

## A DOZEN SUMMARY ITEMS REGARDING KPERS

1. No matter what part of the umbrella from which you retired, you are a Kansas Public Retiree. KPERS is made up of the following groups:

Law Enforcement Personnel, Firefighters, Judges, All Public School Personnel, State Workers (this includes all state college employees who are not professors), most County and Municipal Workers, and Legislators.

  - a. All for one/one for all.
  - b. Three groups: Retired, Working, Not Yet Hired
  - c. As of September 2010: 277,000 total, which includes 73,000 retirees, 161,000 active, 43,000 inactive. [School Personnel include 50%+ of retirees and active.] ([Basic KPERS Facts – Updated 3/17/2012](#))
2. The loss of buying power between 1997 and today - \$1000 then = approximately \$668 today. Consumer Price Index 33.20% of \$668.00. The last COLA was issued in 1998. If you had been retired long enough, you received a “bonus” of \$300 in 2007 and 2008. Less than half of those presently retired have received the last COLA or the two bonuses offered. [[Basic KPERS Facts – Updated 3/17/2012](#)]
3. Approximate Benefit Expenditure Annually is \$1.1 Billion, Receipts \$765 Million:
  - a. According to the Kansas Secretary of Treasury and KPERS board member, Dennis McKinney, May 2, 2010, the average monthly benefit for a retiree under KPERS is \$990. If you remove the highest 10 percent and the lowest 10 percent of monthly benefits (take out those who held high rank and those who were of short term employment) the average monthly benefit is \$883.
  - b. For those under the entire KPERS umbrella, there are 1.1% of benefit recipients that receive over \$4000 monthly, while 34% receive \$499 or less and 5% receive \$99 or less.
  - c. Under the entire KPERS umbrella less than 1.22% receives over \$50,000 annually in KPERS benefits. [[Basic KPERS Facts – Updated 3/17/2012](#)]
  - d. KPERS pays to retirees living in Kansas Counties a total of \$77,124,754 a MONTH in benefits! [[Monthly Retirement Benefit Payments to Kansas Residents by County](#)]
4. The only difference in the KPERS retirement program for KP&F and the Judges is the number of years necessary to accomplish full retirement. For KP&F this has to do with declining physical skills because of the aging process and for judges due to the fact that they normally have fewer years of service on the bench because they must typically gain experience before appointed to their positions. Their contributions are also greater than

regular KPERS and KPERS School. NO ONE under the KPERS Umbrella receives a COLA!

5. All preliminary actuarial reports to the legislative committees have indicated a 30 year employee retiring under the Tier III plan for new employees will have a benefit replacing from 25-40% of their salary at retirement, depending on investment returns in their cash balance account. Under the House plan all the while being required to CONTRIBUTE 50% MORE toward their retirement. Currently an employee would receive about 52.5% salary replacement. [[General KPERS Information June 10, 2012](#)]
6. The legislature has not met its actuarial obligations for at least 17years. This underfunding is the primary cause for the UAL. All of this session's proposals to "fix" KPERS are designed to place at least part of the burden for this underfunding on the employees. In the case of a Defined Contribution plan, all risk would be transferred to the employee! [[Varying Explanations For the UAL](#) and [Basic KPERS Facts – Updated 3/17/2012](#)]
7. The Senators eventually voted 32-8 to approve HB2333 which was the bill put forth by the conference committee. The Senate voted 20-20 AGAINST THE DEFINED CONTRIBUTION AMENDMENTS which were attempts to amend the conference committee report. The Moderate Republicans are shaded. (A positive vote, which would have been a NEGATIVE VOTE FOR OUR position may have been cast by a Senator, so if the defined contribution would have passed, reconsideration could be made. There is one Republican possibility and one Democratic possibility not listed.) [Document [Senate Rinos and Demo Revised](#)]
8. When the final vote was cast in the Senate, AFTER ALL THE AMENDMENTS were offered, there were only eight senators that voted against their colleagues as the final vote was 32 to 8 as follows: Pat Apple (Louisburg), Jeff King (Independence), Garret Love (Montezuma), Julia Lynn (Olathe), Bob Marshall (Fort Scott), Mary Pilcher-Cook (Shawnee), Dennis Pyle (Hiawatha), and Susan Wagle (Wichita).
9. We have not seen the following information regarding the upcoming elections because of the redistricting done by the Federal panel of judges, at least in total, in any newspaper. We thought you might be interested in the following:
  - a. 20 legislators (for whatever reason) chose not to run for the 2013 positions.
  - b. 27 legislators find themselves needing to run against other incumbents.
  - c. 16 former representatives are running for the Kansas Senate.
  - d. 1 former senator is running for a house position.
  - e. No matter what outcomes occur, there will be approximately 70 new representatives and 12 new senators. [White paper – [Possible Redistricting Outcomes.](#)]

10. Previously we were fairly positive about the origin of some of the following items. After talking to some of the “old salts” who were there, we now KNOW the following facts: No specific organized group of employees had anything at all to do with the following list of KPERS changes over time. We do not think it is out of line to conclude that research also indicates that the increases and changes to KPERS over time were also self serving to members of the legislature.

[\[Varying Explanations for the UAL\]](#)

11. As most of you are likely aware, a new cash balance program has been adopted for KPERS and KPERS School. Presently no changes have been made in any of the other existing Kansas retirement programs. Oh we are in error...The legislators changed the number of days they could use to annualize their pay from 372 to 365!

Our primary opposition to a defined contribution plan is the fact that any contributions made under this system either by the State or the individual would, under law, have to be kept in an individual’s account and not used as part of the KPERS Trust Fund! That option would absolutely end any hope of a COLA. This requirement, in our mind, also places the system in further jeopardy...less money for KPERS to invest and less money going to the KPERS Trust Fund. [White paper – [Our biggest Victory](#)]