



Update

Dear Friends,

September 12, 2018

Since my election to the KPERS Board of Trustees I have a new disclaimer that I must include in these updates from now on: "The views expressed in this update represent my views and/or the views of the Coalition. They do not in any way represent the views of KPERS Board of Trustees nor do I speak for them." (Ernie Claudel)

TODAY'S MEETING

The September 12, 2018, KPCR meeting was held at the KNEA location. The next meeting will be October 10, 2018 (the second Wednesday as usual).

During this morning's meeting the following discussions/announcements took place:

- A. The upcoming elections and what the outcome could mean.
- B. We continued to work on the planned fall fundraiser.
- C. There was considerable discussion regarding the 2019 Report to the Legislature and much of that discussion was focused on a COLA proposal and how best to request such legislation.
- D. We also discussed an issue that has been previously mentioned, i.e., the need for some "heart felt" letters. A letter has been written that helps explain the need. The letter will be featured in the next section.
- E. We just received word that once again the Silver Haired Legislature will once again present as one of their issues full funding of KPERS and a COLA for retired KPERS members.

FURTHER EXPLANATION OF TODAY'S MEETING

1. We would ask that you once again consider contributing written comments to KCPR regarding your need for a COLA. Recent calculations indicate that **between 1973 and 1998, there have been 19 COLAs offered as well as 3 bonuses.** Additionally, a 13th check benefit increase was offered to those who retired prior to 1987. KCPR believes it is indeed time for a benefit increase!
2. We offer this explanation for our request:

This request is for actual examples as to how KPERS retirees have been impacted with no Cost-Of-Living adjustment for the last 19 years.

Some background:

Granted, the Federal inflation rate, as measured by the Consumer Price Index (CPI) remains low, however, even a slow rate of inflation rate has continued for over 19 YEARS, having a cumulative negative effect on the retiree.

Examples might include the following illustrations of how the KPERS retiree (you) have been impacted by:

1. The initial price of prescription medications at retirement has increased by a factor of: Or from \$\$ to \$\$.
2. Increased cost of utilities.
3. Cost of food at the grocery store.
4. Increases in rental fees.
5. Transportation costs to include vehicles, energy and petroleum.
6. Any other increase in purchasing price.

Information from this request is to solicit ACTUAL KPERS retiree illustrations of the long-term effect of no COLA.

Please include the following in your testimonial:

1. Year of Retirement.
2. The number of years of service to the state prior to retirement.

If you desire not to have your name used,
Please at least provide your location, i.e.

1. Name of town or city in which you reside.
2. Second option would be area of Kansas, i.e., Central Kansas, Northeast Kansas, Western Kansas, etc.
3. Would you each please compose a letter (email) which highlights the challenges you face living on Social Security and your KPERS Benefit without a COLA? Please send it to me at eclaudel1@comcast.net. (That's eclaudel 1 (the number one.)

Thanks in advance for your help!!

FYI

This is a new section meant to remind you of many of the facts and important issues we have from time to time presented in this UPDATE.

TIER III (Cash Balance Retirement Plan)

Under the Tier I KPERS Pension Plan, the calculated annual retirement benefit for a 30-year employee is between 52.5 and 55.5% of the employee's final average salary (depending on the number of years of service before and after January 1, 2014). When the Tier III plan (Also referred to as the Cash Balance Plan) was first implemented, the estimated retirement benefit changed from an absolute calculated benefit amount based on a formula, to annuitization of account balances at retirement. Benefit estimates based on expected interest credits vs the minimum guaranteed interest credits, initially were between 43% and 34% of the employee's final average salary. The following year the legislature adjusted some of the inner workings of the plan and the percentages fell to 40% and 28%. The actuary has informed KPERS that since the estimated investment return has been reduced from 8% to 7.75%, that the next estimated benefit will be reduced even farther.

October KCPR Meeting

Further discussions will be held regarding email blasts, the annual KCPR Report to the Legislature and the upcoming general election. Remember that the U.S. Constitution requires two things of its citizens: 1. Serve on Juries, 2. VOTE.

Dates to Remember

The **KCPR Rally** in support of KPERS will be held, Monday, **February 4, 2019**, at 9:30 AM at the State Capitol in Topeka. (This date is Tentative but likely.)

Have a wonderful Weekend! Let me know if you have questions!!

- Remember to send us your updated email address...also if for any reason you should no longer wish to receive this update, let us know at the address listed at the end of this "update," and I will contact you and remove you from the official mailing lists.
- Just a reminder, that this email is an official report of the Kansas Coalition of Public Retirees. If I editorialize, I will indicate that fact.
- Remember that we want you to forward this to other retirees and the "working" who will benefit from this information.
- The KCPR website is www.ksretirees.org

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