

## Kentucky Community and Technical College System Board of Regents

### **Update Agenda Item:** Other Post Employment Benefit (OPEB) Trust Report

Actuarial Valuation Report for the measurement date of June 30, 2024:

	<b>Fiscal Year Ending 06/30/2024</b>	<b>Fiscal Year Ending 06/30/2025</b>
Total OPEB Liability at Beginning of Measurement Period	\$189,179,163	\$201,599,257
Plan Fiduciary Net Position at Beginning of Measurement Period	\$215,535,900	\$229,724,117

Plan fiduciary net position projection is through 2053 with an ending fiduciary net position of \$122 million. The last year in which projected benefit payments are due from the plan is 2112.

Some of the pertinent characteristics from this actuarial valuation report are data based on personnel information from Kentucky Community and Technical College System (KCTCS) as of April 1, 2024.

	<b>April 1, 2021</b>	<b>April 1, 2023</b>
<b>Health Care Participants</b>		
Active Current Employees		
Number	1,109	898
Average Age	56.6	57.5
Average Service	22.4	24.2
Inactive Participants		
Retirees and Surviving Spouses	1,002	1,104
Average Age	70.7	71.6
Covered Spouses	89	112
Average Age	69.5	69.2
Total Participants	2,200	2,114

The Quarterly OPEB Trust Committee was held on August 20, 2024. The committee was told that AON could not compare other Medicare Advantage plans for retirees over 65. The committee would be required to develop a scope of work if the committee approves moving forward with a Request for Proposal (RFP). The current contract for the Anthem Medicare Advantage plan is up for renewal for calendar year 2025 and requires the committee to approve moving forward for an additional year. A motion was made and then amended to continue with the current Anthem Medicare Advantage plan for one

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additional calendar year and to work to create an RFP for calendar year 2026. The amended motion was seconded and passed unanimously. Senate Joint Resolution (SJR) 179 and the impact any recommendations may have on the OPEB Trust was discussed. System office staff will work with AON to run scenarios on any recommendations from SJR 179. The committee is interested in receiving fiduciary training on the trust from AON and will set up a training session with AON.