



For the decade ended in

1990



SERS Snapshot

	1990	1981-90
Fund Size	\$2.69 billion	↑ 147%**
Unfunded Liabilities	\$1.32 billion	↑ 41%**

MEMBERS

	1990	1981-90
Members	93,147	↑ 5%***
Average Age	45.2	
Average Service	8.5 years	

NEW RETIREES

	1990	1981-90
Retirees	44,205	↑ 45%**
Average Service	18.7 years	
Average Age at Retirement	60.8 years	
Average Pension	\$5,098/yr.	↑ 95%**

	1990	1981-90
Employee Contributions	\$104.1 million	↑ 98%**
Employer Contributions	\$180.5 million	↑ 122%**

SERS vs. National Averages*

SERS	NATIONAL
<i>Final Average Salary (FAS) at Retirement</i> \$13,035	<i>Average Individual Income</i> \$21,028
<i>Average Retirement Age</i> 60.8 years	<i>Average Retirement Age</i> 64.8 years

Average Consumer Price Index Increase

6.03%**

(SERS COLA capped at 3%)

Average National Life Expectancy

75.4 years

Average of New SERS Retirees with 30 Years and 20 Years of Service

	30 Years	20 Years
1961-70	8%	22%
1971-80	6%	26%
1981-90	7%	32%
1991-2000	13%	52%
2001-10	25%	63%
2011-18	25%	57%

Age and Service Eligibility*

Any Age with **30** years

Age **55** with **25** years

Age **60** with **5** years

* As of 1990

** Average over 10 years

*** Does not include 1981 due to change in calculation of members



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Investments

AVERAGE ANNUAL RETURN

13.9%**

ASSUMED RATE OF RETURN

7.5%*

SERS Asset Allocation *	SERS Returns*	National Returns*
Stocks 32%	14.5%	11.39%
Fixed Income Bonds and Mortgages 47.2%	8.9%	7.1%
Real Estate 13.3%	5.1%***	
Short Term 6.5%	8.8%	
Venture Capital 1%		
100%		

Contribution Rates*

MEMBER

9%

EMPLOYER

14%

Health Care

Total Health Care Expenses

\$62.7 million*

Percentage of Total Benefits Paid

24.7%*

Health Care Fund Balance

\$149 million*

(1986) Contributing Service Credit

Required 10 years of qualified service for new retirees

(1986) Spouse and Dependent Premiums

Established 70% premium for spouses and dependents phased in over five years

(1989) Waiver of Coverage

Established irrevocable waiver of coverage (excluding age 65 and other qualifying events)

(1989) Employer Surcharge

Implemented employer surcharge for employees receiving less than actuarially-determined minimum salary

(1989) Retiree Health Care

Members retiring with under 25 years of service credit required to pay from 15% to 75% of the premium

Benefit Changes



1988

Retirement formula increased from 2% to 2.1% of final average salary

1984

Benefit increase of 5% granted for all retirees who retired on or prior to 2/1/83



1989

Benefit increase of 2% for all retirees who retired prior to 2/1/83

1989

Benefit increase of 5% for all retirees who retired between 2/1/83 and 9/30/88



* As of 1990

** Average over 6 years; returns not calculated prior to 1985

*** Over 5 years

Retirement Board

The Board was expanded from six to **seven** members in 1984.

