



	2018	2011-18
<b>Fund Size</b>	\$13.83 billion	↑ 33%**
<b>Unfunded Liabilities</b>	\$5.74 billion	↑ 4%**

### MEMBERS

	2018	2011-18
<b>Members</b>	158,343***	↑ 26%**
<b>Average Age</b>	46.8	
<b>Average Service</b>	7.4 years	

### NEW RETIREES

	2018	2011-18
<b>Retirees</b>	81,332	↑ 21%**
<b>Average Service</b>	21.2 years	
<b>Average Age at Retirement</b>	63.9 years	
<b>Average Pension</b>	\$15,372/yr.	↑ 6%**

	2018	2011-18
<b>Employee Contributions</b>	\$324.8 million	↑ 7%**
<b>Employer Contributions</b>	\$499 million	↑ 7%**

### Age and Service Eligibility\*

	Age <b>57</b> with <b>30</b> years
	Age <b>60</b> with <b>25</b> years
	Age <b>62</b> with <b>10</b> years

### SERS vs. National Averages (as of 2017)

<u>SERS</u>	<u>NATIONAL</u>
<i>Final Average Salary (FAS) at Retirement</i>	<i>Average Individual Income</i>
<b>\$30,256</b>	<b>\$50,322</b>
<i>Average Retirement Age</i>	<i>Average Retirement Age</i>
<b>63.4 years</b>	<b>66.9 years</b>
<i>SERS COLA</i>	<i>Average CPI Increase</i>
<b>3%</b>	<b>1.8%**</b>
<i>Average National Life Expectancy</i>	
<b>78.6 years</b>	

### 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>

\* As of 2018

\*\* Average over 8 years

\*\*\* Prior to 2017, active members with less than a quarter year of service were not included in this total



### Investments

**AVERAGE ANNUAL RETURN**  
**10.5%\*\***  
**ASSUMED RATE OF RETURN**  
**7.5%\***

SERS Asset Allocation *	SERS Returns*	Policy Benchmark*
Global Equities 46%	11.3%	11%
Private Equity 10.3%	21.3%	16.3%
Fixed Income 13.5%	0.1%	-0.4%
Real Assets 14.1%	10.9%	7.1%
Multi-Asset Strategies 8.2%	5.4%	6.5%
Cash 5.3%	2.3%	1.3%
Opportunistic 2.6%	13%	8.3%
100%		

### Contribution Rates\*

<b>MEMBER</b> <b>10%</b>	<b>EMPLOYER</b> <b>14%</b>
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### Benefit Changes

#### 2013 Pension Reform

Effective 1/7/13:

- An employee must be age 57 to participate in an early retirement incentive
- A disability applicant must also apply for Social Security if he or she is eligible

#### 2017 Pension Reform

Eligibility requirements for members who retire after 8/1/17:

- Age 67 with 10 years of service, or age 57 with 30 years, for full benefits
- Age 62 with 10 years of service, or age 60 with 25 years, for reduced benefits

These changes did not affect members who had 25 years of service credit before 8/1/17.

A buy-up option was offered to those affected by these changes to retire under the previous age and service requirements.

#### 2018 COLA Changes

Effective 1/1/18:

- Three-year COLA suspension for all SERS retirees and benefit recipients
- COLA based on CPI-W with a cap of 2.5% and floor of 0%

For benefits effective 4/1/18 and after:

- Benefit recipients must wait until the fourth anniversary of their allowance before receiving a COLA

### Health Care

Total Health Care Expenses  
**\$152.4 million\***

Percentage of Total Benefits Paid  
**10.8%\***

Health Care Fund Balance  
**\$435.6 million\***

**(2011) Premium Subsidy Structure**  
Established current premium subsidy structure and added two premium surcharges

**(2012) Eligibility**  
Required eligibility for school employer health care at separation for subsidy, adding three of the last five years of service

**(2014) Other Retirement System (ORS) Enrollment**  
Allowed one-time enrollment for waived members previously enrolled in ORS

**(2015) Board Review of Health Care Sustainability**

**(2015) Funding Policy**  
SERS' Funding Policy began limiting employer contributions to health care fund, based on funded status of the pension fund

**(2016) Eligibility**  
Eliminated eligibility for reemployed benefit recipients without Medicare Part B

**(2017) Early Medicare**  
Required disability recipients enrolled in SERS' health care to apply for early Medicare

\* As of 2018  
\*\* Average over 8 years