



ASRS IS THE PREMIER PUBLIC EMPLOYEE PENSION PLAN IN ARIZONA AND AMONG THE TOP-RATED PLANS IN THE NATION.

The Arizona State Retirement System is valued at \$40.4 billion and is funded at 71.2%.

CEM Benchmarking, founded in 1990, gathers information annually from participating pension systems across the US and Canada for the purposes of evaluating and scoring a pension system's level of service and cost efficiency. In 2017, the ASRS received a total service score of 89, ranking 4th among peers for Total Service Score, which had a median score of 83. Relative service versus their relative administration cost puts the ASRS as one of the top performing systems evaluated.

401(K) RETIREMENT PLANS ARE A BAD CHOICE FOR ARIZONA PUBLIC EMPLOYEES AND TAXPAYERS

401(k) plans cost more money to administer, have lower return rates, depend on the market and your ability to invest well, and accumulate less money overall. In contrast, the ASRS costs much less to administer, is managed by experts with the buying power to get the best rates and provides YOU with an average of \$20,136 annually FOR THE REST OF YOUR LIFE. That adds up to hundreds of thousands of dollars that the average person would not normally be able to save or obtain through a 401(k).

Also, in Arizona, every dollar paid out in pension benefits supports \$1.58 in total economic activity.

DEFINED BENEFIT PENSIONS ATTRACT AND KEEP EMPLOYEES IN PUBLIC SERVICE JOBS AND IN ARIZONA

Defined benefit pensions play a critical role in retaining high-quality, experienced teachers in the classroom. According to the National Institute on Retirement Security, 1,043 teachers are retained in Arizona every year due to their defined benefit pension.

401(K) PLANS CAN LEAVE RETIREES SHORT OF BENEFITS AND DEPENDENT ON GOVERNMENT WELFARE

In 2008, when the stock market crashed, ASRS retirees still received their monthly checks and life continued as usual. Retirees depending on 401(k)s had a completely different experience.

States that have switched to 401(k) types of plans have learned some tough lessons. In the early 90s, West Virginia moved new teachers from a defined benefit to a defined contribution plan. More than a decade later the defined benefit plan was funded at less than 20% (because new employees were not contributing to the plan), and the new teachers had very little in their defined contribution accounts. Their investment decisions generated lower investment returns and as they got closer to retirement, they had less than \$25,000 in their accounts. In 2005, lawmakers switched back to a defined benefit plan because teachers could not afford to retire.

DEFINED BENEFIT PLANS OFFER RETIREES MUCH NEEDED PEACE OF MIND AND FINANCIAL SECURITY. PROTECT THE ARIZONA STATE RETIREMENT SYSTEM AND ARIZONA PUBLIC EMPLOYEES!