## Office of the Superintendent

**USD 422 Kiowa County** 

May 8, 2013

## Pensions and Benefits Committee Members:

It is my privilege to be here today providing testimony concerning our district employees who are Working After Retirement (WAR). In USD 422, Kiowa County, we provide PreK-12 grade education for most of the county (excluding the K-8 students in Haviland USD 474). We employ approximately 34.5 FTE certified teachers. Of these, 3.64 FTE are KPERS retirees. I would like to briefly explain the reasons for their employment, the benefits they provide to the district, the overall cost to the district, and how this impacts the retiree and KPERS.

First, the 3.64 FTE certified staff is generated by employing 7 KPERS retirees. Only 2 are full time employees. Of the remaining 5, 4 range in employment from .25 FTE to .57 FTE and 1 occasionally is hired in the summers to paint.

	Subject	FTE	Experience	Salary	KPERS Penalty
Employee #1	HS Math	.57 FTE	31 yrs.	\$23,589	\$5,352
Employee #2	HS Art	1.0 FTE	26 yrs.	\$32,827	\$7,448
Employee #3	JH English	1.0 FTE	36 yrs.	\$42,164	\$9,567
Employee #4	<b>HS</b> English	.25 FTE	39 yrs.	\$11,447	\$2,597
Employee #5	HS English	.25 FTE	39 yrs.	\$11,447	\$2,597
Employee #6	Ele. Reading	.57 FTE	40 yrs.	\$19,530	\$4,431
Employee #7	Painter	0	0	\$5,240	0

These employees come to work every day. They serve our students and bring a wealth of experience and expertise to the classroom. They have no tenure and no negotiating rights. They have no guarantee of a job from one year to the next. Each year we evaluate our need to re-employ them and the Board of Education decides if we will extend another contract. At the end of the 2011–12 school term, the Board chose not to retain one KPERS retiree and reduced the service contracts for two additional KPERS retirees. This is decided by the Board based on what is best for students first, the district second, and the employee last.

Without the services of these KPERS retirees our district would be in a very difficult situation. In most cases, we would be unable to fill positions that were not full time. In rural Kansas, it is difficult enough to fill some openings, let alone part time positions.

Lastly, these staff members are not getting rich. They make a fair wage and pay their KPERS penalty of 22.69%. If they weren't retired, KPERS would be receiving approximately 17.27% of their salary. (Employer plus member contribution) Our WAR employees pay all of the penalty,

so our district saves the employer contribution and KPERS receives an additional 5% in contributions. This all comes from the employee with no change in benefits.

We are extremely fortunate to have the ability to employee these professionals. We believe USD 422 Kiowa County is a very good school system, and each of these employees plays a big role in helping us provide the best education possible. I hope that you consider our situation as it relates to continued employment after retirement when making decisions about who can serve our youth. I know you can always find a few instances where the system doesn't work perfectly. Maybe to be eligible for full retirement you might need 90 points instead of 85 points. I think it is worth considering. However, working after retirement isn't the issue.

In closing, I would just like to say that in USD 422 Klowa County the WAR option is very beneficial to our students and vital to our district.

Sincerely,

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