



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 \$123.0 billion in cash and investment securities as of June 30, 1978. This amount represents an increase of 4.0 percent over the March 31, 1978 holdings of \$118.3 billion.

Almost half, \$56.5 billion, of this sum is in corporate bonds. Other major holdings include \$25.8 billion invested in corporate stocks and \$9.7 billion in mortgages. Corporate stocks are generally reported at cost; therefore, the amounts shown do not reflect stock market fluctuations.

Beginning with the March 31, 1978 report, holdings of Federal securities include both United States Treasury obligations and Federal agency securities. In prior reports Federal agency securities were included under "Other Securities." As of June 30, 1978, U.S. Treasury obligations amounted to \$7.6 billion and Federal agency securities \$7.1 billion. State and local government securities totaled \$3.7 billion.

The total cash balance of \$1.1 billion 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 are presented by quarter in table 2. In the quarter ending June 30, 1978, receipts totaled \$7.5 billion. Of this total, \$1.4 billion were from employee contributions, \$3.7 billion from government (employer) contributions, and

\$2.4 billion from earnings on investments. Benefit and withdrawal payments totaled \$2.3 billion. Of this total, benefit payments were \$2.0 billion and withdrawals \$0.3 billion.

The current panel of 106 systems constitutes approximately 85 percent of total assets of the more than 3,000 public employee retirement systems identified in the 1977 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 June 30, 1978 and Prior Periods

(Millions of dollars)

Date	Cash and security holdings									
	Total ¹	Cash and deposits	Federal securities ¹			State and local government securities	Corporate bonds	Corporate stocks	Mortgages	Other securities
			Total ¹	United States Treasury	Federal agency					
June 30, 1978.....	123,015	1,082	14,614	7,555	7,059	3,741	56,506	25,796	9,669	11,607
March 31, 1978.....	118,329	912	13,179	6,203	6,976	3,378	55,881	25,347	9,220	10,412
December 31, 1977..	115,727	743	11,764	5,584	6,180	3,483	55,540	24,972	9,090	^r 10,135
September 30, 1977.	112,725	771	11,773	5,767	6,006	3,448	54,622	24,269	8,912	^r 8,930
June 30, 1977.....	109,768	718	11,388	5,690	5,698	3,489	53,816	23,490	8,523	^r 8,344
March 31, 1977.....	105,812	564	10,008	4,161	5,847	2,967	53,424	22,966	8,148	^r 7,735
December 31, 1976..	105,394	^r 575	9,060	3,792	5,268	3,836	52,921	22,494	8,279	^r 7,229
September 30, 1976.	102,550	515	8,728	3,227	5,501	4,204	53,868	21,902	7,749	^r 6,584
June 30, 1976.....	99,661	545	7,479	2,620	4,859	4,104	52,345	21,318	7,492	^r 6,378
March 31, 1976.....	95,742	475	6,683	2,430	4,253	2,983	51,528	20,675	7,272	^r 6,126
December 31, 1975..	93,380	482	(NA)	2,268	(NA)	2,484	50,925	20,212	7,206	9,803
September 30, 1975.	90,875	512	(NA)	2,456	(NA)	1,184	50,407	19,556	6,915	9,845
June 30, 1975.....	88,955	590	(NA)	2,204	(NA)	788	49,670	18,961	6,821	9,921
March 31, 1975.....	85,262	795	(NA)	1,541	(NA)	623	48,284	18,410	6,747	8,862

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

^r Revised.

NA Not available.

¹Prior to the March 31, 1978 report, Federal agency securities were included under "Other securities."

Table 2. Receipts, Benefits, and Withdrawal Payments of Major Public-Employee Retirement Systems: Quarter Ended June 30, 1978 and Prior Periods

(Millions of dollars)

Date	Receipts				Benefit and withdrawal payments		
	Total	Employee contributions	Government contributions	Earnings on investments	Total	Benefits	Withdrawals
June 30, 1978.....	7,493	1,377	3,736	2,380	2,268	1,989	279
March 31, 1978.....	6,507	1,293	3,206	2,008	2,227	¹ 1,948	279
December 31, 1977.....	6,236	1,286	2,852	2,098	2,269	¹ 1,953	316
September 30, 1977.....	6,215	1,185	3,194	1,836	2,306	1,971	335
June 30, 1977.....	6,422	1,218	3,336	1,868	2,083	1,828	255
March 31, 1977.....	5,370	1,198	2,513	1,659	2,009	1,732	277
December 31, 1976.....	5,213	1,162	2,357	1,694	2,014	1,722	292
September 30, 1976.....	5,074	1,037	2,542	1,495	1,994	1,697	297
June 30, 1976.....	5,363	1,185	2,651	1,527	1,846	1,618	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	1,853	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	1,596	1,423	173
March 31, 1975.....	3,880	1,061	1,647	1,172	1,635	1,416	219

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

¹Decrease due to the timing of monthly benefit payments by several systems.