



TEACHERS' RETIREMENT SYSTEM of the State of Kentucky

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FOR IMMEDIATE RELEASE

Aug. 25, 2017

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TEACHERS' PENSION FUND GAINS 15 PERCENT WITH NEW FUNDING

FRANKFORT, Ky. – Kentucky teachers' pension investments posted a 15.37 percent gain (gross) for the recently concluded fiscal year. That exceeds the plan's assumed 7.5 percent rate of return and is among the top 8 percent of large pension plans.

Ended June 30, 2017	TRS Return	Ranking
1-year	15.37%	Top 8%
3-year	6.3%	Top 11%
5-year	10.1%	Top 13%
10-year	6.3%	Top 9%

Returns for the Teachers' Retirement System of the State of Kentucky (TRS) over the last 30 years are 8.1 percent. TRS staff presented the pension system's preliminary financial results for the year ended June 30 to the Board of Trustees' Investment Committee at its Aug. 24 quarterly meeting.

Along with a top 8 percent performance for the most recent year, TRS's investments were in the top 9 percent for the 10-year period. Both rankings are according to Aon Hewitt Investment Consulting's analysis of large domestic pension plans with more than \$1 billion in assets.

During the year, TRS benefitted from the first installments of more than \$900 million in additional funding approved by the General Assembly and Gov. Matt Bevin – the first such appropriation since 2008.

"The additional funding provided by the governor and legislators couldn't have come at a better time," TRS Executive Secretary Gary Harbin said. "The investing team for teachers is to be credited with putting that additional funding to its best use. The rankings can give current and retired teachers comfort that their investment team is among the very best in the country whether the markets are up or down. TRS's long-term investment strategy works."

With the market performance for the year, TRS's assets for all its funds – which also include medical insurance and life insurance funds – exceeded \$19 billion for the first time.

TRS is the largest financial institution in the Commonwealth, regulated under state and federal law, with more than \$19 billion in assets to provide for the future wellbeing of more than 140,000 teachers and other education professionals who are members. The teachers' fund pays about \$2.3 billion a year in retirement and health care benefits to its members, 89 percent of whom live in Kentucky across all 120 counties.