

Why TRS is Sustainable!

- The rate of return for FY 11 on TRS investments was 24 percent. TRS is a long-term investor and over the last 30 years TRS investments have averaged a 9.9 percent net rate of return. Do not get confused with the short-term returns when the long-term is what matters.
- Over the last two years, TRS revenue from teachers, school districts, state government and investments totaled \$17.3 billion, while TRS benefit checks in the last two years totaled \$8 billion, more than enough to meet its obligations.
- The total value of TRS assets continues to improve. At the end of FY 2009, TRS held \$28.5 billion. At the end of FY 2010, TRS held \$31.3 billion. TRS currently holds \$37.3 billion. That's a 23.6 percent increase in less than two years.
- It's important to note that TRS and its investments and contributions from its membership will continue to accrue principal and interest over the remainder of a teacher's life as long as unused equity exists.
- For the past 20 years, nearly 75 percent of TRS has been funded through TRS investments and membership contributions; the state's contribution has been 25 percent over that same period.
- In March, TRS received its full statutory contribution from Illinois for fiscal year 2011 and the FY'12 budget appropriated the required pension payment.
- TRS currently has total liabilities of \$77 billion and an unfunded liability of \$39.8 billion. While the media frets about the unfunded liability, the total amount is never due all at once. They confuse the mortgage with the mortgage payment.

Contributions to TRS since 1990:

Active Members – By law, 9.4% of Salary

- Since 1990: \$12.7 billion

School Districts - By law, 0.58% of Salaries

- Since 1990: \$2.2 billion

State Government: Set by Statute

- Since 1990: \$14.2 billion *