



NEWS TO USE

A newsletter for PERSI employers

July 2016

- IRIS Update
- Summer Meetings with PERSI's Director
- Scam Alert



EXPECT LIMITATIONS DURING IRIS TRANSITION

PERSI is excited to report things are moving ahead, on-schedule for the final conversion to our new pension administration system, Idaho Retirement Information System (IRIS). We announced plans and the expected dates for the final cut-over to IRIS in last month's [June 2016 employer newsletter](#). Again, conversion from the current system to IRIS will last approximately five business days (August 27 - September 5). ***This process will start after we have completed processing September retirement benefits.*** During this time, PERSI offices will remain open for business; however the staff's ability to perform certain operations will be limited.

The portal will be completely off-line beginning Saturday, August 27th and coming back on-line Tuesday, September 6th. During this time, PERSI will be unable to process payroll data, and you will not be able to transmit data to PERSI -- meaning you may need to adjust your transmittal schedule around this outage.

To help employers, members, and retirees stay informed, we have set up a special page on the PERSI website dedicated to updates related to the IRIS conversion. You can find the link in our scrolling news ticker on the PERSI home page, or you can [click here to go directly to the page](#).

SUMMER MEETINGS WITH PERSI DIRECTOR

PERSI Executive Director, Don Drum is again spending much of the summer on the road, meeting with employers and legislators throughout the state to talk about the possibility of future contribution rate increases, changes in Net Pension Liability (NPL), and Governmental Accounting Standards Board (GASB) Statement 68 implementation.

As fiscal year 2016 draws to a close, the market remains "tepid", and investments are lagging behind the expected 7% net return. If we end the year with a net return below 4%, the amortization period to pay down

the unfunded liability would likely exceed the statutorily allowed 25 years - requiring the PERSI Board to act by proposing increased contribution rates (contribution rate consideration and decisions typically occur during the October Retirement Board meeting). While it is too early to know how substantial a possible contribution rate increase may be, any rate increase will have a budgetary impact on all PERSI employers.

As a PERSI employer, you are required to report your share of the total NPL on your financial statements, in accordance GASB Statement 68. Low investment returns also affect NPL, meaning

the NPL you will be reporting for FY2016 will likely be higher than it was last year. NPL does not directly impact the PERSI fund however it does impact the amortization period which can impact contribution rates. It is important for employers to understand it is not an amount due in full, and that you have always been paying for it with part of your contributions.

Employers are invited to view Director Drum's meeting schedule, and attend a meeting near you if you are able. The [meeting schedule is posted here](#), along with RSVP instructions.

SCAM ALERT: MEMBERS AND FAMILIES BEWARE

PERSI is warning its members and their families to be on the lookout for scam artists claiming to represent PERSI. Please be aware, and share this information with your staff.

The scammers contacted the spouse of a recently deceased retiree, claiming that the deceased spouse had missed payments on a life insurance policy. They told the surviving spouse that, in order to receive the insurance policy payout, she needed to load a large amount of money onto several “pre-paid” debit cards and drop the cards into the mail. Fortunately, the call unexpectedly disconnected, and the spouse immediately contacted PERSI before the perpetrators could make things worse. It is unclear exactly how the scammers are choosing their targets, or if there are additional victims. PERSI wants its members and their families to be aware of this scam, and to take whatever steps necessary to stay protected from this or other scams. Here are some things to keep in mind:

- PERSI will NEVER initiate a call to you on the telephone asking for money, personal identification numbers, or account numbers. Never give personal information or money to anyone unless you are absolutely certain you know who they really are.
- If someone does call you directly, claiming to represent PERSI, hang up and call the PERSI Answer Center immediately at 1-800-451-8228 or 208-334-3365.
- If you suspect someone is intercepting your mail, report it to your postal carrier. Know when the mail is delivered and alert your postal carrier if you’ve noticed any strange behavior around your mailbox. Ask if he or she knows of any problems in your area, and inquire about a more secure set-up if he or she voices concern.

SEPTEMBER RETIREMENT REMINDER

PERSI processes three times more applications for September retirements than for any other month throughout the year. Because September retirement is so popular, PERSI is asking employers to remind members who are planning an effective retirement date of September 1, 2016, to submit their application to PERSI on or before July 15, 2016. PERSI cannot guarantee a retirement application

will be processed in time for a September benefit if the application is received after July 15th. For retirees purchasing additional service, the first benefit payment may be delayed a month or two. Members with questions or who want more information should call the PERSI Member Services Answer Center toll-free at 1-800-451-8228 or 208-334-3365 from the Treasure Valley area.

PERSI INVESTMENT REPORT *	
Month to Date Report	June 20, 2016
CURRENT VALUE OF THE FUND	\$ 14,843,729,303
FISCAL YEAR NET CHANGE IN ASSETS	\$ (71,758,476)
FISCAL YEAR TO DATE RETURNS	1.5%
MONTH TO DATE RETURNS	0.2%

*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.