

# **Kansas Coalition of Public Retirees**

**A coalition of 38 KPERS retiree groups**

**“Working to improve the KPERS System”**

***Recommendations for the 2016 Kansas Legislative Session***



————— **Prepared by the Kansas Coalition of Public Retirees** —————

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January 11, 2016

Greetings,

The Kansas Coalition of Public Retirees (KCPR) was formed in 2004 to call attention to a serious issue. For 26 years the Kansas Legislature granted periodic cost of living adjustments for KPERS recipients. However, in the past 18 years, no such adjustment has been made. During that same period of time, the cost of living (as measured by the Consumer Price Index, CPI) has risen by approximately 45.0 percent. This coalition strongly requests that the Kansas Legislature give serious consideration for a *hardship adjustment* in the form of a permanent annual modification tied to the Consumer Price Index for the 87,670 retired KPERS members and survivors.

The attached report contains information regarding this serious disparity. An Executive Summary highlights information in the report as well as data supporting our request and reference materials. Members of the Coalition will be visiting with all members of the legislature during the upcoming session to answer questions.

On behalf of all KPERS retirees, we appreciate the support of the Legislature in this request.

Sincerely,

Dennis Phillips, Co-Chair  
Kansas Coalition of Public Retirees

Ernie Claudel, Co-Chair  
Kansas Coalition of Public Retirees

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# Kansas Coalition of Public Retirees

## Mission Statement

*“To encourage the Kansas Legislature and Executive Branch to provide regular adjustments to KPERS pensions so that the buying power of those pensions is not diminished.”*

## Coalition Officers for 2016

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Twitter at: “@eclaudel1”

# Executive Summary

## INTRODUCTION

During recent Kansas Legislative sessions, attempts have been made to pass Cost-Of-Living (COLA) increases for retirees of the Kansas Public Employees Retirement System (KPERS). A group of 18 professional associations representing a broad range of KPERS membership, formed the Kansas Coalition of Public Retirees. While interested in all components of the KPERS retirement system, the Coalition overwhelmingly agreed that securing periodic adjustment in the level of retirement benefits would be the most beneficial to all KPERS retirees. The initial group of 18 associations has now grown to 38 organizations. Coalition membership consists of retirees formerly employed by State, Local and School units of government. This brief report is prepared by members of the Kansas Coalition of Public Retirees.

## INSIDE THIS REPORT

**KPERS Benefits are in need of an increase.** The general KPERS retired population desperately needs an upward adjustment in benefits. Even the most casual observer would agree that the cost of goods and services continues to rise and therefore periodic adjustment in retirement benefits is necessary. The KPERS retirement system needs adequate review to increase benefits when necessary.

**Inflation hits hard at purchasing power.** The level of inflation in the United States is usually measured by change in the Consumer Price Index, (CPI). The level of change in the CPI differs from year-to-year but has increased steadily since 1998, the year of the last KPERS benefit adjustment. In fact the CPI index has grown by more than 45.0 percent since 1998. The significant growth in CPI translates into a dramatic loss of purchasing power by the KPERS retiree. Comprehensive CPI tables and graphs are included in this document as well as a means to calculate loss in purchasing power.

**KPERS retirees represent a powerful economic force in the Kansas economy.** Individuals covered by the KPERS retirement system (working and retired) have a significant impact on the Kansas economy. This paper examines the size of the KPERS workforce and how the KPERS payroll effects the Kansas economy.

**Historical KPERS increases have been eliminated.** During the long history of the KPERS program, several benefit adjustments have been made by legislation which recognized the effects of inflation and the need to adjust benefits accordingly. Some adjustments have taken the form of a cost-of-living increase while others offered a bonus. A complete history of these adjustments is contained in the report.

## CONCLUSION

The Kansas Coalition of Public Retirees believes an upward adjustment in benefits is long overdue and is desperately needed by the KPERS retiree. The membership believes a compelling case for an increase is contained in this paper. The Coalition also strongly supports continuation of the current Defined Benefit form of benefit calculation.

## Members of the Kansas Coalition of Public Retirees

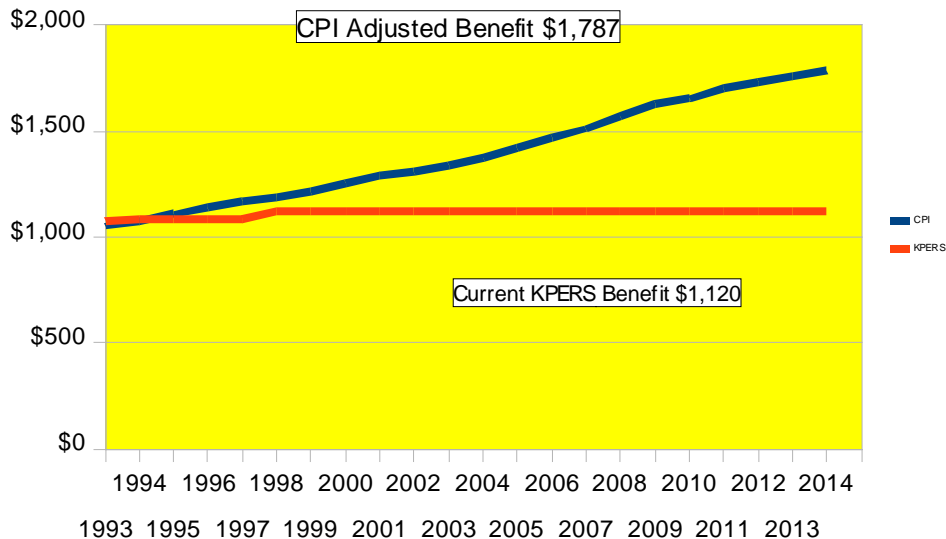
AARP (American Association of Retired Persons)  
AFT-Kansas (American Federation of Teachers-Kansas)  
Association of Department of Education Employees  
Association of Retired City of Topeka Employees  
Association of Retired Highway Employees  
Association of Retired Insurance Department Employees  
Association of Retired KPERS Employees  
Fraternal Order of Police (Topeka Chapter)  
HERO (Health and Environment Retirees Organization)  
Johnson County Association of Retired School Personnel (JCARS)  
KAEOP (Kansas Association of Educational Office Professionals)  
Kansas Association of Chief's of Police  
Kansas Association of Community Colleges  
Kansas Association of Counties  
Kansas Association of District Court Clerks & Administrators  
Kansas Association of School Boards  
Kansas City, KS Retired Fire & Police  
Kansas Correctional Officers Association  
Kansas Counties and District Attorneys Association  
Kansas Department of Labor Retirees  
Kansas District Judges Association  
Kansas District Magistrate Judges Association  
Kansas Peace Officer's Association  
Kansas Retiree's/Kansas Retired  
Kansas Sheriff's Association  
Kansas State Fraternal Order of Police  
Kansas State High School Activities Association  
Kansas State Troopers Association  
KARSP (Kansas Association of Retired School Personnel)  
KNEA  
KNEA Retired  
KOSE (Kansas Organization of State Employees)  
KSCFF (Kansas State Council of Fire Fighters)  
Leavenworth Area Retired School Personnel  
Olathe District Schools Retired Employees Association  
SEAK (State Employees Association of Kansas)  
United Teachers of Wichita  
USA of KS (United School Administrators)  
Working Kansas Alliance, WKA

## Changes in the Cost-of-Living and a fixed KPERS Benefit.

Increases in the daily cost of living have a dramatic effect on KPERS retirees when no corresponding adjustment in benefits is granted. When an individual first retires, the increasing cost of goods and services can usually be met by using personal savings to limit the effects of inflation. However, as time goes on, the long-term retiree finds it increasingly difficult to meet the continued rise in the cost of everyday living and this is usually at a time in their life when they are least able to have other opportunities to augment their income.

Consider the example of an Administrative Assistant who retires in 1993. In this example the retiree benefit represents perhaps 50 percent of final salary (\$1,020). As the graph illustrates however, as time passes, the effects of inflation dramatically reduces the “effective benefit” of the retiree. For this reason a KPERS “hardship benefit” is needed.

**Graph 1**  
**Retirement Benefits for an Administrative Assistant CY 1993 – 2014**



# The Impact of KPERS Retirees on the Kansas Economy (2014)

## KPERS and the Kansas Economy

“One in every 6 working Kansans is employed by State or Local Government”

KPERS Public Employment represents a significant economic force in the Kansas Economy. State and Local Government employment (CY 2014) represents more than 17 percent of statewide total employment (public and private). Law enforcement personnel, firefighters, judges, school teachers, State workers and most county and municipal workers are employed to insure the safety of our citizens and administer a wide variety of programs. Most of these workers are covered by the KPERS retirement program. The table and graph below illustrates the size of the State and local workforce compared to total Kansas employment.

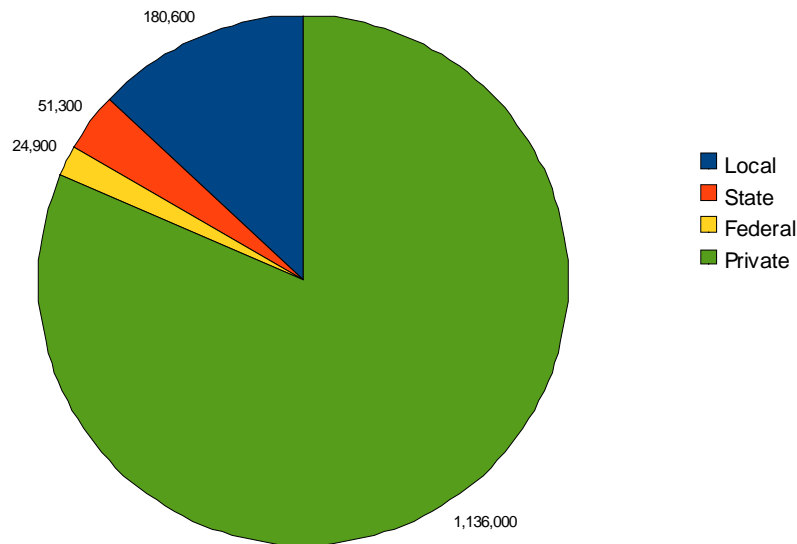
**Table 1- Kansas Annual Average Employment CY 2014 a/**

	<b>Number</b>	<b>Per Cent</b>
Total Kansas Employment	<u>1,392,800</u>	<u>100.0</u>
State and Local Government Employment b/	231,900	16.6
State	51,300	3.7
Local	180,600	13.0

a/ Source: Kansas Department of Labor

b/ U. S, Federal Government employment in Kansas is 24,900 (not included)

**Graph 2 - Kansas Employment by Major Sector  
Annual Average CY 2014**



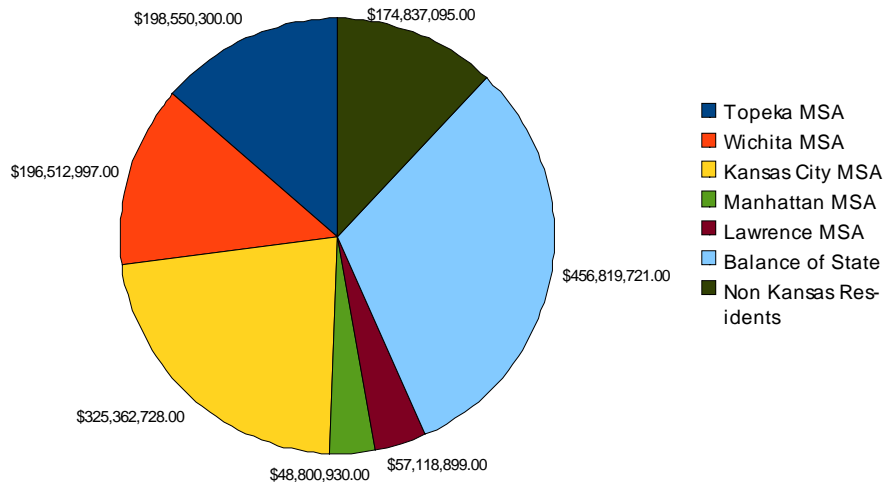


**Table 2 – KPERS Payments by Area CY 2014**

<b>Total All Payments</b>		<b>\$1,458,002,670.00</b>	
<b>Kansas Residents</b>		<b>\$1,283,165,575</b>	
<b>Non Residents</b>		<b>\$174,837,095</b>	
<b>Total MSA Paymts</b>		<b>\$826,345,854</b>	
<b>Topeka MSA</b>	<b>\$198,550,300</b>	<b>Kansas City MSA</b>	
		<b>\$325,362,728</b>	
Jackson	\$9,102,801	Franklin	\$12,806,624
Jefferson	\$12,270,342	Johnson	\$189,906,790
Osage	\$11,358,905	Leavenworth	\$29,780,363
Shawnee	\$161,115,827	Linn	\$4,996,615
Wabaunsee	\$4,702,425	Miami	\$15,557,871
		Wyandotte	\$72,314,465
<b>Wichita MSA</b>	<b>\$196,512,997</b>	<b>Manhattan MSA</b>	<b>\$48,800,930</b>
Butler	\$26,555,547	Riley	\$28,558,558
Harvey	\$16,797,055	Geary	\$10,114,544
Sedgwick	\$139,158,057	Pottawatomie	\$10,127,828
Sumner	\$14,002,338		
		<b>Lawrence MSA</b>	<b>\$57,118,899</b>
		Douglas	\$57,118,899
<b>Balance of State</b>			<b>\$456,819,721</b>

**Graph 3 - KPERS Payments by Area, CY 2014**

Total Payments \$1,458,002,670





## KPERS Retirement Recipient Key Facts

**“KPERS recipients are the largest single block of retired workers (and voters) in Kansas”**

With a significant number of working Kansans covered by KPERS, it follows that a large number of retired Kansans receive KPERS retirement payments. Eighty-eight percent (88%) of total KPERS payments are made to Kansas residents.

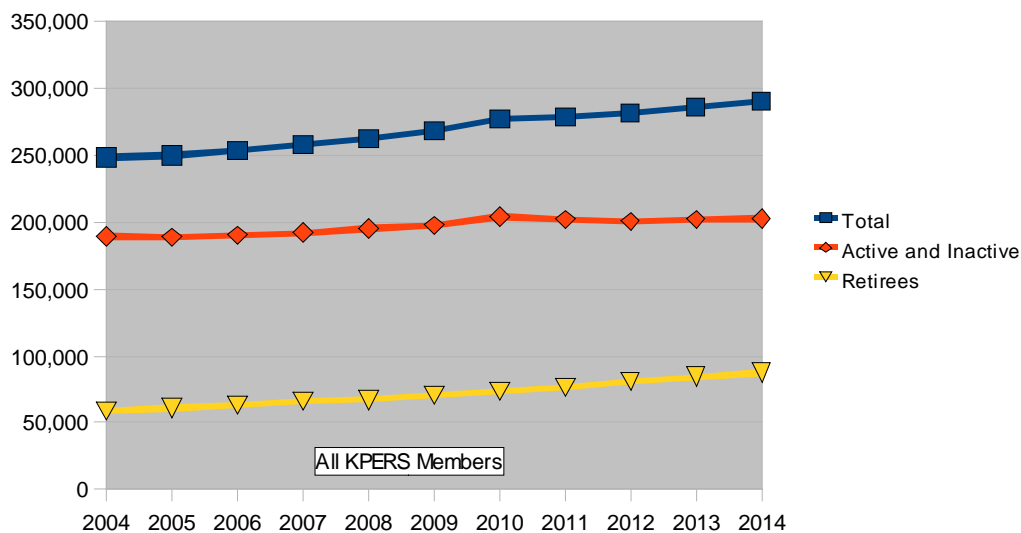
Number of KPERS Retirees (End of year SFY 2014)	87,670
Amount of KPERS Payments	<u>\$1,458,002,670</u>

a/ Source: “KPERS Annual Report 2014” pp. 129  
[www.kpers.org/annualreport/2014.pdf](http://www.kpers.org/annualreport/2014.pdf)

**Table 3      Number of KPERS Recipients by Membership Category  
CY 2004 – 2014**

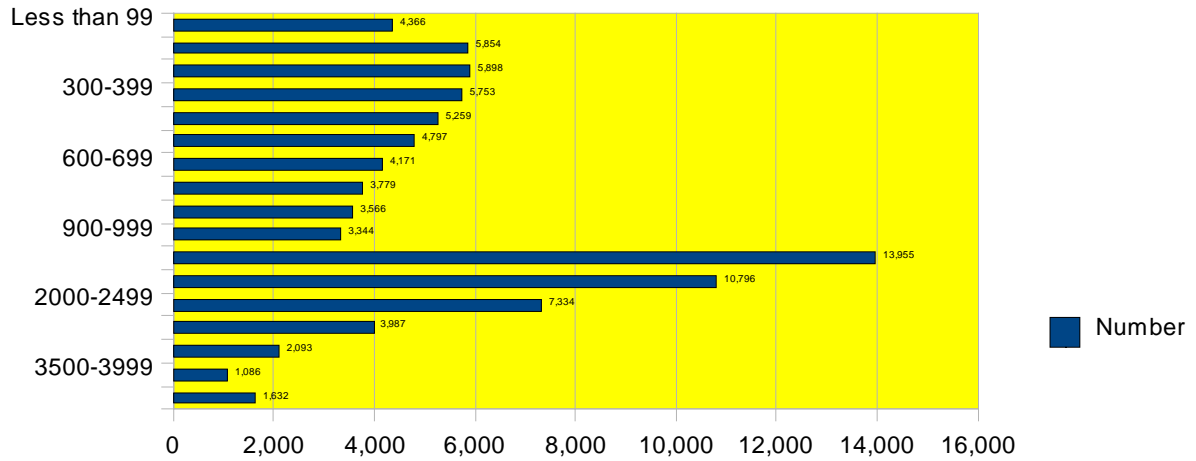
As of Dec 31	Total	Number Active and Inactive	Retirees
2004	248,584	189,460	59,124
2005	250,145	189,020	61,125
2006	253,653	190,305	63,348
2007	257,886	192,121	65,765
2008	262,289	195,187	67,102
2009	268,546	197,822	70,724
2010	277,494	204,155	73,339
2011	278,894	202,150	76,744
2012	281,757	200,732	81,025
2013	286,340	202,022	84,318
2014	290,600	202,930	87,670

**Graph 4 – Number of KPERS Recipients by Membership Category**



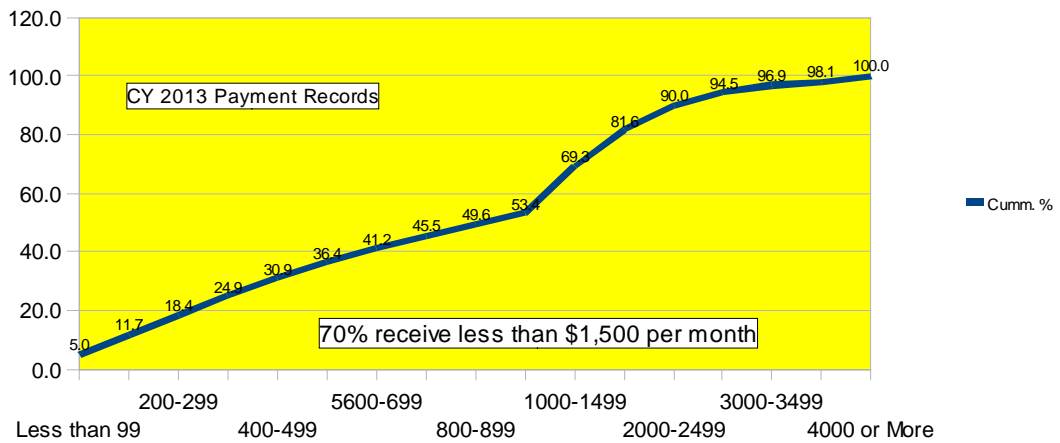
## KPERs Retirement Recipient Key Facts cont.

### Graph 5 - Number of KPERs Recipients by Monthly Benefit Amount



### Graph 6 Percent of KPERs Recipients by Monthly Benefit Amount

Cummulative Percent KPERs Pmts by MBA



**KPERS Benefit Payments from All Sources by County  
Calendar Years 2014 and 2013**

<b>County</b>	<b>CY 2014</b>	<b>CY 2013</b>	<b>Change in Payments 2014/2013</b>	<b>Percent Change 2014/2013</b>
<b>Total</b>	<b>\$1,458,002,670</b>	<b>\$1,379,004,366</b>	<b>\$78,998,304</b>	<b>5.7</b>
<b>Non Residents</b>	<b>\$174,837,095</b>	<b>\$162,649,290</b>	<b>\$12,187,805</b>	<b>7.5</b>
<b>Residents</b>	<b>\$1,283,165,575</b>	<b>\$1,216,109,103</b>	<b>\$67,056,472</b>	<b>5.5</b>
Allen	\$7,884,917	\$7,521,656	\$363,260	4.8
Anderson	4,311,627	\$4,856,530	-\$544,903	-11.2
Atchison	7,154,048	\$6,919,363	\$234,685	3.4
Barber	2,761,415	\$2,802,863	-\$41,448	-1.5
Bourbon	7,089,691	\$6,964,813	\$124,878	1.8
Brown	5,181,385	\$4,673,075	\$508,309	10.9
Barton	11,241,798	\$10,217,112	\$1,024,686	10.0
Butler	26,555,547	\$24,603,828	\$1,951,720	7.9
Clark	1,020,191	\$1,008,876	\$11,315	1.1
Cloud	4,616,490	\$4,652,022	-\$35,533	-0.8
Coffee	5,574,667	\$5,977,062	-\$402,395	-6.7
Cherokee	8,575,483	\$7,898,463	\$677,020	8.6
Cowley	22,490,220	\$22,288,972	\$201,247	0.9
Comanche	1,190,497	\$1,231,481	-\$40,985	-3.3
Cheyenne	1,379,338	\$1,248,503	\$130,834	10.5
Chautauqua	1,359,341	\$1,324,334	\$35,008	2.6
Crawford	20,267,919	\$20,860,250	-\$592,331	-2.8
Chase	1,937,362	\$1,573,691	\$363,671	23.1
Clay	4,476,769	\$4,249,650	\$227,119	5.3
Decatur	1,440,612	\$1,470,069	-\$29,457	-2.0
Douglas	57,118,899	\$53,376,634	\$3,742,265	7.0
Dickinson	10,179,081	\$8,901,683	\$1,277,398	14.4
Doniphan	3,250,132	\$3,057,213	\$192,919	6.3
Edwards	1,697,188	\$1,598,839	\$98,349	6.2
Elk	1,581,149	\$1,744,407	-\$163,258	-9.4
Ellis	15,470,781	\$14,642,850	\$827,931	5.7
Ellsworth	4,316,227	\$4,358,647	-\$42,420	-1.0
Finney	10,135,935	\$9,616,968	\$518,967	5.4
Ford	9,613,946	\$9,363,398	\$250,548	2.7
Franklin	12,806,624	\$11,450,653	\$1,355,971	11.8

Geary	10,114,544	\$9,585,202	\$529,342	5.5
Graham	1,840,277	\$1,773,395	\$66,882	3.8
Greeley	463,897	\$421,856	\$42,042	10.0
Gove	1,563,996	\$1,473,559	\$90,437	6.1
Grant	2,864,623	\$2,628,672	\$235,951	9.0
Greenwood	4,566,126	\$4,085,298	\$480,827	11.8
Gray	2,143,816	\$2,073,309	\$70,507	3.4
Hodgeman	1,079,662	\$1,108,018	-\$28,356	-2.6
Hamilton	1,089,566	\$1,094,850	-\$5,283	-0.5
Harper	3,650,820	\$3,948,126	-\$297,306	-7.5
Has kell	1,289,699	\$1,418,897	-\$129,198	-9.1
Harvey	16,797,055	\$15,177,313	\$1,619,742	10.7
Jacks on	9,102,801	\$8,336,601	\$766,201	9.2
Jeffers on	12,270,342	\$11,775,415	\$494,927	4.2
Johns on	189,906,790	\$181,528,505	\$8,378,285	4.6
Jewell	1,820,670	\$1,794,352	\$26,319	1.5
Kearny	1,790,838	\$1,920,116	-\$129,278	-6.7
Kingman	3,702,236	\$3,581,813	\$120,424	3.4
Kiowa	1,149,328	\$1,145,486	\$3,842	0.3
Labette	12,283,205	\$12,174,298	\$108,908	0.9
Lincoln	1,673,528	\$1,606,899	\$66,629	4.1
Lane	934,553	\$1,087,204	-\$152,650	-14.0
Logan	1,895,089	\$2,154,967	-\$259,879	-12.1
Linn	\$4,996,615	\$5,059,981	-\$63,366	-1.3
Leavenworth	29,780,363	\$27,227,857	\$2,552,506	9.4
Lyon	18,733,154	\$18,333,473	\$399,681	2.2
Mitchell	4,159,724	\$3,975,992	\$183,732	4.6
Meade	2,640,567	\$2,485,679	\$154,888	6.2
Montgomery	16,679,664	\$16,775,039	-\$95,375	-0.6
Miami	15,557,871	\$14,696,677	\$861,193	5.9
Marion	6,087,916	\$5,069,852	\$1,018,064	20.1
McP hers on	15,485,891	\$14,168,928	\$1,316,963	9.3
Morris	3,919,408	\$3,280,767	\$638,641	19.5
Marshall	4,558,337	\$3,998,031	\$560,306	14.0
Morton	1,184,075	\$1,569,232	-\$385,157	-24.5
Nemaha	4,274,552	\$4,005,788	\$268,764	6.7
Neos ho	10,318,686	\$9,932,851	\$385,836	3.9
Ness	1,566,117	\$1,570,611	-\$4,494	-0.3
Norton	4,550,326	\$4,647,963	-\$97,636	-2.1
Os borne	1,906,015	\$1,808,495	\$97,520	5.4
Os age	11,358,905	\$9,980,053	\$1,378,852	13.8
Ottawa	3,213,244	\$2,712,074	\$501,170	18.5
P hillips	3,120,973	\$2,882,257	\$238,716	8.3
Pawnee	7,977,258	\$8,146,517	-\$169,259	-2.1
Pratt	6,345,169	\$6,295,366	\$49,803	0.8
Pottawatomie	10,127,828	\$9,180,449	\$947,379	10.3
Rawlins	1,649,827	\$1,328,429	\$321,397	24.2

Rawlins	1,649,827	\$1,328,429	\$321,397	24.2
Rice	5,178,072	\$4,852,489	\$325,583	6.7
Rush	1,954,799	\$1,753,356	\$201,443	11.5
Riley	28,558,558	\$26,741,765	\$1,816,793	6.8
Reno	36,517,449	\$33,501,820	\$3,015,629	9.0
Rooks	3,153,191	\$2,966,280	\$186,911	6.3
Republic	3,425,048	\$3,214,884	\$210,164	6.5
Russell	3,707,238	\$3,862,911	-\$155,673	-4.0
Saline	27,295,741	\$26,275,360	\$1,020,380	3.9
Scott	1,839,845	\$1,671,191	\$168,655	10.1
Sherridan	1,278,166	\$1,100,967	\$177,199	16.1
Stafford	2,215,365	\$2,043,257	\$172,108	8.4
Sedgwick	139,158,057	\$128,273,899	\$10,884,158	8.5
Sherman	3,210,101	\$3,003,337	\$206,764	6.9
Smith	2,203,781	\$1,978,059	\$225,723	11.4
Shawnee	161,115,827	\$157,572,887	\$3,542,941	2.2
Stanton	978,896	\$1,075,325	-\$96,430	-9.0
Sumner	14,002,338	\$12,119,700	\$1,882,637	15.5
Stevens	1,791,021	\$1,997,198	-\$206,177	-10.3
Seward	5,338,634	\$5,199,318	\$139,316	2.7
Thomas	3,694,472	\$3,590,776	\$103,696	2.9
Trego	1,647,045	\$1,607,347	\$39,698	2.5
Wallace	612,170	\$587,161	\$25,009	4.3
Wabaunsee	4,702,425	\$4,523,165	\$179,260	4.0
Wichita	611,014	\$701,522	-\$90,509	-12.9
Wilson	5,016,888	\$4,773,984	\$242,904	5.1
Woodson	1,601,303	\$1,951,273	-\$349,971	-17.9
Washington	3,178,441	\$3,236,021	-\$57,580	-1.8
Wyandotte	72,314,465	\$64,453,436	\$7,861,029	12.2

## Changes Made to KPERS by 2012 Legislature

The 2012 session of the Kansas Legislature passed a bill to establish Tier 3 within the Kansas Public Employees Retirement System (KPERS). Tier 3 is a Cash Balance plan for new hires beginning on January 1, 2015. This plan is a type of defined benefit plan which includes some elements of a defined contribution plan. Each member will pay 6 percent of his/her salary into an account, while the employer makes a quarterly payment based on the member's years of service. The account earns interest and will be annuitized at the employee's retirement for a guaranteed lifetime benefit.

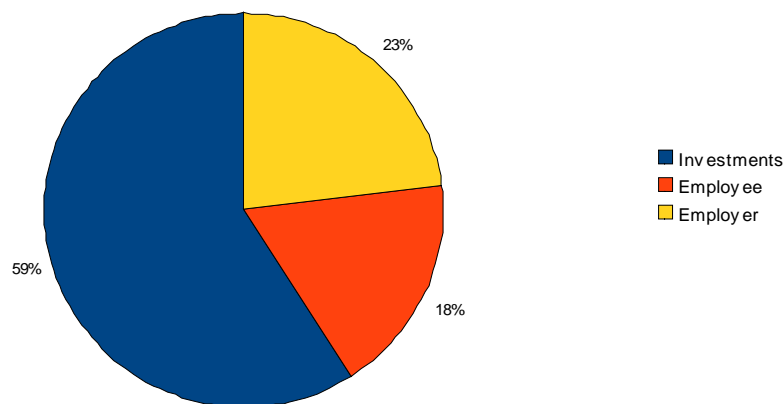
According to KPERS staff, it is estimated that a retiree under the Cash Balance plan will receive 34-43 percent of their salary as a retirement benefit. Under the current defined benefit plan, most KPERS retirees receive about 50 percent of their salary in retirement benefits. The Coalition believes that this will have a significant negative impact on future retirees and recommends that no further changes to the detriment of employees be made to the system.

The positive element of the new legislation is that employers are to begin paying a higher contribution rate into the KPERS system. Since the inception of the KPERS system, employee contributions were set by statute at 4 percent of pay. Beginning in FY 2009, that amount was raised to 6 percent of pay. Employer contributions during this period of time were 'capped' by statute; however, the 2012 legislation removed the cap and specified larger amounts which are to be contributed by employers.

Funding for the KPERS system over the past 20 fiscal years breaks down as follows: Investment earnings=59%; employer contributions=23%; and employee contributions=18%.

**Graph 7- Income Sources to the KPERS Fund Over Time (Last 20 fiscal years)**

Income Sources to KPERS Fund (Last 20 Years)





## Public Retirement Plan Benefit Adjustments in the Other States

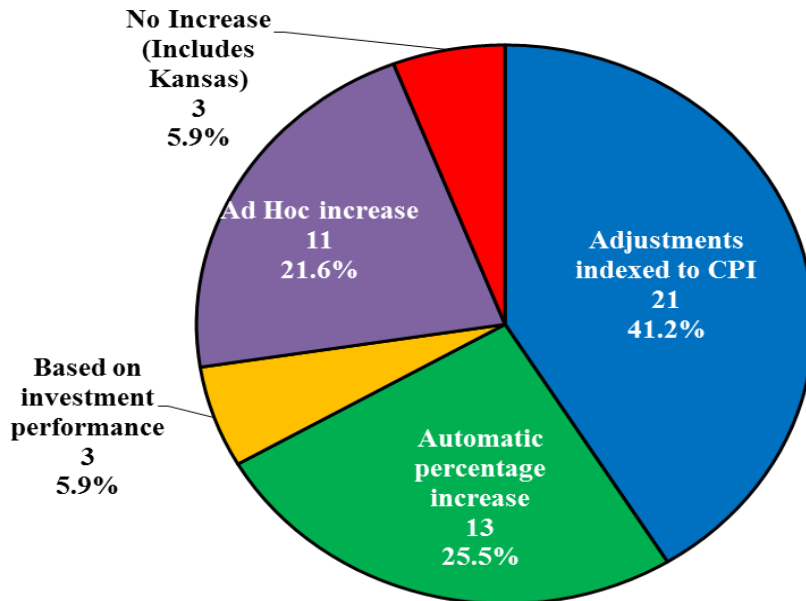
This discussion centers on State employee retirement plans in other states. Because most states recognize that inflation reduces purchasing power, the overwhelming majority of states provide some means to adjust retirement benefits to take account of inflation. Some plans provide automatic increases based on a fixed percentage or tied to changes in the Consumer Price Index, CPI. Other state plans base adjustments on excess earnings or some combination of these factors. Some increases are ad hoc and periodic.

The National Association of State Retirement Administrators reviewed 126 public retirement plans covering all 50 states and the District of Columbia in their “2012 Public Fund Survey”. Because the survey covers plans that include State employees, teachers, municipalities, local government subdivisions, local police, fire and EMS and others that KPERS may not cover, only the State plan for each State is included in the following information about the plans to provide a more equitable evaluation.

<u>Retirement Plan Adjustment Provision</u>	<u>Number</u>	<u>Percent</u>
Total	51	100.0%
Adjustments indexed to CPI	21	42.7%
Automatic percentage increase	13	25.5%
Based on investment performance or	3	5.9%
Ad Hoc increase	11	21.6%
No Increase (Includes Kansas)	3	5.9%

(Due to rounding, total may not add up to 100%)

Graph 8



## **Coalition Recommendations for a Benefit Increase**

### **The Cost-of-Living Adjustment (COLA):**

One measure of an effective retirement system is the ability to counter the damaging impact of inflation on retirement benefits. During the 1998 Legislature a 3 percent COLA was granted to those who retired prior to July 1, 1997. Since that date the consumer price index has risen appreciably and the purchasing power of the retiree dollars has decreased. Thus, the Kansas Coalition of Public Retirees is recommending a permanent annual benefit increase to recover some of the lost purchasing power.

### **Reasonable Cost-of-Living Increase is Recommended:**

The coalition believes that a permanent annual across the board increase is appropriate. The increase would include the retirees of the Kansas Public Employees Retirement System (KPERS), the Kansas Police and Fire system (KP&F), the retirement system for Judges and the Kansas School Retirement System (KSRS).

To counter inflation, a modest increase is reasonable when you consider cost of living increases, inflation, health care costs, health insurance premiums and increased costs to everyday living over the last 19 years. The Coalition has included Consumer Price Index (CPI) information in this report that indicates during the time period 1998 to 2014, the index increased by approximately 45.0 percent.

### **A Permanent Solution to the Inflationary Problem:**

The coalition further recognizes that a permanent solution to the damaging effects of inflation will not be an easy problem to solve. We believe however, that serious consideration should be given to the problem and a compromise can be reached. The solution may be a COLA tied to future consumer price index measures. As the situation presently exists, if a retiree lives an extended period in retirement, the fixed benefit is severely reduced and in many cases the recipient becomes a burden to the State through welfare or other social support systems.

Table 6

**Appendix A**  
**HISTORY OF BENEFITS**

**HISTORY OF KPERs BENEFIT INCREASES (1972-2013)**

2015	No benefit increase	1999	No benefit increase
2014	No benefit increase		
2013	No benefit increase	1998	Increase of 3% for those who retired prior to July 1, 1997. Increase of \$100 to those who retired prior to Jan. 1, 1971 who have at least 25 years of service, and 3% will be added to this.
2012	No benefit increase		
2011	No benefit increase	1997	No benefit increase
2010	No benefit increase		
2009	No benefit increase	1996	No benefit increase. Effective 8-20-1996 \$4,000 death benefit became taxable.
2008	\$300 one-time payment for all retirees who retired on or before July 1, 1998, with 10 or more years of service.	1995	No benefit increase
2007	\$300 one-time payment for all retirees who retired prior to July 1, 1997, with 10 or more years of service.	1994	An increase of the higher of either 1.5%; or a combination of \$.50 for each year of service and \$50 for each year of retirement. Applies to those who retired before July 1, 1993.
2006	No benefit increase	1993	Increase of 5% or \$10, whichever is greater, to retired members with fewer than 15 years of service. Increase of 15% or \$50, whichever is greater, to a maximum of \$200, to retired members with 15 or more years of credited service. Retired death benefit increased to \$4,000 from \$2,500.
2005	No benefit increase		
2004	No benefit increase		
2003	Annual Retirant Dividend Payment (13 <sup>th</sup> Check) made permanent for retirees who retired prior to July 2, 1987.	1992	Increase of \$15 for those who retired prior to July 1, 1991 (included disability recipients)
2002	No benefit increase	1991	Increase of 1% or \$10, whichever is greater, for those who retired prior to July 1, 1990 (Included disability recipients)
2001	KSRS recipients with 20 years of service will have their benefit increased to \$500 effective July 1, 2001 ( <b>Approximately 66 Members</b> ). Retired members may name funeral homes as a beneficiary for the \$4,000 death benefit.	1990	Increase of 4% for those who retired prior to July 1, 1989.
		1989	Increase of 4% to those who retired prior to July 1, 1988.
2000	One-time benefit to be paid in September equal to 50% of the retirement benefit payment to those who retired prior to July 1, 1999. Any federal withholding will be ½ of the tax table amount of the full benefit amount.	1988	Increase of 3% to those who retired prior to January 1, 1987

## ***HISTORY OF BENEFITS cont.***

- 1987 Increase of 2% to those who retired prior to January 1, 1986. Death benefit increased from \$2,000 to \$2,500 for deaths after July 1, 1987.
- 1986 Increase of 3% to those who retired prior to January 1, 1985. Retired death benefit increases to \$2,000 for those who died after July 1, 1986.
- 1985 Increase of 5% to those who retired prior to July 1, 1984. Death benefit increased from \$1,000 to \$1,500 for those who died after July 1, 1985.
- 1984 Increase of 10% to those who retired prior to July 1, 1981. Made permanent the 10% increase established in 1982.
- 1983 BMs-10% increase to retired members who retired prior to July 1, 1981, and a 50% increase in the savings annuity portion. Death benefit increased to \$1,000 for deaths after July 1, 1983.
- 1982 Increase of 10% to those who retired prior to July 1, 1981, payable through 1987. July 1, 1982 pop-up option was established. If a spouse died prior to the 7-1-82 date, there is no pop-up.
- 1981 No benefit increase
- 1980 Thirteenth check increase equal to regular monthly benefit for those who retired prior to 1987 – July 1, 1980, and before July 1 in each subsequent year, to be paid annually through 1987.
- 1979 No benefit increase
- 1978 Permanent increase for all who retired prior to January 1, 1977, as follows:  
Those who retired prior to January 1, 1973 - 7.34%  
1973 - 5.5%  
1974 - 4.4%  
1975 - 2.2%  
1976 - 1.1%
- 1977 Same provision as the 1976 legislation.
- 1976 Thirteenth check – one-time additional payment for those retired prior to January 1, 1975, equal to 5% of total annual retirement benefit. In no event shall the additional benefit be less than \$20 or more than \$200.
- 1975 No benefit increase
- 1974 No benefit increase

**Table 7 - United States Historical Consumer Price Index by Month and Annual Average  
1996 – 2015  
All Urban Consumers (CPI-U); U. S. City Average, all items  
(1982 - 1984 =100)**

1996	154.4	154.9	155.7	156.3	156.6	156.7	157	157.3	157.8	158.3	158.6	158.6	156.9
1997	159.1	159.6	160	160.2	160.1	160.3	160.5	160.8	161.2	161.6	161.5	161.3	160.5
1998	161.6	161.9	162.2	162.5	162.8	163	163.2	163.4	163.6	164.0	163.0	163.9	163.0
1999	164.3	164.5	165	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3	166.6
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174	174.1	174	172.2
2001	175.1	175.8	176.2	176.9	177.7	178	177.5	177.5	178.3	177.7	177.4	176.7	177.1
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181	181.3	181.3	180.9	179.9
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185	184.5	184.3	184
2004	185.2	186.2	187.4	188	189.1	189.7	189.4	189.5	189.9	190.9	191	190.3	188.9
2005	190.7	191.8	193.3	194.6	194.4	194.5	195.4	196.4	198.8	199.2	197.6	196.8	195.3
2006	198.3	198.7	199.8	201.5	202.5	202.9	203.5	203.9	202.9	201.8	201.5	201.8	201.6
2007	202.4	203.5	205.4	206.7	207.9	208.4	208.3	207.9	208.5	208.9	210.2	210.0	207.3
2008	211.080	211.693	213.528	214.823	216.632	218.815	219.964	219.086	218.783	216.573	212.425	210.228	215.303
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	214.537
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	218.056
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	224.939
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.371	230.221	229.601	229.594
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.950
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945				

**Calculating the Change in the CPI since Your Retirement**

1. Find the year and month of your retirement and enter that value here
2. Find the year and month of most recent CPI total and enter that value here.

Then:

The percent increase in the CPI is listed in item (3).

- 1 163.900
- 2 237.945
- 3 45.18%

**EXAMPLE**

(Month of retirement December 1998)  
(Most recent CPI for September 2015)

(The CPI has increased 45.18 percent since retirement)



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Kansas Coalition of Public Retirees  
[www.ksretirees.org](http://www.ksretirees.org)