



OKLAHOMA TEACHERS RETIREMENT SYSTEM

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TEACHERS' RETIREMENT SYSTEM HAS 5TH BEST INVESTMENT RETURNS IN THE U.S. & IS IN BEST ACTUARIAL CONDITION IN HISTORY

(Oklahoma City) – Tom Spencer, Executive Director of the Teachers' Retirement System of Oklahoma (TRS), announced two financial landmarks today. Pensions & Investments magazine listed TRS as the 5th best performing public pension plan in the U.S. in fiscal 2017. P & I reported that the System posted a gross return of 15.3% for the fiscal year. (P & I magazine, "The 10 best performing public pension plans for 2017" Oct. 4, 2017).

The outstanding investment return played a part in another milestone for the \$15.8 billion state pension fund. For the first time in its 84-year history, it achieved a 70.4% funded ratio for the fiscal year ending June 30, 2017. This actuarial measurement for a pension plan means that it has more than 70% of the assets on hand to pay all of its pension liability. Twenty years ago it was consistently less than 50% funded. Projections today are that it could be 100% funded in 17 years.

"This is a tremendous achievement for the State of Oklahoma as it continues to make progress on one of its longstanding financial problems," said Executive Director Spencer. "The credit for this goes to so many people who have been committed to properly funding the pension system." The improvement has been largely possible because of the "dedicated revenue" it receives from income tax and sales tax. In addition several pieces of pension reform legislation have been passed that have made future retirement ages more realistic and have made it more difficult to increase retirement benefits and incur the higher cost that goes with them. Spencer said, "Many legislators, governors, TRS Board trustees and staff over the last 20 years, all share credit for this too. Adequate revenue, pension reform and consistently superior investment performance made this possible."

**TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA
FACT SHEET**

- Created by constitutional amendment and legislation in 1943
- 175,000 retired, active & inactive members from more than 600 education employers
- Paid out \$1.32 billion in benefits in FY 2017; mostly to Oklahoma residents
- Governed by a 14 member Board of Trustees appointed by the Governor, President Pro Tem of the Senate and Speaker of the House. The State School Superintendent, Executive Director of the Department of Career Tech, Executive Director of the State Office of Management & Enterprise Services, and State Treasurer are “ex officio” trustees.
- In 1996, TRS had a 39.6% funded ratio. The System had a \$5.5 billion unfunded liability and assets of \$2.28 billion.

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