

Retired Member Issue

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Service

Integrity

Respect

Accountability

Innovation

Teamwork

2006 Kansas Legislative Session KPERS Summary

The 2006 Legislative session was fairly quiet for KPERS. Here are a few changes that affect retirees.

Earnings Limit Increase

One change is good news for retirees who work for the *same* employer they retired from. Effective July 1, 2006, the \$15,000 earnings limit increased to \$20,000.

If you had your retirement benefits suspended when you reached the old limit (\$15,000), your benefits will be re-instated until your calendar year 2006 earnings reach \$20,000.

Working for a Different KPERS Employer

If you go back to work for a different employer – one you didn't work for during the last two years of your KPERS participation – you do not have an earnings limit. You also do not make any contributions and your employment does not affect your retirement benefits. However, your employer needs to make KPERS contributions for the position you fill if:

- You were first employed on or after July 1, 2006.
- The position would otherwise be a KPERS-covered position.

Back to work for ...	SAME employer	NEW employer
✓ earnings limit	\$20K	no
✓ employee contributions	no	no
✓ employer contributions	no	yes

For more information about working after retirement, visit www.kpers.org or call the InfoLine.

continued on page 2 ...

Retirement Trend: Returning to Work

An increasing number of today's retirees are discovering that a satisfying retirement lifestyle includes an unlikely ally – work.

The Bureau of Labor Statistics estimates that the number of workers age 55 and older will grow at four times the rate of the overall labor force through 2014.

Retirees are easing out of full-time careers and into part-time, flexible jobs that help fill both their lifestyles and their wallets.

According to a national AARP survey, nearly 70 percent of pre-retirees plan to work at least part-time after they retire.

Consider some of the factors driving this trend.

- Social Security no longer penalizes workers after full retirement age.
- Mandatory retirement in the workplace has declined.
- Health care costs continue to rise.
- Many occupations are less physically demanding.
- People are living longer and healthier lives.

Ironically, some experts predict that the traditional definition of retirement will soon be retired.

Legislative Summary ... (continued from page 1)

COLA Legislation

- Various bills relating to an ad hoc cost-of-living adjustment or a one-time extra benefit payment were introduced. Although there were legislative hearings on several of the bills, none passed in the 2006 session.

Minimum KSRS Benefit

- The minimum benefit was increased for certain school retirees. This group includes former members of the Kansas School Retirement System (KSRS) who retired **before** January 1, 1971, with at least 20 years of service credit.

Technical Changes

Other legislation affecting KPERS involved technical amendments and employer funding. These amendments clarified vague or ambiguous language in the laws that govern the Retirement System.

A small change may benefit some retirees:

- New language for naming a beneficiary allows you to choose a living person, a trust, your estate, or a *combination of these options*. Previously, members could not name another primary beneficiary to share their benefits if they named a trust or their estate as primary beneficiary. For more information about naming a beneficiary, visit the “Retired Members” section at www.kpers.org.

You can download a complete summary of all 2006 KPERS legislative activity at www.kpers.org. If you prefer to have a printed copy mailed to you, please call the Retirement System or e-mail CRafferty@kpers.org.

When You Call the InfoLine

Our goal is to provide you with superior customer service every time you call the InfoLine. Here are some ways you can help us provide the best service possible:

- Be ready to provide your retirement number or Social Security number for identification.
- Write your questions down before calling and keep a pencil and paper handy for taking notes.
- Avoid noisy distractions so you can hear clearly and your conversation is not interrupted.
- If you want someone with your power of attorney to talk to us on your behalf, make sure we have a certified copy of the document on file. Without it, KPERS cannot discuss your retirement business, even with your family members.

If You Chose a Joint-Survivor Option When You Retired

If you chose a joint-survivor option when you retired, you will provide a continuing monthly benefit for someone after your death. This benefit will last for the rest of his or her life. In order to fund this future benefit, your regular monthly payments are reduced. The higher your survivor's payment is, the lower yours is during retirement. The difference in your ages is also a factor.

If the person you chose to receive a benefit after your death dies before you, your joint-survivor option is cancelled. Kansas law does not allow you to choose someone else to receive the benefit. Your monthly payment will "pop up" to the amount you would have received if

you hadn't chosen a survivor option. It is important for you to let us know if your joint-survivor dies. You can then take advantage of the payment increase and begin receiving a larger benefit payment each month. Please notify the Retirement System in writing and include the official death certificate. We will return the certificate after processing, if requested.

Although your joint-survivor option will be cancelled, KPERS still provides a \$4,000 death benefit to all retirees. Be sure to keep your beneficiary current for this benefit.

Our Core Values – Are We Measuring Up?

The reason we are here is to provide the benefits you have been promised. Plain and simple. While that is always foremost in our minds, we also care about *how* we get the job done.

About four years ago, we outlined our core values. These values provide us with a sense of organizational character. They guide how we think, what we do, and how we do it. They are what we stand for.

All of our core values are important. But the one that directly affects you in a real way is our core value of excellent service.

Strive to provide excellent service that is timely, accurate, thorough and accessible.

As much as we try to meet your expectations, sometimes we hit the mark and sometimes we don't. In an effort to find out how we can improve our service, we are surveying two different groups this summer.

We have already mailed surveys for members who have called the InfoLine in the last three months. We are asking about their satisfaction with the service they received during their call. More specifically, were they satisfied with the length of time it took to get through to someone who could answer their questions, was staff professional, was the information timely, etc.?

In August, we will send satisfaction surveys to a random sample of members who retired this July. It will include questions about how well the retirement process was explained, whether they understood the forms, and if they received their first benefit payment as expected.

Hearing from members lets us know how we are doing. There is no need to wait for a survey. We welcome your comments anytime about how we can serve you better. Let us know how we are measuring up to our core values. If you have a comment or suggestion, please contact us.

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KPERS
Core Values

These six core values guide us in all we do.

Service	Accountability
Integrity	Innovation
Respect	Teamwork

Direct Deposit Offers You Security and Time Savings

KPERS has a timesaving service just for you: direct deposit. Instead of mailing a check, we can deposit your monthly retirement benefit right into your savings or checking account.

Direct Deposit Benefits

- It's free and simple for you to sign up.
- Your monthly benefit is available right away, even if you are away from home.
- Your payment does not depend on the mail.
- The security of direct deposit protects against lost or stolen checks.

To sign up for direct deposit or to change your bank account, complete a Direct Deposit form (KPERS-15B).

You can download any of our forms at www.kpers.org or call the InfoLine, (888) 275-5737 or (785) 296-6166, to receive a form by mail.

2006 Retirement Benefit Schedule

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

Benefit payments are mailed or direct-deposited on the last working day of each month.

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:

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