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ONE PERCENT (1%) COST-OF-LIVING ADJUSTMENT (COLA) FOR RETIREES Boise, Idaho - December 7, 2012

The PERSI Retirement Board did not take action on the COLA at its December 4, 2012 meeting. By statute (59-1355) a discretionary COLA requires the Board to act, but a 1% COLA (assuming the CPI-U is greater than or equal to 1%), does not require Board action and is not subject to legislative review. COLAs are based on the CPI-U for the 12-months ending in August. For 2012, the CPI-U was 1.69%.

“I am committed to restoring our retirees to 100% purchasing power over time,” noted Retirement Board Chairman Jody Olson. “Given the economy and PERSI’s 1.6% return last fiscal year, the Board felt a discretionary COLA could not be justified this year. Revisiting this next year when the economy and funding improves is more prudent.”

Retirees in the first year of retirement will receive a proration of the 1% COLA based on the number of months they have been retired.

Before the COLA goes into effect on March 1, 2013, PERSI will send retirees and beneficiaries a Benefit Change Notice explaining the adjustment.

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