

State Retirement System

(Continued from page 7)

lars and cents amount of their contribution to the Retirement Fund. This in turn produces an increase in the amount of the employer's matching contribution. It all adds up to a higher retirement income than would be the case if the employee remained forever at the salary he or she is now receiving.

The benefits received by the employee at retirement age are derived from two types of service—prior service which means service performed for the employer before July 1, 1946; and future service which means service performed for the employer after July 1, 1946. The cost of all of the benefits derived from prior service are assumed by the employer, the employee paying no part thereof. Benefits from future service are financed by the contributions of both the employee and the employer.

Benefits from prior service are these: At retirement age the employee receives \$2.50 per month for life for each year or major fraction of a year of continuous service with a maximum of twenty years credit allowed. Continuous service

is defined as service not interrupted for more than five years.

The objective of the act, so far as benefits for future service are concerned, is to provide an ordinary employee who works 30 years or more after July 1, 1946, with a pension of approximately half pay. This applies to salaries not in excess of \$200 per month, since the employee is not required to match employee contributions on that portion of an employee's salary in excess of \$200.

Terms of future service for less than thirty years will produce pensions, from future service alone, proportionately reduced.

Employees receiving \$200 or less per month will, therefore, create through future service alone approximately 1/30 of half pay for each year of such future service. The following examples illustrate the method used in estimating the amount of pension one may expect.

John Doe began teaching at age 35 and is now 50 years of age. He has
(Continued on next page)

Route 4, Box 234 Phone 292

Rogue River Sand & Gravel Co.
P. P. Proctor, Owner

Sand, Gravel & Crushed Rock
East Park St. Grants Pass, Ore.

OREGON AMERICAN LUMBER CORP.

Vernonia, Oregon

Manufacturers of
Old Growth Yellow Fir Lumber
D.E.T. Uppers and Commons

Lilenquist

RED E MIX

CONCRETE COMPANY

Producers of Engineered Concrete
3600 Highway 99 South
Eugene, Oregon Phone 4676-J

Things are Looking Better with

MILLER PAINTS

Made Expressly for Northwest
Climatic Conditions

Dealers in all Principal Cities

STONER'S GARAGE

Complete Automotive Service
TOWING

Welding Machine Work
Astoria Phone 337 Oregon