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INVESTMENTS

The Tennessee Department of Treasury's Investments Division is comprised of 41 professionals with extensive education, professional training, and 36 professional designations to manage its investments. The department achieves investment returns consistent with its peers while maintaining an investment expense among the lowest in the Southeast.

In fiscal year 2024, the portfolios under management by the Investments Division grew by $10 billion due to investment earnings. Assets in program-specific funds increased 27% over fiscal year 2023.

Selected Funds Managed Internally by the Treasury Investments Division:

TENNESSEE RETIREE GROUP TRUST

The largest fund managed by Treasury, the Tennessee Retiree Group Trust (TRGT), is a comingled fund that includes the Tennessee Consolidated Retirement System, the Treasury Managed Fund, an investment option offered by the State of Tennessee Deferred Compensation plans, the Hybrid Stabilization Reserves, and the closed pension funds of four Tennessee local governments: the City of Covington, Alcoa, Brownsville, and Franklin. TCRS represents 98.9% of the TGRT fund. Investment objectives for the trust are to obtain the highest available return on investments consistent with the preservation of the principal, while maintaining sufficient liquidity to react to the changing environment and pay beneficiaries in a timely manner. The market value of the TRGT as of June 30, 2024, was approximately $70.2 billion.

STATE POOLED INVESTMENT FUND (SPIF) AND THE LOCAL GOVERNMENT INVESTMENT POOL (LGIP)

The Treasury Department manages short-term investments for state and local governments through the State Pooled Investment Fund (SPIF) and the Local Government Investment Pool (LGIP). The SPIF grew 5.45% in fiscal year 2024, adding $1.9 billion in revenue through investment earnings. The June 30, 2024, balance of $36.9 billion, includes the state's cash, dedicated reserves and trust funds, and the balance of the LGIP of $7.7 billion. The LGIP provides short-term cash management to 208 participating local governments.



$6.2b
IN INVESTMENT EARNINGS ADDED TO THE TCRS PORTFOLIO IN FY24



$1.9b
ADDED TO SPIF/LGIP THROUGH INVESTMENT EARNINGS IN FY24

Treasury supports state initiatives with investment management and investment insight for a diverse set of programs:

$472.2m Chairs of Excellence

$257.4m K-12 Mental Health Endowment Trust

$322.9m Qualified Schools Construction Bonds

$57.6m State of Tennessee Captive Insurance Company

$1.3b Tennessee Other Post Employment Benefits (OPEB)

$113.8m Tennessee Wildlife Resource Agency

$1.1b Tennessee Promise Endowment Trust

$5.6b ORP/403(b) Plans

$7.7b 401(k)/457 Plans