



# Teachers' Retirement System of the State of Kentucky

## Public Pension Oversight Board

**Feb. 22, 2021**

**Gary L. Harbin, CPA**  
Executive Secretary

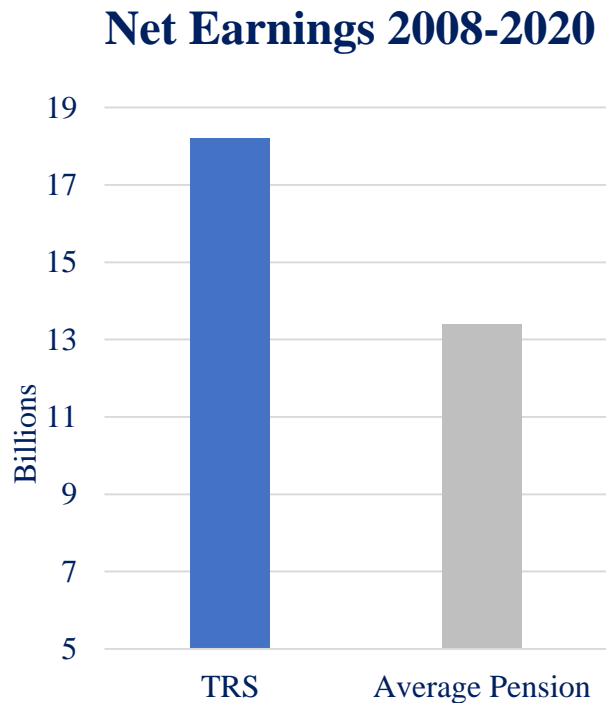
# Investment Performance

## Retirement Annuity Trust Preliminary Returns as of Dec. 31, 2020

	<b>Qtr.</b>	<b>FYTD</b>	<b>1-year</b>	<b>3-year</b>	<b>5-year</b>	<b>10-year</b>	<b>20-year</b>
<b>Gross</b>	11.69%	18.96%	16.87%	10.71%	11.56%	9.92%	6.96%
<i>Benchmark</i>	10.72%	17.13%	13.98%	9.75%	11.16%	9.42%	N/A
<i>Aon Rank</i>	Top 13%	N/A	Top 3%	Top 2%	Top 3%	Top 4%	N/A
<b>Net</b>	11.61%	18.88%	16.53%	10.39%	11.25%	9.67%	6.79%

30-year compounded gross return  
**8.49%**

# Investment Performance



From 2008 to December 2020, TRS investment returns totaled a net \$18.2 billion, compared to the average plan's \$13.4 billion.

This outperformance generated \$4.8 billion to the benefit of Kentucky's teachers.

# Cash Flow Update

## Retirement Annuity Trust – Preliminary and Unaudited

	FYTD 2021 (Q2)	FYTD 2020 (Q2)
<b>Cash Inflows</b>		
Member contributions	\$ 159,000,000	\$ 143,700,000
Employer contributions/appropriations	557,900,000	536,300,000
Investment income (Net of any asset gains/losses)	<u>130,500,000</u>	<u>200,000,000</u>
<b>Total Cash Inflows</b>	847,400,000	880,000,000
<b>Cash Outflows</b>		
Benefit payments/refunds	1,131,900,000	1,101,100,000
Administrative expense	<u>6,700,000</u>	<u>6,400,000</u>
<b>Total Outflows</b>	1,138,600,000	1,107,500,000
Net cash flow before asset gain/(losses)*	(291,200,000)	(227,500,000)
Investment gains or losses (realized and unrealized)	3,720,900,000	1,316,600,000
Net plan assets		
Beginning of fiscal year	\$ 20,717,000,000	\$ 20,371,900,000
At end of period	\$ 24,146,700,000	\$ 21,461,000,000

\*Appreciation/depreciation in fair value does not generate cash inflows or outflows.

# Cash Flow Update

## Health Insurance Trust – Preliminary and Unaudited

	FYTD 2021 (Q2)	FYTD 2020 (Q2)
<b>Cash Inflows</b>		
Member contributions	\$ 95,400,000	\$ 88,200,000
Employer contributions/appropriations	94,400,000	128,100,000
Recovery income	45,200,000	41,400,000
Investment income (net of any asset gains/losses)	<u>3,200,000</u>	<u>6,400,000</u>
<b>Total Cash Inflows</b>	238,200,000	264,100,000
<b>Cash Outflows</b>		
Benefit payments/refunds	157,400,000	154,100,000
Administrative expense	<u>0</u>	<u>0</u>
<b>Total Cash Outflows</b>	157,400,000	154,100,000
Net cash flow before asset gain/(losses)*	80,800,000	110,000,000
Investment gains or losses (realized and unrealized)	296,700,000	86,000,000
Net plan assets		
Beginning of fiscal year	\$ 1,616,700,000	\$ 1,414,000,000
At end of period	\$ 1,994,200,000	\$ 1,609,900,000

\*Appreciation/depreciation in Fair Value does not generate cash inflows or outflows.



## ***Our Members Come First!***

**800-618-1687**

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

**[info@trs.ky.gov](mailto:info@trs.ky.gov)**

**<https://trs.ky.gov>**

***Protecting & Preserving Teachers' Retirement Benefits***