

# School Employees Retirement System of Ohio



**STATEMENT**

**As of June 30, 1968**

The School Employees Retirement System covers all persons employed in the public schools of Ohio as non-teaching employees and provides retirement and disability allowances as well as survivor benefits for its members. The office is located at 88 East Broad Street, Columbus, Ohio 43215.

### THE RETIREMENT BOARD

Herschel M. Wilson, Jr., Mentor	President
H. Lewis Shambarger, Shaker Heights	Vice-President
Berthe E. Weist, Kettering	
William B. Saxbe	Attorney General
Roger Cloud	Auditor of State

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Ward Ashman	Executive Director
D. L. Yochum	Associate Executive Director



## STATEMENT OF CONDITION

AS OF JUNE 30, 1968

ASSETS (What We Own)	
Cash .....	\$ 1,498,602.10
Investment at Par .....	211,692,361.96
Investment Discount Less Premiums .....	1,929,168.03*
Accrued Interest on Investments .....	121,697.10
Accounts receivable .....	9,529,678.66**
	\$220,913,171.79
<b>LIABILITIES (What We Owe)</b>	
EMPLOYEES' SAVINGS FUND .....	\$ 78,783,777.63
(Herein are the accumulated contributions of the 100,460 accounts of the members who have not retired. At retirement the contributions plus interest from the Interest Reserve Fund at the rate provided by law and compounded annually are transferred to the Annuity and Pension Reserve Fund.)	
EMPLOYERS' TRUST FUND .....	15,260,610.48
(Herein are the employers' contributions to match those of the members who retire, to provide funds for the prior service pension, the basic annual pension, and the minimum retirement allowance. At retirement, sufficient funds to provide a reserve for the member's matching annuity, the prior service pension, the basic annual pension, and the minimum allowance are transferred to the Annuity and Pension Reserve Fund.)	
SECURITY AND REPLACEMENT FUNDS .....	197,143.98
(Herein are the deposits made by the Lessees of the two real estate properties owned by the Retirement Board as security for their faithful performance and for replacement of equipment.)	
ANNUITY AND PENSION RESERVE FUND .....	\$107,144,534.16
(Herein is the trust fund from which the retired member receives the annuity provided by his contributions and interest, the employer's matching annuity, the prior service pension, the basic annual pension, the minimum allowance, and any additional annuities provided by the member, and the Cleveland Custodians' Fund.)	
CLEVELAND CUSTODIANS' FUND .....	4,387.17
(Herein are the accounts of the accumulated contributions of members of the Cleveland Custodians' Pension Fund which was merged with the System as provided by law. At retirement, these contributions and interest are transferred to the Annuity and Pension Reserve Fund to provide an additional annuity.)	
MEMBERS' ADDITIONAL ANNUITY FUND .....	13,468.41
(Herein are members' additional deposits to provide additional retirement annuities. At retirement, these deposits and interest are transferred to the Annuity and Pension Reserve Fund.)	
INTEREST RESERVE FUND .....	2,054,393.86
(Herein is the fund from which interest is paid to the member's account at retirement to provide the interest guaranteed by law which for the savings account is 4% per annum to June 30, 1955, 3% per annum to June 30, 1963, 3.25% per annum to June 30, 1966, and 4% per annum thereafter.)	
GUARANTEE FUND .....	—
(The investment earnings, gifts, bequests, and other miscellaneous income accumulated in this fund during the year, and remaining as of June 30, were transferred to the various other funds as authorized.)	
SURVIVORS' BENEFIT FUND .....	17,456,973.54
(Herein are the reserves from which the monthly benefit payments are made to qualified designated beneficiaries of members who died prior to retirement.)	
EXPENSE FUND .....	11.34
(The income to this fund was derived from the members' expense fees and the Guarantee Fund. Operating expenses are paid from this fund. By resolution of the Retirement Board, member contributions to this fund were waived for the fiscal year ending June 30, 1968.)	
SUSPENSE ACCOUNT .....	2,128.78*
	\$220,913,171.79

\*Minus Balance

\*\*Includes Employers' Trust Fund contributions for the last half of 1968 in the amount of \$9,513,714.27.

**INVESTMENT PORTFOLIO AND DISTRIBUTION**

As of June 30, 1968

	Amount	Percent
Federal Government & Related Agencies .....	\$ 2,412,000.00	1.14
Ohio Obligations—State & Subdivisions.....	4,863,270.00	2.30
Corporate Obligations .....	42,278,524.71	19.97
Canadian Obligations .....	10,252,000.00	4.85
Federally Insured Savings & Mortgages .....	105,541,483.97	49.85
Common & Preferred Stock .....	29,506,996.11	13.94
Ohio Productive Real Estate .....	16,838,087.17	7.95
<b>TOTALS .....</b>	<b>\$211,692,361.96</b>	<b>100.00</b>

**PORTFOLIO PURCHASES**  
Between July 1, 1967 and June 30, 1968

	Amount	Average Yield Percent
Federal Obligations .....	\$ 2,072,000.00	5.78
Corporate Obligations .....	41,532,523.60	6.09
Canadian Obligations .....	7,675,000.00	6.62
Commercial Paper .....	6,900,000.00	—
Federally Insured Mortgages .....	13,298,275.89	6.01
Common & Preferred Stock .....	4,228,678.83	3.24
Ohio Productive Real Estate .....	40,165.21	4.29
<b>*Totals .....</b>	<b>\$ 75,746,643.53</b>	<b>5.95</b>
July 1, 1957-June 30, 1958 .....	\$ 16,411,649.87	4.51
July 1, 1958-June 30, 1959 .....	11,037,361.16	4.59
July 1, 1959-June 30, 1960 .....	12,655,974.21	4.96
July 1, 1960-June 30, 1961 .....	14,424,309.62	5.08
July 1, 1961-June 30, 1962 .....	26,262,491.36	4.94
July 1, 1962-June 30, 1963 .....	34,867,490.29	4.90
July 1, 1963-June 30, 1964 .....	67,342,647.82	5.34
July 1, 1964-June 30, 1965 .....	41,600,674.35	4.98
July 1, 1965-June 30, 1966 .....	45,280,591.83	4.72
July 1, 1966-June 30, 1967 .....	58,925,121.43	5.39

\*Yield computed on purchases with maturities of 6 months or longer.

**PORTFOLIO YIELD**  
(All Investments Amortized on Straight Line Basis)

Year Ending	Net Amortized Income for Year	Average Purchase Yield Percent
June 30, 1959 .....	\$2,227,727	3.871
June 30, 1960 .....	2,775,600	4.051
June 30, 1961 .....	3,363,366	4.192
June 30, 1962 .....	4,084,673	4.403
June 30, 1963 .....	4,592,785	4.568
June 30, 1964 .....	5,728,044	4.778
June 30, 1965 .....	6,551,698	4.766
June 30, 1966 .....	6,636,548	4.760
June 30, 1967 .....	6,922,080	4.921
June 30, 1968 .....	5,146,674	5.254

**SUPERANNUATION RETIREMENT**

PROCESSED IN THE FISCAL YEAR ENDING JUNE 30, 1968

Allowance Based on Straight Life Annuity

Years of Service	Male	Female	Total Retired	Average Monthly Allowance
1-9 .....	146	186	332	\$ 43.35
10-14 .....	119	157	276	74.44
15-19 .....	60	84	144	108.58
20-24 .....	52	47	99	155.09
25-29 .....	38	13	51	198.50
30-34 .....	13	6	19	269.80
35-39 .....	17	8	25	315.41
40-44 .....	4	4	8	501.38
Over 44 .....	1	6	7	569.49
	<u>450</u>	<u>511</u>	<u>961</u>	

Average Service Credit—14.087 Years

Average Monthly Allowance—\$106.40

Average Age at Retirement—64.9 Years

**SUPERANNUATION RETIREMENTS PROCESSED FOR THE  
FISCAL YEAR ENDING**

Year	Male	Female	Total Retired	Average Straight Life Monthly Allowance
June 30, 1958 .....	378	262	640	\$ 75.01
June 30, 1959 .....	407	298	705	77.70
June 30, 1960 .....	473	374	847	95.39
June 30, 1961 .....	475	349	824	93.03
June 30, 1962 .....	560	509	1,069	88.72
June 30, 1963 .....	500	424	924	95.26
June 30, 1964 .....	547	430	977	97.36
June 30, 1965 .....	495	451	946	101.42
June 30, 1966 .....	538	496	1,034	107.44
June 30, 1967 .....	569	596	1,165	107.37

**DISABILITY RETIREMENTS PROCESSED  
IN THE FISCAL YEAR ENDING JUNE 30, 1968**

<u>Years of Service</u>	<u>Male</u>	<u>Female</u>	<u>Total Retired</u>	<u>Average Monthly Allowance</u>
1-9	21	13	34	\$ 79.94
10-14	18	12	30	102.45
15-19	10	4	14	114.78
20-24	4	2	6	125.68
25-29	1	0	1	78.09
	<u>54</u>	<u>31</u>	<u>85</u>	

Average Service Credit—11.576 Years

Average Monthly Allowance—\$97.89

Average Age at Retirement—54.1 Years

**DISABILITY RETIREMENTS PROCESSED FOR THE  
FISCAL YEAR ENDING**

<u>Year Ending</u>	<u>Male</u>	<u>Female</u>	<u>Total Retired</u>	<u>Average Straight-Life Monthly Allowance</u>
June 30, 1958	25	9	34	\$ 69.02
June 30, 1959	26	15	41	80.05
June 30, 1960	38	10	48	82.34
June 30, 1961	31	27	58	83.12
June 30, 1962	37	23	60	91.72
June 30, 1963	35	28	63	102.60
June 30, 1964	55	41	96	102.78
June 30, 1965	49	30	79	109.46
June 30, 1966	60	43	103	106.16
June 30, 1967	57	27	84	104.98

**SURVIVOR BENEFITS**

Monthly Benefits Being Paid to Qualified Designated Beneficiaries  
of Members Who Died Prior to Retirement as of June 30, 1968

	<u>No.</u>	<u>Average Annual Allowance</u>
Joint Survivor Annuity	254	\$1,279.82
Spouse — Age 65	39	1,098.63
Spouse — Age 62	299	1,076.56
Spouse — Age 50	190	1,188.00
Spouse with Children	192	2,195.94
Unmarried Children	33	1,477.41
Dependent Parents	6	1,012.00
Other	2	1,512.00
	<u>1,015</u>	

**TOTAL NUMBER OF DISABILITIES AND SUPERANNUATES ON  
THE ROLLS AND THE AVERAGE ALLOWANCES BEING PAID  
UNDER THE ELECTED PLANS AND FOR THE MONTH SHOWN**

	<u>DISABILITIES</u>		<u>SUPERANNUATES</u>	
	<u>As of</u>	<u>No.</u>	<u>Average Monthly Allowance</u>	<u>No.</u>
6-30-1941	35	\$10.16	931	24.20
6-30-1942	39	9.55	1,066	23.77
6-30-1943	39	15.55	1,216	23.04
6-30-1944	55	23.50	1,318	22.69
6-30-1945	57	23.10	1,419	22.50
6-30-1946	62	23.94	1,539	23.53
6-30-1947	71	25.01	1,736	25.11
6-30-1948	81	37.98	1,896	36.39
6-30-1949	90	40.81	2,188	36.95
6-30-1950	87	41.35	2,293	36.14
6-30-1951	83	46.13	2,463	39.02
6-30-1952	85	44.64	2,552	40.52
6-30-1953	79	45.48	2,687	42.38
6-30-1954	56	52.61	2,876	43.99
6-30-1955	62	55.33	3,028	45.38
6-30-1956	71	62.94	3,400	49.83
6-30-1957	81	67.70	3,942	54.30
6-30-1958	111	73.42	4,357	61.79
6-30-1959	138	75.27	4,836	63.76
6-30-1960	165	79.57	5,407	73.60
6-30-1961	195	77.69	5,972	72.58
6-30-1962	232	81.20	6,557	74.54
6-30-1963	281	83.34	7,163	76.15
6-30-1964	340	90.07	7,755	77.87
6-30-1965	392	89.63	8,213	80.57
6-30-1966	448	97.11	8,900	90.13
6-30-1967	487	98.02	9,559	91.31
6-30-1968	521	97.49	10,004	91.88

TOTAL OF NET ALLOWANCES AND BENEFITS PAID

From September 1, 1937 Through June 30, 1968

	Superannuation Allowances	Disability Allowances	Survivor Benefits
1937-38—1941-42	\$ 974,080.48	\$ 12,809.02	\$
1942-43—1946-47	1,987,657.59	69,506.52	
1947-48—1951-52	5,182,626.89	207,485.74	6,153.73
1952-53—1956-57	8,981,666.63	239,341.20	472,946.22
1957-58—1961-62	22,318,997.74	756,704.47	2,207,912.40
1962-63	6,537,475.08	283,940.61	789,710.26
1963-64	7,216,679.37	356,590.51	905,736.71
1964-65	7,948,887.19	424,323.58	967,489.12
1965-66	9,359,718.71	518,371.98	1,101,044.07
1966-67	10,450,425.05	583,325.58	1,250,390.02
1967-68	11,122,759.74	623,334.08	1,376,217.18
TOTALS	<u>\$92,080,974.47</u>	<u>\$4,075,733.29</u>	<u>\$ 9,077,599.71</u>
GRAND TOTAL			<u>\$105,234,307.47</u>

STATEMENT OF OPERATING EXPENSES

For the Fiscal Year Ending June 30, 1968

Salaries	\$ 355,650.84
Equipment	14,820.24
Freight, Express & Drayage	—0—
Telegraph & Telephone	6,773.73
Postage	19,781.25
Office Rent	58,281.96
Printing & Supplies	12,661.93
Medical Examinations—Disability	30,590.12
Equipment Rentals	63,602.77
Insurance & Surety Bonds	609.30
Actuarial & Technical Service	44,089.11
Board & Staff Travel Expense	15,632.44
Bureau of Inspection—S.E.R.S. Audit	5,132.83
Miscellaneous	611.57
Employer Contributions—Public Employees Retirement System	27,849.69
Service on Equipment	2,955.42
Books, Periodicals, etc.	3,509.50
Workmen's Compensation	486.47
Stationery—Supplies	11,649.32
Repairs—Maintenance	4,286.76
TOTAL	<u>\$ 678,975.25</u>

TOTAL MEMBERSHIP, NET MEMBERSHIP AND SEPARATION BY YEARS

Year	Membership During Year	Separation by Year	Net Membership
1940-1941	12,950	1,135	11,815
1941-1942	13,286	1,284	12,002
1942-1943	14,335	1,794	12,541
1943-1944	14,971	1,446	13,525
1944-1945	16,010	2,105	13,905
1945-1946	17,448	1,720	15,728
1946-1947	19,111	2,104	17,007
1947-1948	21,774	2,316	19,458
1948-1949	24,524	2,966	21,558
1949-1950	26,268	2,445	23,823
1950-1951	30,399	3,463	26,936
1951-1952	32,152	3,440	28,712
1952-1953	34,002	3,962	30,040
1953-1954	35,662	3,927	31,735
1954-1955	37,312	3,560	33,752
1955-1956	40,500	4,186	36,314
1956-1957	45,001	5,026	39,975
1957-1958	47,674	4,667	43,007
1958-1959	49,451	4,745	44,706
1959-1960	52,181	4,694	47,487
1960-1961	55,042	4,457	50,585
1961-1962	58,320	4,589	53,731
1962-1963	61,937	4,847	57,090
1963-1964	65,695	5,025	60,670
1964-1965	71,122	5,252	65,667
1965-1966	85,860	7,508	78,352
1966-1967	98,911	8,771	90,140
1967-1968	108,946	8,486	100,460

ASSETS OF THE SYSTEM

As of Dates Indicated

6-30-1941	\$ 3,729,777	6-30-1955	\$ 39,037,483
6-30-1942	4,572,465	6-30-1956	44,956,511
6-30-1943	5,436,818	6-30-1957	52,191,194
6-30-1944	6,415,208	6-30-1958	60,447,421
6-30-1945	7,377,124	6-30-1959	69,600,155
6-30-1946	8,901,758	6-30-1960	80,541,648
6-30-1947	10,481,493	6-30-1961	92,938,407
6-30-1948	12,254,577	6-30-1962	111,909,803
6-30-1949	14,417,649	6-30-1963	126,481,501
6-30-1950	17,093,993	6-30-1964	142,495,152
6-30-1951	19,938,417	6-30-1965	159,079,952
6-30-1952	23,533,749	6-30-1966	177,996,307
6-30-1953	28,014,974	6-30-1967	198,459,167
6-30-1954	33,604,140	6-30-1968	220,913,172