

9-9-16

Senator Jeff King

Dear Senator King,

My name is Curt Kitson, I live in Hays KS and work for Monarch Cement Company. I hope that you remember me as I have met you at several KAPA-KRMCA and KCA legislative receptions in the past asking for your help in keeping transportation funds from being transferred to the general fund. However, this letter is not about KDOT, it is in regard to KPERS. I understand there is a meeting scheduled on Monday September 12 to discuss KPERS, and I am requesting that you consider the following, and that perhaps you might address this at the meeting, or allow me to speak at the meeting.

My wife Jennifer Kitson and I are contacting you regarding her access to begin drawing KPERS. However, we would like your assistance with the following situation. Jennifer was employed as a school psychologist by USD #489 in Hays for 23.5 years, leaving the district almost 14 years ago, at the end of December 2002. She then was employed for 11 years by Education Development Center (EDC) located in Waltham Massachusetts, working remotely from our home in Hays, KS. During those 11 years, she maintained her funds in the KPERS account without any withdrawal, and her benefit from EDC was a TIAA-Cref account. Beginning in August 2013, Jennifer left EDC and began employment with Fort Hays State University as a full time temporary instructor in the psychology department. This is beginning her fourth year of employment, each year with an annual one-year contract. She has a TIAA benefit with FHSU. On her birthday, October 26, 2016, Jennifer will reach the 85 (age, plus years of employment in the KPERS system). She has not been in a KPERS program of retirement since December of 2002, almost 14 years ago.

We have been consulting with a financial planner and our account over the years, as we planned carefully for our future, and assisted our two sons financially to complete both undergraduate and post graduate degrees from the University of Kansas, and as we prepare for our retirement years. Both sons, after completing their education and now employed in Kansas, are planning their weddings in 2017. Of course, we have been diligent in considering our various funds that we both have contributed to over the years, and fully planned to have Jennifer begin drawing KPERS (with me as beneficiary) when she reaches the 85, and to use KPERS funds for wedding expenses.

As you may recognize, we are very perplexed and angry when recently learning from the HR at FHSU that since Jennifer is employed at FHSU, if she begins to draw on her KPERS when she reaches the 85 mark, she would be restricted to salary of \$25,000 or less, and would incur a severe tax penalty on any amount she makes over

or suspension

the \$25,000. She does have a salary over \$25,000 but it is actually less than what her salary was 14 years ago in the USD #489 school position. With FHSU, Jennifer's retirement program is a TIAA and not KPERS. To reiterate, she has not been in any employment where she has received KPERS retirement for almost 14 years.

I called to discuss this concern with Sue Boldra (Hays Representative, District #111) and she informed me that there was a mistake made with linking Board of Regent colleges to the KPERS retirement laws. Representative Boldra stated that this problem will be taken care of this next legislative session and that Jennifer should go ahead and start taking her KPERS. She also said that you and Representative Steven Johnson were instrumental in the language and that if I had any further questions that I might want to contact either or both of you.

I have been in touch with Representative Johnson on several occasions. He has been very understanding and has kept us informed as much as possible about what he thinks will happen; however, he can make no promises. I have written an email letter similar to this to Representative Johnson and he suggested that I do the same to communicate with you.

Representative Johnson shared with me an agenda for a meeting on Monday 9-12-16 that involves a joint committee on pensions, investments etc. My plans are to attend that meeting. Jennifer will not be able to attend as she has commitments with her work at FHSU. On behalf of her, I would like to have several questions addressed by the committee and would like to know if I would be allowed to present them from the floor to the committee. If not, would you be able to present the situation described here and be able to respond to our concerns, which include the following:

- Jennifer has not contributed to KPERS since 2002, and planned to begin drawing on KPERS once she reached the 85 (which will be on her birthday October 26, 2016).
- Jennifer is contributing to a TIAA plan, not KPERS (she has done so in 2 different employments, beginning in 2003, almost 14 years ago).
- Jennifer is not planning to retire from FHSU, only to draw from the fund that she was required to contribute during her years of service with USD#489, and was promised to her once she became eligible (85 plan, she will be 61 + 24 years of service in Oct).
- We were advised by our accountant that it would be most advantageous to wait until the 85 plan date.
- Our two sons are both getting married next year (2017) and we were planning to use those additional monies to assist in the expense, but we are

concerned this situation may not be rectified either by legislation, special exemption or some other manner.

- This is an election year, but you are not running so you will not be around to see that this situation is rectified through legislation. This is very concerning as no one knows who will be voting on this issue.

I look forward to your response before next Monday's meeting, in order for me to make the proper arrangements for vacation if I may speak at the meeting.

Thank You,

Curt Kitson
District Sales Mgr.
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Hays, KS 67601
The Monarch Cement Co

*I assisted in development of this letter
and agree with the contents.
Curt Kitson
9-9-16*