

PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Statement of Fiduciary Net Position

As of September 30, 2018

Unaudited

(Dollar Amounts in Thousands)

	<u>Pension</u>	<u>Defined Contribution</u>	<u>Postemployment Healthcare Premium Assistance</u>	<u>Health Options Program</u>	<u>Totals</u>
Assets:					
Receivables:					
Members	\$ 317,524	\$ -	\$ 1,919	\$ 66	\$ 319,509
Employers	986,686	-	25,418	-	1,012,104
Investment income	158,548	23	93	178	158,842
Investment proceeds	1,924,033	-	-	-	1,924,033
CMS Part D and prescriptions	-	-	-	62,336	62,336
Interfund Receivable	-	-	3,506	-	3,506
Total Receivables	3,386,791	23	30,936	62,580	3,480,330
Investments, at fair value:					
Short-term	5,454,713	11,812	88,772	243,143	5,798,440
Fixed income	5,708,016	-	-	-	5,708,016
Common and preferred stock	11,678,644	-	-	-	11,678,644
Collective trust funds	14,347,422	-	-	-	14,347,422
Real estate	5,012,423	-	-	-	5,012,423
Alternative investments	12,479,097	-	-	-	12,479,097
Total Investments	54,680,315	11,812	88,772	243,143	55,024,042
Securities lending collateral pool	3,150,254	-	-	-	3,150,254
Capital assets (net of accumulated depreciation \$32,511)	22,759	-	-	-	22,759
Miscellaneous	14,558	-	213	149	14,920
Total Assets	61,254,677	11,835	119,921	305,872	61,692,305
Liabilities:					
Accounts payable and accrued expenses	92,229	405	161	1,908	94,703
Benefits payable	299,922	-	-	27,148	327,070
HOP participant premium advances	-	-	-	30,632	30,632
Investment purchases and other liabilities	1,339,657	-	-	-	1,339,657
Obligations under securities lending	3,150,254	-	-	-	3,150,254
Interfund payable	3,506	-	-	-	3,506
Other Liabilities	147,738	-	-	-	147,738
Total Liabilities	5,033,306	405	161	59,688	5,093,560
Net position restricted for pension, DC and postemployment healthcare benefits	\$ 56,221,371	\$ 11,430	\$ 119,760	\$ 246,184	\$ 56,598,745

PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Statement of Changes in Fiduciary Net Position

Three Months Ended September 30, 2018

Unaudited

(Dollar Amounts in Thousands)

	Pension	Defined Contribution	Postemployment Healthcare		Totals
			Premium Assistance	Health Options Program	
Additions:					
Contributions:					
Members	\$ 217,288	\$ -	\$ -	\$ -	\$ 217,288
Employers	943,638	-	25,482	-	969,120
Total contributions	1,160,926	-	25,482	-	1,186,408
HOP participant premiums	-	-	-	92,269	92,269
Centers for Medicare & Medicaid Services	-	-	-	15,831	15,831
Commonwealth of Pennsylvania	-	5,200	-	-	5,200
Investment income:					
From investing activities:					
Net appreciation in fair value of investments	169,662	-	115	-	169,777
Short-term	42,294	58	390	810	43,552
Fixed income	52,897	-	-	-	52,897
Common and preferred stock	82,964	-	-	-	82,964
Collective trust funds	1,604	-	-	-	1,604
Real estate	40,032	-	-	-	40,032
Alternative investments	70,685	-	-	-	70,685
Total investment activity income	460,138	58	505	810	461,511
Investment expenses	(129,648)	-	-	-	(129,648)
Net income from investing activities	330,490	58	505	810	331,863
From securities lending activities:					
Securities lending income	20,901	-	-	-	20,901
Securities lending expense	(16,930)	-	-	-	(16,930)
Net income from securities lending activities	3,971	-	-	-	3,971
Total net investment income	334,461	58	505	810	335,834
Total Additions	1,495,387	5,258	25,987	108,910	1,635,542
Deductions:					
Benefits	1,620,790	-	28,536	88,246	1,737,572
Refunds of contributions	5,202	-	-	-	5,202
Administrative expenses	11,738	588	425	10,000	22,751
Total Deductions	1,637,730	588	28,961	98,246	1,765,525
Net increase (decrease)	(142,343)	4,670	(2,974)	10,664	(129,983)
Net position restricted for pension, DC and postemployment healthcare benefits:					
Balance, beginning of year	56,363,714	6,760	122,734	235,520	56,728,728
Balance, end of period	\$ 56,221,371	\$ 11,430	\$ 119,760	\$ 246,184	\$ 56,598,745