



WICHITA STATE
UNIVERSITY

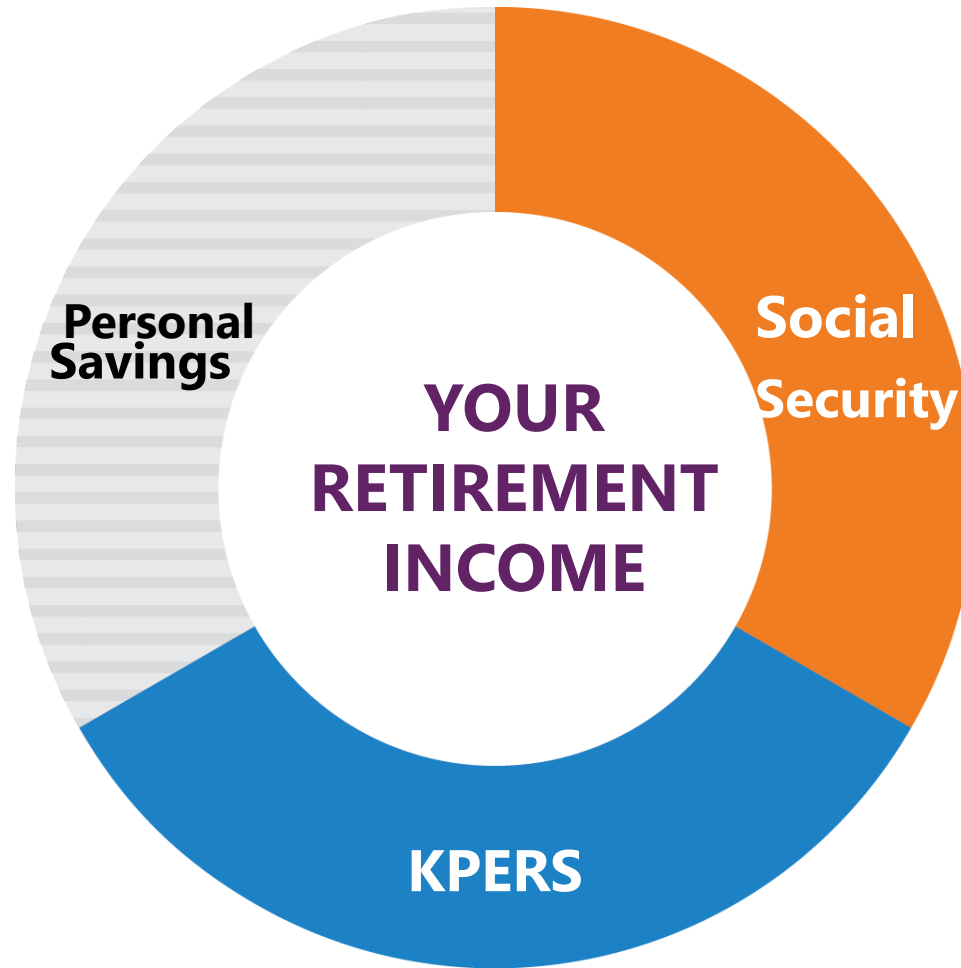
2025 Pre-Retirement Seminar



KPERS



3 SOURCES OF RETIREMENT INCOME



EMPLOYEE CONTRIBUTIONS

- 6% of pay
- Deducted pre-tax for federal taxes
- Interest credited June 30 based on balance December 31 of the previous year
- Balance doesn't determine your benefit. Only important if you withdraw or die before retirement.

EMPLOYER CONTRIBUTIONS

- Are not deposited into your account
- Go into the KPERS Trust Fund for:
 - Disability benefits
 - Death benefits
 - Retirement benefits



Percent of total revenue over 20 years, as of 6/30/2023

Retirement Eligibility



2025 Pre-Retirement **Seminar**



KPERS MEMBERSHIP



KPERS 1

Hired
before
July 1, 2009



KPERS 2

Hired
July 1, 2009
to Dec 31, 2014



KPERS 3

Hired
Jan. 1, 2015
and after.

WHEN CAN YOU RETIRE – KPERS 1

- Age 65 with 1 year
- Age 62 with 10 years
- Any age when your age and years of service equal 85

Current age		52
Current years of service	+	29
Total points		81
Subtract total from 85	$85 - 81 =$	4
Divide by 2	$4 \div 2 =$	2
Add to current age	$52 + 2 =$	54

← Age for 85 points

WHEN CAN YOU RETIRE – KPERS 2 & 3

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

EARLY RETIREMENT – KPERS 1, 2, & 3

- Age 55 with 10 years

The earlier you retire, the more your benefit is reduced

Benefit Calculation



2025 Pre-Retirement **Seminar**



BENEFIT CALCULATION (KPERS 1 & 2)

KPERS 1

EXAMPLE

Final Avg Salary	x	Statutory Multiplier	x	Years of Service	=	Annual Benefit	÷	Months in Year	=	Monthly Benefit
40,000	x	1.75%	x	20	=	\$14,000	÷	12	=	\$1,167
40,000	x	1.85%	x	10	=	⁺ \$7,400	÷	12	=	+ \$617
Combined (Total)						\$21,400	÷	12		\$1,784

KPERS 1: Service before January 1, 2014, is calculated at 1.75%. Service January 1, 2014, and after is calculated at 1.85%.

KPERS 2

EXAMPLE

Final Avg Salary	x	Statutory Multiplier	x	Years of Service	=	Annual Benefit	÷	Months in Year	=	Monthly Benefit
40,000	x	1.85%	x	30	=	\$22,200	÷	12	=	\$1,850

FINAL AVERAGE SALARY (FAS) – KPERS 1

Hire date **on or after July 1, 1993**

- Average of highest three years salary without additional pay

Hire date **before July 1, 1993** (includes non-school members in their year of service waiting for membership)

- Average of highest three years salary without additional pay
- Average of highest four years salary including additional pay*

-Highest calculation used-

**Additional pay is lump-sum payout of unused leave time*

FINAL AVERAGE SALARY (FAS) – KPERS 2

Average of highest five years of salary without additional pay

BENEFIT CALCULATION – KPERS 3



BENEFIT CALCULATION – KPERS 3

- Retirement Credits are added to your account each quarter.
- Amount is based on service and compensation.
- Dollar Figure only available at Retirement

	<u>% of Compensation</u>	
1 st year through 4 th year of service	=	3%
5 th year through 11 th year of service	=	4%
12 th year through 23 rd year of service	=	5%
24 th year and over	=	6%

Choosing Your Retirement Date



2025 Pre-Retirement **Seminar**



CHOOSING YOUR RETIREMENT DATE

Retirement Date

- Retirement date = first day of any month
- Must be off payroll

CHOOSING YOUR RETIREMENT DATE

Rounding Quarter

- Work only **one day** into the rounding quarter to earn credit for that entire quarter
- Adds additional **year of service** to benefit calculation
- Not everyone's rounding quarter is the same. Based on hire date and how your employer tracks financial quarters
- Call KPERS to find out your exact rounding quarter

CHOOSING YOUR RETIREMENT DATE

Rounding Quarter Example:

- John has 19.25 years of service on January 1
- John's rounding quarter is the 2nd quarter, which starts April 13 at his employer
- John only needs to work through April 13 to earn credit in the 2nd quarter
- John will then have 19.50 years of service, rounding to 20 years

Purchasing Service Credit



2025 Pre-Retirement **Seminar**



TYPES OF SERVICE AVAILABLE TO PURCHASE

- Year of Service
- 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 Corp service

COST AND METHODS OF PAYMENT

- Possibly retire earlier and increase benefits
- Cost based on age and salary
- Paid with lump sum or payroll deduction
- Paid for before last day on payroll
- Call KPERS for estimate

Benefit Options

KPERS 1 & 2

Maximum Monthly
Joint-Survivor
Life-Certain
Partial Lump-Sum

KPERS 3

Base Option
Joint Survivor
Life-Certain
Partial Lump Sum
Cost of Living Raise (COLA)



2025 Pre-Retirement **Seminar**



MAXIMUM (KPERS 1 & 2)/BASE OPTION (KPERS 3) MONTHLY OPTION

KPERS 1 & 2

- Maximum Base Option
- Monthly benefit for life
- Beneficiary receives any remaining contributions

KPERS 3

- Base Option (10-year Life Certain)
- Monthly Benefit for Life
- Beneficiary receives 10-year Life Certain payout

JOINT-SURVIVOR BENEFIT OPTIONS

- Lifetime monthly benefit + lifetime monthly survivor benefit **after your death**
- Reduction for survivor benefit varies by survivor's age
- 3 options for survivor benefit
 - 50%
 - 75%
 - 100%

If survivor dies before you, your monthly retirement benefit increases to Maximum Monthly benefit. Can't name another joint survivor.

LIFE-CERTAIN BENEFIT OPTIONS

- 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

PARTIAL LUMP-SUM OPTION (PLSO)

- Part of benefit in a lump sum
- Also choose a monthly benefit option
- Based on **actuarial present value** of lifetime benefit, **not** account balance
- KPERS 1 10, 20, 30, 40, or 50%
KPERS 2 10, 20, or 30%
KPERS 3 up to 30%
- Reduced monthly benefit

KPERS 3 – Cost of Living Adjustment (COLA)

COLA – KPERS 3 ONLY

- ✓ At retirement, you can choose an annual COLA (1% or 2%)
- ✓ Your benefit is reduced to fund the annual increase.
- ✓ You specify the percentage (1% or 2%)
- ✓ Annual increases are on **July 1**, and begin one year after retirement

Your Online Account



2025 Pre-Retirement **Seminar**




ONLINE ACCOUNT ACCESS

✉ kpers@kpers.org ☎ Toll-free: 1-888-275-5737 or Topeka: 785-296-6166

➔ [Member Login](#) [Employer Login](#)

[Home](#) ▾ [About Us](#) ▾ [Forms & Publications](#) ▾ [Calculators](#) ▾ [Contact Us](#) ▾

 [Search](#)

Active Members Working today for your tomorrow. [Active Members Home](#)

LOGIN

**KPERS**

Kansas Public Employees Retirement System



 [Why do I have to enroll?](#)

 [How are you protecting my information?](#)

 [Contact us](#)

New User [What you'll need to enroll](#)

User ID

Login [Forgot User Id](#)

[Privacy Policy & Disclaimer](#) | KPERS © 2008

YOUR ACCOUNT

Your Homepage

INBOX



0 new
Messages

GO TO

- ▶ Home
- ▶ Personal Profile
- ▶ Beneficiaries
- ▶ Seminar Registration

Select an Account

Account	Relationship	Account Status	Account Balance	Service Credit	Membership Date
<u>KPERS</u>	Member	Active	\$60,433.76	23.75 years	02/18/1994

Click account link above to enter your account.

ACCOUNT SUMMARY

INBOX



1 new
Messages

GO TO

- ▶ Home
- ▶ Personal Profile
- ▶ Beneficiaries
- ▶ Seminar Registration

KPERS Account

- ▶ Account Summary
- ▶ Insurance/Disability
- ▶ Benefit Calculator
- ▶ Annual Statements

Account Summary (as of 12/16/2017)

Snapshot

Account Balance	Total Service Credit	Membership Date	Status
\$67,156.61	24.75 years	02/18/1994	Active

Employee Contributions

Taxed	Untaxed	*Interest
\$0.00	\$45,862.76	\$21,293.85

*Includes interest credited to the account on 6/30/2017

Service Credit

Type		Multiplier	
Earned	23.75 years	Service @ 1.75%	20.75 years
Purchased	1.00 years	Service @ 1.85%	4.00 years
Total Service Credit	24.75 years	Total Service Credit	24.75 years

Calculate an Estimate



2025 Pre-Retirement **Seminar**



BENEFIT CALCULATOR

INBOX



1 new
Messages

GO TO

- ▶ Home
- ▶ Personal Profile
- ▶ Beneficiaries
- ▶ Seminar Registration

KPERS Account

- ▶ Account Summary
- ▶ Insurance/Disability
- ▶ Benefit Calculator
- ▶ Annual Statements

Account Summary (as of 12/16/2017)

Snapshot

Account Balance	Total Service Credit	Membership Date	Status
\$67,156.61	24.75 years	02/18/1994	Active

Employee Contributions

Taxed	Untaxed	*Interest
\$0.00	\$45,862.76	\$21,293.85

*Includes interest credited to the account on 6/30/2017

Service Credit

Type		Multiplier	
Earned	23.75 years	Service @ 1.75%	20.75 years
Purchased	1.00 years	Service @ 1.85%	4.00 years
Total Service Credit	24.75 years	Total Service Credit	24.75 years

BENEFIT CALCULATOR (KPERS 1 & 2)

The earliest date you can receive a full retirement benefit is **02/01/2018**.*

- ☐ I will retire on 02/01/2018.
- ☒ I will retire on **06/01/2026** (mm/dd/yyyy). Must be the first day of a month.

*You may actually become eligible sometime in the previous year before this date due to earning additional service credit. Please check with your employer if you are nearing retirement and would like an exact eligibility date.

Step 3: What is your final average salary?

Your current final average salary (FAS) is **\$61,931.45**. [What is FAS?](#)

- ☒ Use \$61,931.45 as my FAS.
- ☐ Use as my FAS.
- ☐ Use as my FAS with annual salary increase of %

Step 4: What is your total service credit?

Your current total service credit is **25.00** years.

Service @ 1.75% : **20.75**

Service @ 1.85% : **4.00**

Your projected total service credit is **25.00** years, if you continue working until your estimated retirement date shown above.

- ☒ Use the projected service based on the selected retirement date in **Step 2**
- ☐ Use 25.00, my total years of service as of 12/16/2017
- ☐ Use as my total years of service.

Step 5: Do you plan to provide a continuing benefit to a survivor?

- ☐ I do not plan to provide for a survivor. I want a benefit for my lifetime only.
- ☒ I plan to provide for a survivor. My survivor's date of birth is (mm/dd/yyyy).

BENEFIT CALCULATOR (KPERS 1 & 2)

[Calculate & Save](#)[Download Estimate](#)[Back](#)

Retirement Date: **06/01/2026**

Retirement Age: **68**

Final Average Salary: **\$61,931.45**

Total Service: **25.00 years**

Service @ 1.75%: **21.00 years** Service @ 1.85%: **4.00 years**

Annual Benefit = **\$27,342.73**

**KPERS 2 will not have
40% or 50 % Lump Sum**

Monthly Benefit

Benefit Option	No Lump Sum	10% Lump Sum	20% Lump Sum	30% Lump Sum	40% Lump Sum	50% Lump Sum
PLSO	\$0.00	\$23,148.05	\$46,296.10	\$69,444.15	\$92,592.20	\$115,740.25
Maximum	\$2,278.56	\$2,050.70	\$1,822.85	\$1,594.99	\$1,367.14	\$1,139.28
50% Joint-Survivor	\$2,119.06	\$1,907.16	\$1,695.25	\$1,483.34	\$1,271.44	\$1,059.53
75% Joint-Survivor	\$2,039.31	\$1,835.38	\$1,631.45	\$1,427.52	\$1,223.59	\$1,019.66
100% Joint-Survivor	\$1,959.56	\$1,763.61	\$1,567.65	\$1,371.69	\$1,175.74	\$979.78
5-Year Life-Certain	\$2,232.99	\$2,009.69	\$1,786.39	\$1,563.09	\$1,339.79	\$1,116.49
10-Year Life-Certain	\$2,164.63	\$1,948.17	\$1,731.71	\$1,515.24	\$1,298.78	\$1,082.32
15-Year Life-Certain	\$2,005.13	\$1,804.62	\$1,604.11	\$1,403.59	\$1,203.08	\$1,002.57

BENEFIT CALCULATOR (KPERS 3)

KPERS 3

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 CALCULATOR (KPERS 3)

KPERS 3

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



2025 Pre-Retirement **Seminar**



STEPS TO TAKE

- Pick your best retirement date
- Choose a payment option
- Submit application at least 30-45 days before retirement date
- Provide age and name change documents

RETIREE DEATH BENEFIT

- \$6,000 death benefit
- Taxable for federal tax, but not Kansas taxes
- Person, estate, trust or funeral establishment
- Beneficiary responsible for taxes
- No death benefit for joint annuitant

Working After Retirement



2025 Pre-Retirement **Seminar**



WORKING AFTER RETIREMENT

- No restrictions for non-KPERS employers

Working for a KPERS employer

- No member contributions, but employers do
- No prearrangements
- Waiting period
- Penalties

WORKING AFTER RETIREMENT

No Prearrangements

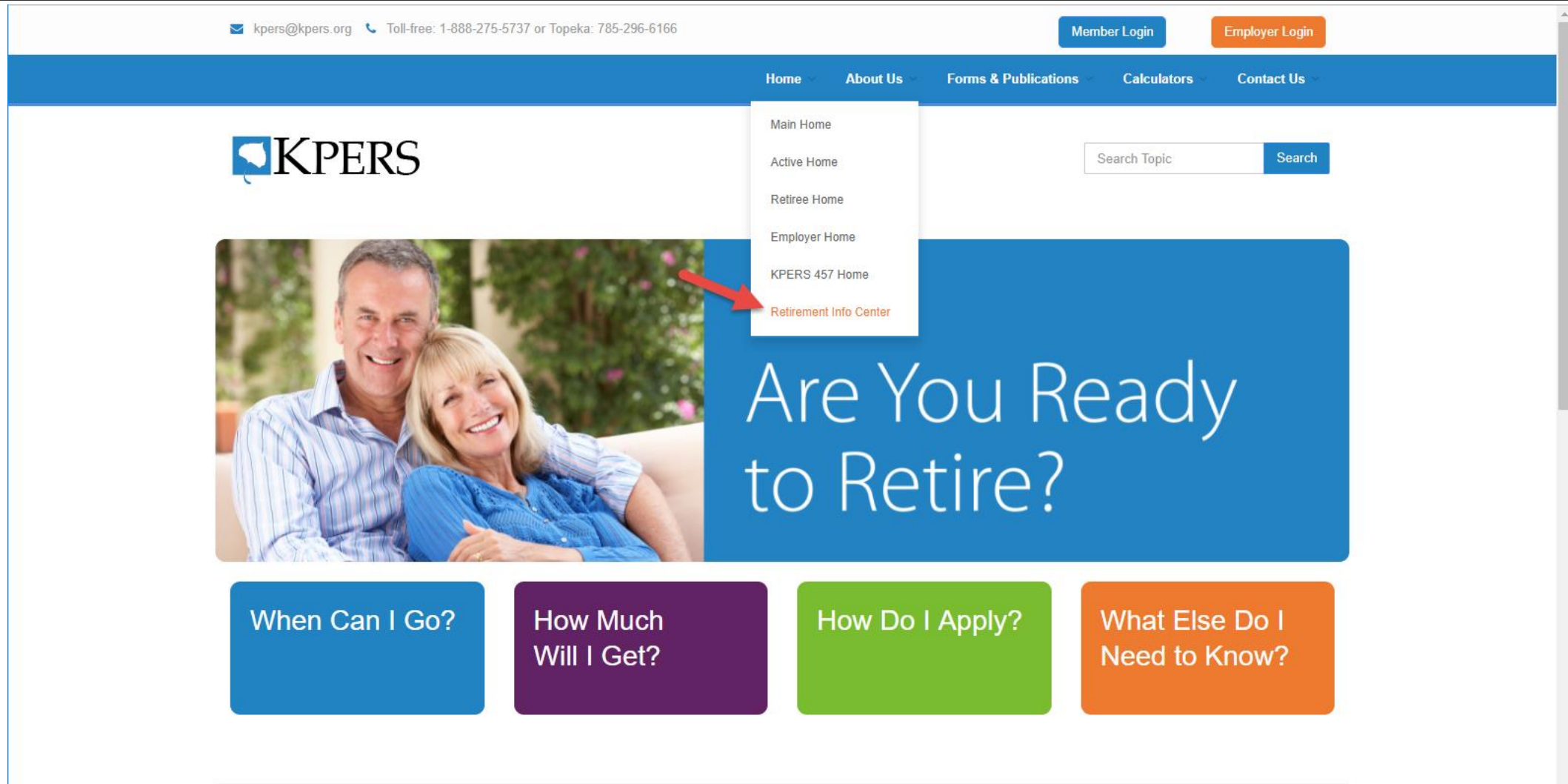
- Anytime before retirement
- Anytime during waiting period
- Important for KPERS qualified plan status
- Penalties for retiree and employer

WORKING AFTER RETIREMENT

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
- Remember, no prearrangements!

RETIREMENT INFORMATION CENTER (www.KPERS.org)



CONTACT INFO (pg. 6)

KPERS

Social Security

KPERS 457

Email: kpers@kpers.org

Website: ssa.gov

Email:
kpers457@kpers.org

Toll-free: 1-888-275-5737

Toll-free: 1-800-772-1213

Toll-free: 1-800-232-0024

Topeka: 785-296-6166

Topeka: 1-888-327-1271

Topeka: 785-414-3600

Thank You!