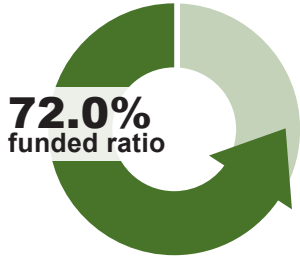


**ERS**

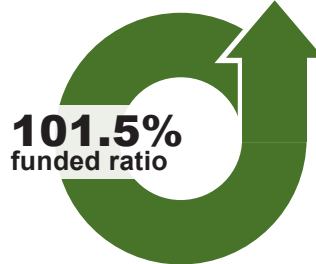
Employees Retirement System  
of Texas



Fully funded  
by Aug. 31, 2054

**LECOS**

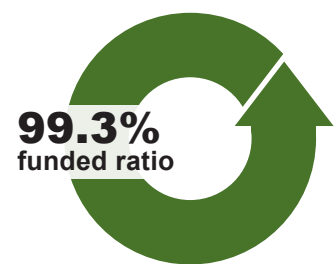
Law Enforcement and Custodial Officer  
Supplemental Retirement Fund



Fully funded

**JRS 2**

Judicial Retirement System  
of Texas Plan 2



Fully funded



*Strong investment returns during FY 2024 improved the  
already strong outlook of all three plans.*

–GRS Consulting Actuaries



In 2021, the Legislature established an annual Legacy Payment to eliminate the ERS Plan's unfunded liability by Aug. 31, 2054. This payment structure is designed to maintain a path to full funding by adjusting the actuarially determined amount each biennium. In 2023, the Legislature sustained the baseline \$510M per year Legacy Payment amount, provided a special one-time \$900M amount to further address the existing ERS liabilities and appropriated lump sums to LECOS and JRS 2 to eliminate those plans' unfunded liabilities. These historic funding decisions have materially changed the trajectory of all three pension plans and will provide billions of savings to future state budgets.

As of Aug. 31, 2024	ERS	LECOS	JRS 2
<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	\$13.9B	(\$27.8M)	\$5.3M
<b>Funded Ratio</b>	72.0%	101.5%	99.3%
<b>Funding Period (Years)</b>	30 years	–	–
<b>Projected Depletion Date</b>	None	None	None
<b>Recommended Legacy Payment</b>	\$510M	–	–
<b>Contributions Sufficient to Pay Ongoing Cost</b>	✓	✓	✓

## Largest Contributing Agencies

(based on membership)

**25%**

Health and Human Services Commission

**21%**

Department of Criminal Justice

**9%**

Department of Transportation

**8%**

Department of Family and Protective Services

**7%**

Department of Public Safety

### Retirement Plan Demographics as of Aug. 31, 2024

	ERS	LECOS	JRS 2
<b>Active Contributing Members</b>	144,049	32,143	658
Average Age	44.5	42.6	58.0
Average Entry Age	36.3	34.8	49.1
Average Years of Service	8.2	7.8	8.9
Average Annual Salary	\$63,881	\$57,607	\$149,185
<b>Non-contributing Members – Vested</b>	14,252	88	26
<b>Non-contributing Members – Non-vested</b>	153,606	36,409	262
<b>Retirees and Beneficiaries</b>	125,832	16,801	585
Service Retirements	114,043	15,728	522
Average Age*	70.7	64.6	72.9
Average Age at Retirement*	58.4	53.8	63.6
Average Years of Service*	22.0	23.6	15.4
Disability Retirements	1,828	65	<10
Beneficiaries	9,961	1,008	60
Average Annual Annuity	\$22,285	\$5,850	\$70,547

\* Based on service retirements only



With the recent commitment from the State to make consistent adequate contributions, the sustainability of ERS has been materially improved. It is important to put strong, reliable policies in place and then have the discipline to keep a longer-term perspective without overreacting to short term positive, or negative, experience. The policies adopted by the 2021 Legislature are strong long-term policies.

–GRS Consulting Actuaries



## History of ERS Unfunded Actuarial Liabilities

