



PERSI OFFERS NEW ONLINE VIDEOS & A DVD

PERSI is pleased to share exciting news with members: new educational videos are available on DVD, the PERSI website, Facebook, and YouTube. The *Cruisin' to the Beach* and *Planning for the Beach* workshops have been made into videos and segmented by topic into 2- to 13-minute-long vignettes. PERSI wants to extend its educational outreach to members by making it easy to access the videos and by making the materials available in segments that won't overwhelm a financial novice or bore someone with a fair degree of knowledge. The goal is to get the word out to as many members as possible that these new videos are available now.

In the past, the workshops were only presented live and had to be scheduled during a time when a PERSI trainer was already in an area conducting a *Retirement's a Beach* day-long workshop. Now, members can learn about the same financial strategies and retirement concepts they would hear about in a workshop by watching a DVD or an online video.

Planning for the Beach

This free 1.5 hour workshop focuses on how to get started on a retirement plan to ensure a more comfortable retirement. The workshop was developed because studies showed nearly 87% of Americans weren't prepared for retirement. The workshop covers the basics of both the PERSI Base Plan and the Choice 401(k) Plan to help members get the maximum benefit from each account. Topics include developing good financial discipline to avoid common pitfalls that often derail the retirement planning process including living beyond your means, improper use of credit cards, debt, and poor planning. Tools to effectively address each of these situations are provided and attendees are introduced to the principles of the time-value of money, dollar cost averaging, and asset allocation.

The *Planning for the Beach* video includes short vignettes on:

- PERSI Basics
- PERSI Base Plan
- Rule of 80/90
- Retirement Options
- Value of PERSI Benefits Snapshot
- Debt Management
- Time Value of Money
- Diversification & the Choice 401(k) Plan

Cruisin' to the Beach

During this free 1.5 hour workshop, members review the basics of defined contribution plans. The workshop focuses on advanced financial planning techniques to help participants fine-tune their skills so they are more likely to achieve a secure retirement. How to appropriately use tax and income deferral instruments and getting the right asset allocation mix are also reviewed. Participants are introduced to tools needed to make effective choices on their own.

The *Cruisin' to the Beach* video includes short vignettes on:

- Introduction to Defined Contribution Plans and Financial Planning
- Umbrella Specifics
- Mutual Funds
- Fees & Expenses
- Asset Allocation

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Insights

2012 PENSIONOMICS REPORT

-the economic impact of defined benefit pension expenditures in Idaho-

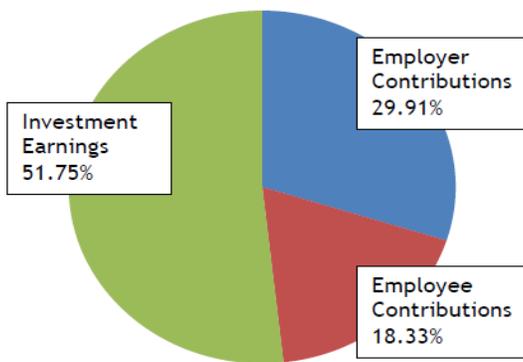
The National Institute on Retirement Security has released its 2012 Pension Impact report. PERSI is pleased to present the findings as they relate to Idaho.

Overview

Expenditures made by PERSI retirees provided a steady economic stimulus to both local communities and the state as a whole. In 2009, 35,757 Idaho retirees received \$597.1 million in PERSI benefits.

- PERSI retirees averaged a modest monthly benefit of \$1392 or \$16,698 per year.
- Funding come from three sources:

PERSI Funding



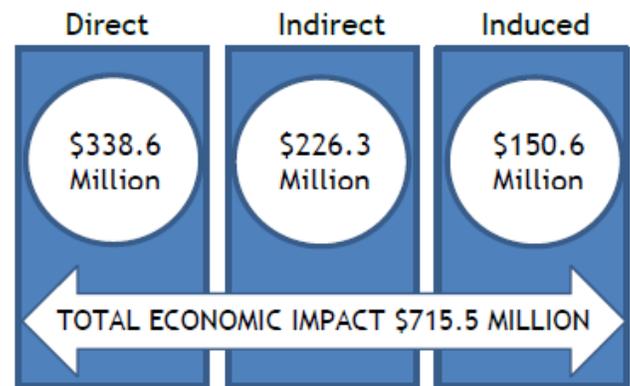
- Retiree expenditures stemming from PERSI benefits supported 6,345 jobs in the state.
- Total income to state residents supported by expenditures was \$216.8 million.

Economic Impact

Retiree expenditures from PERSI benefits supported \$715.5 million in total economic output in the state and \$381.8 million in value added to the state.

- \$338.6 million in direct economic impacts were supported by retiree initial expenditures.

- \$226.3 million in indirect impacts were realized when businesses purchased additional goods and services.
- \$150.6 million in induced impacts resulted from expenditures made by employees hired by businesses as a result of the direct and indirect impacts.



Tax Revenues

- \$105.1 million in federal, state, and local tax revenues.
- Taxes paid directly from pension payments totaled \$8.7 million.
- Taxes attributable from direct, indirect and induced impacts accounted for \$96.3 million in tax revenue.



RETIREMENT LEGISLATION FROM 2012 SESSION

Here is a brief summary of the retirement-related bills addressed during the 2012 legislative session.

HB579 -- Return to Work: Five years ago, the Idaho Legislature passed HB202, which addressed the reemployment of retired teachers and administrators. The law went into effect on July 1, 2007 and included a 5-year sunset clause, which meant all provisions of 59-1356 (4) and 33-1004 (H) of Idaho Code would no longer exist after July 1, 2012.

HB579 repealed Section 3, Chapter 131 of the 2007 law relating to employment of certain retirees and amended Section 59-1356 of Idaho Code to remove the original bill's sunset provision.

This law stipulates retired teachers and administrators can be rehired as "at will" employees without jeopardizing their PERSI benefits. Teachers and administrators who qualify are those who:

- 1) Have reached Rule of 90
- 2) Are not participating in the early retirement incentive program
- 3) Retired on or after age 62 with a benefit that is not reduced

HB598 -- Disability & Board or Commission Service: Provides that retired disabled members will not jeopardize their disability status if they serve on a state board or commission that is statutorily required to meet once a month or less and will not be an employee as defined in PERSI law by virtue of such service.

HB418 -- Salary Definition: Amended Idaho Code 59-1302 as follows: Salary does not include "employer payments to employees for or related to travel, mileage, meals, lodging or subsistence expenses, without regard to the taxability of such payments for federal income tax purposes and without regard to the form of payment, including payment made as reimbursement of an itemized expense voucher and payment made of an unvouchered expense allowance."

By passing this bill, Idaho lawmakers closed a door that previously allowed taxable expense reimbursements and allowances be added to the salary of PERSI

members. Since salary is used to calculate retirement benefits, before this measure members having such amounts included in their salary would receive a higher benefit if the increase occurred during the high consecutive 42 months of service used for a benefit calculation.

HB607 -- Employee Definition: "Employee" in Idaho Code 59-1302 for PERSI purposes does not include: "A person occupying a position that does not exceed eight (8) consecutive months in a calendar year with a city, county irrigation district, cemetery district or mosquito abatement district when the city, county irrigation district, cemetery district or mosquito abatement district has certified, in writing to the system, the position is (i) seasonal or casual; and (ii) affected by weather including parks, golf course positions and irrigation positions."

SB1308 -- Sick Leave: Amended Section 33-1217 of Idaho Code to allow teachers to retain sick leave if they become employed by another district or another state educational agency within 3 years after being terminated because of a workforce reduction.

HB556 -- Sick Leave: Amended Chapter 53, Title 67, Idaho Code by adding new sections:

Section 67-5333A allows community college employees to transfer up to 90 days of sick leave accrued at a community college to the state system if they become an eligible employee of an Idaho educational agency immediately following termination from the community college.

Section 67-5333B allows those state employees who became community college employees with the transfer of Seland College to the College of Western Idaho, and who then return to state service within 3 years of that transfer, to reinstate the unused sick leave they had accrued at the time of the transfer. The intent is to facilitate the transfer of qualified employees from the community college system to positions with state agencies.

For more details on 2012 legislation, visit the legislative website at <http://www.legislature.idaho.gov/legislation/2012/topicind.htm>

On DVD

The two workshops are presented in their entirety on a single DVD rather than in vignette format. A DVD can be ordered by calling the PERSI Member Services Answer Center toll-free at 1-800-451-8228 or 208-334-3365 from the Treasure Valley area. The DVDs are provided at no cost to members.

PERSI Website

The various workshop clips are available on the PERSI website at www.persi.idaho.gov. This makes it easy for members to learn about one topic at a time or to view the entire presentation at one sitting while they are already on the website. PERSI recognizes everyone learns differently so making the information available in both a long- and short-format makes it easy for anyone.

Facebook

PERSI's Facebook page (<https://www.facebook.com/pages/Public-Employee-Retirement-System-of-Idaho-PERSI/186635028045231>) includes a link to the videos.

YouTube

Putting the various vignettes on YouTube allows members to learn about the different topics one at a time. Like the website, these can be viewed whenever it's convenient.

Live Presentations Still Offered

This new educational outreach to members doesn't mean live presentations are no longer available. The videos are just an alternative to the live presentations. To coordinate a *Cruisin' to the Beach* or a *Planning for the Beach* workshop, members should have their employer call the education department (287-9291 or 287-9292) to make the need known. The PERSI trainers will match a time and location against their existing schedule, which is set at the end of each calendar year. The main requirement for scheduling a live presentation is a **guarantee of at least 15 attendees**. Sending a trainer to educate two or three people is not the most efficient use of resources when the goal is to reach as many people as possible during a single session.

Naturally, the advantage of a live presentation is the question and answer period that follows each workshop. Still, watching the videos provides members an opportunity to review the materials as many times as necessary to grasp the information...and the convenience alone is a huge plus.

Educating members about their benefits and how to use retirement strategies wisely is one of PERSI's primary goals.



PERSI INVESTMENT NEWS
as of March 26, 2012

Value of the Fund:
 \$12,238,602,482

Fiscal Year Change in Market Value:
 \$261,821,752

Fiscal Year-to-Date Returns:
 3.3%

Month-to-Date Returns:
 1.0 %

*Posted monthly on PERSI Web site: www.persi.idaho.gov


www.persi.idaho.gov

I D A H O
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 Public Employee Retirement System of Idaho

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