



U.S. Department of Commerce
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Finances of Selected Public Employee Retirement Systems

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Major retirement systems covering employees of State and local governments held \$105.8 billion in cash and investment securities as of March 31, 1977. This amount represents an increase of 1.4 percent over the December 31, 1976 holdings of \$104.4 billion.

More than half, \$53.4 billion, of this sum is in corporate bonds. The continuing increase in dollar volume of corporate bonds indicates the reliance on this form of security as the primary area of investment by the publicly operated retirement systems. Other major holdings include \$23.0 billion invested in corporate stocks and \$8.1 billion in mortgages. Corporate stocks are generally reported at cost; therefore, the amounts shown do not reflect stock market fluctuations.

Holdings of Federal securities, which includes only U.S. Treasury obligations, amounted to \$4.2 billion; other market securities that are federally supported are included under "Other securities." State and local government securities totaled \$3.0 billion.

The total cash balance of \$564 million includes interest-earning time deposits as well as demand accounts; therefore, this amount does not entirely represent uninvested funds.

Detailed data for receipts and benefit and withdrawal payments have been collected beginning with the September 30, 1974 quarter, and are presented by quarter in table 2. In the quarter ending March 31, 1977, receipts totaled \$5.4 billion. Of this total, \$1.2 billion were from employee contributions, \$2.5 billion from government (employer)

contributions, and \$1.7 billion from earnings on investments. Benefit and withdrawal payments totaled \$2.0 billion. Of this total, benefit payments were \$1.7 billion, and withdrawals \$0.3 billion.

The current panel of 106 systems constitutes approximately 85 percent of total assets of the more than 2,300 public employee retirement systems identified in the 1972 Census of Governments. The proportionate share of nongovernmental securities (corporate bonds and stocks, mortgages, etc.) held by the selected funds is especially high.

The statistics in this report are based on a quarterly mail survey which covers the 106 public employee retirement systems in the United States with the largest amount of cash and security holdings. Usable replies are received each quarter from about nine-tenths of the systems canvassed. Estimates are developed for each of the remaining systems in the panel from the latest available data. Data in this report are subject to possible inaccuracies in classification, response, and processing. Every effort is made to keep such errors to a minimum through care in examining, editing, and tabulating the data submitted.

It should be noted that some systems report all or part of receipts and expenditures on an "accrued" basis, and in some cases receipts are accrued but expenditures are on a cash basis. Therefore, the relationship between quarterly revenues and expenditures does not directly tie to an equivalent change in "cash and security holdings." However, these differences in the quarterly series will generally be resolved in the course of the fiscal year.



Table 1. Cash and Security Holdings of Major Public-Employee Retirement Systems as of March 31, 1977 and Prior Periods

(Millions of dollars)

Date	Cash and security holdings							
	Total	Cash and deposits	Federal securities	State and local government securities	Corporate bonds	Corporate stocks	Mortgages	Other securities
March 31, 1977.....	105,812	584	4,181	¹ 2,967	53,424	22,966	8,148	13,582
December 31, 1976.....	104,394	575	3,792	¹ 3,836	52,921	22,494	8,279	12,497
September 30, 1976.....	102,550	515	3,227	¹ 4,204	52,868	21,902	7,749	12,085
June 30, 1976.....	99,861	545	2,620	¹ 4,104	52,345	21,318	7,492	11,237
March 31, 1976.....	95,742	475	2,430	2,983	51,528	20,675	7,272	10,379
December 31, 1975.....	93,380	482	2,268	2,484	50,925	20,212	7,206	9,803
September 30, 1975.....	90,875	512	2,456	1,184	50,407	19,556	6,915	9,845
June 30, 1975.....	88,955	590	2,204	788	49,670	18,961	6,821	9,921
March 31, 1975.....	85,262	795	1,541	823	48,284	18,410	6,747	8,862
December 31, 1974.....	83,078	719	1,443	595	47,404	17,974	6,775	8,166
September 30, 1974.....	79,566	777	1,380	637	46,291	17,031	6,509	7,941
June 30, 1974.....	76,891	721	1,879	661	43,431	16,830	6,696	8,713
March 31, 1974.....	73,454	577	2,538	998	40,928	16,010	6,975	5,428
December 31, 1973.....	71,621	691	2,462	1,011	40,253	15,352	6,950	4,902
September 30, 1973.....	69,813	636	2,863	1,107	39,516	14,284	6,519	4,888
June 30, 1973.....	68,850	781	2,777	1,100	38,016	13,815	6,620	4,761
March 31, 1973.....	66,050	406	2,907	1,135	37,868	13,039	6,384	4,291

Note: Data based on a panel of large systems; see text.

¹Reflects short-term investments by New York State retirement systems.

Table 2. Receipts, Benefits, and Withdrawal Payments of Major Public-Employee Retirement Systems: Quarter Ended March 31, 1977 and Prior Periods

(Millions of dollars)

Date	Receipts				Benefit and withdrawal payments		
	Total	Employee contributions	Government contributions	Earnings on investments	Total	Benefits	Withdrawals
March 31, 1977.....	5,370	1,198	¹ 2,513	1,659	2,009	1,732	277
December 31, 1976.....	5,213	1,162	¹ 2,357	1,694	2,014	1,722	292
September 30, 1976.....	5,074	1,037	2,542	1,495	1,994	1,897	297
June 30, 1976.....	5,363	1,185	2,651	1,527	1,846	1,818	228
March 31, 1976.....	4,506	1,145	1,992	1,369	1,812	1,580	232
December 31, 1975.....	4,427	1,092	1,987	1,348	1,953	1,591	262
September 30, 1975.....	4,044	915	1,937	1,192	1,729	1,470	259
June 30, 1975.....	4,524	1,065	2,163	1,295	1,598	1,423	173
March 31, 1975.....	3,880	1,061	1,647	1,172	1,635	1,416	219
December 31, 1974.....	3,935	1,011	1,770	1,153	1,643	1,382	261
September 30, 1974.....	3,640	835	1,764	1,042	1,546	1,283	263

Note: Data based on a panel of large systems; see text.

¹Reflects changes in timing of receipt of government contributions by several systems.

