

**SERS**

**SCHOOL EMPLOYEES  
RETIREMENT SYSTEM  
OF OHIO**

Annual  
Financial  
Report

**JUNE 30, 1980**



**SCHOOL EMPLOYEES RETIREMENT SYSTEM  
OF OHIO**

45 NORTH FOURTH STREET  
COLUMBUS, OHIO 43215

**ANNUAL  
FINANCIAL REPORT**

For The  
Year Ended June 30, 1980



THE SCHOOL EMPLOYEES RETIREMENT BOARD OF OHIO



**BERTHE E. WEIST**  
President  
Kettering City School District  
Kettering, Ohio  
Term expires June 30, 1981



**GEORGE J. MAZZARO**  
Vice President  
Cleveland City School District  
Cleveland, Ohio  
Term expires June 30, 1983



**MARY E. KASUNIC**  
Wickliffe City School District  
Wickliffe, Ohio  
Term expires June 30, 1985



**THOMAS R. ANDERSON**  
Executive Director



**WILLIAM J. BROWN**  
Attorney General  
Ex Officio Member



**THOMAS E. FERGUSON**  
Auditor of State  
Ex Officio Member

Assistant Directors

**R. JACK COOPER**  
Investments

**DALE D. McINTYRE**  
Information Services

**STEPHEN J. PUSKAC**  
Membership-Accounting

**RICHARD C. REGAN**  
Retirement Services

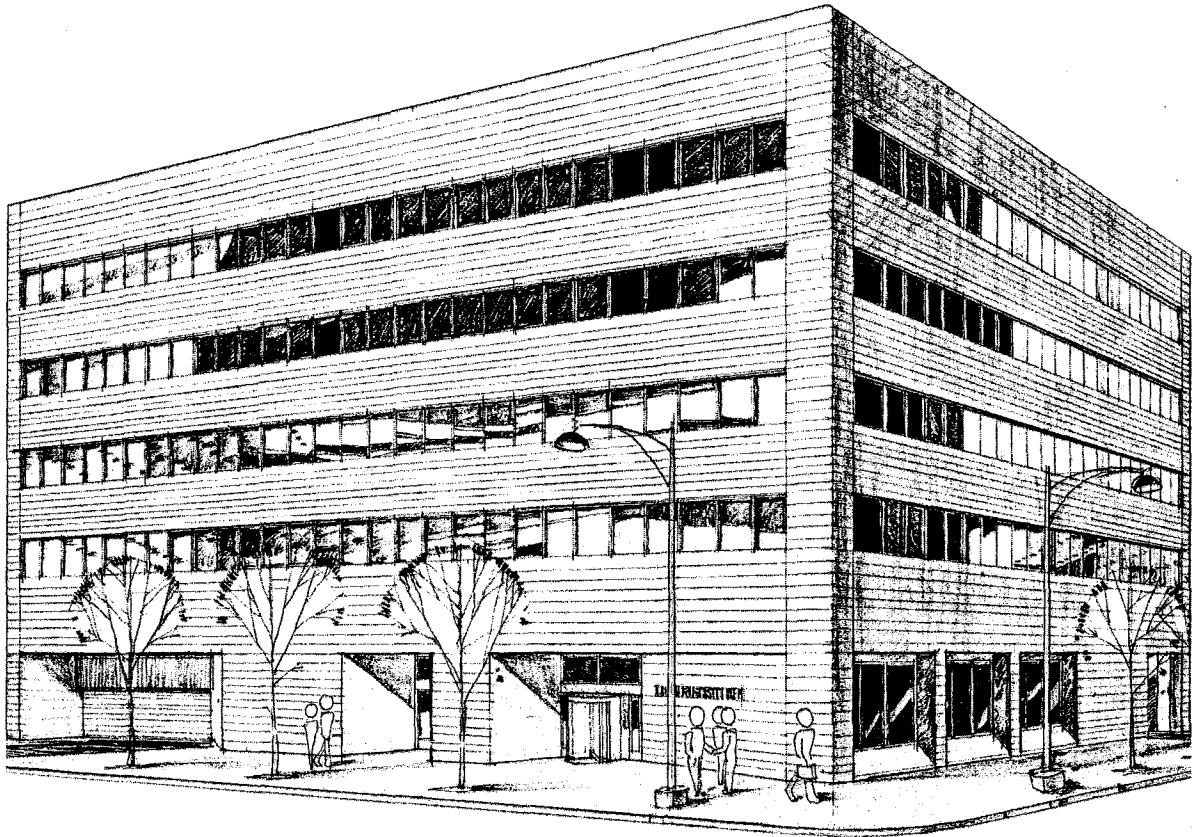
**THOMAS R. SKIPTON**  
Office Services

**C. DOUGLAS WILSON**  
Data Processing



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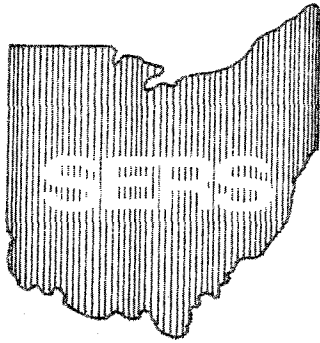
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# SLNS

1937 — 1980  
*Forty-three Years*





## SCHOOL EMPLOYEES RETIREMENT SYSTEM

45 NORTH FOURTH STREET, COLUMBUS, OHIO 43215 • TELEPHONE (614) 221-5853

### To The Members of the Board:

This is the Annual Report of the School Employees Retirement System for the fiscal year ended June 30, 1980. The report presents the financial statements, footnotes, schedules, statistical tables, the investment portfolio, and a summary of the plan. It also contains the actuarial balance sheet as of June 30, 1980, and other financial data as of that date.

### Accounting System and Reports

The modified accrual basis is used in maintaining the accounting records of the School Employees' Retirement System. Revenues for the System are recorded when earned regardless of the date of collection. Expenses are recorded when the corresponding liabilities are incurred, without regard to the date of payment. Bond premium and discount are amortized over the life of the security. Actuarial reserves are funded on an annual basis for current liabilities and prior years' unfunded accrued liabilities are funded over a period of 24 years.

We anticipate that by February 1, 1981 we will have begun operations in our new physical location, and that in moving we will sell or otherwise dispose of a majority of our fixtures and furnishings. For this reason, fixed assets are recorded at cost, without allowance for depreciation.

In order to adequately inform interested individuals and groups, we have prepared the following statements and schedules in conformity with guidelines of the National Council on Governmental Accounting Statement 1. The Council's preferred method of accounting (modified accrual or accrual basis) is significantly different from the cash basis we have used until this year.

As a result of this major change, and in order to eliminate confusion for the reader, we have chosen to present some of the statements and schedules

which follow without comparison to the prior fiscal year's activity.

### Revenues

The School Employees' Retirement System was established by law to pay retirement plan benefits and to accumulate the resources with which to pay such benefits. Resources are accumulated through the collection of member contributions, employer contributions, and from income earned on invested contributions. For the fiscal year ended June 30, 1980, \$123,061,453 was provided by contributions and \$66,965,956 was generated as income from investments. Miscellaneous sources, including transfers from other systems, provided another \$2,659,240.

### Expenses

Expenses are incurred primarily for the purpose for which the retirement system is created, namely, the payment of benefits. Included in total expenses for fiscal 1980 of \$89,739,090 were benefit payments, refunds of contributions due to member termination or death, transfers of contributions to other Ohio Systems in order to provide benefits for members who hold membership in more than one system, and expenses to cover the cost of administration. Revenues of \$192,686,649 exceeded expenses of \$89,739,090 by \$102,947,559 during the fiscal year ended June 30, 1980.

### Reserves (Funds)

The \$475,052,446 shown in the Annuity and Pension Reserve Fund represents the estimated amount necessary to provide benefits for those members who have filed for retirement prior to June 30, 1980. The accumulated contributions of members who have not yet retired amount to \$266,829,897 and are shown in the Employees' Savings Fund. The Employer's Trust Fund balance of \$163,386,932 is the amount being held for payment of benefits for those members not yet retired.