



# Teachers' Retirement System of the State of Kentucky

## Public Pension Oversight Board

**April 24, 2023**

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

# Investment Performance

## Retirement Annuity Trust Unaudited Returns as of March 31, 2023

*Preliminary*

	<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>	4.6%	6.6%	-4.29%	12.33%	7.07%	8.2%	7.7%
<b>Net</b>	4.54%	6.45%	-4.56%	12.02%	6.77%		

# Investment Performance

Health Insurance Trust Unaudited Returns as of March 31, 2023

*Preliminary*

	<b>Qtr.</b>	<b>FYTD</b>	<b>1-year</b>	<b>3-year</b>	<b>5-year</b>	<b>10-year</b>
<b>Gross</b>	4.65%	7.21%	-3.9%	12.71%	7.09%	7.17%
<b>Net</b>	4.6%	7.07%	-4.15%	12.38%	6.74%	

# Cash Flow Update

## Retirement Annuity Trust (through Feb. 28)

Preliminary and unaudited	FYTD 2023	FYTD 2022
<b>Cash Inflows</b>		
Member contributions	\$ 222,500,000	\$ 214,300,000
Employer contributions/appropriations	790,600,000	821,500,000
Investment income (Net of any asset gains/losses)	<u>244,800,000</u>	<u>236,700,000</u>
<b>Total Cash Inflows</b>	1,257,900,000	1,272,500,000
<b>Cash Outflows</b>		
Benefit payments/refunds	1,616,100,000	1,557,400,000
Administrative expense	<u>11,000,000</u>	<u>9,700,000</u>
<b>Total Outflows</b>	1,627,100,000	1,567,100,000
Net cash flow before asset gain/(losses)*	(369,200,000)	(294,600,000)
Investment gains or losses (realized and unrealized)	855,300,000	(568,300,000)
Net plan assets		
Beginning of fiscal year	\$ 22,900,000,000	\$ 25,935,800,000
At end of period	\$ 23,386,000,000	\$ 25,072,800,000

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

# Cash Flow Update

## Health Insurance Trust (through Feb. 28)

	Preliminary and unaudited	FYTD 2023	FYTD 2022
<b>Cash Inflows</b>			
Member contributions		\$ 132,900,000	\$ 127,000,000
Employer contributions/appropriations		142,900,000	102,000,000
Recovery income		98,500,000	95,800,000
Investment income (net of any asset gains/losses)		<u>16,900,000</u>	<u>7,900,000</u>
<b>Total Cash Inflows</b>		<b>391,200,000</b>	<b>332,700,000</b>
<b>Cash Outflows</b>			
Benefit payments/refunds		216,500,000	206,900,000
Administrative expense		<u>-</u>	<u>-</u>
<b>Total Cash Outflows</b>		<b>216,500,000</b>	<b>206,900,000</b>
Net cash flow before asset gain/(losses)*		174,700,000	125,800,000
Investment gains or losses (realized and unrealized)		89,700,000	(21,900,000)
Net plan assets			
Beginning of fiscal year		\$ 2,269,200,000	\$ 2,300,500,000
At end of period		\$ 2,533,600,000	\$ 2,404,400,000

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



# HB 236 (2023 RS)

## Implementation

As a fiduciary, TRS invests “solely in the interest of the active contributing members and annuitants” as required by KRS 161.430.

- Investments made only to achieve the best returns within acceptable levels of risk.
- TRS shares voted solely in the best interest of the membership using only pecuniary factors and not to further any nonpecuniary interest.



## ***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***