for Retirement

Completion of 27 years of service, attainment of age 60 and 5 years of service or attainment of age 55 and 10 years of service.

Amount of Allowance

The annual retirement allowance for non-university members is equal to:

- 1.7% of final average salary if service is 10 years or less.
- 2.0% of final average salary if service is greater than 10 years and no more than 20 years.
- 2.3% of final average salary if service is greater than 20 years but no more than 26 years.
- 2.5% of final average salary if service is greater than 26 years but no more than 30 years.
- 3.0% of final average salary for years of service greater than 30 years.

The annual retirement allowance for university members is equal to:

- 1.5% of final average salary if service is 10 years or less.
- 1.7% of final average salary if service is greater than 10 years and no more than 20 years.
- 1.85% of final average salary if service is greater than 20 years but less than 27 years.
- 2.0% of final average salary if service is greater than or equal to 27 years.

For all members, the annual allowance is reduced by 6% per year from the earlier of age 60 or the date the member would have completed 27 years of service.



SCHEDULE D (continued)

Disability Retirement Allowance

Condition for Allowance

Totally and permanently incapable of being employed as a teacher and under age 60 but after completing 5 years of service.

Amount of Allowance

The disability allowance is equal to the greater of the service retirement allowance or 60% of the member's final average salary. The disability allowance is payable over an entitlement period equal to 25% of the service credited to the member at the date of disability or five years, whichever is longer. After the disability entitlement period has expired and if the member remains disabled, he will be retired under service retirement. The service retirement allowance will be computed with service credit given for the period of disability retirement. The allowance will not be less than \$6,000 per year. The service retirement allowance will not be reduced for commencement of the allowance before age 60 or the completion of 27 years of service.

Benefits Payable on Separation from Service

Any member who ceases to be in service is entitled to receive his contributions with allowable interest. A member who has completed 5 years of creditable service and leaves his contributions with the System may be continued in the membership of the System after separation from service, and file application for service retirement after the attainment of age 60.

Life Insurance

A separate Life Insurance fund has been created as of June 30, 2000 to pay benefits on behalf of deceased TRS active and retired members.



SCHEDULE D (continued)

Death Benefits

A surviving spouse of an active member with less than 10 years of service may elect to receive an annual allowance of \$2,880 except that if income from other sources exceeds \$6,600 per year the annual allowance will be \$2,160.

A surviving spouse of an active member with 10 or more years of service may elect to receive an allowance which is the actuarial equivalent of the allowance the deceased member would have received upon retirement. The allowance will commence on the date the deceased member would have been eligible for service retirement and will be payable during the life of the spouse.

If the deceased member is survived by unmarried children under age 18 the following schedule of annual allowances applies:

<u>Number of Children</u>	<u>Annual Allowance</u>
1	\$ 2,400
2	4,080
3	4,800
4 or more	5,280

The allowances are payable until a child attains age 18, or age 23 if a full-time student.

If the member has no eligible survivor, a refund of his accumulated contributions is payable to his estate.

Options

In lieu of the regular Option 1, a retirement allowance payable in the form of a life annuity with refundable balance, any member before retirement may elect to receive a reduced allowance which is actuarially equivalent to the full allowance, in one of the following forms:

Option 2. A single life annuity payable during the member's lifetime with payments for 10 years certain.

Option 3. At the death of the member his allowance is continued throughout the life of his beneficiary.

Option 3(a). At the death of the beneficiary designated by the member under Option 3, the member's benefit will revert to what would have been paid had he not selected an option.

Option 4. At the death of the member one half of his allowance is continued throughout the life of his beneficiary.

Option 4(a). At the death of the beneficiary designated by the member under Option 4, the member's benefit will revert to what would have been paid had he not selected an option.



SCHEDULE D (continued)

Post-Retirement Adjustments

The retirement allowance of each retired member and of each beneficiary shall be increased by 1.50% each July 1.

3 - CONTRIBUTIONS

Member Contributions

University members contribute 7.625% of salary to the Retirement System. Non-university members contribute 9.105% of salary to the Retirement System. Member contributions are picked up by the employer.



SCHEDULE E

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

The assumptions and methods used in the valuation were selected based on the actuarial experience study prepared as of June 30, 2015, submitted to and adopted by the Board on September 19, 2016.

INVESTMENT RATE OF RETURN: 7.50% per annum, compounded annually, including price inflation at 3.00% per annum.

SALARY INCREASES: Representative values of the assumed annual rates of future salary increases are as follows and include wage inflation at 3.50% per annum:

<u>Age</u>	<u>Annual Rate</u>
20	7.20%
25	6.40
30	5.40
35	4.70
40	4.20
45	3.80
50	3.70
55	3.50
60	3.50
65	3.50

SEPARATIONS FROM SERVICE: Representative values of the assumed annual rates of death, disability, withdrawal, service retirement and early retirement are as follows:

Males

Age	Annual Rate of							
	DEATH	DISABILITY	WITHDRAWAL			RETIREMENT		
			Service			Before 27 Years of Service	After 27 Years of Service*	
			0 – 4	5 – 9	10+			
20	0.019%	0.01%	11.00%					
25	0.021	0.01	11.00		3.00%			
30	0.025	0.01	11.00		3.00	3.00%		
35	0.043	0.04	12.00		3.50	1.40		
40	0.060	0.09	12.00		4.50	1.40		
45	0.084	0.20	12.00		4.50	1.30		17.0%
50	0.119	0.30	14.00		4.50	1.90		17.0
55	0.202	0.58	15.00		4.50	2.40	5.0%	45.0
60	0.340	0.75	15.00		4.00	2.40	13.0	35.0
62	0.419	0.75	15.00		3.80	2.40	15.0	25.0
65	0.565	0.75	15.00		3.50	2.40	20.0	25.0
70	0.913	0.75	20.00		0.00	0.00	20.0	20.0
75	1.556	0.75	20.00		0.00	0.00	100.0	100.0

*Plus 7.5% in year when first eligible for unreduced retirement with 27 years of service.



SCHEDULE E (continued)

Females

Age	Annual Rate of						
	DEATH	DISABILITY	WITHDRAWAL			RETIREMENT	
			Service			Before 27 Years of Service	After 27 Years of Service*
			0 – 4	5 – 9	10+		
20	0.007%	0.01%	9.00%				
25	0.008	0.01	9.00	4.00%			
30	0.010	0.03	12.00	4.00	1.65%		
35	0.018	0.06	12.00	4.00	1.50		
40	0.026	0.12	12.00	4.00	1.30		
45	0.042	0.25	13.00	4.00	1.20		15.0%
50	0.062	0.44	13.00	5.00	1.50		18.0
55	0.096	0.65	15.00	5.00	2.00	5.5%	50.0
60	0.157	0.85	15.00	5.00	2.00	14.0	40.0
62	0.197	0.85	15.00	4.60	2.00	14.0	40.0
65	0.287	0.85	15.00	4.00	2.00	22.0	35.0
70	0.495	0.85	15.00	0.00	0.00	20.0	35.0
75	0.831	0.85	15.00	0.00	0.00	100.0	100.0

*Plus 7.5% in year when first eligible for unreduced retirement with 27 years of service.

DEATHS AFTER RETIREMENT: The RP-2000 Combined Mortality Table projected to 2025 using scale BB (set forward two years for males and one year for females) is used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality Table (set forward two years for males and seven years for females) is used for death after disability retirement. There is a margin for future mortality improvement in the tables used by the System. Based on the results of the most recent experience study adopted by the Board on September 19, 2016, the numbers of expected future deaths are 15-19% less than the actual number of deaths that occurred during the study period for healthy retirees and 13-17% less than expected under the selected table for disabled retirees. Representative values of the assumed annual rates of death after service retirement and after disability retirement are shown below:

Age	Annual Rate of Death After			
	Service Retirement		Disability Retirement	
	Male	Female	Male	Female
45	0.1609%	0.1135%	2.3306%	1.2482%
50	0.2474	0.1718	2.9279	1.5650
55	0.4246	0.2658	3.4400	1.7807
60	0.6985	0.4409	3.5881	2.3164
65	1.1300	0.8100	3.8275	3.1687
70	1.8697	1.3739	4.7566	4.4032
75	3.2147	2.2899	6.3153	6.0857
80	5.5160	3.7551	8.3527	8.4679
85	9.5631	6.3873	10.9122	12.7572
90	17.2787	11.2476	17.2787	19.4718
95	27.1263	18.1190	27.1263	24.2074



SCHEDULE E (continued)

ASSETS: Market Value

EXPENSE LOAD: None.

PERCENT MARRIED: 100%, with females 3 years younger than males.

LOADS: Unused sick leave: 2% of active liability



SCHEDULE F
BOARD FUNDING POLICY

Introduction

Pursuant to the provisions of KRS 161.250, the Board of Trustees (“Board”) of the Kentucky Teachers’ Retirement Systems (“TRS”) is vested with the responsibility for the general administration and management of the retirement system. The Board may adopt procedures necessary to conduct the business of the retirement system as needed. The applicable provisions of the Kentucky Revised Statutes (“state law”) shall control if any inconsistency exists between state law and this policy.

Background:

State law provides that the retirement benefits promised to members of TRS are “...an inviolable contract of the Commonwealth....” (KRS 161.714.) To satisfy this solemn commitment, the Commonwealth of Kentucky (“state”) is required to pay annual retirement appropriations necessary to fund the benefit requirements of members of the retirement system. All employers participating in TRS are responsible for paying the fixed employer contribution rate set forth in state law. However, the state—as plan guarantor—is solely responsible for paying the additional annual retirement appropriations necessary to keep the retirement system actuarially sound and able to satisfy the contract with members to provide promised benefits. (KRS 161.550(6).)

Since fiscal year 2008, the state has not paid the recommended annual retirement appropriations necessary to pre-fund the benefit requirements of members of the retirement system as determined by the actuary. Over this period of time, because of the failure to fund, the state's annual retirement appropriations have grown significantly from \$60.5 million (Fiscal Year 2009) to \$520 million (Fiscal Year 2017). The following schedule details the growth of the annual retirement appropriations payable by the state:



SCHEDULE E (continued)

	Cumulative Increase as a % of Payroll	Cumulative Increase of Annual Retirement Appropriations Payable by the State
2009	1.88	\$ 60,499,800
2010	2.46	82,331,200
2011	3.59	121,457,000
2012	5.81	208,649,000
2013	7.27	260,980,000
2014	8.02	299,420,000
2015	10.42	386,400,000
2016	12.97	487,400,000
2017	13.80	520,372,000

(Source: TRS Report of the Actuary on the Annual Valuation Prepared as of June 30, 2014).

The Board has always taken action as required by state law and recommended annual retirement appropriations payable by the state that would ensure that the state meets the contractual obligations to members. This policy confirms the Board's process for recommending annual retirement appropriations payable by the state and the primary actuarial assumptions and methodologies associated with calculating the annual retirement appropriations. Other related actuarial assumptions and methodologies not listed in this policy are reported in annual valuations, the most recent experience study, or resolutions adopted by the Board.

1. Annual Retirement Appropriations Payable by the State: In each biennial budget request, the Board will recommend annual retirement appropriations payable by the state to meet the benefit requirements of the members of the retirement system. The annual retirement appropriations payable by the state are the sum of the fixed employer contribution rate set by state law and the additional annual retirement appropriations necessary to fund the benefit requirements of members of the retirement system. (KRS 161.550.) The recommended additional annual retirement appropriations payable by the state are calculated by the Board's actuary based upon the results of an annual valuation preceding the beginning of each biennium. (KRS 161.400.)

2. Calculation of Annual Retirement Appropriations Payable by the State: The Board will recommend annual retirement appropriations payable by the state, which—if paid—will meet the benefit requirements of the members of the retirement system consistent with generally accepted actuarial principles. Based upon technical advice from



SCHEDULE E (continued)

the Board's actuary, the Board hereby adopts the following principles for calculating the recommended annual retirement appropriations payable by the state:

- Use the Entry Age Normal actuarial cost method;
- Use a five-year asset smoothing method;
- Use a thirty-year closed period to amortize legacy unfunded liability ("legacy unfunded liability" is that unfunded liability recognized as of the valuation prepared for June 30, 2014);
- Use a twenty-year closed period to amortize new sources of unfunded liability ("new sources of unfunded liability" is that unfunded liability consisting of all benefit changes, assumption and method changes, and experience gains and/or losses that have occurred since the previous valuation); and
- Reach a 100 percent minimum funded ratio within the thirty-year closed amortization period.

The Board also recognizes that, from time to time, the state may desire to contribute lump sum payments toward satisfaction of unfunded liability rather than amortization of the debt. Total unfunded liability is published in every annual valuation of the retirement system and TRS will work with the state to develop reasonable and appropriate plans for receipt of lump sum payments toward the satisfaction of unfunded liability.

This policy will be reviewed regularly and amended or revised as necessary.