



NEWS TO USE

A newsletter for PERSI employers

January 2017

- Membership and Impact
- Staying in the Choice 401(k) Plan
- Investment Report



PERSI MEMBERSHIP AND ECONOMIC IMPACT

Each fall, PERSI reviews and compiles membership data, using actuarial and statistical studies, as well as research provided by the National Institute on Retirement Security. Here is a great, quick resource for you and your employees. Feel free to share it with your employees, and anyone else who may benefit from knowing the value your Public Employee Retirement System of Idaho brings to the people of Idaho! You can download a printable version of the [Fast Facts Flyer here!](#)

Retirees

- **Number of Retirees: 44,181**
- **Annual Retiree Payroll: \$801.6 million**
 - \$716.3 million paid to retirees with Idaho addresses (89.4%)
- **Average Monthly Benefit: \$1,496**
- **Average Years of Service: 19.0**
- **Average Age at Retirement: 61.3**
 - Teachers: 60.9
 - General Members: 62.2
 - Public Safety Officers 56.45

Active Members

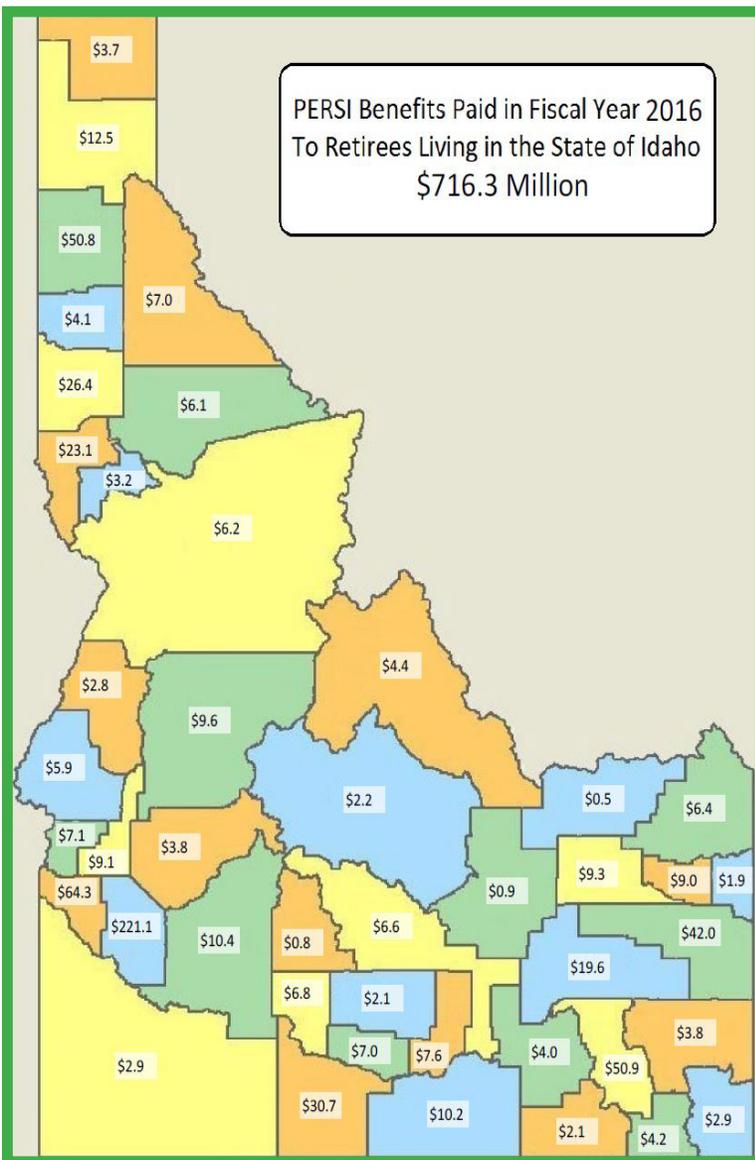
- **Number of Active Members: 68,517**
- **Average Member Salary: \$41,353**
- **Average Years of Service: 10.1**
- **Average Age: 46.8**

Employers

- **Number Participating: 775**

Schools 21%	State 13%	Cities 20%
Counties 5%	Other 41%	

06/30/16



- 89.4% of benefits go to retirees living in Idaho, who purchase goods and services and pay taxes.
- Retiree purchases support more than 10,139 jobs, paying \$382.7 million in wages in Idaho.*
- Over \$1.4 billion in economic output & over \$192 million in taxes generated by retiree benefits.*
- Each dollar paid out generates \$1.76 in economic activity in Idaho.*
- Each dollar that goes into PERSI supports \$5.66 in total economic activity in the state.*

* National Institute on Retirement Security 2014 *Pensionomics* Report

RETIRING MEMBERS DO NOT HAVE TO ROLL 401(k) OUT

Please help us in reminding retiring members that, just because they're leaving the workforce, they do not have to roll their 401(k) money out of the Choice Plan. In fact, as long as they have funds in their account, they can actually make rollover contributions from another qualified retirement savings plan or pre-tax IRA *into* their PERSI Choice 401(k) Plan account. They still have additional options for the funds remaining in the plan after terminating employment.

OPTIONS:

- Keep their money right where it is as long as the balance in their account exceeds \$1,000. (The plan requires a minimum balance of \$1,000 to maintain the account. If it falls below that, they will receive a distribution of their account balance, less any outstanding loan balance.)
- Roll over to an eligible retirement plan (401(a), 401(k), 403(b), 457, or a traditional or Roth IRA). PERSI encourages members to discuss rolling money from one account to another with a financial advisor/planner, being sure to consider any potential fees and/or limitation of future investment options.
- Receive a lump sum (part or all of their account) paid directly to them (this option will result in mandatory 20% federal tax withholding and may result in a 10% early distribution penalty if they are under age 59½).

- Utilize any combination of these options.

In addition, if their account balance is at least \$5,000 and they are over age 50 when they request the distribution, they may elect periodic installment payments from their PERSI Choice 401(k) Plan Account.

Once the account is depleted, it will be closed.

WHAT ABOUT FEES?

Understanding expense ratios, investment fees, and recordkeeping fees is critical when making decisions about investing, as they relate to the PERSI Choice 401(k) Plan or any other voluntary retirement savings plan.

Keeping money in the PERSI Choice 401(k) Plan may make sense in comparison to many other savings programs. We encourage members to compare fees when considering moving money out of the plan.

Complete fee information can be found in the Fee Disclosure Statement [here](#) on the PERSI website.

Members can also call Empower Retirement Client Services at 866-437-3774, or schedule an appointment with one of our dedicated [Empower Retirement Plan Counselors](#).

PERSI INVESTMENT REPORT *

Month to Date Report

December 23, 2016

CURRENT VALUE OF THE FUND	\$	15,274,866,595
FISCAL YEAR NET CHANGE IN ASSETS	\$	428,012,874
FISCAL YEAR TO DATE RETURNS		3.6%
MONTH TO DATE RETURNS		1.2%

*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.