

Finances of Selected Public Employee Retirement Systems

September 30, 1987



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Major retirement systems covering employees of State and local governments held \$442.3 billion in cash and investment securities as of September 30, 1987. This amount represents an increase of 4.1 percent over the June 30, 1987 holdings of \$425.1 billion.

About 33 percent, \$147.0 billion, of this sum is in corporate stocks. Other major holdings include \$83.9 billion invested in corporate bonds and \$31.3 billion in mortgages. Corporate stocks are generally reported at cost; therefore, the amounts shown do not reflect stock market fluctuations. As of September 30, 1987, U.S. Treasury obligations amounted to \$91.5 billion and Federal agency securities totaled \$33.3 billion.

The total cash balance of \$14.3 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 September 30, 1987, receipts totaled \$22.1 billion. Of this total \$6.5 billion were from government (employer) contributions,

\$13.2 billion from earnings on investments, and \$2.5 billion from employee contributions. Benefit and withdrawal payments totaled \$6.2 billion. Of this total, benefit payments were \$5.8 billion and withdrawals \$429 million.

The current panel of 104 systems constitutes approximately 87 percent of total assets of the more than 2,500 public employee retirement systems identified in the 1982 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 survey which covers the 104 public employee retirement systems in the United States with the largest amount of cash and security holdings. Usable replies are received each quarter from over two-thirds 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.

For further information regarding data contained in this report, contact Vance Kane, Governments Division, Bureau of the Census, Washington, DC 20233 (area code 301/763-7664).

Table 1. Cash and Security Holdings of Major Public-Employee Retirement Systems as of September 30, 1987, and Prior Periods

[Millions of dollars]

Date	Cash and security holdings									
	Total	Corporate stocks	Corporate bonds	Federal securities			Mortgages	State and local government securities	Cash and deposits	Other securities
				Total	United States Treasury	Federal agency				
September 30, 1987....	442,340	146,961	83,916	124,805	91,543	33,262	31,264	493	14,285	40,616
June 30, 1987.....	r 425,050	141,428	82,889	119,952	87,080	32,872	30,953	487	13,515	35,826
March 31, 1987.....	416,775	136,852	86,084	114,318	82,958	31,360	30,379	455	12,183	36,503
December 31, 1986....	399,510	128,370	80,967	112,544	81,525	31,019	28,957	516	12,825	35,332
September 30, 1986....	385,604	123,382	79,107	106,471	76,632	29,839	30,586	683	12,042	33,333
June 30, 1986.....	372,983	116,443	77,341	103,456	75,796	27,660	29,054	774	11,431	34,484
March 31, 1986.....	359,517	105,706	75,323	104,414	76,352	28,062	26,414	688	11,688	35,284
December 31, 1985....	347,668	100,478	77,583	97,430	68,352	29,078	26,566	708	10,266	34,637
September 30, 1985....	334,729	96,407	75,878	93,897	64,245	29,651	26,063	1,033	9,975	31,476
June 30, 1985.....	323,592	91,974	75,478	89,211	61,023	28,187	25,880	1,377	9,740	29,932
March 31, 1985.....	308,951	84,961	71,986	83,980	58,392	25,588	29,350	1,291	7,415	29,968
December 31, 1984....	300,108	78,029	75,027	78,628	53,719	24,909	29,110	1,501	6,302	31,511
September 30, 1984....	289,119	74,015	72,858	73,436	50,885	22,551	27,755	2,024	6,650	32,381
June 30, 1984.....	276,973	70,352	71,736	69,520	46,808	22,712	26,866	2,216	5,816	30,467
March 31, 1984.....	268,619	69,841	70,915	65,006	43,248	21,758	25,787	2,149	4,567	30,354
December 31, 1983....	258,029	67,088	72,248	64,507	38,704	25,803	23,223	2,580	2,580	25,803
September 30, 1983....	248,446	62,360	73,042	61,615	36,025	25,590	19,876	3,230	3,230	25,093
June 30, 1983.....	242,522	57,329	74,370	59,142	33,913	25,229	20,223	3,377	3,407	24,674
March 31, 1983.....	231,758	54,662	72,676	55,760	32,015	23,745	18,428	3,117	3,333	23,782
December 31, 1982....	223,011	50,809	74,988	51,834	28,908	22,926	18,199	3,798	2,788	20,595

Note: Data based on a panel of large systems; see text. Because of rounding, detail may not add to totals.

r Revised total and detail.

Table 2. Receipts, Benefits, and Withdrawal Payments of Major Public Employee-Retirement Systems: Quarter Ended September 30, 1987, and Prior Periods

[Millions of dollars]

Date	Receipts				Benefit and withdrawal payments		
	Total	Government contributions	Earnings on investments	Employee contributions	Total	Benefits	Withdrawals
September 30, 1987.....	22,119	6,453	13,163	2,503	6,187	5,758	429
June 30, 1987.....	r 21,936	7,529	11,858	2,548	6,307	5,932	375
March 31, 1987.....	19,225	6,181	10,724	2,320	6,197	5,790	407
December 31, 1986....	17,454	5,850	9,328	2,276	5,805	5,305	500
September 30, 1986....	18,192	6,630	9,558	2,004	5,798	5,254	544
June 30, 1986.....	242,522	7,113	10,268	2,396	5,806	5,394	412
March 31, 1986.....	16,193	5,468	8,545	2,180	5,238	4,850	388
December 31, 1985....	16,980	5,252	9,554	2,175	5,297	4,889	407
September 30, 1985....	16,090	5,375	8,472	2,242	5,281	4,823	459
June 30, 1985.....	16,913	6,033	8,688	2,192	5,165	4,652	513
March 31, 1985.....	13,693	4,751	6,915	2,027	4,982	4,479	503
December 31, 1984....	14,877	5,341	7,349	2,187	4,939	4,503	436
September 30, 1984....	15,425	5,723	7,465	2,237	4,772	4,334	438
June 30, 1984.....	13,292	5,317	5,981	1,994	4,456	4,111	345
March 31, 1984.....	12,527	4,923	5,675	1,929	4,336	3,996	340
December 31, 1983....	12,809	4,957	5,956	1,896	4,149	3,718	431
September 30, 1983....	11,883	4,825	5,373	1,686	4,003	3,541	462
June 30, 1983.....	12,614	4,649	5,978	1,987	3,722	3,367	355
March 31, 1983.....	10,118	3,856	4,562	1,700	3,511	3,188	323
December 31, 1982....	10,988	4,029	5,179	1,780	3,699	3,291	409

Note: Data based on a panel of large systems; see text. Because of rounding, detail may not add to totals.

r Revised total and detail.

Table 3. Percent Distribution of Cash and Security Holdings of Major Public Employee—Retirement Systems as of September 30, 1987, and Prior Periods

Date	Cash and security holdings									
	Total	Corporate stocks	Corporate bonds	Federal securities			Mortgages	State and local government securities	Cash and deposits	Other securities
				Total	United States Treasury	Federal agency				
September 30, 1987.....	100.0	33.2	19.0	28.2	20.7	7.5	7.1	.1	3.2	9.2
June 30, 1987.....	100.0	33.3	19.5	28.2	20.5	7.7	7.3	.1	3.2	8.4
March 31, 1987.....	100.0	32.8	20.7	27.4	19.9	7.5	7.3	.1	2.9	8.8
December 31, 1986.....	100.0	32.1	20.3	28.2	20.4	7.8	7.2	.1	3.2	8.8
September 30, 1986.....	100.0	32.0	20.5	27.6	19.9	7.7	7.9	.2	3.1	8.6
June 30, 1986.....	100.0	31.2	20.7	27.7	20.3	7.4	7.8	.2	3.1	9.2
March 31, 1986.....	100.0	29.4	21.0	29.0	21.2	7.8	7.3	.2	3.3	9.8
December 31, 1985.....	100.0	28.9	22.3	28.0	19.7	8.4	7.6	.2	3.0	10.0
September 30, 1985.....	100.0	28.8	22.7	28.1	19.2	8.9	7.8	.3	3.0	9.4
June 30, 1985.....	100.0	28.4	23.3	27.6	18.9	8.7	8.0	.4	3.0	9.2
March 31, 1985.....	100.0	27.5	23.3	27.2	18.9	8.3	9.5	.4	2.4	9.7
December 31, 1984.....	100.0	26.0	25.0	26.2	17.9	8.3	9.7	.5	2.1	10.5
September 30, 1984.....	100.0	25.6	25.2	25.4	17.6	7.8	9.6	.7	2.3	11.2
June 30, 1984.....	100.0	25.4	25.9	25.1	16.9	8.2	9.7	.8	2.1	11.0
March 31, 1984.....	100.0	26.0	26.4	24.2	16.1	8.1	9.6	.8	1.7	11.3
December 31, 1983.....	100.0	26.0	28.0	25.0	15.0	10.0	9.0	1.0	1.0	10.0
September 30, 1983.....	100.0	25.1	29.4	24.8	14.5	10.3	8.0	1.3	1.3	10.1
June 30, 1983.....	100.0	23.6	30.6	24.4	14.0	10.4	8.3	1.4	1.4	10.2
March 31, 1983.....	100.0	23.4	31.4	24.1	13.8	10.2	8.0	1.3	1.4	10.3
December 31, 1982.....	100.0	22.8	33.6	23.2	13.0	10.3	8.2	1.7	1.3	9.2

Note: Because of rounding, detail may not add to totals.

Table 4. Percent Distribution of the Receipts of Major Public Employee-Retirement Systems: Quarter Ended September 30, 1987, and Prior Periods

Date	Total	Government contributions	Earnings on investments	Employee contributions	Date	Total	Government contributions	Earnings on investments	Employee contributions
September 30, 1987.....	100.0	29.2	59.5	11.3	December 31, 1984.....	100.0	35.9	49.4	14.7
June 30, 1987.....	100.0	34.3	54.1	11.6	September 30, 1984.....	100.0	37.1	48.4	14.5
March 31, 1987.....	100.0	32.2	55.8	12.1	June 30, 1984.....	100.0	40.0	45.0	15.0
December 31, 1986.....	100.0	33.5	53.4	13.0	March 31, 1984.....	100.0	39.3	45.3	15.4
September 30, 1986.....	100.0	36.4	52.5	11.0	December 31, 1983.....	100.0	38.7	46.5	14.8
June 30, 1986.....	100.0	36.0	51.9	12.1	September 30, 1983.....	100.0	40.6	45.2	14.2
March 31, 1986.....	100.0	33.8	52.8	13.5	June 30, 1983.....	100.0	36.9	47.4	15.8
December 31, 1985.....	100.0	30.9	56.3	12.8	March 31, 1983.....	100.0	38.1	45.1	16.8
September 30, 1985.....	100.0	33.4	52.7	13.9	December 31, 1982.....	100.0	36.7	47.1	16.2
June 30, 1985.....	100.0	35.7	51.4	13.0					
March 31, 1985.....	100.0	34.7	50.5	14.8					

Note: Because of rounding, detail may not add to totals.