



For the decade ended in

**2000**



	2000	1991-2000
<b>Fund Size</b>	\$8.28 billion	↑ 175%**
<b>Liabilities</b>	\$0***	↓ 114%**

**MEMBERS**

	2000	1991-2000
<b>Members</b>	113,811	↑ 22%**
<b>Average Age</b>	45.7	
<b>Average Service</b>	8.8 years	

**NEW RETIREES**

	2000	1991-2000
<b>Retirees</b>	57,824	↑ 19%**
<b>Average Service</b>	22.0 years	
<b>Average Age at Retirement</b>	63.5 years	
<b>Average Pension</b>	\$9,138/yr.	↑ 70%**

	2000	1991-2000
<b>Employee Contributions</b>	\$179.6 million	↑ 64%**
<b>Employer Contributions</b>	\$303.1 million	↑ 61%**

**SERS vs. National Averages\***

<b>SERS</b>	<b>NATIONAL</b>
<i>Final Average Salary (FAS) at Retirement</i>	<i>Average Individual Income</i>
<b>\$20,230</b>	<b>\$32,155</b>
<i>Average Retirement Age</i>	<i>Average Retirement Age</i>
<b>63.5 years</b>	<b>64.3 years</b>

*Average Consumer Price Index Increase*

**3.17%\*\***

(SERS COLA capped at 3%)

*Average National Life Expectancy*

**76.8 years**

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

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

**Age and Service Eligibility\***

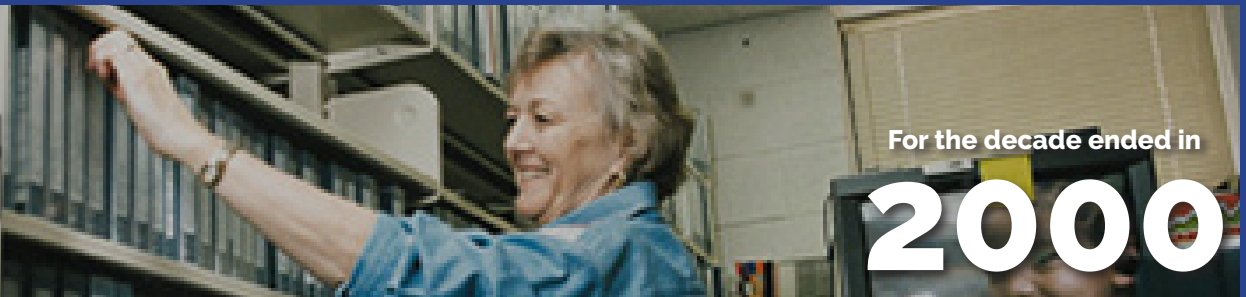
**Any Age** with **30** years

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

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



\* As of 2000  
 \*\* Average over 10 years  
 \*\*\* SERS was 102% funded in 2000



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## Investments



AVERAGE ANNUAL RETURN

**12.7%\*\***

ASSUMED RATE OF RETURN

**8.25%\***

SERS Asset Allocation*	SERS Returns*	Policy Benchmark*
U.S. Equity 49.4%	11.6%	9.6%
Non-U.S. Equity 15.7%	18.4%	18.9%
Fixed Income 22.3%	4.8%	4.6%
Real Estate 9.8%	12.9%	11.2%
Private Equity 1.5%	118.5%	11.4%
Cash 1.3%		
100%		

## Contribution Rates\*

MEMBER

**9%**

EMPLOYER

**14%**

## Health Care

Total Health Care Expenses

**\$140.6 million\***

Percentage of Total Benefits Paid

**26.7%\***

Health Care Fund Balance

**\$252.3 million\***

*(1991) Established First Health Care Principles Statement*

*(1993-99) Premium Subsidy*

Required newly eligible retirees to be age 65 to qualify for subsidy

**Funding Target**

*(1994)* Established Health Care Reserve Account and funding target of 125% of health care expenses

*(1997)* Increased funding target to no less than 150% of health care expenses; re-confirmed 150% target in 1998 and 2000

## Benefit Changes



**1992**

Separate annuity program established for **reemployed retirees** (HB 382)

**1992**

All non-certificated public school employees, with minimal exceptions, **required to contribute** to SERS (HB 382)

**1993**

SERS developed a **new disability program** that allows members to apply for disability regardless of age (HB 346)

**1999**

Retirement formula increased from **2.1% to 2.5%** of final average salary for each year of service over 30 years

## Member Education



SERS' first **pre-retirement education program (PREP)** took place in 1997.

\* As of 2000

\*\* Average over 10 years