



Teachers' Retirement System of the State of Kentucky

Interim Joint Committee on Appropriations and Revenue

Sept. 20, 2023

Gary L. Harbin, CPA
Executive Secretary

Cash Flow

TRS FY 23 and FY 22

	Pension		Retiree Health	
	FY 23	FY 22	FY 23	FY 22
Cash Inflows				
Member Contributions	\$ 368,200,000	\$ 357,000,000	\$ 213,200,000	\$ 206,400,000
Employer contributions/appropriations	1,146,600,000	1,679,600,000	209,600,000	151,800,000
Investment income (net of asset gains/losses)	383,300,000	359,600,000	31,500,000	12,600,000
Other	-	-	135,700,000	144,700,000
Total Cash Inflows	1,898,100,000	2,396,200,000	590,000,000	515,500,000
Cash Outflows				
Benefit Payments	2,418,200,000	2,332,600,000	333,600,000	312,600,000
Administrative Expense	14,500,000	12,000,000	2,000,000	2,100,000
Total Cash Outflows	2,432,700,000	2,344,600,000	335,600,000	314,700,000
Net cash flow before asset gain (loss)	(534,600,000)	51,600,000	254,400,000	200,800,000
Inv. gains or losses (realized & unrealized)	1,883,500,000	(3,087,400,000)	211,300,000	(232,100,000)
Net Plan Assets				
Beginning of Fiscal Year	\$22,900,000,000	\$25,935,800,000	\$2,269,200,000	\$2,300,500,000
End of Fiscal Year	\$24,248,800,000	\$22,900,000,000	\$2,734,900,000	\$2,269,200,000

TRS Expected Budget Needs

Versus FY 24

State Costs			
(\$ in millions)	FYE 24	FYE 25	FY 26
State Statutory Fixed Rate (SEEK)			
Pension	\$ 421.0	\$ 430.0	\$ 439.1
Insurance	\$ 27.7	\$ 28.2	\$ 28.8
Total (SEEK)	\$ 448.7	\$ 458.2	\$ 467.9
State Additional to TRS			
Pension (Unfunded Liability)	\$ 646.5	\$ 805.7	\$ 903.0
Insurance (Shared Responsibility)	\$ 77.7	\$ 76.9	\$ 84.2
Total	\$ 724.2	\$ 882.6	\$ 987.2
Total State Funding for TRS			
Pension	\$ 1,067.5	\$ 1,235.7	\$ 1,342.1
Insurance	\$ 105.4	\$ 105.1	\$ 113.0
Total	\$ 1,172.9	\$ 1,340.8	\$ 1,455.1

Needs from State Appropriations

Historical, Current, Future

TRS Total Contributions via State Appropriations (\$ in millions)			
	Pension	Retiree Health	Total
Selected History			
FY 10	\$ 533.2	\$ 155.1	\$ 688.3
FY 15	\$ 512.9	\$ 67.6	\$ 580.5
FY 20	\$ 1,049.5	\$ 77.2	\$ 1,126.7
Current FY			
FY 24	\$ 1,071.7	\$ 105.4	\$ 1,177.1
Upcoming Budget			
FY 25	\$ 1,239.9	\$ 105.1	\$ 1,345.0
FY 26	\$ 1,346.6	\$ 113.0	\$ 1,459.6
Selected Projections			
FY 30	\$ 1,926.0	\$ 97.8	\$ 2,023.8
FY 35	\$ 2,172.0	\$ 113.5	\$ 2,285.5
FY 40	\$ 2,511.0	\$ 134.2	\$ 2,645.2

Actuarial Stats

TRS	2018	2019	2020	2021	2022	2023*
Pension Unfunded Liability (\$ in billions)	\$ 14.3	\$ 14.5	\$ 14.8	\$ 17.0	\$ 16.9	\$ 16.9
Pension % Funded	57.7%	58.1%	58.4%	57.2%	58.8%	58.8%
Retiree Health Unfunded Liability (\$ in billions)	\$ 2.1	\$ 1.7	\$ 1.1	\$ 1.4	\$ 1.4	\$ 1.2
Retiree Health % Funded	36.3%	46.0%	61.7%	60.0%	63.7%	69.4%

** = Actuary projection*



Our Members Come First!

800-618-1687

**8 a.m. – 5 p.m. ET
Monday – Friday**

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<https://trs.ky.gov>

Protecting & Preserving Teachers' Retirement Benefits