

TRSL's valuation report highlights a record 35.7% return in FY 2021

In October, the TRSL Board of Trustees received the retirement system's valuation report for Fiscal Year 2021. The report provides a yearly analysis of the System's financial position, which is used to determine the funding necessary to pay retirement benefits for current and future retirees.

This year's report captured TRSL's tremendous 35.7% return on investments for the fiscal year ended June 30, 2021, which generated more than \$6.5 billion in the 12-month period and catapulted the System's total assets to an all-time high of \$27.7 billion.

As detailed in the graphic below, other information in the report highlights positive news about the System's performance.

- The plan's funded ratio, which is a common metric used to measure the fiscal health of the retirement system, now stands at 71.8%, up from 67.9% in the last fiscal year.
- Long-standing retirement liabilities, known as the unfunded accrued liability (UAL), dropped by more than \$1 billion to \$9.3 billion. Principal and interest on this debt have now been paid for nine consecutive years, and it remains on track to be paid off on time. TRSL Director Katherine Whitney emphasized the beneficial effect that pension reforms, largely enacted since 2009, are having on the System and its stakeholders.

"We're seeing retirement costs for employers continue to decrease," said TRSL Director Katherine Whitney. "All of this good news is due in no small part to the TRSL Board and Legislature working together on practical reforms to maintain the sustainability of the state's retirement systems."

Valuation Report Highlights (FY 2021)



A historic 35.7% market rate of return (net of fees) on investments



A rise in System's funded ratio to 71.8% up from 67.9% last fiscal year



A decrease in the unfunded accrued liability (UAL) of more than \$1 billion

Market value of assets

\$27.7 billion

TRSL actuarial rate

12.65%

30-year average actuarial rate

8.15%

DROP Interest Rates*

12.15%

*Eligible to participate before 1/1/04

