



## Pennsylvania Public School Employees' Retirement System (PSERS)

PSERS, founded in 1917, began operations in 1919 to oversee a statewide defined benefit pension plan for public school employees. PSERS' role expanded upon the passage of Act 5 of 2017 to include oversight of two new hybrid options consisting of defined benefit and defined contribution (DC) components and a stand-alone DC plan.

### PSERS: At a Glance

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| <p><b>Members</b><br/>As of June 30, 2021</p>   | <p>Nearly 500,000<br/>Approximately 248,000 active members<br/>Approximately 243,000 retired members/beneficiaries</p>   |
| <p><b>Average Annuity Paid</b><br/>(annuitants, survivor, beneficiaries, disabled annuitants)<br/>As of June 30, 2021</p> | <p>\$25,992 per year</p>   |
| <p><b>Total Net Assets</b><br/>as of June 30, 2021</p>  | <p>\$72.5 billion</p>  |
| <p><b>Funding Sources</b><br/>25-year totals<br/>As of June 30, 2021</p>  | <p>14% member contributions<br/>26% employer contributions<br/>60% investment earnings</p>   |
| <p><b>Member Contribution Rate</b><br/>As of June 30, 2021</p>  | <p>Member contributions range from 7.50% to 10.80% of payroll depending on their class of membership.</p>  |
| <p><b>Employer Contribution Rate</b></p>  | <p>35.26% of payroll, beginning July 1, 2022<br/>The FY 2022/2023 rate provides 100% of the actuarially required rate based on sound actuarial practices and principles.</p> |
| <p><b>Number of Employers</b><br/>As of June 30, 2021</p>   | <p>769</p>   |
| <p><b>Funded Status</b><br/>As of June 30, 2021</p>   | <p>59.6% on actuarial basis with an unfunded liability of \$45.5 billion</p>   |
| <p><b>Investment Returns</b><br/>As of June 30, 2021, PSERS' fiscal year end; audited, annualized, net of fees</p>        | <p>24.58% 1-year 10.35% 3-year 10.10% 5-year<br/>8.04% 10-year 7.70% 25-year</p>   |
| <p><b>Investment Rate of Return Assumption</b><br/>As of June 30, 2021</p>  | <p>7.00% annual investment return assumption</p>   |