

## Retired Member Issue

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## Frequently Asked Questions

**When will I receive my monthly benefit payment?** KPERS sends monthly retirement benefit payments on the last working day of each month.

**How do I choose a different bank account for direct deposit?** Complete a Direct Deposit - Agreement for Payment of Benefit to Financial Institution form (KPERS-15B). You can download one at [www.kpers.org/forms.htm](http://www.kpers.org/forms.htm) or call our office. Your change will take affect with the next benefit payment.

**When will I get a cost-of-living adjustment (COLA)?** Retirees receive COLAs on an ad hoc basis when the Kansas Legislature passes legislation granting one. The last COLAs granted to all retirees were one-half of a monthly benefit in 2000 and a 3 percent ad hoc COLA in 1998.

**How long will I get my monthly benefit?** As a retiree, you will receive benefit payments for the rest of your life.

**How much tax is withheld from my benefit, and can I change the amount?** Each January, KPERS sends you a 1099-R tax form that includes your withholding for the past year. Call or e-mail the InfoLine if you need to know your withholding throughout the year and can't find your 1099-R form.

You can change your withholding at any time. Complete a W-4P Withholding for Pension Payments form. You can download one at [www.kpers.org/forms.htm](http://www.kpers.org/forms.htm) or call our office.

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Service

Integrity

Respect

Accountability

Innovation

Teamwork

## Frequently Asked Questions *(cont. from page 1)*

### **Is my benefit taxable if I live in another state?**

You need to contact the other state directly for information about how that state taxes pension benefits.

**Who is my beneficiary?** You need to call or e-mail our office to confirm your beneficiary. Each time you change your beneficiary, we will send you a confirmation letter.

**How do I change my beneficiary?** You can change your beneficiary anytime by completing a Designation of Beneficiary form (KPERS-7/99). You can download one at [www.kpers.org/forms.htm](http://www.kpers.org/forms.htm) or call our office. Your change will take affect as soon as we receive the form in our office.

**Can I withdraw my \$4,000 death benefit now so I can pre-pay my funeral home?** No, you cannot withdraw your death benefit, but you can name a funeral establishment as the beneficiary to receive your \$4,000 death benefit. At your death, KPERS will pay the \$4,000 directly to the funeral home and the funeral establishment will pay the taxes on the \$4,000 as regular business income.

**Do I have life insurance?** As a retiree, you have a \$4,000 death benefit that can be paid to a person, your estate, a trust or a funeral establishment.

**If I divorce, can I change my joint annuitant?** Once you choose a retirement payment option, you cannot change it. State law does not allow you to name another joint annuitant, even with divorce or death.

**How do I change my address with the Retirement System?** Complete a Change of Address Form for Retired and Inactive Members (KPERS-7001). You can download one at [www.kpers.org/forms.htm](http://www.kpers.org/forms.htm) or call our office. It's important to keep your address up-to-date so we can contact you when we need to.

**My friend gets a 13<sup>th</sup> check. Why don't I?** Retirees who retired before July 2, 1987, receive an additional annual retirement payment, often referred to as the "13th check." Members who retired after July 2, 1987, had their retirement benefits calculated at a higher rate than earlier retirees and are not eligible for the additional annual payment.

## Tips to Protect You From Financial Scams

1. Register your home and cell phones on the national do-not-call list by calling (888) 382-1222. Also, any caller asking for your personal financial information is probably a scam artist. Good businesses never request such information over the phone.
2. Be sure that your Social Security number is not on your driver's license and checks.
3. Stop direct mail solicitations by writing to Mail Preference Service, P.O. Box 643, Carmel, NY 10512.
4. Closely review credit card and bank statements. If you see charges you did not make, learn what steps to take by calling the Attorney General's 24-hour Consumer InfoLine at (785) 296-2424.
5. Shred bank statements, credit card information and financial offers before putting them in the trash.
6. Research charities before donating to them. Call Kansas ChartityCheck at (785) 296-4564, or visit them online at [www.KsCharityCheck.org](http://www.KsCharityCheck.org).
7. Check out charities and businesses by calling the Better Business Bureau in your area.
8. You have a three-day right to cancel most door-to-door sales. For more information, call the Attorney General's Consumer InfoLine at (785) 296-2424.
9. Be wary of whom you give power of attorney to, including family members.

Information provided by the Kansas Attorney General's Office, Consumer Protection Division, Vulnerable Adult Task Force. You can reach the task force at (800) 432-2310 or call the 24-hour Consumer InfoLine at (785) 296-2424.

## Upcoming Board of Trustees Election

KPERs board members provide oversight for Retirement System operations and investments. As a retiree, you can run for an elected board position and get involved.

In April 2005, members will elect two board trustees. School members vote for the school position and non-school members (anyone who doesn't work for or didn't retire from a school) vote for the non-school position. Board members in these positions will serve July 1, 2005, to June 30, 2009.

### Specific Board Responsibilities

- Review and accept actuarial assumptions
- Recommend employer contribution rates
- Establish investment policies and guidelines
- Determine the appropriate investment asset allocation mix
- Hire the executive director and monitor performance
- Hire and monitor the performance of service providers, including actuaries, consultants, advisors and custodians

The board usually meets seven times a year in Topeka. Board members also serve on committees, which require additional meetings.

### What's Your Next Step?

For a complete list of board responsibilities and more detailed information about the position, please visit our web site or contact the Retirement System. To get on the ballot next spring, you need to complete a petition form and have 100 eligible members sign your petition. Download the form at [www.kpers.org](http://www.kpers.org) or call the Retirement System at (888) 275-5737 toll-free, or (785) 296-6166. Completed petitions are due by November 30, 2004.

### Remember to Vote!

Even if you don't run for election, it is important that you vote. Watch for ballot information in the next issue of KPERs Papers.

### ***Election*Countdown**

Now – November 2004: Candidates collect signatures

November 30, 2004: Candidate petition deadline

February 2005: KPERs mails ballots to retirees

March – April 2005: Voting period

April 30, 2005: Voting deadline

May 20, 2005: Winners announced

July 1, 2005: New trustees take office

## Taxes and Your Death Benefit

Your \$4,000 death benefit is taxable income for your beneficiary. However, if you have it paid directly to a funeral establishment, the funeral establishment becomes responsible for the taxes.

If your funeral services are less than \$4,000, the balance of the benefit should be returned to KPERs, and then KPERs will forward it to your primary beneficiary. In that case, your beneficiary will be responsible for taxes on the balance.

To directly name a funeral establishment as beneficiary, complete Part B on the Designation of Beneficiary form (KPERs-7/99).

When naming a funeral establishment in Part B, you also need to name a primary beneficiary. Only the \$4,000 death benefit can be paid to the funeral establishment. Any other benefits must be paid to another beneficiary.

You can change your beneficiary at any time. Download a form at [www.kpers.org/forms.htm](http://www.kpers.org/forms.htm) or call the KPERs office.

- (888) 275-5737, toll-free
- (785) 296-6166

Keep in mind that each time you complete a beneficiary form, it cancels all those you have previously completed. If you only complete one section and leave the rest blank, the only beneficiary you will have is the one you included on that form.

## Board of Trustees Selects New Board Member for Partial Term

After an application process and careful consideration, KPERS Board of Trustees selected Jo Diane (Jody) Boeding as the new board member to fill the unexpired term for the elected non-school position.

Boeding is Assistant Counsel for the Unified Government of Wyandotte County/Kansas City, Kansas. She was chosen from 62 applicants. Her term began May 21 and will end June 30, 2005.

KPERS has member elections every four years for both the school and the non-school position. The next election is scheduled for spring 2005. The term of office for these

positions will be July 1, 2005, to June 30, 2009. If you are interested in becoming a candidate, see the article in this newsletter about the upcoming election.

### Remaining 2004 Benefit Payment Dates

July 30	October 29
August 31	November 30
September 30	December 28

**Mission Statement of the Retirement System:** The Kansas Public Employees Retirement System, in its fiduciary capacity, exists to deliver retirement, disability and survivor benefits to its members and their beneficiaries.

**KPERS Board of Trustees:** Michael Braude, *Chair*                      Liz Miller, *Vice-Chair*                      Jody Boeding  
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