

FORWARD... THE VALUE AND IMPORTANCE OF THE PSRS/PEERS

By Richard Phillips, MRTA Retirement Education Chairman

September 27, 2021

“The vision of the Missouri Retired Teachers Association and Public School Personnel (MRTA) is to promote and protect pensions, programs, and benefits of all public school personnel in retirement”.

If MRTA is to be successful in developing strategies to successfully meet their vision statement, “to promote and protect pensions, programs, and benefits of all public school personnel in retirement,” it is important to understand the purpose and history of the PSRS/PEERS. The concept of PSRS/PEERS began years before final implementation in 1946 after numerous debates, failures, false hopes, and political intrigue. With the astute leadership of Everett Keith, MSTTA Executive Director, the PSRS/PEERS legislation was passed and signed into law May 1945 and began July 1, 1946. **A primary goal of the PSRS/PEERS since its creation has been to “Help School Districts Attract and Retain the Best and Brightest Educators and Employees for Missouri’s School Children.”**

It is also important to realize the current status or priority of public education in the state of Missouri, that based on a variety of factors, is on a race to the bottom of financial support for public schools and teachers when compared to other states. In 2020, beginning Missouri teachers’ salaries ranked 50th at \$32,970 with average salary at 44th, \$50,817 compared to national average of \$63,645, public school expenditure per student ranked 34th at \$11,685 compared to the national average of \$13,597, student enrollment per teacher was 48th, and Missouri revenue for public education as a percent of total revenue was 50th at 30.7% while the national average was 47.1% (NEA).

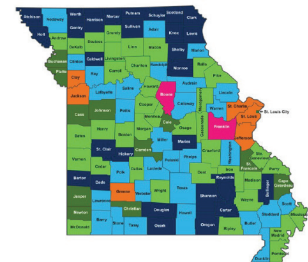
Although the financial support for public education is inadequate, student performance, based on a variety of performance measures, is above the national average. So, what is the variable? Professional educational leaders, community leaders, and others throughout the state contend the variable is the quality of teachers in Missouri classrooms plus the quality of educational leaders in buildings and districts. 73% of classroom teaching in Missouri is performed by teachers with 20+ years of teaching experience. 95% of Missouri teachers with 15 years of service will teach until retirement eligibility. PSRS leads to classroom teaching that is provided by an experienced, stable teaching force that is the basis of enhanced student performance.



As of June 30, 2021, over 100,000 individuals received benefits from PSRS/PEERS. Total annual benefits paid were nearly \$3.2 billion. Of this amount, more than \$2.8 billion, or 89%, was distributed among Missouri’s 114 counties, positively impacting the state’s economy. **Every \$1.00 invested by members into a defined benefit plan produced \$6.49 of total economic output within Missouri. PSRS/PEERS significantly influences Missouri’s economy and provides financial security for retirees.**

Missouri retired teachers and administrators are able to stay involved and engaged in community activities with retirees continuing to serve in a variety of capacities. Many MRTA members continue to work in institutions of higher education, working part time in critical shortage areas in public schools or as substitute teachers. **MRTA members were reported to contribute 551,113 volunteer hours in 2020, representing \$14,990,818 in service to Missouri communities.**

PSRS/PEERS Benefits by County



As benefactors of PSRS/PEERS it appears to be self-serving for MRTA members to advocate for educator pension benefits. But when looking at the bigger picture cited above, one realizes:

1. the impact PSRS/PEERS has on student performance through a stable, experienced teaching force
2. the economic contribution retirees make to the state’s economy
3. the extended service retirees are able to provide enriching the quality of life of Missouri citizens