



For **KPER 3 members**
1-5 years from retirement

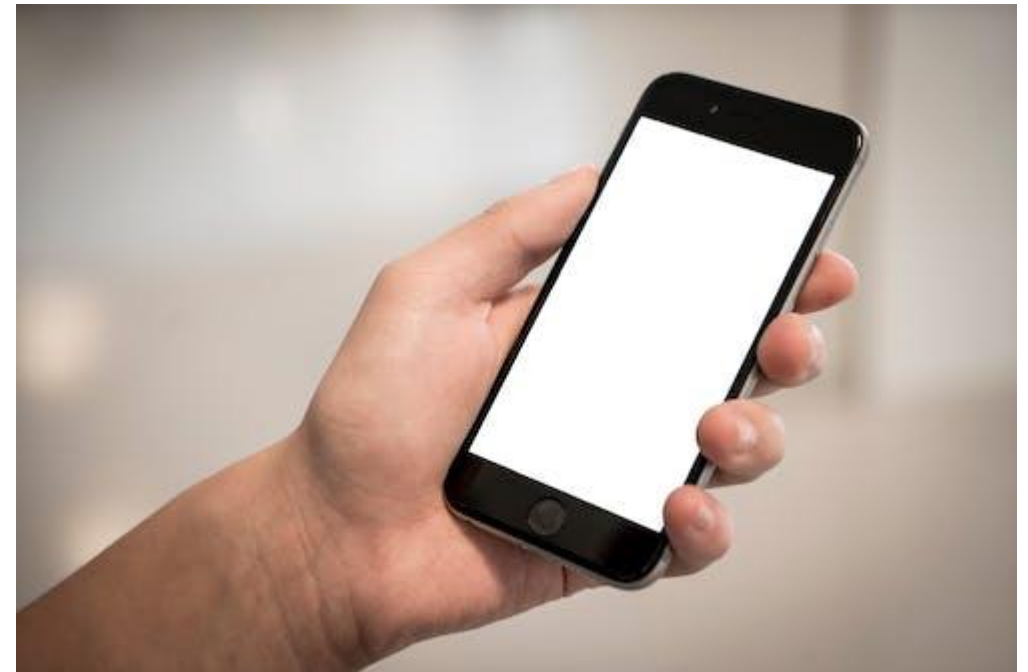
A photograph of an elderly African American couple riding a bicycle together outdoors. The woman is on the left, wearing a white tank top, and the man is on the right, wearing a pink short-sleeved button-down shirt. They are both smiling broadly. The background is a soft-focus green landscape with trees.

Pre-Retirement Webinar

AUDIO ISSUES?

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- Listen via **phone** by calling
1-(415) 930-5321
Access Code: 464-858-146#
Audio Pin: 23598#





For **KPER 3 members**
1-5 years from retirement

A photograph of an elderly African American couple riding a bicycle together outdoors. The woman is on the left, wearing a white t-shirt, and the man is on the right, wearing a pink short-sleeved button-down shirt. They are both smiling broadly. The background is a soft-focus green landscape with trees.

Pre-Retirement Webinar

3 SOURCES OF RETIREMENT INCOME

- KPERS and Social Security alone **won't be enough**
- **Personal savings** is vital income source for sound retirement



SOCIAL SECURITY

- KPERS will not affect Social Security
- Social Security will not affect KPERS
- Social Security Administration: www.ssa.gov

PERSONAL SAVINGS

- Different forms like a 403b, KPERS 457 or individual retirement account (IRA)
- Starting late is better than not saving at all
- Catch-up contributions – over age 50

STAYING IN KPERS 457 AFTER RETIREMENT

- Stay in KPERS 457 after retirement
- Retirement Specialist to help
- Great for retirement lump sums
 - Sick/vacation payouts
 - Retirement incentive



1-800-232-0024

kpers457.org

TYPE OF RETIREMENT PLAN

KPERS is a **401(a)** defined benefit plan

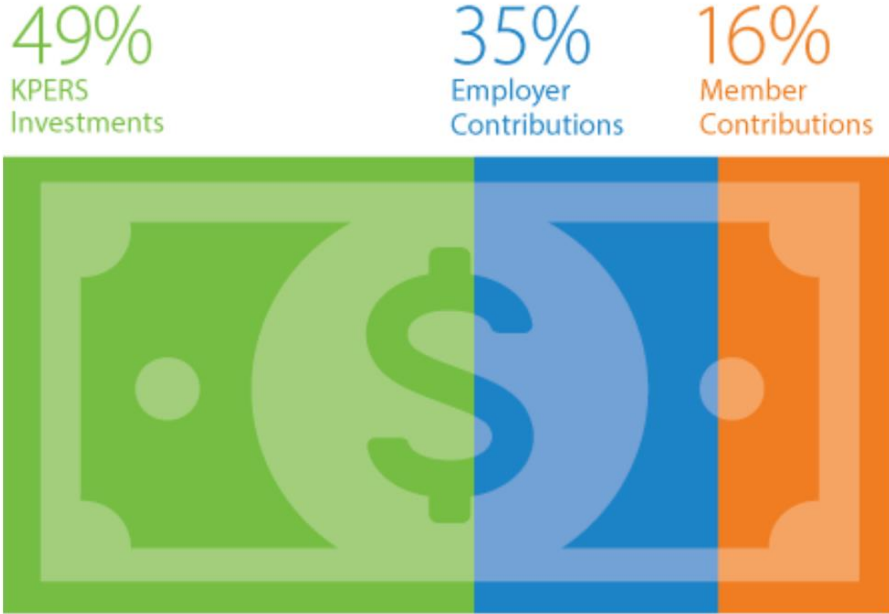
Contrast to defined contribution plans (personal savings plans)

- 457(b)
- 403(b)
- 401(k)
- IRA

KPERS FUNDING SOURCES

KPERS Trust Fund

- Retirement Benefits
- Death Benefits



Percent of total revenue over 20 years, as of 6/30/2022

Over time, more than 50% of benefits are funded by investment returns.

BENEFITS WILL BE HERE

- KPERS prefunded during your career
- \$25 billion in assets with about \$1.5 billion in contributions each year
- Assets have more than doubled in the last two decades
- About \$2 billion in benefits each year
- As your fiduciary, we're keeping long-term funding needs in front of the Legislature

KPERS 3 BASICS



KPERS 3 Pre-Retirement **Webinar**



KPERS 3 BASICS

Membership Tiers



KPERS 3 BASICS

Plan Type

- Defined benefit plan with a twist
- Benefit is calculated more like an annuity
- Benefit based on amounts in the contribution account and retirement credit account
- Members receive a lifetime monthly benefit



KPERS 3

Hired
Jan 1, 2015
and after

KPERS 3 BASICS

Contribution Account

- Employees contribute **6% of gross wages**
- Contributions are **pretax**
- Contributions earn **4%** interest annually (paid quarterly)
- Possibility of additional interest, depending on KPERS' investment returns

Interest credited quarterly based on account balance as of the previous quarter.

KPERS 3 BASICS

Retirement Credits

Based on salary and years of service

Years of Service	% of Salary
Less than 5	3%
5 – 11	4%
12 - 23	5%
24 or more	6%

KPERS 3 BASICS

Retirement Credits

- Credits earned quarterly based on **salary** and **years of service**
- Represented as **dollars**
- Build in value over time but **only available at retirement**
- Earns interest **quarterly** like contributions

Interest credited quarterly based on account balance as of the previous quarter.

KPERS 3 BASICS

Power of Compound Interest

- Interest compounded **quarterly**
- Beneficial for **early to mid-career** members
- Possibility of **additional** interest earned



Retirement Eligibility



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RETIREMENT ELIGIBILITY

Full Retirement Benefit

- Age 65 with 5 years **or**
- Age 60 with 30 years



RETIREMENT ELIGIBILITY

Early Retirement Benefit

- Age 55 with 10 years
- Reduced benefit



THINGS TO CONSIDER BEFORE RETIRING EARLY

- The earlier you retire, the less time your benefit has to grow
- Age is a factor in the benefit calculation
- Inflation reduces buying power over time
- No Partial Lump-Sum Option

Benefit Calculation



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BENEFIT CALCULATION

Account Balances

- Contribution account
- Retirement credit value

Actuarial Factors

- Age
- Account balance
- Retirement credit value

EXAMPLE

Employee Account Balance:	\$200,000
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Retirement Credit Balance:	\$140,000
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Actuarial Factor:	12.262500%
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Annual Benefit:	$\$340,000 / 12.262500 = \$27,727$
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Monthly Benefit:	$\$27,727 / 12 = \mathbf{\$2,310.58}$
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Purchasing Service Credit



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TYPES OF SERVICE AVAILABLE TO PURCHASE

- Forfeited service – KPERS
- Military
- Elected official
- Out-of-state teaching (not private school)
- In-state or out-of-state non-federal public service
- Forfeited service – Board of Regents
- VISTA or Peace Corps service

SERVICE PURCHASE DETAILS

- Cost based on age and salary
- Must be paid for before last day on payroll
- Application required for cost estimate
- Application available at kpers.org

Ways to Pay

- Payroll deduction
- Lump sum

SHOULD I PURCHASE SERVICE CREDIT?

- Counts toward vesting
- Increases retirement credit amount sooner
- Does **not** increase contribution account.



SHOULD I PURCHASE SERVICE CREDIT?

- **Not** deposited into contribution account
- **Not** included in balance for retirement benefit
- **Separate** from account balance but earns interest
- Only **payable** if you withdraw or die before retirement

Choosing Your Retirement Date



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ALL NON-SCHOOL AND SCHOOL NON-LICENSED (classified)

- 12 available retirement dates
- May retire the **first** of the month following your last day on payroll.

SCHOOL-LICENSED (certified)

Teachers, Principals and Superintendents

- Can retire as early as June 1, if work under contract is complete.

Benefit Options

- Base Monthly
- Life-Certain
- Joint-Survivor
- Partial Lump-Sum
- COLA



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LIFE-CERTAIN BENEFIT OPTION

- 10-year option is the **Base Benefit**
- Lifetime monthly benefit
- Guaranteed 5, 10 or 15-year benefit **from retirement date**
- If you die within the guaranteed period of time, beneficiary receives benefit for the **remaining guaranteed period**
- Change beneficiaries anytime and name any number of beneficiaries to share benefit

LIFE-CERTAIN BENEFIT EXAMPLE

John chooses a 10-year life-certain option

Scenario #1

John dies 5 years after retirement. His beneficiary receives the same benefit for 5 more years.

Scenario #2

John dies 15 years after retirement. There is no benefit after his death because the 10-year guaranteed period is over.

JOINT-SURVIVOR BENEFIT OPTION

- Lifetime monthly benefit + lifetime monthly survivor benefit **after your death**
- Your benefit reduced according to option chosen and survivor age
- 3 options
 - 50% of your benefit
 - 75% of your benefit
 - 100% of your benefit

If survivor dies before you, increases to base monthly benefit
Can't name someone else

PARTIAL LUMP-SUM OPTION (PLSO)

- Receive up to 30% of account balance in a lump sum
- Remainder of account balance converted to annuity
- Also choose a monthly benefit option
- Not available for early retirement

PARTIAL LUMP-SUM CONSIDERATIONS

- PLSO reduces your monthly benefit for life
- Eligible for rollover into a qualified retirement account
- 20% federal withholding if paid directly to you
- Possible 10% IRS penalty if under age 59 ½
- Can you make up the income difference?

COST-OF-LIVING ADJUSTMENT OPTION

- Choice of no COLA, 1% or 2%
- Benefit reduced to fund annual increase
- Annual increases on July 1
- COLA increase begins 1 year after retirement date

No COLA* Monthly Benefit	
Benefit Option	No Lump Sum
BASE BENEFIT Life-Certain 10 Years	\$381.09

1% COLA* Monthly Benefit	
Benefit Option	No Lump Sum
Life-Certain 10 Years	\$349.33

Your Online Account



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WHAT YOU CAN DO

Access your secure account for:

- Account balance
- Retirement credits
- Membership date
- Beneficiaries
- Annual statements

ONLINE ACCOUNT ACCESS

The screenshot shows the top of the KPER website. On the left is the KPER logo. To its right are navigation links: Members, Retirees, Employers, Forms & Pubs, About Us, and a partially visible 'Co'. A search bar with a magnifying glass icon is on the far right. Below the navigation is a blue banner with the text 'Next Retiree Payment Date: April 28 | 2023 Payment Calendar'. Below the banner is a large image of a sunflower. In the top right corner of the banner area, there are two buttons: 'Member Login' (highlighted with a green box) and 'Employer Login' (highlighted with an orange box). A green box with the text 'Click here' is positioned above the search bar.

Goes to Login

The screenshot shows the KPER portal home page. At the top left is the KPER logo and the text 'Kansas Public Employees Retirement System'. Below this is a large photograph of a diverse group of people. On the left side, there are three links: 'Why do I have to enroll?', 'How are you protecting my information?', and 'Contact us'. On the right side, there is a 'New User' section with the text 'What you'll need to enroll'. Below that is a 'User ID' input field and a 'Login' button. A link for 'Forgot User Id' is also present. At the bottom left, there is a link for 'Privacy Policy & Disclaimer | KPER © 2008'.

Portal Home

The screenshot shows a sidebar menu for a user dashboard. At the top is the 'INBOX' section with an envelope icon and the text '0 new Messages'. Below that is the 'GO TO' section with a list of links: Home, Personal Profile, Beneficiaries, and Seminar Registration. At the bottom is the 'KPER Account' section with a list of links: Account Summary, Insurance/Disability, Benefit Calculator, and Annual Statements.

ONLINE ACCOUNT ACCESS

Account Summary

Contribution Account	
Account Balance (03/31/2021):	\$1,034.16
Employee Contributions (6%):	\$276.17
Interest (4% annually):	\$10.29
Current Pay :	\$18,411.32
Account Balance (06/30/2021):	\$1,320.62

Contribution History

Other Account Info	
Membership Date	08/22/2019
Years of Service	1.75
Coverage Group	KPERS 3

Retirement Credits	
<i>Retirement credits are only available at retirement.</i>	
Retirement Credit Value (03/31/2021)	\$517.09
Quarter 3 Retirement Credit Value (3%)	\$138.08
Interest (4% annually)	\$5.15
Retirement Credit Value (06/30/2021)	\$660.32

Retirement Credit Rates

Less than 5 years of service =	3% of pay (your rate)
5-11 years of service =	4% of pay
12-23 years of service =	5% of pay
24+ years of service =	6% of pay

Calculate an Estimate



KPERS 3 Pre-Retirement **Webinar**



BENEFIT ESTIMATE

The image shows a screenshot of the KPERS website. At the top left is the KPERS logo. The main navigation bar includes links for Members, Retirees, Employers, Forms & Pubs, About Us, and Contact Us. A search box labeled "Search Topic" is on the right. Below the navigation bar, there are buttons for "Member Login" and "Employer Login". A dropdown menu is open under "Benefit Calculators", listing options: KPERS 1, KPERS 2, KPERS 3 (highlighted with an orange box), KP&F, and Judges. The background features a large sunflower image and a banner with the text "Life Can B" and "We make it easy to be".

Next Retiree Payment Date: April

Member Home

New to KPERS

[Benefit Calculators](#)

Career Stage & Your Finances

Retire Ready

How-To Guides

KPERS 457

Optional Life Insurance

Leaving Employment

Board of Regents

KPERS 1

KPERS 2

KPERS 3

KP&F

Judges

Member Login

Employer Login

Life Can B

We make it easy to be

BENEFIT ESTIMATE

Benefit Calculator - KPERS 3

Benefit Calculator Disclaimer: Information from your most-recent annual statement may be helpful. This calculator is not linked to your record. **Estimate accuracy depends on the information you enter.** If your benefit amount may be affected by a Qualified Domestic Relations Order (QDRO). Planning to retire in the next few years? You can request an estimate from us. [Retirement Benefit Estimate Request form.](#)

Personal Information

Your Date of Birth:

[Joint Annuitant's](#) Date of Birth: *Optional, complete only if you want to leave a survivor benefit.*

Career and Account Information

Please see your latest member annual statement for info in this section. Or login to your KPERS account for a personalized estimate with your own info. [Login to your account](#)

Current Annual Salary(\$):

Do you want to include future annual salary increases between now and retirement? % - *Optional*

Current Contribution Account Balance(\$): *Do not include contributions from a service purchase.*

Current Retirement Credit Value(\$):

Current Years of Service: *Rounded service to next full year.*

Retirement Details

Date You Plan to Retire: *Your retirement date must be the first day of a month.*

Total Years of Service at Retirement:

- Have the calculator project my total years of service at retirement
 Use as my total years of service at retirement. *Rounded service to next full year.*

Calculate

Clear Fields

BENEFIT ESTIMATE

No COLA* Monthly Benefit

Benefit Option	No Lump Sum	10% Lump Sum	30% Lump Sum
BASE BENEFIT			
Life-Certain 10 Years	\$3,600.17	\$3,240.16	\$2,520.12
Partial Lump-Sum Option	\$0.00	\$52,976.53	\$158,929.60
Life-Certain 5 Years	\$3,648.69	\$3,291.67	\$2,570.52
Life-Certain 15 Years	\$3,490.93	\$3,141.84	\$2,443.65
Joint-Survivor 50%	\$3,431.53	\$3,088.38	\$2,402.07
Joint-Survivor 75%	\$3,305.87	\$2,975.28	\$2,314.11
Joint-Survivor 100%	\$3,189.08	\$2,870.17	\$2,232.36

BENEFIT ESTIMATE

1% COLA* Monthly Benefit

Benefit Option	No Lump Sum	10% Lump Sum	30% Lump Sum
Life-Certain 10 Years	\$3,295.06	\$2,965.56	\$2,306.54
Partial Lump-Sum Option	\$0.00	\$52,976.53	\$158,929.60
Life-Certain 5 Years	\$3,333.54	\$3,007.83	\$2,351.91
Life-Certain 15 Years	\$3,191.89	\$2,872.70	\$2,234.32
Joint-Survivor 50%	\$3,114.44	\$2,803.00	\$2,180.11
Joint-Survivor 75%	\$2,989.85	\$2,690.86	\$2,092.89
Joint-Survivor 100%	\$2,874.84	\$2,587.35	\$2,012.39

*self-funded annual cost-of-living adjustment

2% COLA* Monthly Benefit

Benefit Option	No Lump Sum	10% Lump Sum	30% Lump Sum
Life-Certain 10 Years	\$3,002.50	\$2,702.25	\$2,101.75
Partial Lump-Sum Option	\$0.00	\$52,976.53	\$158,929.60
Life-Certain 5 Years	\$3,031.39	\$2,735.69	\$2,140.82
Life-Certain 15 Years	\$2,906.00	\$2,615.40	\$2,034.20
Joint-Survivor 50%	\$2,811.53	\$2,530.38	\$1,968.07
Joint-Survivor 75%	\$2,688.69	\$2,419.82	\$1,882.08
Joint-Survivor 100%	\$2,576.13	\$2,318.51	\$1,803.29

The Retirement Process



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GET READY

- Pick your best retirement date
- Choose a payment option
- Submit application at least 30 days before retirement date
- Find age and name change documents

Retirement Application for KPERS 3 Members (K3-15)

RECEIVE MONTHLY BENEFIT PAYMENTS

- Direct deposit on last business day of the month
- Change notices, but no regular payment notice
- Payment summary online
- First benefit example:
March 1 retirement date First payment March 30

FEDERAL AND STATE INCOME TAXES

- Federal: taxable
- Kansas: not taxable
 - You already paid state taxes while working
 - Other states? Check with that state
- Change federal withholding anytime online
- 1099-R tax form each January

FEDERAL AND STATE INCOME TAXES

Benefit Info

Account Information			
Benefit Start Date:	09/01/2021	Total Contributions:	\$190,406.49
Benefit Option:	Maximum	Lifetime Benefits to Date:	\$47,285.28

Monthly Benefit Information	
Next Payment Date: 01/31/2023	
Item	Item Amount
Taxable Base Benefit	\$2,955.33
Fed Withholding - Monthly	\$241.00
Net Amount	\$2,714.33

Tax Withholding Message
To update tax withholding elections. Please submit the IRS W4P form to KPERS. IRS W-4P Form

FEDERAL AND STATE INCOME TAXES

Payment History (up to last 3 years)

Lifetime benefits paid to date : \$867,419.58

Payment Year	Gross Benefit	Taxable	Non-Taxable	Federal Taxes	Deductions	Total Payments
<u>2017</u>	\$56,900.16	\$56,900.16	\$0.00	(\$11,644.00)	\$0.00	\$45,256.16
<u>2016</u>	\$56,900.16	\$56,900.16	\$0.00	(\$11,688.00)	\$0.00	\$45,212.16

Payment History

Payment Date	Gross Benefit	Taxable	Non-Taxable	Federal Taxes	Deductions	Net Payment
01/31/2017	\$4,741.68	\$4,741.68	\$0.00	(\$974.00)	\$0.00	\$3,767.68
02/28/2017	\$4,741.68	\$4,741.68	\$0.00	(\$970.00)	\$0.00	\$3,771.68
03/31/2017	\$4,741.68	\$4,741.68	\$0.00	(\$970.00)	\$0.00	\$3,771.68
04/28/2017	\$4,741.68	\$4,741.68	\$0.00	(\$970.00)	\$0.00	\$3,771.68
05/31/2017	\$4,741.68	\$4,741.68	\$0.00	(\$970.00)	\$0.00	\$3,771.68
06/30/2017	\$4,741.68	\$4,741.68	\$0.00	(\$970.00)	\$0.00	\$3,771.68

FEDERAL AND STATE INCOME TAXES

INBOX




7 new Messages

GO TO

- ▶ Home
- ▶ Personal Profile
- ▶ Beneficiaries

KPERS Account

- ▶ Benefit Info
- ▶ Death Benefit
- ▶ 1099-R 
- ▶ Income Verification

Tax 1099-R Forms

Calendar Year	Gross Distribution
2017	\$34,328.88
2016	\$34,328.88
2015	\$34,328.88

Your statement should open in a new window. If the In your browser window, look on the "Tools" pull do

PAYER'S name, street address, city, state or province and ZIP code KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM 611 S KANSAS AVE SUITE 100 TOPEKA KS 66603 - 3869		1 Gross distribution 34,328.88	2023 Form 1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.
		2a Taxable amount 34,227.12		
		2b Taxable amount not determined <input type="checkbox"/>	Total distribution <input type="checkbox"/>	Copy C for Recipient's Records
PAYER'S federal ID number 48-0944170	RECIPIENT'S ID number ***-**-4520	3 Capital gain (included in box 2a)	4 Federal income tax withheld 2,906.00	
RECIPIENT'S name, street address, city, state or province and ZIP code Name Address City, State, Zip		5 Employee contributions or insurance premiums 101.76	6 Net unrealized appreciation in employer's securities	
		7 Distribution code(s) 7	IRA/ SEP/ SIMPLE <input type="checkbox"/> 8 Other <input type="checkbox"/>	
		9a Your percentage of total distribution	9b Total employee contributions	
Account number 290711-1084559		RETIRED 10-11 IRS NET INVESTMENT 2,628.32 EXCLUDED TO 12/31/17 636.00		

Form 1099-R

www.irs.gov/form 1099r

Department of the Treasury - Internal Revenue Service

RETIREE DEATH BENEFIT

- \$4,000 death benefit
- Taxable for federal tax, but not Kansas taxes
- Person, estate, trust, funeral establishment or combination
- Beneficiary responsible for taxes
- No death benefit for joint annuitant

KEEP BENEFICIARY UP-TO-DATE

- Time to review beneficiaries
 - Marriage
 - Birth/adoption
 - Divorce
 - Death
 - Retirement
- Change beneficiaries any time online

Life Insurance



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LIFE INSURANCE – WHAT YOU HAVE NOW

- Basic life insurance = 150% of current salary
- Optional Group Life Insurance
- Continue coverage within 60 days of last day on payroll

CONTINUING LIFE INSURANCE

Portability – Basic & Optional

- **Term** insurance option
- No health questions
- Under age 80 and actively at work
- Coverage begins to reduce at age 65

CONTINUING LIFE INSURANCE

Conversion – Basic & Optional

- **Whole-life** option
- No health questions
- Higher rates, builds cash value

HEALTH INSURANCE

- KPERS does not provide health insurance coverage
- Contact your human resources office

Working After Retirement



KPERS 3 Pre-Retirement **Webinar**



WORKING AFTER RETIREMENT

- No restrictions for non-KPERS employers
- Only when working for a KPERS employer
- No additional contributions to KPERS
- Must resign all KPERS employment before retirement.
Even part-time

WAITING PERIOD

- 180-day waiting period if retiring before age 62
- 60-day waiting period if retiring age 62 or older
- Begins with retirement date
- No prearrangements!

NO PREARRANGEMENTS

- Any situation where an employer or employee reasonably anticipates employment
- Interviews, applications, written and verbal communication are prearrangements
- Anytime before retirement or during waiting period
- Important for KPERS qualified plan status
- Penalties for retiree and employer

PENALTIES

Penalties for retiree

- Benefit **suspended** starting the month you return to work, and ending 6 months after you stop employment
- Must **repay** benefits received while working after retirement

Note: Employer will have to pay penalties as well

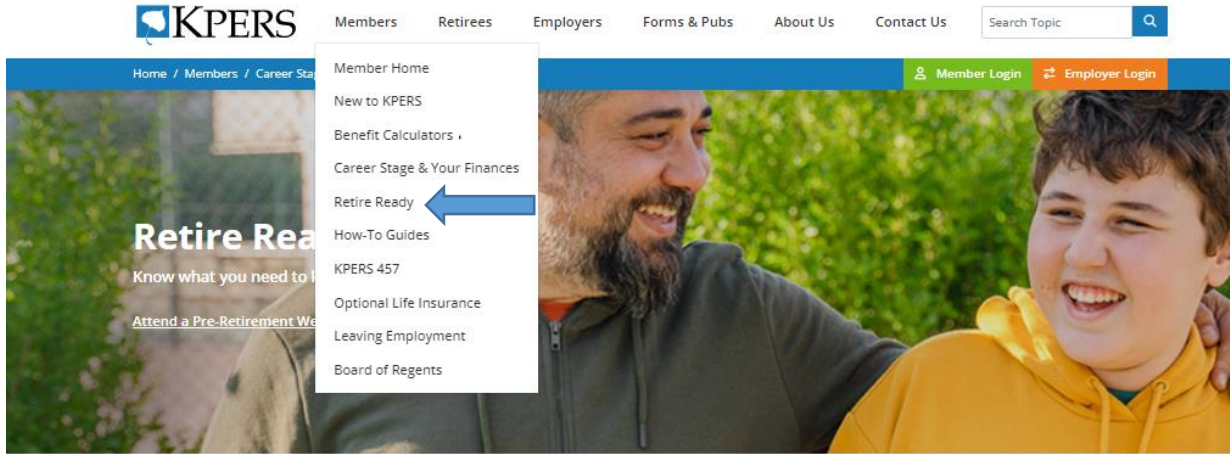
Retirement Resources



KPERS 3 Pre-Retirement **Webinar**



RETIREMENT INFORMATION CENTER



[When Can I Go?](#) | [How Much Will I Get?](#) | [Seminars, Webinars & Things to Consider](#)

What to do and When

- 2-5 Years
- 1 Year
- 6 Months
- 3 Months

Pre-Retirement Help

- In-Person Seminars
- Webinars
- Working After Retirement
- Pre-Retirement Guides KPERS 1 & 2 | KP&F
- Benefit Estimate Request Form
- Retiree Death Benefit

Looking for Help?

- Schedule an in-person meeting
- Call 1-888-275-5737
 - Email Us

CHECKLIST FOR RETIREMENT

- Find out when you're eligible
- Calculate an estimate
- Review payment options
- Submit application
- Review life insurance
- Determine tax withholding
- Confirm Social Security
- Review health insurance needs
- Review your other retirement plans and savings

CONTACT INFO

KPERS

Email: kpers@kpers.org

Toll-free: 1-888-275-5737

Topeka: 785-296-6166

Social Security

Website: ssa.gov

Toll-free: 1-800-772-1213

Topeka: 1-888-327-1271

KPERS 457

Email: kpers457@kpers.org

Toll-free: 1-800-232-0024

Topeka: 785-414-3600

Thank You

KPERS 3 Pre-Retirement **Webinar**

