

Teachers' Retirement System of the State of Kentucky

Executive Summary Fact Sheet (as of June 30, 2017)

Pension Fund

	June 30, 2017	June 30, 2016
Membership		
Active	72,130	71,848
Retired	52,966	51,563
Total	125,096	123,411

Retirement Benefits Paid by TRS	Millions	Millions
Monthly retiree benefits	\$ 160	\$ 153
Annual retiree benefits	\$ 1,919	\$ 1,833

Actuarial Information	<i>Traditional Funding Method</i>	
<i>Assumed growth rate of liability</i>	7.50%	7.50%
	Millions	Millions
Actuarially Determined Liabilities	\$ 32,820	\$ 32,028
Actuarially Smoothed Asset Value	18,515	17,497
Unfunded	\$ 14,305	\$ 14,531
Funded Ratio	56.4%	54.6%

	<i>GASB 67 Accounting Method</i>	
<i>Assumed growth rate of liability</i>	4.49%	4.20%
	Millions	Millions
Liabilities	\$ 46,967	\$ 47,737
Net Asset Position	18,708	16,813
Unfunded	\$ 28,259	\$ 30,924
Funded Ratio	39.83%	35.22%

Investment Information	<u>Millions</u>	<u>Percent</u>	<u>Millions</u>	<u>Percent</u>
Asset Allocation				
Cash	\$ 366	2.0%	\$ 294	1.7%
Fixed Income	3,020	16.2%	2,879	17.1%
Domestic Equities	7,683	41.3%	7,211	42.9%
International Equities	4,004	21.5%	3,220	19.2%
Real Estate	1,047	5.6%	941	5.6%
Private Equity	855	4.6%	732	4.4%
Timberland	208	1.1%	201	1.2%
Alternative credits and other	1,435	7.7%	1,319	7.9%
	\$ 18,618	100.0%	\$ 16,797	100.0%

Net Investment Returns	Rate of Return	
	Policy Index	15.0% -1.3%
	Investment Fees (of assets)	14.0% 1.5%
		0.350% 0.290%

FY 17	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
Rate of Return	15.0%	6.0%	9.9%	6.1%	6.6%
Policy Index	14.0%	6.2%	9.7%		

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	Medical Fund	
	June 30, 2017	June 30, 2016
Membership		
Kentucky Employees Health Plan (under 65)	11,424	12,173
Medicare Eligible Health Plan	33,296	31,752
Total	44,720	43,925

Medical Benefits Paid by TRS	Millions	Millions
Monthly retiree benefits	\$ 15	\$ 16
Annual retiree benefits	\$ 179	\$ 189

Actuarial Information	Traditional Funding Method	
<i>Assumed growth rate of liability</i>	8.00%	8.00%
	Millions	Millions
Actuarially Determined Liabilities	\$ 3,692	\$ 3,634
Actuarially Smoothed Asset Value	986	795
Unfunded	\$ 2,706	\$ 2,839
Funded Ratio	26.71%	21.88%

(GASB 67 only applies to pensions)

	Millions	Millions
Assets	958	\$ 734
Net Investment Returns		
Rate of Return	14.4%	-2.2%
Investment Fees (of assets)	0.460%	0.375%

FY 17	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
Rate of Return	14.4%	4.3%			
Policy Index	15.0%	Index established July 1, 2015			

Monthly Premium Costs	2018	2017
Kentucky Employees Health Plan*	\$ 667.48	\$ 661.26
Medicare Eligible Health Plan	\$ 258.00	\$ 252.00

* Includes administration fee paid to DEI (as of Jan. 1 of that year)