

Public Employes Retirement News and Sidelights

Official Bulletins Released

Under date of April 7th, employers were advised that a state employee who on July 1, 1947, is 65 or older *may* be retired on that date, or any subsequent date before December 31, 1947, by action of the employer, and *must* be retired on December 31, 1947, unless prior to that date the employer and the retirement board mutually agree that retention of such over-age employee is in the public interest.

Under date of May 9th, employers were advised that the employer who wishes to recommend the retention of an over-age employee must, in the case of state employees, make such recommendation through the Governor. Also, it is stated that new employees or those returning to service who have reached 65 years of age should not, after July 1, 1947, and must not, after December 31, 1947, be placed on public payrolls.

Number Eligible for Retirement

Mr. Jerry Saylor, Executive Secretary of the Retirement Board, was quoted in the Capital Journal of Salem as stating that about 1,000 state employees, 600 school employees and 400 employees of political subdivisions will become eligible for retirement on July 1, 1947.

Jerry Saylor Explains System

To O. S. E. A. Chapter

On June 3rd, Jerry Saylor spoke to O. S. E. A. members about retirement matters at Capitol Chapter's regular meeting in Salem. He spoke eloquently of the integrity and loyalty of state employees, and gave clear explanations of retirement system workings. Highlights of his address are here given briefly:

1. Records to prove age might include photostatic or notarized copies of family records, old licenses; lodge membership cards, even *new* licenses for children which show parent's (your)

age; any school record (not necessarily first grade); school diplomas.

2. Each member should name a beneficiary.

3. Costs of administration are 4% at present, expected to be 2% in a year or two.

4. Interest earnings on investments are about 2¼%.

5. Members refunds are: his contributions plus interest earnings minus administration costs.

6. Last legislature's changes in Act are: (a) members on 5% rate have two years to change to fixed rate if they wish, (b) new employees do not contribute till employed six months, and (c) all members will pay at their elected or fixed rate on their gross earnings each month until the earnings during the year total \$2400, after which no further payments will be due except for those who are paying on more than \$200 per month.

7. On voluntary retirement at age 60, pension for men is about 65% of that at age 65; and for women it is about 69%. Normal life expectancy at age 65: for men 12½ years, for women 14½ years. Retirement at age 70 gives about 50% more pension than at 65.

8. State's matching per dollar of employees contributions is about seventy cents (\$0.70); for prior service is about forty-five cents (\$0.45). Mortality of members and severance from service cut down State matching requirements. State's part of fund to pay *pension* goes only to the retired employee. Employees contributions buy his *annuity* which goes to retired employee and/or his estate.

9. Disability benefits to totally disabled employees consists of (a) State pension equal to calculated pension at age 60, plus (b) employees annuity

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