



Ameritime®

Educating Educators About Their Money

QUICK FACTS

PSRS & PEERS are Defined Benefit (DB) pension plans, providing predictable retirement income for life, regardless of how long you live.

PSRS

- ▶ Public School Retirement System of MO
- ▶ Members are certified employees.
- ▶ Members are no longer affected by the WEP & GPO per the Social Security Fairness Act of 2025.

PEERS

- ▶ Public Education Employee Retirement System of MO
- ▶ Members are non-certified employees.
- ▶ Members participate in the federal Social Security Program.

NORMAL PSRS RETIREMENT BENEFITS

30 years of service

Rule of 80 (age + years)

60 years old + 5 years of service

Average 3 Highest Consecutive Salaries **x** 2.5% Mult. **x** Years of Service **=** **Monthly Benefit**

32 years of service:

Average 3 Highest Consecutive Salaries **x** 2.55% Mult. **x** Years of Service **=** **Monthly Benefit**

QUESTIONS

Are there ways to get to a normal benchmark **faster**?

Are there ways to **increase** my monthly benefit?

When will my pension be approximately **100%** of my working income?

EARLY RETIREMENT BENEFITS

One is eligible for this retirement benefit if they are under the age of 55 with at least 25 years of service. Early retirement benefits are calculated using a modified (lesser) benefit formula.

25-AND-OUT FORMULA

$$\text{Average 3 Highest Consecutive Salaries} \times \text{A Multiplier} \times \text{Years of Service} = \text{Monthly Benefit}$$

YEARS OF SERVICE

MULTIPLIER

25	.....	2.2%
26	.....	2.25%
27	.....	2.3%
28	.....	2.35%
29	.....	2.4%

EARLY RETIREMENT BENEFITS: AGE-REDUCED

One is eligible for this retirement benefit at age 55 with at least five years of credit. All age-reduced benefits are calculated using the following formula:

$$\text{Avg. 3 Highest Consecutive Salaries} \times 2.5\% \times \text{Year of Service} \times \text{Age Reduction Factor} = \text{Monthly Benefit}$$

EXAMPLE:

$$\$4,250 \times 2.5\% \times 18 \times .7162 = \$1,369$$

QUESTIONS

What happens to my **pension** if I retire early?

How do I know if it makes sense for me to take an **early** retirement?

Can Ameritime help me **compare** full retirement benefits to early retirement benefits?

PARTIAL LUMP SUM (PLSO) PSRS

Eligible PSRS members can choose to receive a one-time Partial Lump Sum Option (PLSO) payment at retirement in exchange for reduced monthly benefits. The PLSO can equal 12, 24, or 36 times the Single Life monthly benefit amount.

ELIGIBILITY REQUIREMENTS:

33 years of service

or

Rule of 86 (age + years)

or

63 years old + 8 years of service

PLSO FORMULA CALCULATION

Single Life Monthly Benefit

x

12, 24, or 36

=

PLSO Lump-Sum Payment

QUESTIONS

Should I take the PLSO?

When could it make sense for a retiree to take the PLSO?

Can I take the PLSO to pay off my house and other debts?

How will my taxes be impacted by taking the PLSO?

How will my monthly income be affected by taking the PLSO?

PSRS MEMBERS & SOCIAL SECURITY

The **Social Security Fairness Act 2025 (HB 81)** essentially ended the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). **This new law eliminates the reduction in Social Security benefits for many of our PSRS members 62 and older**

The following are **next steps** the **Social Security office** and **Rich Grawer, our Social Security Strategist**, recommend:

- If you have already applied for Social Security benefits, you do NOT need to do anything further at this time since you are already in the Social Security system. **RECOMMENDATION:** Update your contact information and direct deposit information as needed in your account.
- If you haven't set up an online Social Security account, visit www.ssa.gov/myaccount to create your account.
- If you are 62* or older and setting up an account, please note the following in the remarks section on the application:

I am a MO PSRS member and did not set up an account earlier due to the WEP & GPO, but in accordance with the Social Security Fairness Act of 2025, I believe I am now eligible for benefits.

* Please note, a widow(er) can start benefits at age 60. (earlier if raising a child under the age of 18)

QUESTIONS

How much Social Security will I **collect**?

Will my Social Security benefit increase if I work in a **Social Security paying job** after I retire?

Can I use my Social Security to **purchase years**?

PURCHASING TIME **PSRS**

WAYS TO BECOME ELIGIBLE TO PURCHASE CREDIT TO ADD YEARS OF SERVICE

1. Social Security years
2. Teaching in a private school
3. Teaching in a public school in another state
4. Teaching at a college or univ. (not receiving a benefit)
5. Military service
6. Maternity or unpaid sick leave
7. .5 supplemental credit

TRANSFER AMOUNT:

29% **x** Highest Annual Salary on Record = 1 Year of Credit

QUESTIONS

Should I **reinstate** or purchase time?

Do I need to save more for my **retirement**?

Will I get the **money back** that I used to purchase my service years?

How do I purchase service years?

Where do people get the **money** to purchase the years?

Is there a way to use my **spouse's** account and money to purchase years?

SURVIVORSHIP OPTIONS

	TEACHER	BENEFICIARY
SINGLE LIFE	Maximum benefit	Receives \$0 if teacher predeceases them
100% OPTION	Reduced benefit	Receives 100% of what the teacher was receiving if the teacher predeceases them
75% OPTION	Reduced benefit	Receives 75% of what the teacher was receiving if the teacher predeceases them
50% OPTION	Reduced benefit	Receives 50% of what the teacher was receiving if the teacher predeceases them

10 YEAR TERM CERTAIN

5 YEAR TERM CERTAIN

QUESTIONS

What happens to my **pension** when I die?

Would there be an impact on my monthly benefit if I name my **child** as a beneficiary?

How can I **maximize** my monthly benefit?

THE RESOURCE ONE FAMILY:

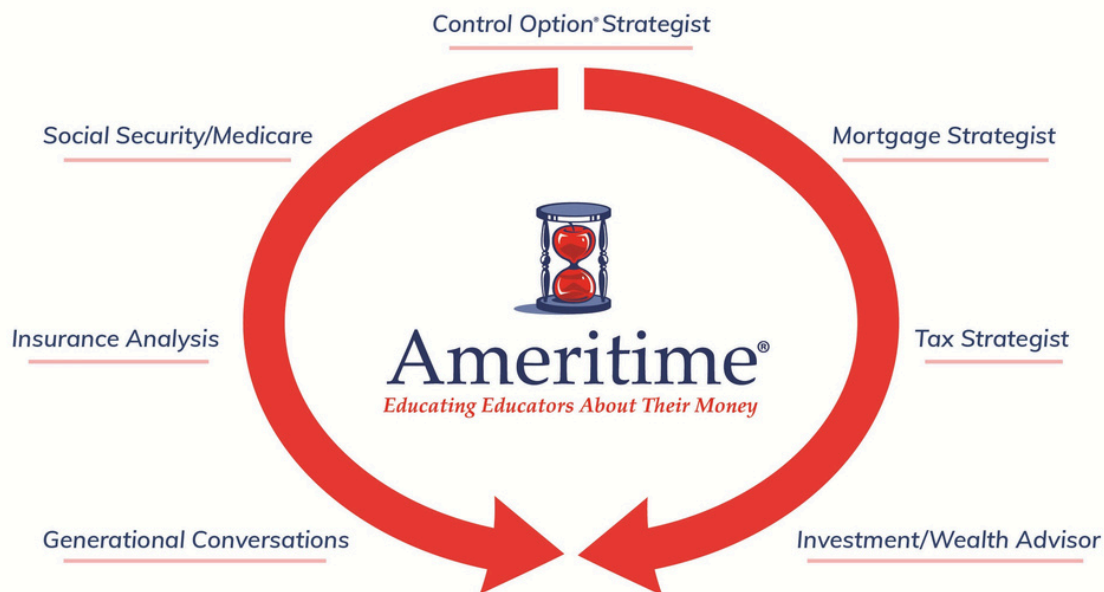


FREQUENTLY ASKED QUESTIONS

- ▶ **When is it a good time to meet with Ameritime to review my**
- ▶ **benefits? Do I need to save more money for retirement?**
- ▶ **Does a 403b or 457 make sense for me?**
- ▶ **Are there more efficient ways to save and utilize my money?**
- ▶ **My monthly income may be reduced a little in retirement, are there strategies to reduce that loss of income?**
- ▶ **Can my family and friends utilize Ameritime and its resources?**

The above questions have been gathered as a result of over ten-thousand meetings we have had with Missouri Public School Educators over the past 30 years. These questions tend to help educators of ALL age ranges, from new teachers to retiring superintendents, begin thinking about their money! The most unique part of Ameritime's process is the creation of our Integrated Financial Network®. By collaborating with this Faculty of Financial Resources, Ameritime Teams can help clients meet all financial goals before and after retirement.

The Control Option® Process



1

DISCOVER

2

STRATEGIZE

3

MEASURE
& MONITOR