



NEWS TO USE

A newsletter for PERSI employers

October, 2014

- Rate Increases Lifted
- Help With Forms
- IRIS Update
- Investment Report



PERSI RETIREMENT BOARD LIFTS RATE INCREASES

Fiscal year 2014 (July 1, 2013 - June 30, 2014) was a good one for the PERSI Fund. On the heels of an extraordinary 17.2% annual return on PERSI investments, and record high asset values nearing \$15 billion, PERSI's Retirement Board voted to provide contribution rate relief for active members and employers, as well as 22 employers contributing to the Firefighters' Retirement Fund.

PERSI CONTRIBUTION RATES

In 2009 the Board authorized a series of three contribution rate increases totaling 5.31%. The first rate increase (1.5%) took effect July 1, 2013, and last year the Board elected to postpone the 2 remaining increases (totaling 3.31%) for one year.

During its September meeting, the Board unanimously chose to permanently eliminate* the two remaining contribution rate increases. This leaves existing contribution rates for general members where they are (11.32% for employers and 6.79% for employees).

FIREFIIGHTERS' RETIREMENT FUND (FRF)

In 1980, Idaho lawmakers rescued what was then an underfunded, failing retirement system for Idaho firefighters. Retirement security for hundreds of dedicated public safety professionals was in jeopardy, so the Legislature closed the fund to new members and entrusted administration of the fund and its investments to the PERSI Retirement Board. (From that point on, all new eligible hires were to be enrolled in PERSI.)

Today, the FRF is fully funded at approximately 110%. This dramatic turnaround afforded the Board a long-awaited opportunity to provide contribution relief to the 22 cities, counties and fire districts across the state, dutifully paying 17.24% of payroll into the fund since 1980.



Boise Fire Chief, Dennis Doan (left) looks on as PERSI Chief Investment Officer, Bob Maynard addresses the Board.



The September Board meeting drew a large audience, including local media. Pictured: (standing) Karen Zatkulak, reporter for KTVB Channel 7

Effective January 1st, 2015*, these 22 employers' FRF contributions will be reduced to 5% of payroll - effectively saving them a total of nearly \$7.75 million each year moving forward.

The decision to reduce employer FRF contributions does not impact the FRF retirees' or beneficiaries' benefits.

**The Board's contribution rate decisions are subject to legislative approval.*

TIPS FROM THE PERSI MEMBER SERVICES CENTER

From time to time we can all use a little reminder - and this one comes from Brett Harper in the PERSI Member Services Center.

One small omission can cause a significant delay for the member and more work for you. We realize there are a LOT of PERSI forms for you to wade through, so this month's PERSI recommendation is that, no matter the form, please take a moment to double check that all required fields are filled out correctly before submitting it to PERSI. It could save you, your employee, and PERSI a lot of time.

"I get so many RS132 "Certification of Employment of a Retired Member" forms that come in that have the member name, social security number, all the signatures, but the date the employee was rehired is blank."

As always, please know that we appreciate all 764 PERSI employers, and we are happy to help!

Got a Question?
PERSI Employer Service Center
 Toll-free 1-866-887-9525
 Treasure Valley 208-287-9525
www.persi.idaho.gov



The IRIS project is moving forward according to plan. Employers across the state are now successfully submitting payroll data using IRIS.

The employer conversion phase, which began in 2013, ends in December 2015. Our work on the member portions of IRIS is well underway and progressing as planned.

We still have 22 remaining employers (out of 764 total) working on meeting the IRIS certification requirements. Seven of the outstanding employers are represented by a single vendor. The other

fifteen are larger, self-reporting employers.

As we fine tune user requirements, our development partners and PERSI staff continue to produce outstanding results. IRIS is not only sustainable, it will provide expanded functionality that PERSI employers and members want, including a new enhanced web portal.

| <i>PERSI INVESTMENT REPORT</i> * | |
|---|--------------------------|
| Month to Date Report | September 24, 2014 |
| CURRENT VALUE OF THE FUND | \$ 14,715,723,899 |
| FISCAL YEAR NET CHANGE IN ASSETS | \$ 29,140,804 |
| FISCAL YEAR TO DATE RETURNS | -0.2% |
| MONTH TO DATE RETURNS | -1.4% |

*Each month, PERSI Chief Investment Officer, Bob Maynard presents his investment report to the PERSI Retirement Board, and posts it to the PERSI website. Click [here](#) to link to the full report.