**SERS vs. National Averages**

<table>
<thead>
<tr>
<th></th>
<th>SERS</th>
<th>NATIONAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final Average Salary (FAS at Retirement)</td>
<td>$3,639</td>
<td>$6,186</td>
</tr>
<tr>
<td>Average Retirement Age</td>
<td>64.6 years</td>
<td>68.2 years</td>
</tr>
</tbody>
</table>

**Average National Life Expectancy**
- 70.8 years

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**Members**

<table>
<thead>
<tr>
<th></th>
<th>1970</th>
<th>1961-70</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members</td>
<td>81,828</td>
<td>62%**</td>
</tr>
<tr>
<td>Average Age</td>
<td>Data unavailable</td>
<td></td>
</tr>
<tr>
<td>Average Service</td>
<td>Data unavailable</td>
<td></td>
</tr>
</tbody>
</table>

**New Retirees**

<table>
<thead>
<tr>
<th></th>
<th>1970</th>
<th>1961-70</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirees</td>
<td>13,823</td>
<td>105%**</td>
</tr>
<tr>
<td>Average Service</td>
<td>15.5 years</td>
<td></td>
</tr>
<tr>
<td>Average Age at Retirement</td>
<td>64.6 years</td>
<td></td>
</tr>
<tr>
<td>Average Pension</td>
<td>$1,516/yr.</td>
<td>36%**</td>
</tr>
</tbody>
</table>

**Fund Size**
- 1970: $297 million
- 1961-70: $136 million
- Increase: 219%**
- Increase: 248%**

**Unfunded Liabilities**
- 1970: $136 million
- 1961-70: $136 million
- Increase: 248%**

**Average Consumer Price Index Increase**
- First COLA was granted in 1971
- Average over 10 years

**Average of New SERS Retirees with 30 Years and 20 Years of Service**

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>30 Years</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>13%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>20 Years</td>
<td>22%</td>
<td>26%</td>
<td>32%</td>
<td>52%</td>
<td>63%</td>
<td>57%</td>
</tr>
</tbody>
</table>

**Age and Service Eligibility**
- Any Age with 35 years
- Age 55 with 25 years
- Age 60 with 5 years

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* As of 1970
** Average over 10 years
**Investments**

**AVERAGE ANNUAL RETURN**  
Not calculated prior to 1985

**ASSUMED RATE OF RETURN**  
4.75%*

<table>
<thead>
<tr>
<th>SERS Asset Allocation</th>
<th>SERS Returns*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stocks</td>
<td>16.0% Data unavailable</td>
</tr>
<tr>
<td>Fixed Income Bonds and Mortgages</td>
<td>78.2% Data unavailable</td>
</tr>
<tr>
<td>Real Estate</td>
<td>5.8% Data unavailable</td>
</tr>
<tr>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Benefit Changes Prior to 1961**

- **1944**  
  Eligibility changed to age 55 with 30 years of service (from age 60 with 5 years of service)

- **1945**  
  Interest rate on refunds reduced from 3% to 1.5%; Definition of FAS changed from “average salary” to “ten years before retirement”

- **1946**  
  Contribution rate increased from 4% to 5%; Annual contributions earnings limit increased from $2,000 to $3,000

- **1951**  
  SERS began providing survivor benefits (disability benefits provided since inception); Contributions earnings limit eliminated

- **1955**  
  Service retirement benefit changed from defined contribution to **defined benefit** (1.5% of FAS, which was the highest five years within the last ten years)

- **1956**  
  Eligibility changed to age 65 with 40 years of service; benefits capped at 75% of FAS; One year of service increased from eight months of service to nine months of service

- **1959**  
  Years of service for full (unreduced) pension decreased from 40 to 35; Maximum FAS increased from $15,000 to $18,000

- **1960**  
  Pension formula changed from 1.5% to 1.65% of FAS; Minimum benefit increased from $63/year to $72/year

- **1962**  
  Health care became available, with retirees paying the full premium

**Benefit Changes 1961-70**

- **1966**  
  Minimum benefit increased from $72/year to $76/year

- **1968**  
  Pension limit increased from 75% to 80% of FAS

- **1969**  
  Pension formula changed from 1.75% to 1.90% of FAS

- **1968**  
  Maximum FAS increased from $18,000 to $25,000

- **1969**  
  Minimum benefit increased from $76/year to $82/year

- **1969**  
  Maximum FAS restriction eliminated

**Contribution Rates**

<table>
<thead>
<tr>
<th>MEMBER</th>
<th>EMPLOYER</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.9%</td>
<td>11.4%</td>
</tr>
</tbody>
</table>

* As of 1970
** Average over 10 years

1945 Interest rate on refunds reduced from 3% to 1.5%; Definition of FAS changed from “average salary” to “ten years before retirement”

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