

Finances of Selected Public Employee Retirement Systems

September 30, 1989

U.S. Department of Commerce
BUREAU OF THE CENSUSGR89-Q3
Issued March 1990

Major retirement systems covering employees of State and local governments held \$555 billion in cash and investment securities as of September 30, 1989. This amount represents an increase of 2.4 percent over the June 30, 1989, holdings of \$542 billion.

About 31 percent, \$174 billion, of this sum is in corporate stocks. Other major holdings include \$94 billion invested in corporate bonds and \$22 billion in mortgages. Corporate stocks are generally reported at cost; therefore, the amounts shown do not reflect stock market fluctuations. As of September 30, 1989, U.S. Treasury obligations amounted to \$120 billion and Federal agency securities totaled \$55 billion.

The total cash balance of \$18 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, 1989, receipts totaled \$23 billion. Of this total \$6 billion were from government (employer) contributions, \$14 billion from earnings on investments, and \$3 billion from employee contributions. Benefit and withdrawal payments totaled \$8 billion and withdrawals \$681 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

1987 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 Eunice Ave, 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: Quarter Ending September 30, 1989, and Prior Periods

(Million dollars. Because of rounding, detail may not add to total)

Date	Total	Corpo- rate stocks	Corpo- rate bonds	Federal securities			Mort- gages ¹	State and local govern- ment securities	Cash and deposits	Other securities
				Total ¹	United Treasury	Federal ¹ agency				
September 30, 1989	554,425	174,113	94,003	174,694	120,191	54,503	20,821	281	18,295	72,218
June 30, 1989	¹ 542,205	¹ 170,186	¹ 90,039	¹ 170,783	¹ 119,493	¹ 51,290	¹ 21,915	¹ 265	¹ 19,597	¹ 69,420
March 31, 1989	526,122	166,584	86,724	166,539	117,886	48,653	21,553	296	18,539	65,887
December 31, 1988	510,055	167,400	83,761	165,340	118,040	47,300	19,260	295	17,180	56,819
September 30, 1988	498,355	167,957	82,427	155,214	111,714	43,500	22,855	301	16,432	53,169
June 30, 1988	488,267	163,167	77,502	156,328	110,355	45,973	22,282	399	16,158	52,431
March 31, 1988	472,705	156,548	74,427	153,541	108,006	45,535	23,071	382	14,008	50,728
December 31, 1987	460,176	153,661	76,556	145,158	103,725	41,433	22,591	475	13,841	47,894
September 30, 1987	443,578	143,027	72,823	141,308	98,791	42,517	21,309	436	13,545	51,130
June 30, 1987	424,080	141,586	78,518	130,108	90,464	39,644	21,552	427	13,546	38,343
March 31, 1987	416,876	136,734	85,669	122,590	82,964	39,626	21,900	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	30,466
March 31, 1984	268,619	69,841	70,915	65,006	43,248	21,758	25,787	2,149	4,567	30,356

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

¹Revised

¹1987-1989 data revised to reflect reclassification of mortgages to federally sponsored agency securities.

Table 2. Receipts, Benefits, and Withdrawal Payments of Major Public Employee-Retirement Systems: Quarter Ending September 30, 1989, and Prior Periods

(Million dollars. Because of rounding, detail may not add to total)

Date	Receipts				Benefit and withdrawal payments		
	Total	Government contribution	Earnings on investments	Employee contributions	Total	Benefits	Withdrawals
September 30, 1989	22,855	6,009	14,196	2,650	7,594	6,913	681
June 30, 1989	24,641	7,355	14,282	3,004	7,243	6,680	563
March 31, 1989	20,173	6,197	11,310	2,666	7,085	6,657	427
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

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

[†] Revised.

Table 3. Percent Distribution of Cash and Security Holdings of Major Public Employee-Retirement Systems: Quarter Ending September 30, 1989, and Prior Periods

(Because of rounding, detail may not add to total)

Date	Total	Corpo- rate stocks	Corpo- rate bonds	Federal securities			Mort- gages ¹	State and local govern- ment securities	Cash and deposits	Other securities
				Total ¹	United States Treasury	Federal agency ¹				
September 30, 1989	100.0	31.4	17.0	31.5	21.7	9.8	3.8	.1	3.3	13.0
June 30, 1989	100.0	31.4	16.6	31.5	22.0	9.5	4.0	.0	3.6	12.8
March 31, 1989	100.0	31.7	16.5	31.7	22.4	9.2	4.1	.1	3.5	12.5
December 31, 1988	100.0	32.8	16.4	32.4	23.1	9.3	3.8	.1	3.4	11.1
September 30, 1988	100.0	33.7	16.5	31.1	22.4	8.7	4.6	.1	3.3	10.7
June 30, 1988	100.0	33.4	15.9	32.0	22.6	9.4	4.6	.1	3.3	10.7
March 31, 1988	100.0	33.1	15.7	32.5	22.8	9.6	4.9	.1	3.0	10.7
December 31, 1987	100.0	33.6	18.3	31.5	21.4	9.0	4.9	.1	3.1	8.8
September 30, 1987	100.0	33.3	19.0	31.9	20.7	9.6	4.8	.1	3.2	9.2
June 30, 1987	100.0	33.3	19.5	30.7	20.5	9.3	5.1	.1	3.2	8.4
March 31, 1987	100.0	32.8	20.7	29.4	19.9	9.5	5.3	.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

[†] Revised

¹ 1987-1989 data revised to reflect reclassification of mortgages to federally sponsored agency securities.

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Table 4. Percent Distribution of the Receipts of Major Public Employee-Retirement Systems: Quarter Ending September 30, 1989, and Prior Periods

(Because of rounding, detail may not add to total)

Date	Total	Government contributions	Earnings on investments	Employee contributions	Date	Total	Government contributions	Earnings on investments	Employee contributions
September 30, 1989.....	100.0	26.3	62.1	11.6	December 31, 1986.....	100.0	33.5	53.4	13.0
June 30, 1989.....	100.0	29.8	58.0	12.2	September 30, 1986.....	100.0	36.4	52.5	11.0
March 31, 1989.....	100.0	30.6	56.1	13.2	June 30, 1986.....	100.0	36.0	51.9	12.1
					March 31, 1986.....	100.0	33.8	52.8	13.5
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	31.5	54.9	13.6	September 30, 1985.....	100.0	33.4	52.7	13.9
June 30, 1988.....	100.0	31.9	55.0	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	14.4
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

† Revised.

