PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO
607 North 8th Street, Boise, Idaho 83702

RETIREMENT BOARD MEETING MINUTES

A regular meeting of the Board of the Public Employee Retirement System of Idaho was held at 607 North 8th Street, Boise Idaho starting at 8:33 a.m., August 4th, 2026.

Members Present:
Jeff Cilek
Park Price
Darin DeAngeli
Lori Wolff

Staff Present:
Michael Hampton
Alex Simpson
Richelle Sugiyama
Chris Brechbuhler
Mike Anderson

Guests:
Ryan Cook - Milliman
Aaron Chochon, Brent Banister – CavMac
Paul Yett, Mario Giannini – Hamilton Lane
Andrew Yurkewych, Dane Smith – State Street

Legal Counsel:
Elisa Magnuson

Absent:
Josh Whitworth

At 8:33 a.m., Chairman Cilek called the meeting to order.

Consent Agenda

Chairman Cilek presented the consent agenda for approval. Trustee Price moved to approve the consent agenda, Trustee Wolff seconded the motion, and the motion passed.

Board Action Items

Line of Duty Benefit Experience Study presented by Milliman

Ryan Cook presented the Line of Duty Benefit Experience Study and a cost analysis f the recently enacted catastrophic line of duty benefit enhancement. HB 642 repealed and replaced 59-1361A by moving its employer funded requirement to 59-1352B (9). The bill also included a catastrophic death benefit into 59-1352B and added an additional $400K to the death benefit previously offered as well as the annual $75K benefit for surviving spouse. This additional benefit is to be funded entirely by employees.

From these two studies, three recommended actions were considered:

(1) Adopt all new assumptions which will result in lowering the employer only contribution rates from 0.10% to 0.01% and lowering employee only contribution rates from 0.36% to 0.18%.
(2) Adopt LOD Death Benefit Cost Analysis, resulting in the implementation of an additional 0.14% employee only contribution. The result of this will be an increase to the employee only contribution rate from 0.18% to 0.32%.
(3) Optional action to increase the shared contribution rate by 0.13% from 23.88% to 24.01%. This results in the total employer contribution rate decreasing by 0.01% and total member contribution rates increasing by 0.01% but total contribution rate would remain at 24.34%.

Trustee Price moved to approve the three recommended actions as proposed, Trustee Wolff seconded, and the motion passed.

2027 Proposed Board Meeting Dates
Michael Hampton presented the proposed 2027 Board meeting dates, with noted conflicts in June and October.

Trustee Price moved to adopt the proposed 2027 Board meeting dates. Trustee Wolff seconded, and the motion passed.

Board Information Items

Asset Smoothing Options and Impact presented by CavMac
Aaron Chochon and Brent Banister presented asset smoothing methods, summarizing reasoning for adopting such a practice and common methods of asset smoothing. They discussed the benefits and challenges of different smoothing methods, including the impact of smoothing on Board decision making and communication with the public.

The Board agreed to continue gathering information and comparing methodologies.

Charter School Legislation Impact
Michael Hampton discussed the history of charter schools on PERSI and legislative changes since the inception of charter school statutes. He discussed options available to the Board, to offset any unfunded liability that could arise from closures.

The Board asked for a study regarding the effect on the fund in creating a separate class for charter schools and to continue to explore other options for possible use in covering unfunded liabilities.

Board Consultant and Staff Reports

Directors Report
Michael Hampton provided an update on planned activities and annual decision-making items. He reported on a meeting he had with the City of Boise where they requested longer forecasting because year-to-year decisions are making it problematic for them while building their budgets. They stated they would appreciate it if the annual Board decision came earlier in the year so they could prepare their budget accordingly.

Future planned Board activities include:

- Actuarial valuations are not ready for review at the current meeting but will be available prior to the November Board meeting.
- Contribution rate setting is typically reviewed in late summer or early fall, with decisions made in October or November timeframe.
- Post-retirement allowance adjustments discussion will occur after the August CPI release, which is scheduled for September 11, 2026.
- The annual Choice Plan review is scheduled for the November Board meeting.

General Counsel Annual Litigation Update
Elisa Magnuson reported that PERSI is not currently involved in any active litigation matters and has one pending disability matter with the Office of Administrative Hearings. She also reported that PERSI has received two federal criminal garnishment writs in the past month.

CIO Report
Richelle Sugiyama noted the investment report was included in the consent agenda. She mentioned that the fiscal year end return underperformed the strategic policy primarily due to

private market exposure and active management. She also reported that Callan will present their quarterly performance evaluation in November.

Paul Yett and Mario Giannini of Hamilton Lane gave a presentation on the private equity portfolio performance. Mario highlighted the strong influence of AI on public and private markets. Mario discussed the state of the private credit market and noted that asset quality remains strong, liquidity issues are limited to certain semi-liquid vehicles, and that banks are re-entering the market. Paul reported on Q1 2026 performance and provided an overview of PERSI's private equity portfolio.

Andrew Yurkewych and Dane Smith of State Street presented an update on the capital markets and current conditions. Andrew gave a brief overview of the PERSI relationship while Dane discussed US exceptionalism, AI-driven performance, risks of concentration including views on equities, fixed income, and private credit.

Executive Session:

At 11:30 a.m. Chairman Cilek made a request for motion to enter executive session in accordance with Idaho Code § 74-206 (1)(b). Trustee Price moved to enter executive session and Trustee Wolff seconded the motion, which passed unanimously. Upon conclusion of the executive session at 1:05 p.m., Trustee Price moved to return to regular session, Trustee Wolff seconded the motion, which passed unanimously.

Adjournment: With no further business to discuss, the Board adjourned at 1:05 p.m.