

Public Employees Retirement News and Sidelights

Retirement Checks—Go to 581 Employees

July of this year marked the first month of full operation of the retirement system. The promotional work of the O.S.E.A., the prudence and wisdom of the legislature and the diligence and efficiency of the retirement system administration have combined to provide the first fruits to retiring employees.

On the first months full operation, Mr. Saylor, executive secretary, has given us some interesting figures, as follows:

Applications received	642
Pension checks issued	581
Average amount	\$37.90
Largest check	\$132.98
Smallest check	\$1.20
Oldest retired employee	92

Commenting on the above, Mr. Saylor pointed out that 61 of the applications had to be held up because notice of termination had not been received from employers, giving the last deduction, etc. The large check was NOT to a state employee, it was stated, while the smallest check was to a retired employee who preferred the small monthly pension to refund of his money.

Administrator Furnishes Data

Mr. Jerry S. Saylor has graciously furnished us with some more interesting data on pensions which we pass on to the members toward a better understanding of the system. The staff has found Mr. Saylor consistently helpful in answering our questions, and we have every confidence that the system is being administered in a capable manner.

How to Figure Your Pension

In answering our query as to whether there was a simple and accurate formula which could be given so any employee could figure his own potential pension,

Mr. Saylor replied as follows: "I do not believe there is any simple formula which could be used by the individual to estimate his potential pension. If a formula is simple enough to be readily understood, it will not be very accurate. If it is to be accurate, it certainly will not be simple."

However, Mr. Saylor then proceeds to help us out and continues as follows:

"Prior service—The pension from prior service is easy; \$2.50 per month at age 65 for each year of prior service credit, up to 20 years, as evidenced by prior service certificate issued to each member by this department.

"Current service—Meaning service after July 1, 1946, is not so easy. Based on salaries not exceeding \$200 per month, an employee 35 years of age or over at the time he acquired membership in the system, will add approximately 1/30th of half-pay to his pension for each year of such current service. If he is younger than 35, and hence has more than 30 years to go before reaching age 65, we cannot use the figure of 1/30th of half-pay. If he is 30 years old and has 35 years of current service ahead of him, each year of current service will add approximately 1/35th of half-pay. If he is 25 years of age, with 40 years of current service ahead of him, each year of current service will add approximately 1/40th of half-pay; and so on. These figures are based on salaries of \$200 per month or less, but would apply equally even though the employe receives more than \$200 per month if he has elected to limit his contributions to \$200 per month of salary.

"Effect of contributions on salary over \$200 per month—If he receives more than \$200 per month and has elected to contribute on the basis of all