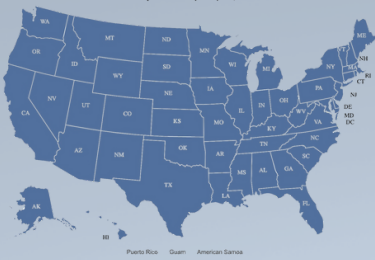




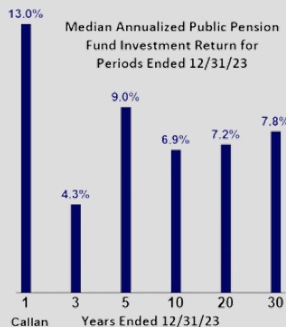
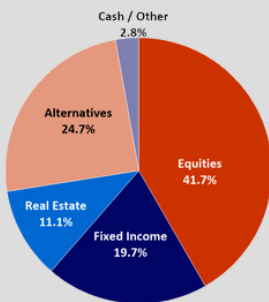
Fast Facts & Helpful Resources on State and Local Government Retirement Systems



Public Pensions

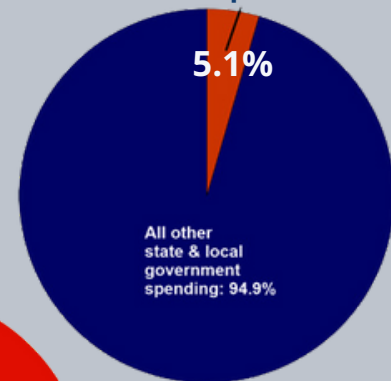
- Have over **\$5.5 Trillion** in trust and pay over \$300 Billion annually to retirees nationwide
- Reach virtually every town and city in the nation, **boosting local economies**
- Attract and retain a state and local workforce, helping to efficiently deliver essential public services

Assets & Investments

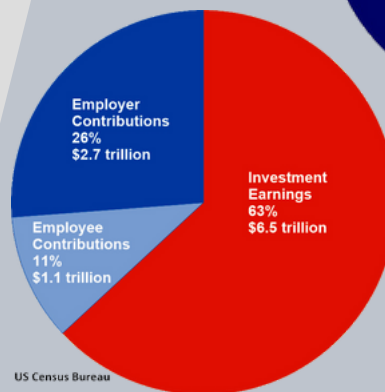


Assets are professionally and prudently invested, broadly diversified, and provide patient, long-term capital to U.S. and global markets. After the Global Financial Crisis, state retirement systems lowered their expected returns. The median for FY 23 is 6.93% and **actual returns** have exceeded this for the 1-, 5-, 20- and 30-year periods ending 12/31/23. An annual **Issue Brief** details the return assumptions for state and local pensions, recent trends, and how these expectations are set and reviewed.

State and Local spending on pensions



Sources of Revenue



State & local government pension benefits **are not paid from general operating revenues**, but from trust funds to which state and local **government employees** and their **employers contribute** during employees' working years.



Per the U.S. Census Bureau, state & local government retirement systems cover **14.9 million active** (working) members and **12 million retirees**.

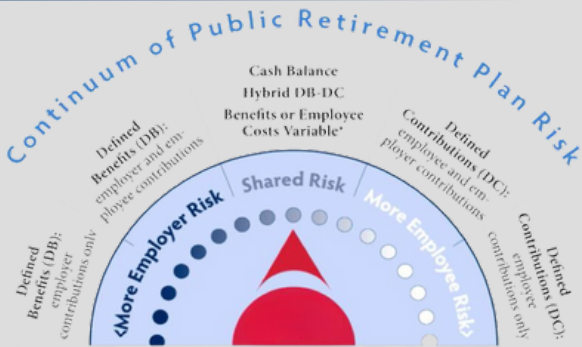
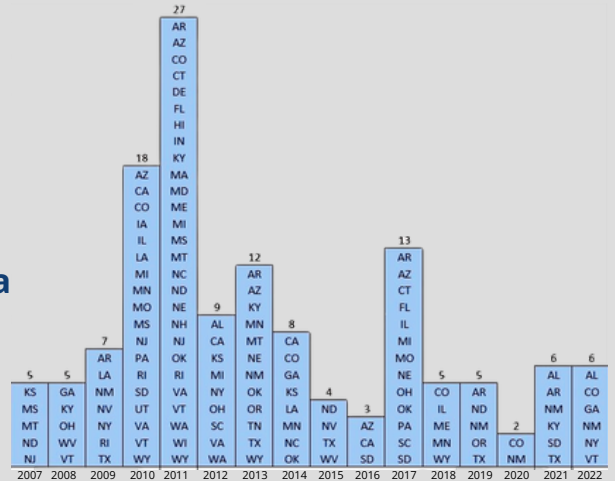
Public Pension Governance

State and local retirement trusts are established under state statutes; subject to fiduciary, investment and administrative laws and benefit protections; and overseen by **elected officials, regulators, and independent boards** to ensure they are managed responsibly and transparently. Key roles and reporting practices are detailed in a **publication co-produced by NASRA and the Center for State and Local Government Excellence.**



Significant Reforms by States

Every state modified pension benefits and/or funding following the Global Financial Crisis, often multiple times. **NASRA compiled these changes** and publishes a **regular update** detailing the trends and specific revisions in each state.



States sponsor plans with shared-financing and shared-risk features between employers and employees

While there is abundant variety in public retirement plan design, shared-financing and/or -risk is nearly universal. NASRA produced a **video executive summary** of its report on **Risk-Sharing in Public Retirement Plans** that details these practices and includes case studies. An **Issue Brief on Hybrid Plans** outlines cash balance and combination plans that have been in the public sector for decades.

This Document



NASRA Issue Briefs



Public Plans Data



Public Fund Survey

