



# Navigating Your Path to Retirement Pre-Retirement Seminar



For KPER 3 Members

# Audio Issues?



## Audio Check:

- Turn up computer volume
- In audio tab, select *Computer Audio*
- Dial in at 1(415) 930-5321
  - **Access Code:** 464-858-156#
  - **Audio PIN:** 24598#

# 3 Sources of Retirement Income

- KPERS & Social Security aren't enough – personal savings is key.
- Experts suggest replacing 80% of your retirement income.
- Health care and other factors could affect individual expenses.



# Social Security

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

# Personal Savings



- **Options:** 403b, KPERS 457, or IRA
- Start saving now! Better late than not at all
- **Age 50+?** Make catch-up contributions

# Stay in KPERs 457



1-800-232-0024

[kpers457.org](https://kpers457.org)

- Stay in KPERs 457 for lump sums:
  - Sick/vacation payouts
  - Incentives after retirement
- Get help from a Retirement Plan Advisor

# Type of Retirement Plan

- KPERS is a **401(a)** defined benefit plan
  - It's different from other personal savings plans like:
    - 457(b)
    - 403(b)
    - 401(k)
    - IRA

# How are Benefits Paid?

Over time, investments have paid about 50% of benefits.

**50%**  
KPERs  
Investments

**35%**  
Employer  
Contributions



**15%**  
Member  
Contributions

# Benefits Will Be Here



as of 12/31/2025



as of 12/31/2025



as of 12/31/2024



as of 12/31/2024



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# KPERS 3 Basics



# KPERS 3 Basics

- For members hired January 1, 2015, and after
- There are 2 parts to the KPERS 3 Cash Balance Plan:
  - **Contribution Account**
  - **Employer-Paid Retirement Credits\***
    - *\*Only available at retirement*
- Your retirement credit value and contribution account balance will be annuitized at retirement to provide a lifetime monthly benefit
- You will receive a guaranteed lifetime monthly benefit in retirement

# KPERS 3 Contribution Account

- You contribute 6% of your pay
- Contributions are pretax
- Earns 4% interest annually (paid quarterly, based on account balance as of the previous quarter)
- Possibility of additional interest, depending on KPERS' investment returns

# KPERS 3 Employer-Paid Retirement Credits

- Based on your salary and years of service
- Build in value over time, represented as dollars in your online account, only available at retirement

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



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# Retirement Eligibility



# When You Can Retire

## Full Retirement:

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



# When You Can Retire

## Early Retirement:

- 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 benefit calculation
- Inflation reduces value over time
- No partial-lump sum option if retiring early



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# Benefit Calculation



# Benefit Calculation

## Account Balances

- Contribution account
- Retirement credit value

## Actuarial Factors

- Age
- Account balance
- Retirement credit value

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



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# Purchasing Service



# Why Purchase Service?

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

# Types of Service You Can 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 Corp service

# Service Purchase Details



- Cost based on age and salary
- Must be paid for before last day on payroll
- Application required for cost estimate, available at **kspers.gov**
- Pay by payroll deduction or lump sum

# Should You Purchase Service?

- 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



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**Choose Your Retirement Date**



# Non-School & School Non-Licensed (Classified)

- 12 available retirement dates
- May retire the **first of the month after** 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



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# Benefit Options



# 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, your 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

# What to Consider With a PLSO

- PLSO reduces your benefit for life
- Eligible for rollover into a qualified retirement account
- 20% federal withholding if paid directly to you (can withhold more with IRS W-4R form, but not less)
- 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
<b>BASE BENEFIT</b> Life-Certain 10 Years	<b>\$381.09</b>

## 1% COLA\* Monthly Benefit

Benefit Option	No Lump Sum
Life-Certain 10 Years	\$349.33



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# Your Online Account



# What You Can Do Online

- Log in to your online account at **kspers.gov** to see your:
  - Account balance
  - Retirement credits
  - Membership date
- Beneficiaries
- Annual statements
- Personalized benefit estimates

# Online Account Access

The screenshot shows the top navigation bar of the KPERS website. On the left is the KPERS logo. To its right are links for [Members](#), [Retirees](#), [Employers](#), [Forms & Pubs](#), [Contact Us](#), and a search box labeled "Search Topic". On the right side of the header, there are two login buttons: a green "Member Login" button and an orange "Employer Login" button. An orange box highlights the "Member Login" button, with an arrow pointing to it from the text "Click Here" above it.

This screenshot shows the main login interface. On the left, under "Returning User?", there is an "Email" input field and a blue "Continue" button. Below this is a note: "For the best website experience, please use a desktop or laptop computer. Not all functionality is available on mobile devices. [Browser Support](#)". At the bottom left are links for [Contact Us](#), [Help](#), and [Privacy Policy & Disclaimer](#). On the right, under "New User?", there is a white "Register" button and three links: [What Do I Need To Register?](#), [Why Do I Need An Account?](#), and [Frequently Asked Questions?](#). An orange arrow labeled "Goes to Login" points from the top right towards the "Member Login" button on the left. Another orange arrow labeled "Portal Home" points from the bottom right towards the "Register" button.

The sidebar menu contains two main sections. The "INBOX" section shows an envelope icon and "0 new Messages". The "GO TO" section is a list of links: Home, Personal Profile, Beneficiaries, Seminar Registration, and KPERS Account. The "KPERS Account" section is expanded to show a list of links: Account Summary, Insurance/Disability, Benefit Calculator, and Annual Statements.



# Online Account Access

## Account Summary

### Contribution Account

Account Balance	\$1,034.16
Employee Contributions (6%):	\$276.17
Interest (4% annually):	\$10.29
Current Pay :	\$18,411.32
<b>Account Balance</b>	<b>\$1,320.62</b>

### Contribution History

### Other Account Info

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

### Retirement Credits

*Retirement credits are only available at retirement.*

Retirement Credit Value	\$517.09
Quarter 3 Retirement Credit Value (3%)	\$138.08
Interest (4% annually)	\$5.15
Retirement Credit Value	<b>\$660.32</b>

### 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



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# Calculate an Estimate



# General Benefit Calculators

The screenshot shows the KPERS website interface. At the top right, there are two buttons: "Member Login" (green) and "Employer Login" (orange). Below these are navigation links: "Members", "Retirees", "Employers", "Forms & Pubs", "About Us", and "Contact Us". A search bar labeled "Search Topic" is also present. The main content area features a blue banner with the text "Welcome" and "New Member? Get C". A dropdown menu is open under "Members", listing various options. The "Benefit Calculators" link is highlighted with a blue underline. A secondary dropdown menu is open under "Benefit Calculators", listing "KPERS 1", "KPERS 2", "KPERS 3", "KP&F", "KP&F-DROP", and "Judges". The "KPERS 3" option is highlighted with an orange border. To the right of the menu is a photograph of two smiling women.

**Note:** Use most recent annual statement



# General 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



# General Benefit Estimate

## No COLA\* Monthly Benefit

Benefit Option	No Lump Sum	10% Lump Sum	30% Lump Sum
<b>BASE BENEFIT</b>			
Life-Certain 10 Years	<b>\$3,600.17</b>	<b>\$3,240.16</b>	<b>\$2,520.12</b>
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

# General 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



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# The Retirement Process



# 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):**  
[kspers.gov/forms/k3-15retbooklet.pdf](https://kspers.gov/forms/k3-15retbooklet.pdf)

# When You'll Receive Your Benefits

- 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 & State Income Taxes

- **Federal:** Taxable
- **Kansas:** Not taxable
  - You already paid state taxes while working
  - Other states? Check with that state
- Change federal withholding any time
- Receive 1099-R tax form each January

# Federal & State Income Taxes

## Benefit Info

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

Monthly Benefit Information	
<b>Next Payment Date:</b>	
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. <a href="#">IRS W-4P Form</a>

# Federal & State Income Taxes

The screenshot displays the KPERS member portal interface. At the top left is the KPERS logo. To the right are navigation buttons for Home, Contact Us, and Help. A welcome message for John Sunflower is visible. On the left sidebar, there is an INBOX section with 0 new messages and a GO TO menu with options: Home, Personal Profile, Beneficiaries, KPERS Account, Benefit Info, Death Benefit, 1099-R (highlighted), and Income Verification. The main content area is titled "Benefit Info" and contains three sections: "Account Information", "Monthly Benefit Information", and "Tax Withholding Message".

**Account Information**

<b>Benefit Start Date:</b>	09/01/2015	<b>Total Contributions:</b>	\$125,083.01
<b>Benefit Option:</b>	Maximum	<b>Lifetime Benefits to Date:</b>	\$382,030.62

**Monthly Benefit Information**

Next Payment Date: 12/31/2025

Item	Item Amount
Taxable Base Benefit	\$3,105.94
Fed Withholding - Monthly	\$225.00
Net Amount	\$2,880.94

**Tax Withholding Message**

To update tax withholding elections. Please submit the IRS W4P form to KPERS.  
[IRS W-4P Form](#)

Payment History (up to last 3 years)

# Federal & State Income Taxes

**Welcome, John Sunflower**

**INBOX**  
0 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
2025	\$37,271.28
2024	\$37,271.28
2023	\$37,271.28

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

PAYER'S name, street address, city, state and ZIP code KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM 611 S KANSAS AVE SUITE 100 TOPEKA KS 66603 - 3803		2025		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	
W-004000		1 Gross distribution 16,141.12	2a Taxable amount 16,141.12		Total distribution <input type="checkbox"/>
PAYER'S federal ID number 48-0944170		3 Capital gain (included in box 2a)		4 Federal income tax withheld 111.00	
RECIPIENT'S ID number ***-**-2222		5 Employee contributions or insurance premiums		6 Net unrealized appreciation in employer's securities	
RECIPIENT'S name, street address, city, state and ZIP code A. RETIREE 1234 N FIRST STREET ANYTOWN KS 333333		7 Distribution code(s) 7		IRA/SEP/ SIMPLE	8 Other
Account number 333333-333333		9a Your percentage of total distribution		9b Total employee contributions	
Form 1099-R		RETIRED IRS NET INVESTMENT EXCLUDED TO 12/31/22		04-17 13,010.00	3,710.00

Retirement month & year.

Total amount of nontaxable money in account at beginning of retirement.

Total amount of nontaxable money paid to date.

- 1. Gross Distribution:**  
This is the total amount KPERS paid to you in 2025.
  - 2a. Taxable Amount:**  
Taxable portion of benefits you received in 2025.
  - 2b. Taxable Amount Not Determined:**  
If the first box is checked, the payer was unable to determine the taxable amount, and the box 2a should be blank. If the second box is checked, the distribution was a total distribution that closed out your account.
  - 3. Box 3 is Not Applicable to KPERS**
  - 4. Federal Income Tax Withheld:**  
Federal income tax withheld from taxable amount in box 2a.
  - 5. Employee Contributions:**  
Nontaxable portion of benefits you received in 2025. It is the difference between boxes 1 and 2a.
  - 6. Box 6 is Not Applicable to KPERS**
  - 7. Distribution Code:**
    - 1 - Early distribution, no known exception
    - 2 - Early distribution, exception applies
    - 3 - Disability
    - 4 - Death
    - 7 - Normal distribution
    - A - May be eligible for 10-year tax option
    - G - Direct rollover of a distribution to a qualified plan, a 403 (b) plan, a governmental (b) plan, or an IRA
- \*\*For a full list of distribution codes please visit <https://www.irs.gov/pub/irs-pdf/11099r.pdf>

# Retiree Death Benefit



- \$6,000 death benefit
- Subject to federal taxes, but not State taxes in Kansas
- Payable to person, estate, trust, & funeral home
- Beneficiary pays taxes
- No death benefit for joint annuitant

# Keep Your Beneficiaries Updated



## **Review beneficiaries after:**

- Marriage, Divorce, Retirement, Birth/Adoption or Death
- Update any time online



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# Life Insurance



# Life Insurance – What You Have Now



- **Basic life insurance:** 150% of salary
- Optional life insurance available
- View coverage in your online account
- Continue within 60 days after payroll ends

# Continuing Life Insurance

## **Portability:** Basic & Optional

- Term Insurance Option
- Must port some member coverage to port spouse coverage
- No health questions
- Must be under 80 & actively working
- Coverage reduces at 65

# Continuing Life Insurance

## **Conversion:** Basic & Optional

- Whole-Life Option
- No health questions
- Premiums payable to age 100
- Higher rates; builds cash value

# Health Insurance

- KPERS does not offer health insurance
- Please contact your Human Resource office to learn about options through your employer
- Contact SHICK at 1-800-860-5260
- Contact Local Area Agency on Aging



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# Working After Retirement



# Working After Retirement

- Rules apply only to KPERS employers
- No KPERS member contributions after retirement, employers do contribute
- No prearrangements, penalties apply
- Waiting period

# No Prearrangements



- Applies before retirement or during waiting period
- Key for KPERS' qualified plan status
- Penalties for retiree and employer

# Waiting Period



- 180 days if under age 62
- 60 days if age 62+
- Begins with retirement date
- No prearranged employment

# 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: Employers will also have to pay penalties*



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# Retire Ready



# Retire Ready – kspers.gov

Member Login Employer Login


KPERS Members Retirees Employers Forms & Pubs About Us Contact Us Search Topic

Home / Members / Career Stage & Your Finances / Retire Ready

## Retire Ready

Know what you need to know when it's time to go.

[Attend a Pre-Retirement Webinar](#)



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

## What To Do and When

2-5 Years

## Pre-Retirement Help

- In-Person Seminars
- Webinars
- Working After Retirement



# Retirement Checklist

- 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

# Get Retirement Tips in Your Inbox!

Would you like a monthly email reminder of your steps to retirement?

Our NEW monthly email series walks you through your last 12 months.

You'll get a reminder of the topics from today like:

- Calculating an estimate inside your online account
- Reviewing the retirement payment options
- Documents that must be submitted with a retirement application
- Choosing a retirement date
- ... and more!

Register here:



# Contact KPERS, KPERS 457 and SSA

## KPERS

[kpers@kspers.gov](mailto:kpers@kspers.gov)

**Toll-free:** 1-888-275-5737

**Topeka:** 785-296-6166

## Social Security

[ssa.gov](http://ssa.gov)

**Toll-free:** 1-800-772-1213

**Topeka:** 1-888-327-1271

## KPERS 457

[kpers457@kspers.gov](mailto:kpers457@kspers.gov)

**Toll-free:** 1-800-232-0024

**Topeka:** 785-414-3600





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# Thank You!

