

# Starting Your New Job and Your KPERs Benefits

One of the good things about your new job is that you will be eligible for valuable KPERs benefits.

On July 1, 2009, KPERs will switch to a new benefit structure. But because you have been hired before then, you will keep the current benefits.

**Why is this important to you?** You have been hired during this transition year and so a few things will be different about your membership.

## You'll Be a Member Sooner

Until now, employees needed to work a year before becoming members. But not you. You'll become a member July 1, 2009, if you're still in a KPERs-covered job, no matter when you were hired.

## You'll Start Making Contributions in July 2009

Becoming a member means you'll start making contributions. Beginning in July 2009, you'll contribute 4 percent of your gross earnings each pay period. When you retire, we'll pay you a guaranteed

monthly benefit for the rest of your life. In the meantime, your account balance will earn 4 percent interest annually.

## Faster Vesting

While you are a member, you will earn service credit for the years you work. Vesting means working enough years to **guarantee** a retirement benefit.

Until now, KPERs members have vested with ten years of service. Beginning July 2009, all members will vest with five years of service. This includes you.

You won't earn service credit for the time you work before becoming a member. You won't make contributions during that time. But you can "buy" that service after you become a member. Buying service helps you vest faster and increases your retirement benefit. When the time comes, your employer can help you with your service purchase.

## What Are Your Other Benefits?

KPERs is about more than just retirement. We also provide benefits to help

protect your income while you are still working. You'll have **basic life insurance** equal to 150 percent of your annual salary at no cost to you.

Beyond basic life insurance, many employers offer **optional life insurance** through the Retirement System. You decide how much coverage you need and you pay the cost of this additional coverage. In addition to your life insurance, you'll have a **job-related death benefit** if you die from an on-the-job accident.

You will also have long-term disability coverage, paying 60 percent of your salary after a 180-day waiting period. While on disability, you continue receiving service credit and basic life insurance. This benefit is also at no cost to you.

Some employers provide insurance and disability coverage when you are first hired, instead of waiting until you become a KPERs member. Ask your employer about when these other benefits begin for you and if optional insurance is available.

## The Quick Facts

- The Legislature is changing KPERs' benefit structure.
- Employees hired July 2009 and after will have benefits that are a little different from yours. Yours will stay the same.
- You'll become a member July 2009, no matter when you were hired.
- You'll begin making 4 percent contributions July 2009.
- You'll vest with five years of service instead of ten. That means you'll be guaranteed a retirement benefit.