

c. In the above paragraphs, "salary" means average salary during last five years of service.

2. Any member whose contribution rate is over 5 per cent may limit his rate to 5 per cent by so notifying the Board, and his benefits for future service will be reduced accordingly.

3. Any member whose salary is over \$200 per month may contribute on the basis of \$200 per month by notifying the Board.

4. Each member's contribution will be credited to his account.

Contributions by Employers

1. Employers are required to make two types of contributions.

a. Starting July 1, 1946, a contribution on account of service currently rendered (current service).

b. Starting July 1, 1947, an additional contribution for service rendered before July 1, 1946 (prior service).

2. Employers' current service contribution will be the amount actuarially computed as sufficient to "match the employees' account at retirement. It will include an allowance for the portion of current service disability benefits provided under the Act which comes from public funds and will be discounted for probability of withdrawal within ten years or death before retirement. For this section the maximum salary recognized is \$200 per month.

3. Employers' prior service contribution will be the amount actuarially computed as sufficient to amortize prior service liability in a 30-year period.

4. As regards current service, each employer pays on the basis of its own employees (including teachers and miscellaneous employees of school districts).

5. As regards prior service, each employer pays on basis of its own employees except that prior service of certificated school teachers is to be covered by a uniform rate of contribution

from all school districts covered by the Act (Sections 15 (4) and 19).

Credit for Service

1. Credit for future service will automatically be governed by amounts contributed by the member. (Section 19)

2. Credit is allowed for service in armed forces after September 15, 1940. No pensions can accrue for service after July 1, 1945 unless member's contributions are made. (Section 17 (2)).

3. Prior service credit does not cover service which may have been rendered some other city or public employer, except in case of school teachers, who get prior service credit for all service in Oregon school districts. (Sections 15 (2) and 15 (4)).

4. A break in service of more than 5 years eliminates credit for any service prior to the break. (Section 2 (7)).

5. Member transferring to another participating employer after July 1, 1946 retains all of his rights. It is not clear which employer is charged with accrued pension earned prior to the transfer.

Date of Service Retirement (Section 18)

1. Compulsory retirement takes effect at age 60 for policemen and firemen, and age 65 for other members with minor adjustments in case of teachers. This is effective July 1, 1947.

2. Except where they are subject to teachers' tenure laws, members may be continued in service beyond compulsory retirement for successive periods of one year each upon recommendation of the employer and approval of the Board.

3. After June 30, 1951, a member may elect to retire if he is within 5 years of the compulsory retirement age, with an actuarially reduced allowance.

Service Retirement Benefit (Section 19)

1. When a member retires for service
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