

Finances of Selected Public Employee Retirement Systems

December 31, 1988

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Major retirement systems covering employees of State and local governments held \$510 billion in cash and investment securities as of December 31, 1988. This amount represents an increase of 2.3 percent over the September 30, 1988, holdings of \$498 billion.

About 33 percent, \$167 billion, of this sum is in corporate stocks. Other major holdings include \$84 billion invested in corporate bonds and \$28 billion in mortgages. Corporate stocks are generally reported at cost; therefore, the amounts shown do not reflect stock market fluctuations. As of December 30, 1988, U.S. Treasury obligations amounted to \$118 billion and Federal agency securities totaled \$39 billion.

The total cash balance of \$17 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 December 31, 1988, receipts totaled \$21 billion. Of this total \$6 billion were from government (employer) contributions, \$11 billion from earnings on

investments, and \$3 billion from employee contributions. Benefit and withdrawal payments totaled \$7 billion. Of this total, benefit payments were \$7 billion and withdrawals \$435 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 almost 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 December 31, 1988, and Prior Periods

[Millions of dollars]

Date	Cash and security holdings									
	Total	Corpo- rate stocks	Corpo- rate bonds	Federal securities			Mort- gages	State and local govern- ment securities	Cash and deposits	Other securities
				Total	United Treasury	Federal agency				
December 31, 1988	510,055	167,400	83,761	157,052	118,040	39,012	27,548	295	17,180	56,819
September 30, 1988	¹ 498,355	¹ 167,957	¹ 82,427	¹ 146,764	¹ 111,714	¹ 35,050	¹ 31,305	¹ 301	¹ 16,432	¹ 53,169
June 30, 1988	¹ 488,217	¹ 163,167	¹ 77,502	¹ 147,838	¹ 110,355	¹ 37,483	¹ 30,722	¹ 399	¹ 16,158	¹ 52,431
March 31, 1988	472,705	156,548	74,427	145,728	108,006	37,722	30,884	382	14,008	50,728
December 31, 1987	460,176	153,661	76,556	137,297	103,725	33,572	30,452	475	13,841	47,893
September 30, 1987	443,578	143,027	72,823	133,013	98,791	34,222	29,604	436	13,545	51,130
June 30, 1987	488,080	141,586	78,518	121,704	90,464	31,240	29,956	427	13,546	38,343
March 31, 1987	416,876	136,734	85,669	114,308	82,964	31,344	30,182	455	12,703	36,825
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

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

¹Revised total and detail.

Table 2. Receipts, Benefits, and Withdrawal Payments of Major Public Employee-Retirement Systems: Quarter Ended December 31, 1988, and Prior Periods

[Millions of dollars]

Date	Receipts				Benefit and withdrawal payments		
	Total	Government contribution	Earnings on investments	Employee contributions	Total	Benefits	Withdrawals
December 31, 1988	20,577	6,409	10,759	3,409	7,216	6,781	435
September 30, 1988	19,802	6,233	10,880	2,689	6,748	6,151	597
June 30, 1988	22,387	7,140	12,314	2,933	6,617	6,142	475
March 31, 1988	20,422	6,185	11,708	2,529	6,534	6,059	475
December 31, 1987	18,806	5,933	10,215	2,658	6,425	5,988	437
September 30, 1987	20,364	6,079	11,981	2,303	6,190	5,756	433
June 30, 1987	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	19,777	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

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

†Revised total and detail.

Table 3. Percent Distribution of Cash and Security Holdings of Major Public Employee-Retirement Systems as of December 31, 1988, and Prior Periods

Date	Cash and security holdings									
	Total	Corpo- rate stocks	Corpo- rate bonds	Federal securities			Mort- gage	State and local govern- ment securities	Cash and deposits	Other securities
				Total	United States Treasury	Federal agency				
December 31, 1988	100.0	32.8	16.4	30.8	23.1	7.6	5.4	.1	3.4	11.1
September 30, 1988	100.0	33.7	16.5	29.4	22.4	7.0	6.3	.1	3.3	10.7
June 30, 1988	100.0	33.4	15.9	30.3	22.6	7.7	6.3	.1	3.3	10.7
March 31, 1988	100.0	33.1	15.7	30.8	22.8	8.0	6.5	.1	3.0	10.7
December 31, 1987	100.0	33.6	18.3	29.1	21.4	7.6	7.0	.1	3.1	8.8
September 30, 1987	100.0	33.3	19.0	28.2	20.7	7.6	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

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

†Revised.

Official Business
 Penalty for Private Use, \$300

Table 4. Percent Distribution of the Receipts of Major Public Employee-Retirement Systems: Quarter Ended December 31, 1988, and Prior Periods

Data	Total	Government contributions	Earnings on investments	Employee contributions	Data	Total	Government contributions	Earnings on investments	Employee contributions
December 31, 1988.....	100.0	31.1	52.3	16.6	December 31, 1985.....	100.0	30.9	56.3	12.8
September 30, 1988.....	100.0	^r 31.5	^r 54.9	^r 13.6	September 30, 1985.....	100.0	33.4	52.7	13.9
June 30, 1988.....	100.0	^r 31.9	^r 55.0	^r 13.1	June 30, 1985.....	100.0	35.7	51.4	13.0
March 31, 1988.....	100.0	30.3	57.3	12.4	March 31, 1985.....	100.0	34.7	50.5	14.8
December 31, 1987.....	100.0	31.5	54.3	14.1	December 31, 1984.....	100.0	35.9	49.4	14.7
September 30, 1987.....	100.0	29.9	58.8	11.3	September 30, 1984.....	100.0	37.1	48.4	14.5
June 30, 1987.....	100.0	34.3	54.1	11.6	June 30, 1984.....	100.0	40.0	45.0	15.0
March 31, 1987.....	100.0	32.2	55.8	12.1	March 31, 1984.....	100.0	39.3	45.3	15.4
December 31, 1986.....	100.0	33.5	53.4	13.0	December 31, 1983.....	100.0	38.7	46.5	14.8
September 30, 1986.....	100.0	36.4	52.5	11.0	September 30, 1983.....	100.0	40.6	45.2	14.2
June 30, 1986.....	100.0	36.0	51.9	12.1	June 30, 1983.....	100.0	36.9	47.4	15.8
March 31, 1986.....	100.0	33.8	52.8	13.5					

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

^rRevised.

