



Auditor of Public Accounts  
Mike Harmon

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## **Auditor Harmon Releases Results of Financial Statement Audit of Teachers' Retirement System**

*Report for Fiscal Year 2019 has no findings*

**FRANKFORT, Ky. (November 18, 2019)** – Auditor Mike Harmon, Kentucky's 47<sup>th</sup> State Auditor, today released the results of a financial statement audit by his office of the Kentucky Teachers' Retirement Systems (TRS) for Fiscal Year 2019.

"This audit of the Teachers' Retirement System is important because it enables taxpayers, educators, and policymakers to be aware of how the system has performed and have confidence in the information presented in its financial statements," said Auditor Harmon. "Our report contains no findings, but it comes on the heels of our recent special examination of Kentucky's public pension systems, including TRS, and their compliance with Senate Bill 2's transparency requirements."

The financial statement audit was conducted to give an opinion on TRS' financial statements, and is a separate audit with a different objective than the special exam released in August which reported on the retirement systems' compliance with Senate Bill 2. The financial statement audit of TRS is done by APA every five years as required by law.

The audited financial statements reflect that TRS' combined fiduciary net position for the period audits increased by \$615.4 million, from \$21.3 billion in Fiscal Year 2018 to \$21.9 billion in Fiscal Year 2019. In Fiscal Year 2017, the combined net position for TRS was \$19.8 billion.

The audit report also highlights a two percent increase in the fiduciary net position of the Retirement Annuity Trust (\$20.4 billion in Fiscal Year 2019, compared to \$20 billion in Fiscal Year 2018), which is attributed to increased employer contributions from Kentucky along with improved market conditions.

The Health Insurance Trust's fiduciary net position was up nearly 19 percent in Fiscal Year 2019, or \$1.4 billion, compared to \$1.2 billion in Fiscal Year 2018. The audit report notes that the change is due to investment income and contributions from members and employers.

The full TRS audit report can be found on the [auditor's website](#). The special examination report on TRS and other pension systems' compliance with Senate Bill 2 transparency requirements is also available on the [auditor's website](#).

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