

PENSION NEWS

Active Member Newsletter

January is Financial Wellness Month

The timing is perfect to acknowledge financial wellness because the holiday season tends to increase spending, New Year's resolutions are prominent, preparing for tax season begins and it is a good time to set up or review your budget with time to plan for the future.

Financial wellness has to do with your relationship with money. It refers to how secure your money is, given all the variables involving an unknown future. Put simply, financial wellness is the ability to have a healthy financial life. It means your debts are payable and you have ample emergency and retirement funds. It is also about feeling good about your financial health now and in the future.

Financial wellness and your overall health are more connected than you may think! According to a 2020 [bankrate](#) survey money worries are the biggest cause of sleep loss. Forty-eight percent of U.S. adults are losing sleep worrying about everyday expenses, saving for retirement and healthcare costs. Uncertainty about their retirement leads many people to feel anxious.

We encourage you to take some time this month to reflect on your financial wellness.

- Review your current budget or create one! Write down your monthly and annual net income and expenses. Don't forget to include expenses that are once a year or sporadic and set aside some amount for unforeseen emergencies.
- Consider working or consulting with a financial planner for managing debt or creating a budget.

- Consider establishing a personal savings plan for future retirement.
- Some KCPSRS-employers offer personal tax-deferred investment accounts.
- If you are nearing retirement age:
 - Go to the [Social Security Administration](#) website. Register for [my Social Security](#) and see your Social Security benefit estimate. Learn how your benefit would increase if you delay taking benefits until full SS retirement age or until age 70.
 - Go to the [KCPSRS](#) website, register or login to [MY ACCOUNT](#) and see an estimate of your KCPSRS benefit.
 - Make a retirement plan. Write it down!
 - If you have personal savings or investments don't forget to include those in your plan.
 - Reevaluate your monthly and annual expenses and cut back on costs that have crept up over the years.

According to Laura Varas, CEO of Hearts & Wallets, the average American devotes 40% of their spending to their home, and often people can't keep that up in retirement, so they need to optimize their housing situation before retiring. In addition to housing, she says the most important expense issues to resolve are, "getting their debt paid off and people need to mentally prepare to spend less in retirement." Pre-retirees need to get a realistic handle on both their expenses in retirement and the retirement income they will require.

The good news is, for those of you who will vest (5 years of creditable service), your KCPSRS pension plan will provide guaranteed, monthly income for life, which makes your financial wellness in retirement much more achievable.

JANUARY 2021

Inside this issue:

KCPSRS Election Results are Complete	2
December 2020 Board Meeting Update	2
2021 KCPSRS Board of Trustees	2
Your Total Compensation Package	3
Thank you, Educators	3
Pre-Retirement Virtual Seminar Registration	4
Calendar	4

KCPSRS Election Results are Complete!

Congratulations to Ms. Pratt and Mr. Offield: re-elected to the KCPSRS Board of Trustees

KCPSRS Retirees elected Beverly

Pratt to serve a second four-year term (2021-2024) on the retirement system's Board of Trustees.

Ms. Pratt is retired teacher of The Kansas City Missouri Public School District and a graduate of the District's own Central High School, class of 1967. After a successful career in the private industry as a computer programmer, programming instructor, data center employment manager, and technical support representative, she returned to the District in 1994 as a teacher of Computer Programming and Mathematics.

During her first term on the

KCPSRS Board, Pratt used her skills as an Educator in the District and in private industry with a focus on technology and business continuity plans that ensure the continued function of the System in times of crisis. Pratt says, "It is my hope that my understanding of technology, analytical and research skills, attention to detail, and the willingness to learn and to go the extra mile will continue to be a valued asset to the membership. Thank you for the opportunity to serve."

KCPSRS active members elected

Roger Offield to serve a second four-year term (2021-2024) as a trustee on the KCPSRS Board. In his eleventh year at Brookside Charter School, Offield has taught in the classroom and served at

every level of administration. He has been the Superintendent at Brookside Charter (kindergarten - 8th) for the past six years. Prior to working at a Kansas City public charter school, Offield served in the Odessa R-VII and North Kansas City public school districts.

Throughout his first term on the KCPSRS Board, Offield ensured the perspective of charter school members were represented. Additionally, Offield is a strong advocate for a defined pension plan and believes in the importance of each individual building what he refers to as "a three-legged stool" for their retirement – defined benefit (i.e. KCPSRS benefit), Social Security, and personal savings.

2021 BOARD OF TRUSTEES

ELECTED MEMBERS

Active Members

Ben Bullington
Anthony Madry
Roger Offield
Von Smalley

Retired Members

Beverly Pratt
Curtis L. Rogers

APPOINTED MEMBERS

School District

Horace Coleman, Jr.
Joanne Collins
Carl Evans
Brian Welch

Library

Debbie Siragusa

District Superintendent

Dr. Mark Bedell

December 2020 Board Meeting Update

The KCPSRS Board of Trustees met on December 7, 2020. The KCPSRS Board reviewed and approved the certified ballot results from our independent ballot service provider which determined the winner of the active member and retiree seats.

The Board discussed and decided on a trustee appointment to temporarily fill an open active member position due to a trustee moving outside the district boundaries at the end of November. Ben Bullington was appointed to fill the vacant seat until the next Board election in 2021. Ben Bullington is a Kansas City Public School teacher at Paseo Academy of Fine and Performing Arts. He teaches English and AP Literature. This is his fourth year with KCPS and tenth year as a teacher. His previous experience was in Brooklyn, NY, where he taught Economics and Government. He owns a home in Brookside with his wife and four-year-old daughter (a KCPS student) and is a proud, fourth-generation Kansas City Missourian.

The Board received and approved the 3rd quarter investment report which showed

the Total Fund investment rate of return as 4.7% for the quarter ended 9/30/2020, 6% for the 1-year, and 7.7% for the 5-year.

The KCPSRS actuary summarized the recent experience study for Board consideration. The actuary's recommendations included lowering the assumed investment rate of return and changes to mortality, rates of retirement, and terminations based on capital market expectations, actual experience of the System during 2016-2019, and updated mortality tables. The Board was attentive to the various demographic and economic indicators and analysis in the study. They will resume discussions on this topic in 2021.

These are complicated topics, no doubt. Please know that your Board of Trustees is deeply engaged in these topics and is focused on the long-term sustainability of KCPSRS.

Together, we continue to work in the best interest of our members.

Your Total Compensation Package

As a benefit-eligible employee of the KC School District, the KC Public Library or one of the KC charter schools, keep in mind your total compensation is more than just the dollars you receive in your paycheck. Benefits are a significant part of your compensation package, but are often overlooked. Core benefits provided to you are intended to improve your quality of life and assist you in your pursuit of financial and security and wellbeing.

Benefits Paid by Your Employer (no cost to you):

- Paid Holidays
- Paid Time Off & Sick Leave
- Worker's compensation insurance
- Unemployment compensation insurance
- Basic life insurance and Employee Assistance Program
(offered by some employers)

Benefits Paid by You & Your Employer (cost is shared):

- Retirement/survivor benefits
- Health insurance
- Social Security Retirement
- Medicare

Optional Tax-Saving Benefits (if offered by your employer, you contribute money):

- Personal Retirement Plan (i.e. 457 account)
- Health Savings Account

Retirement & Survivor Benefits

As an eligible employee, you are automatically a member of the Kansas City Public School Retirement System (KCPSRS). Once you meet certain age and service requirements and retire under the KCPSRS defined benefit (DB) plan, you are guaranteed a lifetime monthly retirement benefit. KCPSRS is a contributory DB plan. In general, the longer you work in a KCPSRS covered position, the higher your retirement benefit will be. In an effort to help you build a financially secure future, your employer makes monthly contributions to finance your KCPSRS plan.

Investment earnings account for about 60% of KCPSRS' funding. The rest comes from employer and employee contributions. KCPSRS invests and professionally manages these funds.

Personal Retirement Plan

Some employers offer an option to also contribute to a personal tax-deferred retirement account. In those accounts you are responsible for selecting specific investment funds. These are defined contribution (DC) plans, when you retire your benefits are limited to your contributions and investment earnings. *(A few employers may make a contribution to these accounts for you.)*

Thank you, Educators

With all the discussion of the virus itself, the drama of quarantines, shortage of medical staff and supplies, social distancing, decisions about school closures, virtual classrooms and school re-openings, it's easy to forget that some of the most valuable frontline workers are our teachers, librarians and education staff.

Switching from classroom teaching to digital/online instruction was a huge paradigm shift. Teachers were tasked with reformatting and post-

ing daily lessons, activities and assessments. Their job descriptions changed overnight. They cut through the chaos and fury of the pandemic and continue to respond to our children's need for learning and educational growth. During this new normal, teachers wrestle with problems daily, like what if families don't have the technology necessary for lessons? What about kids with special educational needs and whose homes don't lend themselves to a calm environment, without a desk or space they can dedi-

cate to schoolwork? Through sheer will, teachers know or learn how to get things done.

Dealing with this pandemic is a character test for all of us. How you respond, how you act each day is especially important to our children. Dedicated educators, teachers are unsung heroes, the hidden leaders making the world better through small actions every day. **Thank you!**

KCPSRS Seminars

Pre-Retirement Virtual Seminar Registration is Open!

If you are within one to three years of retirement eligibility*, register now to attend a Pre-Retirement Seminar. Seminars include information about KCPSRS benefits, Social Security, and the AIG personal saving plan offered to school district and some charter school employees.

Seminars will be held on the following dates, times and locations. You must register to attend.

Register Online! See registration links in the table below.

Enrollment confirmation and reminders will be sent to your email address used when registered online.

You must register by the specified deadline in order for KCPSRS to prepare and send you a personalized retirement estimate and packet of information before the session.

DATE	TIME	REGISTRATION DEADLINE	LINKS
February 25	4:30—7:15 pm	February 18	https://zoom.us/webinar/register/WN_nZ7M-LmHRRmpijfYTGcMqg
March 9	4:30—7:15 pm	March 2	https://zoom.us/webinar/register/WN_5ijz7wv3Q6iW0k1Yhrw6BQ
March 18	4:30—7:15 pm	March 11	https://zoom.us/webinar/register/WN_bDoEXACpTjSTsVf-W3ytdA
March 22	10:00—1:30 pm	March 15	https://zoom.us/webinar/register/WN_ykNsjX7gQUS2avbRkUqJKQ

**Members with at least five years of service and employed prior to 1/1/14 are fully eligible at age 60 or 75 points (age + years of service). Members with at least five years of service and employed on or after to 1/1/14 are fully eligible at age 62 or 80 points (age + years of service).*



3100 Broadway, Suite 1211
Kansas City, MO 64111

Phone: 816-472-5800
Fax: 816-472-5909

Email: kcpsrs@kcpsrs.org
www.kcpsrs.org

**Stay connected on
social media**



[Facebook.com/KCPSRS](https://www.facebook.com/KCPSRS)



[youtube.com/channel/
UCiqODsv_8w0HalpY_cAsVuA](https://www.youtube.com/channel/UCiqODsv_8w0HalpY_cAsVuA)

2021 KCPSRS Calendar

JANUARY

- 1 KCPSRS Office closed—New Year's Day
- 11 Board of Trustees meeting
- 18 KCPSRS Office closed—Martin Luther King, Jr. Day
- 29 Deadline to apply for March 1st retirement

FEBRUARY

- 1 Board of Trustees meeting
- 15 KCPSRS Office closed—President's Day
- 25 Virtual Pre-Retirement Seminar @ 4:30 pm
- 26 Deadline to apply for April 1st retirement

MARCH

- 1 Board of Trustees meeting
- 9 Virtual Pre-Retirement Seminar @ 4:30 pm
- 18 Virtual Pre-Retirement Seminar @ 4:30 pm
- 22 Virtual Pre-Retirement Seminar @ 10:00 am
- 31 Deadline to apply for May 1st retirement

APRIL

- 2 KCPSRS Office Closed—Good Friday
- 5 Board of Trustees meeting
- 30 Deadline to apply for June 1st retirement

MAY

- 3 Board of Trustees meeting
- 28 Deadline to apply for July 1st retirement
- 31 KCPSRS Office Closed—Memorial Day

JUNE

- 7 Board of Trustees meeting
- 30 Deadline to apply for August 1st retirement

JULY

- 5 KCPSRS Office closed—Independence Day
- 30 Deadline to apply for September 1st retirement

AUGUST

- 31 Deadline to apply for October 1st retirement