KENTUCKY COMMUNITY & TECHNICAL COLLEGE SYSTEM

October 1, 2026

The Honorable Chris McDaniel
702 Capital Ave., Suite 203
Frankfort, KY 40601

The Honorable Jason Petrie
702 Capital Ave., Suite 392
Frankfort, KY 40601

Dear Chairman McDaniel and Chairman Petrie:

On behalf of the Kentucky Community and Technical College System (KCTCS), we are submitting two reports regarding the Other Post-employment Benefit (OPEB) Trust, pursuant to House Bill 500 (RS26). The actuarial analysis was conducted by the outside firm, Aon Consulting.

The first report estimates KCTCS's OPEB Trust liability and fair value of the plan assets as of December 31, 2026. Because the first report references the June 30, 2026 valuation report dated August 13, 2026, that report has also been included to provide further data and context about the annual valuation process.

KCTCS will continue to work with Aon in establishing long-term assumptions as we develop the plan prescribed in HB 500 with the assistance of the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Please contact us if you have any further questions.

Sincerely,

Dr. Ryan Quarles

Ryan F. Quarles, PhD
President
KCTCS

Todd J. Kilburn
Senior Vice President/CFO
KCTCS

cc. Members of the Interim Joint Committee on Appropriations and Revenue
Chris Crumrine, Chief Government Affairs Officer, KCTCS