

Insurance Times: Public retirement earnings plunge

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The value of state and local government retirement systems declined slightly last year as investments failed to turn in large profits. Such retirement systems were worth \$2.160 trillion in 2001, down from \$2.168 trillion the previous year, according to the Census Bureau.

It was the first time since at least 1993 that the worth of the state and local systems did not rise. A key factor was a decline in investment earnings during a year when stock prices slipped and the economy slid into recession.

The investments made \$53.6 billion in 2001, down from \$231.9 billion the previous year.

The retirement systems paid out over \$100 billion in benefits last year, a record high.

The report included 2,208 state and local systems nationwide, covering more than 16.8 million employees.