

Retirement Plans

CONTRIBUTIONS

The retirement benefits paid through PSERS are funded through Employee Contributions and Employer Contributions.

Employee Contributions

During the period each year beginning in September and ending in May (inclusive), for each month you receive pay from the school system, you must make a monthly contribution to PSERS. For Members who first joined PSERS prior to July 1, 2012, the required contribution is \$4 each month. For Members who first joined PSERS on or after July 1, 2012, the required contribution is \$10 each month. This amount is fixed; you may not make a smaller or larger contribution at your discretion, and the amount of the contribution does not depend on your wages. This means that a Member who first joined PSERS prior to July 1, 2012 will contribute up to a total of \$36 during each annual 9-month contribution period, while a Member who first joined PSERS on or after July 1, 2012 will contribute a total of \$90 during each annual 9-month contribution period.

The Employee Contributions put into your Employee Contributions Account start earning 4% interest (compounded annually) after being in your account for one year. Earned interest is posted on June 30 of each year to Employee Contributions Accounts belonging to Members who are employed at that time. Interest is not posted to any Employee Contributions Account belonging to a Member who has terminated employment.

Employer Contributions

In addition to the Employee Contributions you make to PSERS, the State of Georgia also makes additional contributions in order to provide for your Plan benefit. The Employer Contribution amount is an actuarially determined amount that is approved by the Board. It is not applied to your Employee Contributions Account, and it is not refundable to you or to any Member.



RETIREMENT OPTIONS

There are three different types of Service Retirement you can apply for:

Normal Retirement You can begin receiving monthly Normal Retirement benefits as early as the first day of the month on or following the date that you attain your Normal Retirement Age. Normal Retirement Age is defined as the attainment of age 65 and ten years of Creditable Service.

Early Retirement You can begin receiving monthly Early Retirement benefits as early as the first day of the month on or following the date you attain age 60, provided you have at least ten years of Creditable Service. The benefit payable at Early Retirement will be an amount equal to your Normal Retirement benefit earned at that time, reduced by 6% for each year (or $\frac{1}{2}\%$ for each month) you are commencing benefits prior to age 65.

Terminated Vested Retirement If you terminate employment with at least ten years of Creditable Service, but prior to age 60, you can begin receiving a reduced retirement benefit as early as age 60, or an unreduced retirement at age 65. You should contact ERSGA within 90 days prior to your selected retirement date. Your effective retirement date will be the first day of the month in which your retirement application is received at ERSGA or, if later, the first of the month following your final month of employment.

DISABILITY RETIREMENT

If you qualify for Disability Retirement, you will receive a PSERS benefit based upon your years of Creditable Service. This benefit is not reduced for retirement earlier than age 65, regardless of your age at benefit commencement. You may qualify for a Disability Retirement if you:

- Have attained at least 15 years of Creditable Service
- Are an active employee when you apply for Disability Retirement
- Are on a leave of absence (with or without pay) while the Disability Retirement application is being processed
- Are unable to perform your job or any offered alternative position due to a permanent medical condition(s).

SIX RETIREMENT PLAN PAYMENT OPTIONS

When you retire, you have several ways in which to receive your benefit payments. Every payment option provides a monthly benefit for your lifetime, and some options provide a benefit to one or more beneficiaries after your death.

MAXIMUM PLAN BENEFIT

Life Annuity

Payable to You: The highest monthly benefit available to you, payable for your lifetime.

Payable to Your Beneficiary: No monthly benefit is payable after your death. If you die before you receive total payments which at least equal your Employee Contributions Account, your beneficiary(ies) will receive the difference in a single payment.

Who May Be a Beneficiary: An estate, a charity, a trust, or a living person(s).

Changing a Beneficiary: You may do this at any time.

OPTION A(a)

100% Survivor Benefit

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: A monthly benefit equal to 100% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary(ies).

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. NOTE: This option may not be available with the election of a non-spouse beneficiary who is more than 10 years younger than the Member.

Changing a Beneficiary: You may not change your beneficiary(ies) after you receive your first monthly payment.

OPTION A(b)

50% Survivor Benefit

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: A monthly benefit equal to 50% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary(ies).

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages.

Changing a Beneficiary: You may not change your beneficiary(ies) after you receive your first monthly payment.

OPTION A(c)

Member-Determined Survivor Benefit)

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: A monthly benefit equal to an amount which you determine at the time of your retirement, payable for the lifetime of the beneficiary(ies).

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. NOTE: This option may not be available with the election of a non-spouse beneficiary who is more than 10 years younger than the Member.

Changing a Beneficiary: You may not change your beneficiary(ies) after you receive your first monthly payment.

OPTION A(d)

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: A monthly survivor benefit, the amount of which is determined at retirement to be the maximum amount allowed by the IRS for a non-spouse beneficiary. The survivor benefit is payable for the life of the beneficiary(ies).

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages.

Changing a Beneficiary: You may not change your beneficiary(ies) after you receive your first monthly payment.

OPTION B

(Period Certain)

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: Your benefit is guaranteed to be paid for a period of time that you select at retirement (5, 10, 15, or 20 years). If you live longer than the guarantee period, there is no benefit payable to your beneficiary(ies). If you die before the end of your guarantee period, any remaining guaranteed payments will continue to be paid to your beneficiary(ies), and will stop when the end of the guarantee period is reached.

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages.

Changing a Beneficiary: You may change your beneficiary(ies) at any time.

It is important that you think carefully about your decision before making a payment option selection. In most cases, you cannot change your payment option after you receive your first monthly benefit payment. Before making your decision, you should obtain an estimate calculation of the amounts payable to you under the various payment options.

If you are not married when you begin to receive your retirement benefit, and you subsequently marry, you may change your benefit payment option, within six months of your marriage, to a benefit that provides your new spouse with a survivor benefit.

