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Meeting of the PERSI Retirement Board August 26, 2025 | 8:30 A.M. - 12:00 P.M.

PERSI Office - 607 N. 8th St. Boise, ID 83702

Zoom link: https://us02web.zoom.us/webinar/register/WN_WqMo_n9qT1K3Av8ech389g

AGENDA

		AULINDA	
Tuesday, August 2	26		
8:30 AM		Call to Order Welcome	Park Price
	I.	Approval of Minutes	Park Price
		A. Draft of July 29, 2025 Minutes *	
		B. Revise Policy - Selection of Vice Chair (GPM § I.8.A)*	Elisa Magnuson
8:40 AM	II.	Investments Portfolio	Richelle Sugiyama
		A. Callan Quarterly Report	Ann O'Bradovich
		B. Monthly Portfolio Update	Richelle Sugiyama, Chris Brechbuhler
9:15 AM	III.	Operations Administration	Mike Hampton
37.37		A. Operations Administration Update	Mike Hampton, Alex Simpson
		B. 2026 Executive Legislation*	Mike Hampton
9:35 AM		Break	
9:45 AM	III.	Operations Administration (cont.)	
		C. Choice Plan Annual Review	Diane Kaiser
		 Callan - Choice Plan Investment Overview* 	Ann O'Bradovich
		2. Fee Review	Chris Wester
		3. Summary Closing	Diane Kaiser
11:30 AM	IV.	Fiscal Budget	Mike Anderson
		A. Fiscal Update/Travel/Expense Report - info only	Mike Anderson
		B. FY 2027 Budget Approval*	Mike Anderson
		C. Quarterly Financial Statements	Mike Anderson
12:00 PM	V.	Board	Park Price
		A. Trustee Call for Future Agenda Items *	



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 8:32 a.m., July 29th, 2025.

Members Present:

Jeff Cilek Josh Whitworth Lori Wolff Darin DeAngeli

Guests:

Rhet Hulbert Dan Bates Brandon Beall Staff Present:

Michael Hampton Alex Simpson Richelle Sugiyama Chris Brechbuhler Mike Anderson Diane Kaiser

Legal counsel:

Cheryl George

In absent:

Park Price

Elisa Magnuson

At 8:32 a.m., Chairman Cilek called the meeting to order.

APPROVAL OF THE BOARD MEETING MINUTES

Trustee Wolff moved to approve the minutes of the May 20th, 2025, Board meeting. Trustee DeAngeli seconded the motion. The motion passed unanimously.

Trustee Wolff moved to approve the re-election of Trustee Price as Vice-Chair. Trustee Whitworth seconded, the motion passed.

INVESTMENTS/PORTFOLIO

Monthly Portfolio Update

Richelle Sugiyama provided a fiscal year overview, highlighting the fiscal year return of 11.11% exceeded the long-term actuarial investment return assumption of 6.3%. She discussed the purpose of and differences between the broad and strategic policies and the basis for Fund performance over various periods. Richelle reported the Total Fund outperformed the strategic policy for the 5-year, 10-year, and 20-year periods, and commented on performance attribution. Richelle also provided the investment report as of July 24th, nothing that on July 25th, the Fund set another new high in assets at \$26.43 billion and NAV at \$523/unit.

Chris Brechbuhler provided an overview of the monthly manager reports, highlighting the performance and allocation differences between our two emerging markets managers – Wasatch and WCM.

Clearwater Advisors

Rhet Hulbert introduced himself and his team. He presented focuses on the recent downgrade of the US by Moody's, the rising debt to GDP levels and high interest costs.

OPERATIONS AND ADMINISTRATION

Alex Simpson updated the Board on building improvements and departmental updates.

Mike Hampton discussed Executive Agency Legislation Ideas (EALS), and Idaho Code Cleanup. The deadline to submit the draft legislative proposals is August 8th, 2025. The Staff requested the Board approve the recommended amendments to the PERSI statute at the August 2025 board meeting.

Choice Plan

Diane Kaiser presented the PERSI Choice 401(k) Plan (DC Plan) proposed 12th Amendment. Trustee DeAngeli moved to approve 12th Amendment to the DC Plan, Trustee Whitworth seconded, motion passed.

FISCAL

Fiscal Update/Travel/Expense Report Update

Mike Anderson provided the Board with the FY 2025 expenses and travel report. He also discussed the proposed FY 2027 Proposed Budget.

Board

Future Agenda Review

There was no call for the future agenda items.

Mike Hampton acknowledged the general counsel's last Board meeting and contribution to PERSI. Chair Cilek thanked Cheryl George and wished her the best of luck!

Executive Session:

At 10:30 a.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code § 74-206 (1)(a)(b) &(f). Trustee Wolff moved to enter the executive session and Trustee Whitworth seconded the motion, which passed unanimously. Upon conclusion of the executive session at 11:45 a.m., Trustee DeAngeli moved to return to regular session, Trustee Wolff seconded the motion, which passed unanimously. No decisions were made.

Adjournment: With no further business to discuss, the Board adjourned at 11:45 a.m.



August 26, 2025

TO: Retirement Board Trustees

FROM: Elisa Magnuson, General Counsel

SUBJECT: Revise Governance Policy - §1.8.A Selection of Vice Chair

Summary:

As requested by the Board, amend Governance Policy §1.8.A – Selection of Vice Chair to eliminate annual selection requirement.

Key Discussion:

- 1) Remove annual requirement and timing.
- 2) Align Vice-Chair term with appointed term.

a.

Action:

Staff requests the Board adopt Governance Policy Manual amendment to §1.8.A as presented.

8. Board Meeting Operations

This Board Operations Policy sets forth guidelines to facilitate the organized, efficient, and cohesive functioning of the Board, and compliance with applicable law, including the Idaho Open Meetings Law¹ and Idaho Public Records Act².

a. Vice-Chair

- i. The Board shall annually elect from among its members a Vice-Chair of the Board to fulfill the Chair's duties in the absence of or through the delegation by the Chair.
- ii. Trustees nominate candidates for Vice-Chair from the floor floor at the last regular Board meeting of the fiscal year. Trustees may nominate other Trustees or themselves.
- iii. The Chair will call for a vote. Trustees each vote for one candidate. A candidate must receive at least 3 votes to be elected Vice-Chair.
- iv. The Vice-Chair begins his or her one-year term on the first day of the fiscal year month following the for which the vote was taken. PERSI shall provide notification to the Governor.
- v. In the event that a vacancy should occur in the position of Vice-Chair, for any reason, the Board shall elect a successor for the balance of the unexpired term at its next regular meeting.
- V.vi. The term of the Vice-Chair will coincide with the Trustee's current appointed term, unless the Vice-Chair formally resigns or the Board elects otherwise.

¹ Title 74, Chapter 2.

² Title 74, Chapter 1.

Callan

August 26, 2025

Public Employee Retirement System of Idaho

Second Quarter 2025

Performance Evaluation

Ann O'Bradovich

Senior Vice President

Important Disclosures regarding the use of this document are included at the end of this document. These disclosures are an integral part of this document and should be considered by the user.

Agenda

- Market Overview and Summary
- DB Performance
- Sick Leave Plan Performance
- Callan Updates



U.S. Equity Markets Back Up Sharply in 2Q25

Global ex-U.S. markets lead the way for the second quarter in a row, showing diversification

Big gains for U.S. stocks

- S&P 500 rose 11% in 2Q25. U.S. small cap gained 8.5%. Both markets were spooked by tariff policy early in the quarter, then recovered when the implementation was delayed.

Weaker 2Q for core fixed income

- The Bloomberg Aggregate rose 1.2%, down from the surge in 1Q. Long duration lost 0.2%.
- CPI-U came in at 2.7% (year-over-year) through June, and the core index rose 2.9%. Both figures are up from May.
 Energy continues to push down the total headline number.

Solid economic growth resumed

 The job market keeps expanding and real incomes are rising. 1Q GDP came in at -0.5% but grew 3.0% in 2Q.
 Consumer spending held up while business spending has paused.

Returns for Periods ended 6/30/25

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
U.S. Equity						
Russell 3000	10.99	15.30	19.08	15.96	12.96	8.04
S&P 500	10.94	15.16	19.71	16.64	13.65	7.98
Russell 2000	8.50	7.68	10.00	10.04	7.12	7.35
Global ex-U.S. Equity						
MSCI World ex USA	12.05	18.70	15.73	11.51	6.65	4.63
MSCI Emerging Markets	11.99	15.29	9.70	6.81	4.82	
MSCI ACWI ex USA Small Cap	16.93	18.34	13.46	10.74	6.54	7.02
Fixed Income						
Bloomberg Aggregate	1.21	6.08	2.55	-0.73	1.76	3.94
90-day T-Bill	1.04	4.68	4.56	2.76	1.98	1.88
Bloomberg Long Gov/Credit	-0.18	3.32	-0.31	-4.93	1.79	5.24
Bloomberg Global Agg ex-US	7.29	11.21	2.74	-1.63	0.61	2.94
Real Estate						
NCREIF Property	1.20	4.23	-2.75	3.70	5.22	7.46
FTSE Nareit Equity	-1.16	8.60	5.35	8.63	6.32	9.29
Alternatives						
Cambridge Private Equity*	0.77	5.85	1.17	13.28	13.12	11.01
Cambridge Senior Debt*	-1.81	4.14	6.07	6.81	7.11	4.36
HFRI Fund Weighted	4.32	8.43	7.78	8.56	5.40	5.46
Bloomberg Commodity	-3.08	5.77	0.13	12.68	1.99	1.73
Gold Spot Price	5.00	41.38	22.32	12.93	10.93	10.20
Inflation: CPI-U	0.86	2.67	2.87	4.58	3.06	2.54

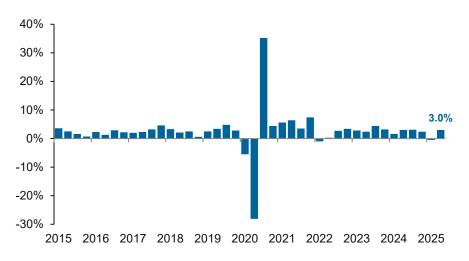
^{*}Cambridge Private Equity and Cambridge Senior Debt data as of 4Q24.
Returns greater than one year are annualized.
Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices



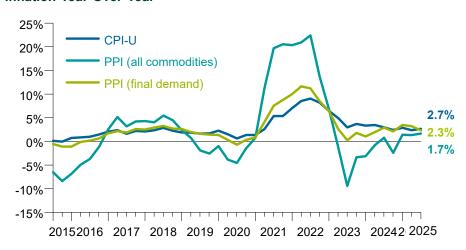
U.S. Economy—Summary

For periods ended 6/30/25

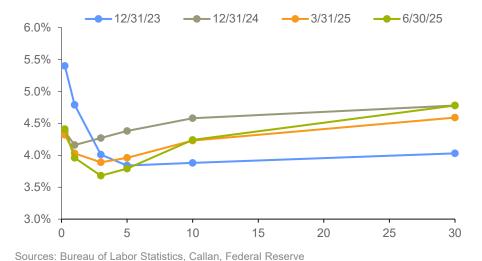
Quarterly Real GDP Growth



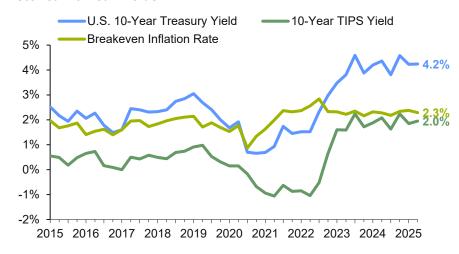
Inflation Year-Over-Year



U.S. Treasury Yield Curves



Historical 10-Year Yields



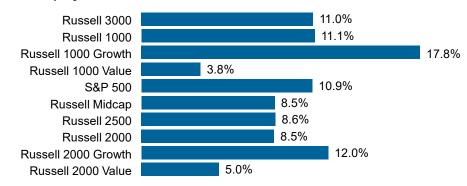


U.S. Equity Performance: 2Q25

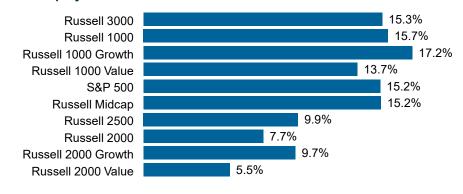
Reversal of fortune leads to gains across large and mid-cap indices YTD

- The U.S. equity market reversed 1Q25 losses in 2Q25 as the S&P 500 Index gained 10.9%, driven by a pause in tariff implementation, continued earnings growth, and stronger than expected economic indicators.
- Technology, Communication Services, Consumer
 Discretionary, and Industrials all gained over 10% during the quarter; Energy and Health Care performed the worst.
- Market cap performance was monotonic, with large cap stocks performing best followed by mid-cap and then small cap stocks.
- Growth outperformed value across the market cap spectrum, reversing the 1Q25 pattern and returning to the long-term trend of growth outperformance.
- Strong results in 2Q25 offset poor results in 1Q25, leading to gains of 6.2% YTD for the S&P 500.

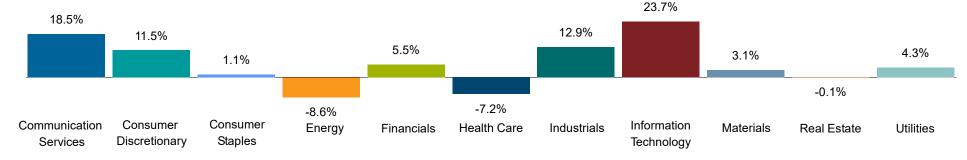
U.S. Equity: Quarter Ended 6/30/25



U.S. Equity: One Year Ended 6/30/25



Industry Sector Quarterly Performance (S&P 500) as of 6/30/25



Sources: FTSE Russell, S&P Dow Jones Indices



PERSI DB Asset Allocation - Defined Benefit as of June 30, 2025



- Target asset allocation reflects strategic policy decisions to invest in Private Equity, Real Estate, Global Equity, and US TIPS relative to the Long-Term Target of 55% US Equity, 15% Non-US Equity, and 30% Bonds.
- The Fund was overweight to US Public Equity, Developed Markets Equity, and Global Equity, and underweight to Emerging Markets Equity, US Fixed Income, US TIPS, REITs, and Private Equity relative to the Strategic Policy Target. Actual weights are within acceptable ranges
- Relative to the median public plan, PERSI has a strategic underweight to US Equity and overweight to Emerging Markets and TIPS.

Asset Class	Current	Target	Ranges
Equities	71%	70%	66% - 77%
Broad Domestic Equity	57%	55%	50% - 65%
International Developed Equity	14%	15%	10% - 20%
Fixed Income	29%	30%	23% - 33%
Cash	0%	0%	0% - 5%



PERSI DB Asset Distribution as of June 30, 2025

Total Fund ended the 2nd quarter 2025 with \$26.0 B, a net increase of \$1.4 B

Net withdrawals: - \$0.114 B

• Investment growth: + \$1.512 B

Portfolio	Ending Assets Jun 30, 2025	Weight	Net Cash Activity	Investment Gain/Loss	Beginning Assets Mar 31, 2025	Weight
US Public Equity	\$6,028,829,264	23.16%	-\$51,112,925	\$596,360,992	\$5,483,581,196	22.26%
Global Equity	\$4,823,155,879	18.53%	\$0	\$353,844,537	\$4,469,311,342	18.14%
Private Equity	\$2,004,551,030	7.70%	-\$15,428,830	\$53,067,421	\$1,966,912,438	7.98%
Real Assets	\$1,870,770,112	7.19%	-\$7,830,474	\$1,109,790	\$1,877,490,796	7.62%
Emerging Markets Equity	\$2,057,061,399	7.90%	\$6,194,518	\$258,032,297	\$1,792,834,584	7.28%
Developed Markets Equity	\$1,702,107,340	6.54%	-\$69,000,000	\$158,919,077	\$1,612,188,263	6.54%
Total Fixed	\$7,462,627,533	28.67%	-\$6,223,397	\$89,119,730	\$7,379,731,200	29.96%
Short Term Cash	\$83,687,874	0.32%	\$29,779,538	\$1,253,006	\$52,655,330	0.21%
Total Fund	\$26,032,790,430	100.00%	-\$113,635,476	\$1,511,720,758	\$24,634,705,148	100.00%



PERSI DB: 2nd Quarter 2025 Performance Summary*

2Q 2025: PERSI Total Fund earned a return of 6.14%, underperforming the Policy and Long-Term Target returns

- In aggregate the managers underperformed their benchmarks by 66 bps.
- Variations from policy added 19 bps.

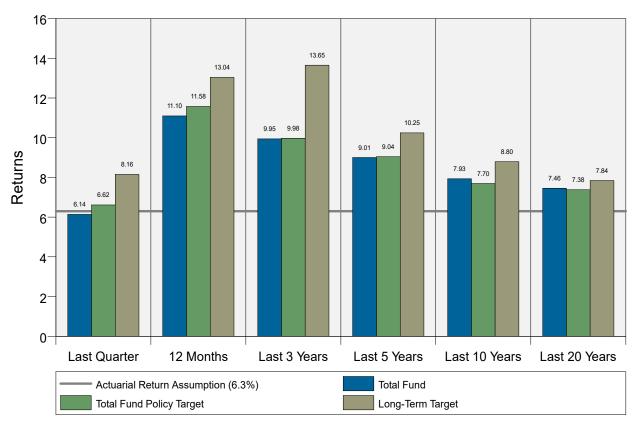
Fiscal 2025 ended with strong absolute return of 11.1%. Active management struggled to keep up with passive indices, thus Total fund underperformed the Target return of 11.6%

Three years: the Total Fund returned 9.95%, slightly trailing the Policy Target return of 9.98%.

Five years: the Total Fund gained 9.01% vis-àvis the Policy Target return of 9.04%

Last 20 years: Total Fund has earned an average annual return of 7.46%

Total Fund Returns Periods Ending June 30, 2025



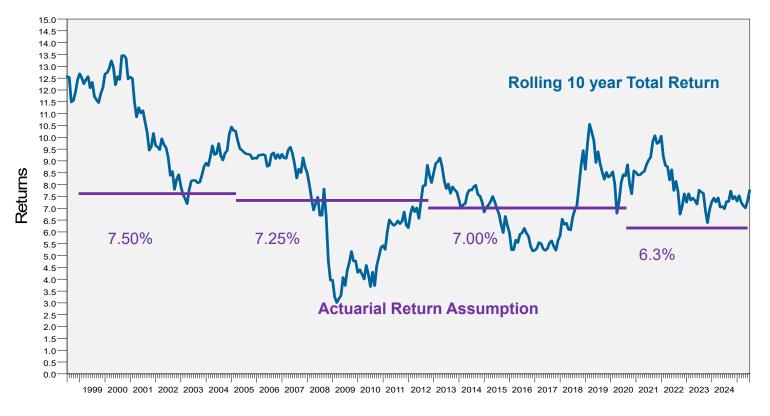
^{*} Total Fund Returns are Gross of Fees



PERSI DB: Historical Actual Returns and Actuarial Return Assumptions

10 year rolling time periods

Rolling 120 Month Net of Fee Returns Since Inception of Total Fund Ended June 30, 2025



Effective fiscal year 2026, the Actuarial Return Assumption will be 6.5%

Performance* Comparison - Trailing Time Periods as of June 30, 2025

Performance vs Callan Public Fund Spr DB



^{*} Total Fund Returns are Gross of Fees

⁽²⁾ Total Fund Long Term Target: 55% Russell 3000 Index, 30% Blmbg Aggregate Index and 15% MSCI EAFE Index.



⁽¹⁾ Total Fund Policy Target: 21% Russell 3000, 18% MSCI AC World Net Index, 6% MSCI EAFE Net Index, 9% MSCI Emg Mkts Net Index, 8% Private Equity Return, 4% NAREIT All Equity Index, 4% NFI-ODCE Equal-Wt

Quarter ended June 30, 2025

Relative Attribution Effects for Quarter ended June 30, 2025

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative <u>Return</u>
US Public Equity	22%	21%	10.91%	10.99%	(0.02%)	0.09%	0.06%
Developed Markets Equity	7%	6%	10.15%	11.78%	(0.10%)	0.06%	(0.05%)
Emerging Markets Equity	7%	9%	12.59%	11.99%	0.05%	(0.05%)	(0.01%)
Global Equity	18%	18%	7.92%	11.53%	(0.64%)	0.01%	(0.63%)
US TIPS	9%	10%	0.37%	0.48%	(0.01%)	0.05%	0.03%
US Fixed Income	20%	20%	1.56%	1.21%	0.07%	(0.02%)	0.06%
REIT Equity	3%	4%	(1.03%)	(0.93%)	(0.00%)	0.09%	0.09%
Private Real Estate	4%	4%	0.88%	0.84%	0.00%	(0.02%)	(0.01%)
Private Equity	8%	8%	2.69%	2.69%	0.00%	0.00%	0.00%
Short Term Cash	0%	0%	1.19%	1.19%	0.00%	(0.02%)	(0.02%)

Total	6.14% = 6.62% + (0.66%) + 0.19%	(0.47%)
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- + Total Fund underperformed the Policy Target by 47 basis points during the past quarter.
- Manager Performance: 66 bps
 - + Emerging Markets and US Fixed Income outperformed
 - Developed Markets and Global Equity underperformed
- + Allocation Impacts: + 19 bps
 - + Overweight US Equity and Developed Markets
 - + Underweight US TIPS and REITS
 - Underweight Emerging Markets

^{*} Returns are Gross of Fees



Fiscal Year to Date ending June 30, 2025

One Year Relative Attribution Effects - Fiscal Year

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative <u>Return</u>
US Public Equity	23%	21%	14.74%	15.30%	(0.14%)	0.05%	(0.09%)
Developed Markets Equity	6%	6%	14.94%	17.73%	(0.17%)	0.05%	(0.12%)
Emerging Markets Equity	7%	9%	13.19%	15.29%	(0.15%)	(0.03%)	(0.19%)
Global Equity	18%	18%	14.81%	16.17%	(0.25%)	(0.01%)	(0.26%)
US TIPS .	9%	10%	5.74%	5.84%	(0.01%)	0.04%	0.03%
US Fixed Income	20%	20%	6.69%	6.08%	0.13%	(0.03%)	0.10%
REIT Equity	3%	4%	8.38%	9.20%	(0.02%)	0.03%	0.00%
Private Real Estate	4%	4%	4.58%	2.47%	0.10%	(0.03%)	0.06%
Private Equity	8%	8%	7.56%	7.56%	0.00%	(0.00%)	(0.00%)
Short Term Cash	0%	0%	5.12%	5.12%	0.00%	(0.02%)	(0.02%)

- Total Fund underperformed the Policy Target by 47 basis points during the past year.
- Manager Performance: 51 bps
 - + US Fixed Income and Private Real Estate outperformed
 - US Equity, Developed Markets, Emerging Markets, and Global Equity underperformed
- + Allocation Impacts: + 4 bps
 - + Overweight US Equity
 - + Underweight TIPS and REITS
 - Underweight Emerging Markets

^{*} Returns are Gross of Fees



5 Years ended June 30, 2025

Five Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative <u>Retum</u>
US Public Equity	22%	21%	15.34%	15.96%	(0.17%)	0.02%	(0.15%)
Developed Markets Equity	6%	6%	11.25%	11.16%	0.00%	(0.00%)	0.00%
Emerging Markets Equity	8%	9%	6.73%	6.81%	0.00%	0.01%	0.01%
Global Equity	19%	18%	13.97%	13.65%	0.04%	0.02%	0.06%
US TIPS '	10%	10%	1.42%	1.61%	(0.02%)	0.04%	0.02%
US Fixed Income	19%	20%	(0.39%)	(0.73%)	0.07%	0.12%	0.19%
REIT Equity	4%	4%	8.54%	6.66%	0.08%	(0.01%)	0.06%
Private Real Estate	5%	4%	4.82%	2.74%	0.15%	(0.12%)	0.03%
Private Equity	7%	8%	17.66%	17.66%	0.00%	(0.21%)	(0.21%)
Short Term Ćash	0%	0%	2.67%	2.67%	0.00%	(0.05%)	(0.05%)

Total	9.01% = 9.04% +	0.15% + (0.19%)	(0.04%)
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- Total Fund underperformed the Policy Target by 4 basis points for the past 5 years.
 - + Manager Performance: + 15 bps
 - + Global Equity, US Fixed Income, Private Real Estate, and REITs outperformed.
 - US Equity underperformed.

- Allocation Impacts: 19 bps
 - + US Fixed Income
 - Private Real Estate
 - Underweight Private Equity

^{*} Returns are Gross of Fees



10 Years ended June 30, 2025

Ten Year Annualized Relative Attribution Effects

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
US Public Equity	24%	21%	13.19%	12.96%	0.04%	0.09%	0.13%
Developed Markets Equity	6%	6%	6.35%	6.51%	(0.01%)	(0.01%)	(0.03%)
Emerging Markets Equity	8%	9%	4.62%	4.82%	(0.01%)	(0.00%)	(0.01%)
Global Equity	17%	18%	10.29%	9.99%	0.04%	(0.02%)	0.03%
US TIPS .	9%	10%	2.60%	2.67%	(0.01%)	0.01%	0.00%
US Fixed Income	18%	20%	2.34%	1.76%	0.11%	0.07%	0.18%
REIT Equity	4%	4%	6.91%	6.61%	0.01%	(0.01%)	(0.01%)
Private Real Estate	5%	4%	8.42%	4.71%	0.19%	(0.07%)	0.12%
Private Equity	7%	8%	12.40%	12.40%	0.00%	(0.14%)	(0.14%)
Short Term Cash	0%	0%	2.44%	2.44%	0.00%	(0.04%)	(0.04%)

Total $7.93\% = 7.70\% + 0.37\% + (0.13\%)$	0.24%
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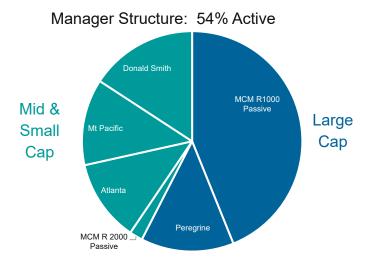
- + Total Fund outperformed the Policy Target by 24 basis points for the past 10 years.
- + Manager Performance: + 37 bps
 - + US Equity, Global Equity, US Fixed Income, and Private Real Estate outperformed.
- Allocation Impacts: 13 bps
 - + Overweight US Equity
 - + Underweight US Fixed Income
 - Overweight Private RE
 - Underweight Private Equity

^{*} Returns are Gross of Fees

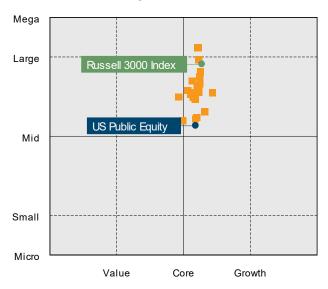


U.S. Equity Portfolio vs. Public Plan Domestic Equity Database

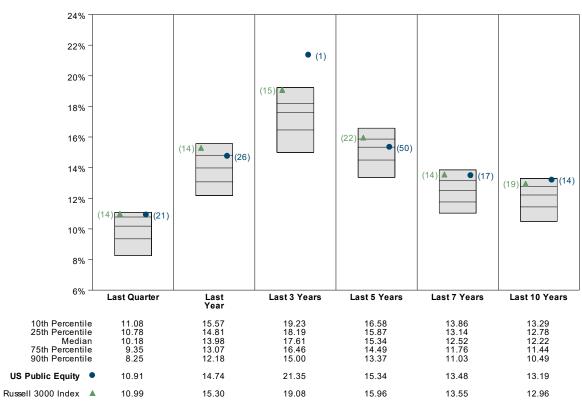
Periods ended June 30, 2025



Style Map vs Pub Pln- Dom Equity Holdings as of June 30, 2025



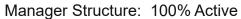
Performance vs Public Fund - Domestic Equity (Gross)

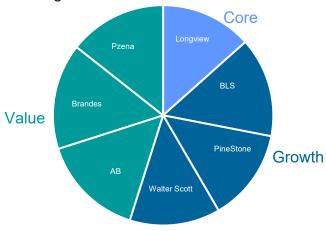




Global Equity Portfolio vs. Global Equity Database

Periods ended June 30, 2025

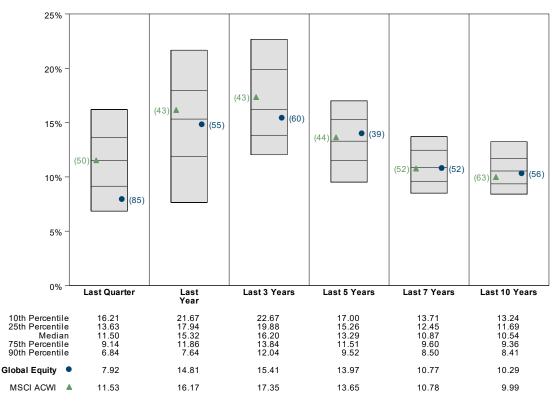




Style Map vs Callan Global Equity Holdings as of June 30, 2025



Performance vs Callan Global Equity (Gross)





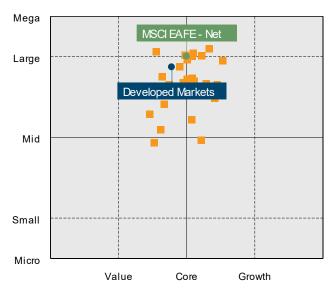
Developed Markets Portfolio vs. Non-US Dev Core Database

Periods ended June 30, 2025

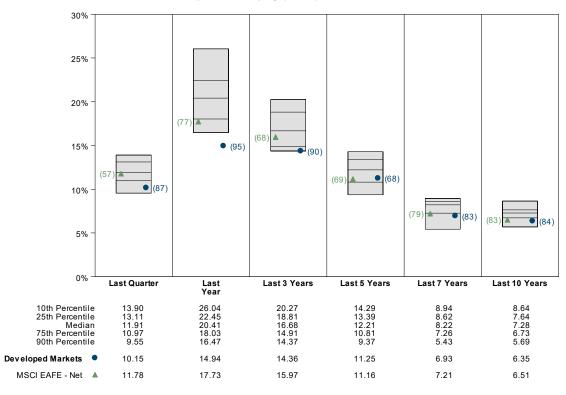
Manager Structure: 83% Active



Style Map vs Callan NonUS Dev Core Eq Holdings as of June 30, 2025



Performance vs Callan Non-US Developed Core Equity (Gross)

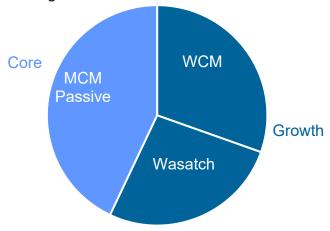




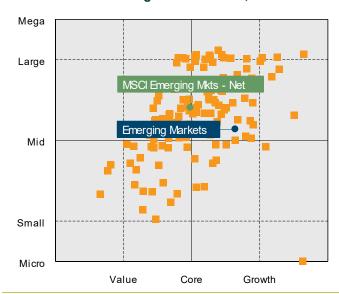
Emerging Markets Portfolio vs. Emerging Broad Database

Periods ended June 30, 2025

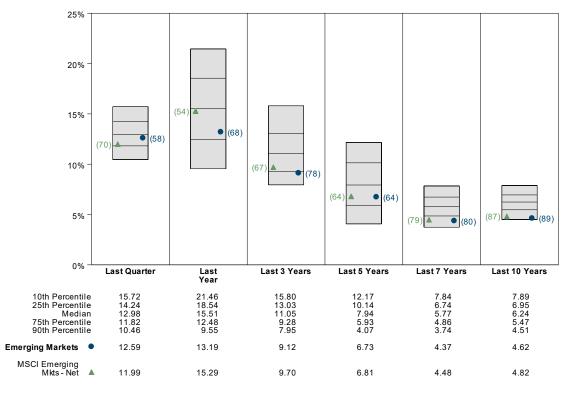




Style Map vs Callan Emerging Broad Holdings as of June 30, 2025



Performance vs Callan Emerging Broad (Gross)

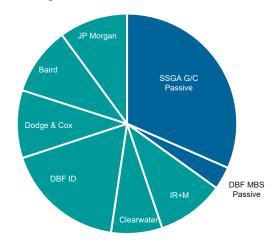




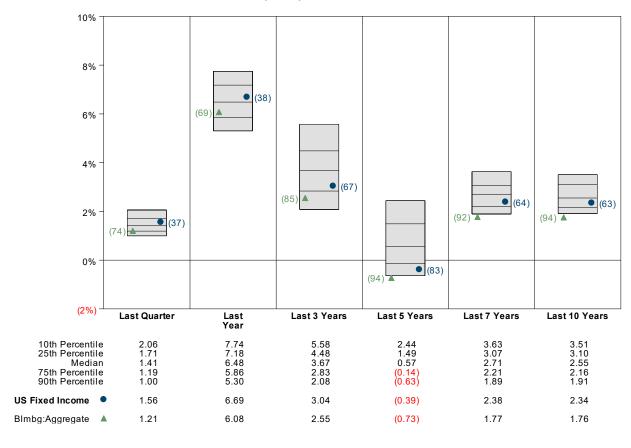
US Fixed Income Portfolio vs. Public Plan Fixed Income Database

Periods ended June 30, 2025

Manager Structure: 65% Active

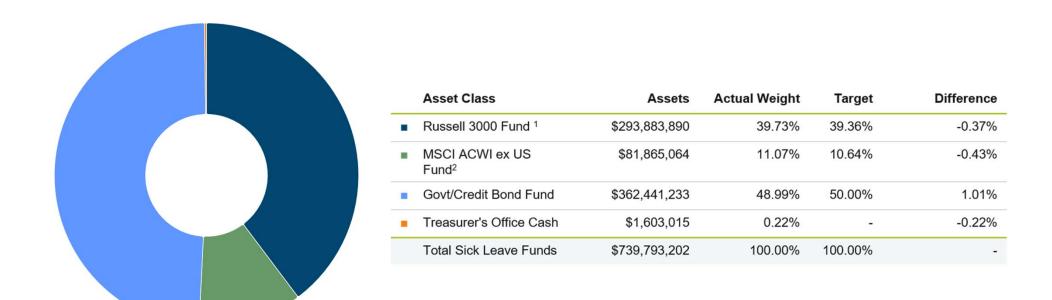


Performance vs Public Fund - Domestic Fixed (Gross)





PERSI Sick Leave Asset Allocation as of June 30, 2025



Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Russell 3000 Fund	293,884	39.7%	39.4%	0.4%	2,701
MSCI ACWI ex US Fund	81,865	11.1%	10.6%	0.4%	3,151
Govt/Credit Bond Fund	362,441	49.0%	50.0%	(1.0%)	(7,455)
Treasurer's Office Cash	1,603	0.2%	0.0%	0.2%	1,603
Total	739,793	100.0%	100.0%		

^{*} Historical targets:

Current policy is 50% Equity/50% Fixed Income



Through Nov 2007: 100% Russell 3000

[•] From Dec 2007 through Aug 2011: 67% Russell 3000 + 33% Bloomberg Gov/Credit.

From Sep 2011 through Oct 2020: 55% Russell 3000 + 15% MSCI ACWI ex US + 30% Bloomberg Gov/Credit

PERSI Sick Leave Total Asset Distribution as of June 30, 2025

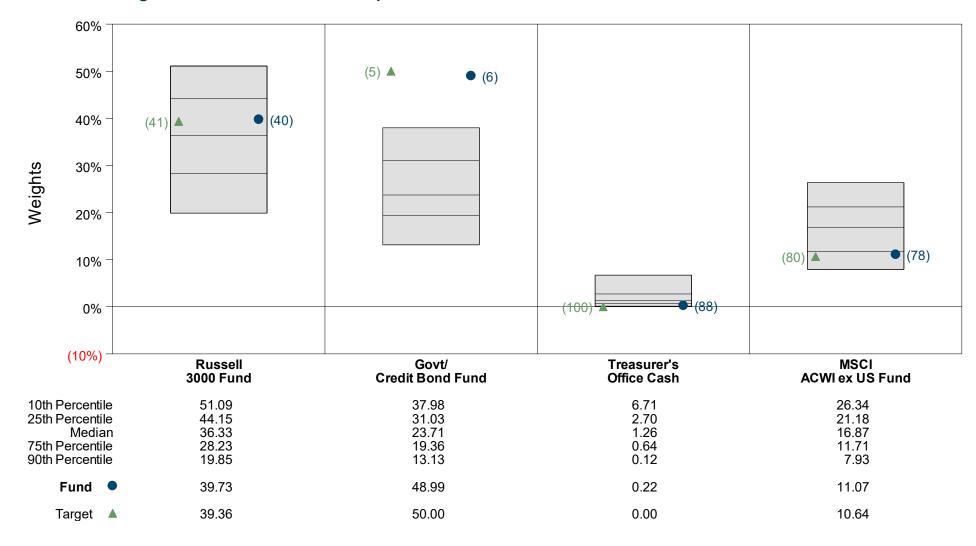
Portfolio	Ending Assets Jun 30, 2025	Weight	Net Cash Activity	Investment Gain/Loss	Beginning Assets Mar 31, 2025	Weight
Russell 3000 Fund	\$293,883,890	39.73%	\$0	\$29,047,834	\$264,836,056	37.73%
MSCI ACWI ex US Fund	\$81,865,064	11.07%	-\$3,038,000	\$9,004,547	\$75,898,517	10.81%
Govt/Credit Bond Fund	\$362,441,233	48.99%	-\$1,445,000	\$4,415,264	\$359,470,969	51.21%
Treasurer's Office Cash	\$1,603,015	0.22%	-\$106,339	\$5,294	\$1,704,061	0.24%
Total Sick Leave Funds	\$739,793,202	100.00%	-\$4,589,339	\$42,472,939	\$701,909,602	100.00%



PERSI Sick Leave Funds Asset Allocation vs Other Public Funds

Periods ended June 30, 2025

Asset Class Weights vs Callan Public Fund Sponsor Database





Performance* Comparison - Trailing Time Periods as of June 30, 2025

Performance vs Callan Public Fund Spr DB



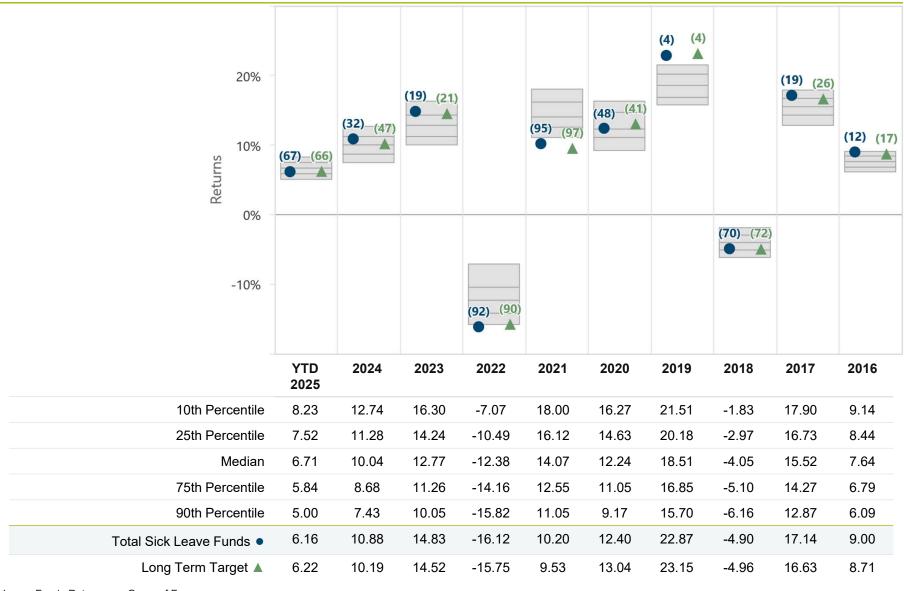
^{*} Total Sick Leave Funds Returns are Gross of Fees

Current Quarter Target (effective Nov 2020) = 50.0% Blmbg Gov/Credit, 39.4% Russell 3000 Index, 10.6% MSCI ACWI xUS (Net) and 0.0% 3-month Treasury Bill.



Performance* Comparison - Calendar Years as of June 30, 2025

Performance vs Callan Public Fund Spr DB



^{*} Total Sick Leave Funds Returns are Gross of Fees

Current Quarter Target (effective Nov 2020) = 50.0% Blmbg Gov/Credit, 39.4% Russell 3000 Index, 10.6% MSCI ACWI xUS (Net) and 0.0% 3-month Treasury Bill.



PERSI Sick Leave Funds Performance Attribution*

2nd Quarter 2025

Relative Attribution Effects for Quarter ended June 30, 2025

Asset Class Russell 3000 Fund MSCI ACWI ex US Fund Govt/Credit Bond Fund Treasurer's Office Cash	Effective Actual Weight 38% 11% 51% 0%	Effective Target Weight 39% 11% 50% 0%	Actual Return 10.97% 11.97% 1.24% 1.10%	Target Return 10.99% 12.03% 1.22% 1.10%	Manager Effect (0.01%) (0.01%) 0.01% 0.00%	Asset Allocation (0.06%) 0.02% (0.03%) (0.01%)	Total Relative Return (0.07%) 0.01% (0.02%) (0.01%)
Total			6.09% =	6.18% +	(0.00%) +	(0.09%)	(0.09%)

- Sick Leave Funds trailed the Target by 9 bps during the quarter.
- Passive funds performed in line with their benchmarks.
- Variations from target weights detracted 9 bps.

^{*} Returns are Gross of Fees



PERSI Sick Leave Funds Performance Attribution*

13 years since December 2011

Thirteen and Three-Quarter Year Annualized Relative Attribution Effects

Asset Class Russell 3000 Fund MSCI ACWI ex US Fund Govt/Credit Bond Fund Treasurer's Office Cash	Effective Actual Weight 52% 13% 35% 0%	Effective Target Weight 50% 14% 37% 0%	Actual Return 14.95% 7.27% 2.11% 1.34%	Target Return 14.92% 6.99% 2.06% 1.34%	Manager Effect 0.02% 0.04% 0.02% 0.00%	Asset Allocation 0.08% (0.01%) 0.01% (0.00%)	Total Relative Return 0.09% 0.03% 0.03% (0.00%)
Total			9.08% =	8.93% +	0.07% +	0.08%	0.15%

- Sick Leave Funds earned a return of 9.08%, which exceeded the target return of 8.93% by 15 bps.
- Passive funds slightly outperformed, contributing 7 bps of value-added, while rebalancing added another 8 bps.

^{*} Returns are Gross of Fees



Callan Update

Published Research Highlights: 2Q25

Office-to-Residential Conversions Update



2025 Cost of Doing Business Study



Nuclear Power's Rebound and Institutional Investors



2025 DC Trends Survey



Recent Blog Posts

Wait on Changing Market Cap Weights

Adam Lozinski

Navigating
Volatility: An
Expert Guide for
Nonprofits

Tony Lissuzzo

Historic Market Volatility and Our 10-Year CMAs

Jay Kloepfer

Additional Reading

Active vs. Passive quarterly charts

Capital Markets Review quarterly newsletter

Monthly Updates to the Periodic Table

Market Pulse Flipbook quarterly markets update

Market Intelligence (clients-only)

Real Estate Indicators market outlook



Callan Institute Events

Upcoming conferences, workshops, and virtual events

2025 October Workshop

Assessing the Role of Alternatives in Modern Plan Design

As defined contribution (DC) plans evolve beyond traditional core menus, there is increased interest in exploring alternative investments to enhance outcomes—particularly within target date funds (TDFs) and custom solutions. In this workshop, we will explain why alternatives are being considered, discuss which are most feasible and how to implement, and provide opportunities and challenges with these investments.

Workshop Dates

- ► October 28, 2025 Chicago
- ▶ October 30, 2025 San Francisco

Workshop Agenda

- ▶ 8:00 9:00 AM | Continental Breakfast
- ▶ 9:00 10:15 AM | Workshop and Q&A
- ▶ 10:15 11:00 AM | Roundtable Discussions

Mark Your Calendar

2026 National Conference

April 20-22, 2026 - Scottsdale, Arizona

Watch your email for further details and an invitation.

Upcoming Virtual Events

August 21, 2025

Research Café: Modeling Returns and Managing Market Cap Weights



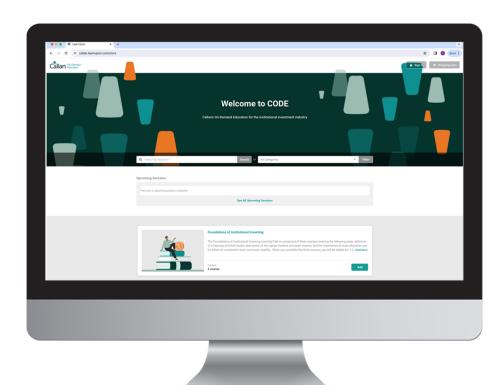
Introducing CODE: Callan On-Demand Education



- ▶ Variety of educational courses
- ► Interactive and engaging
- ► Self-guided modules
- ► Eligible for continuing education credits
- ► Learning at your own pace

CODE courses are designed for investment professionals of all levels—and they're self-guided. Access them anytime, from anywhere, and get continuing education credits for each completed course.

CODE is for you, your colleagues, your new hires, and your interns. It's for anyone interested in learning about institutional investing.



3 Reasons to Take CODE Courses

- Become a better fiduciary
- 2 Showcase your skills and knowledge
- 3 Learn from Callan's investment experts

callan.com/code



Callan Updates

Firm updates by the numbers, as of June 30, 2025

Total Associates: ~205

Company Ownership:

▶ 100% employee ownership

► ~70% of employees are equity owners

Well-diversified ownership

Total Investment Consultants: 50+

Total Specialty and Research Consultants: 65+

Total CFA/CAIA/FRMs: 60+

Total Institutional Investor Clients: 475+

Provides advisory services to institutional investor/asset owner

clients with more than \$4+ trillion

NEW ON CODE: Callan clients have free access to all CODE courses, all of which offer continuing education credits.

- ► Framework for Defined Contribution Plans: Topics include DC plan fiduciary training, legal & regulatory history and trends, fund performance evaluation & monitoring, designing investment menus, and fee studies & monitoring
- ▶ **Coming soon:** Training on Callan *DNA*, Callan's client portal, where clients can dive deep into their asset allocation and investment managers.

"Callan is a truly special place to develop a career in investment consulting. Since joining the firm, I have enjoyed collaborating with long-tenured colleagues to build successful investment programs for Callan's clients. I look forward to continuing to help my team and clients navigate challenges and seize the opportunities presented in this dynamic industry."

— Uvan Tseng, CFA, SVP, on his promotion to lead Callan's West Coast Consulting team



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Callan's performance measurement service reports estimated returns for a portfolio and compares them against relevant benchmarks and peer groups, as appropriate; such service may also report on historical portfolio holdings, comparing them to holdings of relevant benchmarks and peer groups, as appropriate ("portfolio holdings analysis"). To the extent that Callan's reports include a portfolio holdings analysis, Callan relies entirely on holdings, pricing, characteristics, and risk data provided by third parties including custodian banks, record keepers, pricing services, index providers, and investment managers. Callan reports the performance and holdings data as received and does not attempt to audit or verify the holdings data. Callan is not responsible for the accuracy or completeness of the performance or holdings data received from third parties and such data may not have been verified for accuracy or completeness.

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Important Disclosures (continued)

The issues considered and risks highlighted herein are not comprehensive and other risks may exist that the user of this document may deem material regarding the enclosed information. Please see any applicable full performance report or annual communication for other important disclosures.

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Any decision made on the basis of this document is sole responsibility of the client, as the intended recipient, and it is incumbent upon the client to make an independent determination of the suitability and consequences of such a decision.

Callan undertakes no obligation to update the information contained herein except as specifically requested by the client.

Past performance is no guarantee of future results.



PERSI Investment Report

August 19, 2025

Current Mkt Value (MV) 26,471,713,435

Previous Day MV 26,441,481,213

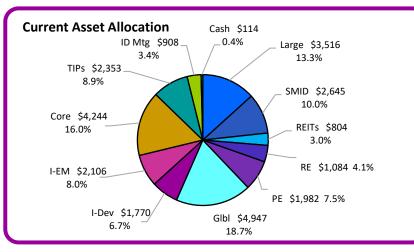
Change from Prev Day 30,232,222

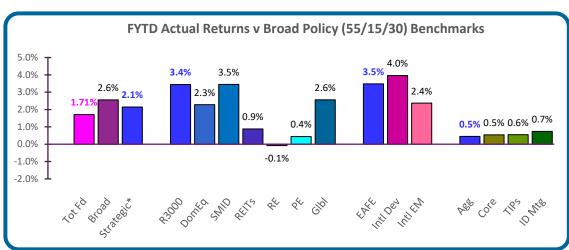
Last FY-end MV 26,032,790,430

FY Change **438,923,004**

The Total Fund set a new all-time high in assets and NAV on 8/13 at \$26.521 billion and NAV of \$526.05 per unit Long-Term Actuarial Investment Return Assumption (beg 2025): 6.5%

MTD	MTD Return		Return	5-yea	r Return	10-yea	r Return	20 -yea	r Return
Total Fund Strategic Policy' Broad Policy	1.7% 1.4% 1.6%	Total Fund Strategic Policy' Broad Policy	1.7% 2.1% 2.6%	Total Fund Strategic Policy' Broad Policy	8.1% 8.1% 9.4%	Total Fund Strategic Policy' Broad Policy	8.2% 7.8% 9.0%	Total Fund Strategic Policy' Broad Policy*	7.4% 6.7% 7.6%
U.S. Equity	0.9%	U.S. Equity	1.7%	U.S. Equity	12.3%	U.S. Equity	11.7%	U.S. Equity	9.7%
R3000	1.2%	R3000	3.4%	R3000	14.7%	R3000	13.3%	R3000	10.6%
Global Equity	3.2%	Global Equity	2.6%	Global Equity	12.6%	Global Equity	10.8%	Global Equity	8.4%
MSCI ACWI	2.1%	MSCI ACWI	3.4%	MSCI ACWI	12.4%	MSCI ACWI	10.6%	MSCI ACWI	8.2%
Int'l Equity	3.5%	Int'l Equity	3.1%	Int'l Equity	7.5%	Int'l Equity	6.7%	Int'l Equity	6.0%
MSCI EAFE	5.0%	MSCI EAFE	3.5%	MSCI EAFE	10.3%	MSCI EAFE	7.0%	MSCI EAFE	5.7%
Fixed Income	0.7%	Fixed Income	0.6%	Fixed Income	0.1%	Fixed Income	2.4%	Fixed Income	3.7%
Aggregate	0.7%	Aggregate	0.5%	Aggregate	-0.8%	Aggregate	1.7%	Aggregate	3.1%





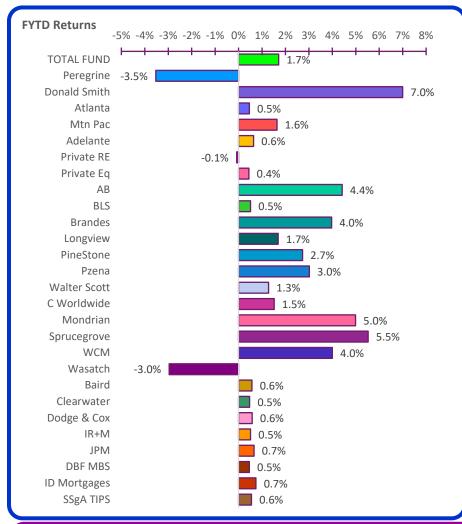
Performance is unaudited and GROSS of fees

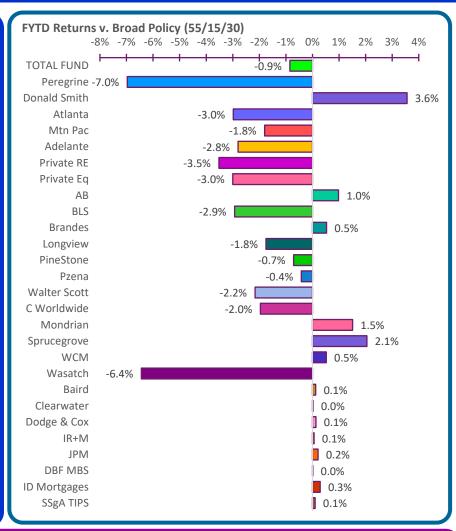
Broad Policy: 55% Russell 3000 / 15% MSCI EAFE Net Dividends / 30% Bloomberg Aggregate

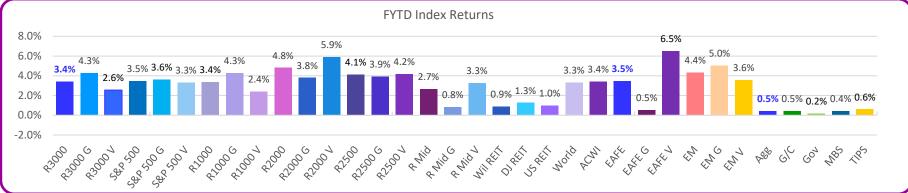
Broad Policy*: internal estimate

Strategic Policy: 14% Large cap/8% Small cap/4% REITs/4% Private Real Estate/8% Private Equity/15% Global Equity/8% Non-US Developed/9% Non-US Emerging/20% Aggregate/10% TIPS

Strategic Policy : Internal estimate







Total Fund Summary (Gross Returns)							7/31/2025	
Preliminary Performance Summary (blue = outpe	erform by 50 bp; red = underper	form b	v 50 bp			(* Annualized)	
reminiary renormance summary (,			(* Almuulizeu)	
		Last			Last	Last	Last	Last
		<u>Month</u>		<u>FYTD</u>	3 Years*	<u>5 Years*</u>	<u>10 Years</u> *	<u>20 Years</u> *
Total Fund		0.1%		0.1%	8.3%	8.1%	7.9%	7.3%
Strategic Policy *		0.7%		0.7%	8.6%	8.4%	7.7%	7.3%
Broad Policy (55-15-30)		0.9%		0.9%	11.6%	9.6%	8.7%	7.5%
Total Domestic Equity (Russell 3000)		0.3%		0.3%	11.0%	12.5%	11.1%	9.1%
Russell 3000		2.2%		2.2%	16.4%	15.2%	13.0%	10.4%
U.S. Equity (Russell 3000)		1.0%		1.0%	15.2%	13.1%	12.0%	10.2%
Real Estate (NCREIF)		-0.1%		-0.1%	-1.1%	5.8%	7.1%	5.6%
Private Equity (Russell 3000*1.35)		-0.2%		-0.2%	4.4%	17.2%	12.3%	11.5%
Global Equity (Russell 3000)		-0.6%		-0.6%	12.7%	12.8%	10.2%	8.3%
Total International Equity (MSCI EAFE)		-0.4%		-0.4%	11.2%	7.5%	5.8%	5.9%
MSCI EAFE Net		-1.4%		-1.4%	13.6%	10.3%	6.1%	5.6%
Total Fixed Income (BB Aggregate)		-0.1%		-0.1%	1.7%	-0.2%	2.4%	3.7%
Bloomberg Aggregate		-0.3%		-0.3%	1.6%	-1.1%	1.7%	3.1%
Asset Allocation	blue = over a	allowable target range; red = un	der allo	owable target r	ange			
		Month-End MV			Current %	Target %		
U.S. Equity	\$	6,088			23.4 %			
Real Estate	\$	1,880			7.2 %			
Private Equity	\$	1,974			7.6 %			
Global Equity	\$	4,793			18.4 %			
Total Domestic Equity			\$	14,734	56.6 %	55.0%		
Emerging Markets Equity	\$	2,055			7.9 %			
Total International Equity			\$	3,744	14.4 %	15.0%		
Total Fixed Income			\$	7,456	28.7 %	29.0%		
Cash			\$	75	0.3 %	1.0%		
Total Fund			\$	26,009	100.0 %	100.0%		

■Dom Eq ■RE Target % ■ PE ■Global ■EM Current % ■Intl Eq □FX 0% 10% 20% 40% 50% 60% 70% 80% ■ Cash 30% 90% 100%

Long-Term Strategic Positions:

US Small/Mid Capitalization Equities, Real Estate Investment Trust Securities (REITs), Private Real Estate, Global Equity, Emerging Market Equity, TIPS - Treasury Inflation Protected Securities, Idaho Commercial Mortgage Program

¹ Strategic Policy Benchmark = 21% R3000, 18% MSCI ACWI, 6% MSCI EAFE, 9% MSCI EM, 8% PE, 4% NAREIT, 4% NFI-ODCE EW, 20% Agg, 10% TIPS

Total Fund	
Month-End Performance	Jul 2025

Manager (Style Benchmark)	blue = outperform by 50 bp; red = underpe	form by 50 bp		(* Annualized)			
	Last		Last	Last	Last	Last	
	<u>Month</u>	<u>FYTD</u>	3 Years*	5 Years*	10 Years*	<u>20 Years</u> *	
Total Fund	0.1%	0.1%	8.3%	8.1%	7.9%	7.3%	
Strategic Policy	0.7%	0.7%	8.6%	8.4%	7.7%	7.3%	
Policy (55-15-30)	0.9%	0.9%	11.6%	9.6%	8.7%	7.5%	
Total Domestic Equity (Russell 3000)	0.3%	0.3%	11.0%	12.5%	11.1%	9.1%	
(Includes U.S. Eq, Glbl Eq, RE, PE)							
U.S. Equity ex RE, PE (Russell 3000)	1.0%	1.0%	15.2%	13.1%	12.0%	10.2%	
Russell 3000	2.2%	2.2%	16.4%	15.2%	13.0%	10.4%	
MCM Index Fund (Russell 3000)	2.2%	2.2%	16.8%	15.4%	13.1%	10.6%	
MCM Russell 1000 (Russell 1000)	2.2%	2.2%	16.9%	15.4%	13.3%	10.7%	
Russell 1000	2.2%	2.2%	16.9%	15.5%	13.4%	10.6%	
S&P 500 Index	2.2%	2.2%	17.1%	15.9%	13.7%	10.7%	
MCM Russell 2000 (Russell 2000)	1.8%	1.8%	7.1%	9.8%	7.5%	7.5%	
Russell 2000	1.7%	1.7%	7.0%	9.8%	7.4%	7.5%	
Donald Smith & Co. (Russell 3000)	0.3%	0.3%	32.0%	27.9%	15.4%	11.9%	
Russell 3000	2.2%	2.2%	16.4%	15.2%	13.0%	10.4%	
Peregrine (Russell 1000 Growth)	0.7%	0.7%	17.9%	6.0%	14.7%	11.4%	
Russell 1000 Growth	3.8%	3.8%	22.6%	17.3%	17.1%	12.9%	
Atlanta Capital (Russell 2500)	-0.1%	-0.1%	N/A	N/A	N/A	N/A	
Mountain Pacific (Russell 2500)	0.9%	0.9%	10.0%	11.1%	11.1%	10.8%	
Russell 2500	1.9%	1.9%	8.4%	11.0%	8.6%	8.5%	
Global Equity (Russell 3000)	-0.6%	-0.6%	12.7%	12.8%	10.2%	8.3%	
Russell 3000	2.2%	2.2%	16.4%	15.2%	13.0%	10.4%	
MSCI World	1.3%	1.3%	16.4%	14.3%	11.2%	9.0%	
MSCI World net div	1.3%	1.3%	15.8%	13.8%	10.6%	8.4%	
MSCI AC World	1.4%	1.4%	15.8%	13.3%	10.6%	8.6%	
BLS (MSCI ACWI)	-3.0%	-3.0%	9.7%	11.9%	N/A	N/A	
Bernstein (MSCI ACWI)	1.0%	1.0%	15.4%	13.2%	6.9%	5.5%	
Brandes (Russell 3000)	-0.3%	-0.3%	19.3%	18.5%	9.6%	7.2%	
Longview (MSCI ACWI)	-0.5%	-0.5%	10.0%	12.2%	9.2%	N/A	
PineStone (MSCI World)	0.3%	0.3%	13.1%	12.6%	N/A	N/A	
Pzena (MSCI ACWI)	-1.5%	-1.5%	N/A	N/A	N/A	N/A	
Walter Scott (MSCI World net div)	-0.5%	-0.5%	11.6%	10.2%	N/A	N/A	
Private Equity (Russell 3000)	-0.2%	-0.2%	4.4%	17.2%	12.3%	11.5%	
Russell 3000	2.2%	2.2%	16.4%	15.2%	13.0%	10.4%	

Total Fund	
Month-End Performance	Jul 2025

Manager (Style Benchmark)	blue = outperform by 50 bp; red = underpo	erform by 50 bp	(* Annualized)			
	Last		Last	Last	Last	Last
	<u>Month</u>	<u>FYTD</u>	3 Years*	5 Years*	<u>10 Years</u> *	<u>20 Years</u> *
Real Estate (NCREIF)	-0.1%	-0.1%	-1.1%	5.8%	7.1%	5.6%
MCM REIT (DJ US Select REIT)	-0.7%	-0.7%	1.7%	7.7%	4.7%	N/A
Dow Jones U.S. Select REIT	-0.7%	-0.7%	1.6%	7.7%	4.8%	5.7%
Adelante REITs (Wilshire REIT)	-0.8%	-0.8%	2.6%	7.6%	6.9%	6.9%
Wilshire REIT	-0.8%	-0.8%	2.5%	7.6%	5.6%	6.2%
Prudential (NCREIF)	1.0%	1.0%	-5.4%	3.2%	5.4%	6.0%
Private Real Estate	0.4%	0.4%	-3.2%	4.9%	8.4%	4.3%
NCREIF Prop 1Q Arrears	0.4%	0.4%	-2.3%	3.4%	5.4%	6.8%
Int'l Equity (MSCI EAFE)	-0.4%	-0.4%	11.2%	7.5%	5.8%	5.9%
MSCI EAFE	-1.4%	-1.4%	13.6%	10.3%	6.1%	5.6%
MSCI ACWI ex US	-0.3%	-0.3%	13.2%	9.7%	6.6%	6.1%
MCM International (MSCI EAFE)	-1.4%	-1.4%	13.9%	10.6%	6.5%	5.9%
C Worldwide (MSCI ACWI ex US)	-1.7%	-1.7%	N/A	N/A	N/A	N/A
Mondrian (MSCI EAFE)	-1.2%	-1.2%	15.7%	13.2%	6.4%	6.3%
Sprucegrove (MSCI EAFE)	1.0%	1.0%	N/A	N/A	N/A	N/A
MCM Emerging Markets (MSCI EMF)	2.1%	2.1%	10.3%	5.2%	5.8%	N/A
WCM	1.9%	31.5%	N/A	N/A	N/A	N/A
Wasatch	-5.9%	-5.9%	N/A	N/A	N/A	N/A
MSCI EM	2.0%	2.0%	11.0%	5.8%	6.2%	6.6%
Total Fixed Income (BC Aggregate)	-0.1%	-0.1%	1.7%	-0.2%	2.4%	3.7%
BB Aggregate	-0.3%	-0.3%	1.6%	-1.1%	1.7%	3.1%
Baird (BB Aggregate)	-0.1%	-0.1%	N/A	N/A	N/A	N/A
Clearwater (BB Aggregate) - 1/2014	-0.2%	-0.2%	2.2%	-0.7%	2.0%	3.2%
Dodge & Cox (BB Aggregate)	-0.1%	-0.1%	N/A	N/A	N/A	N/A
JP Morgan (BB Aggregate)	-0.2%	-0.2%	N/A	N/A	N/A	N/A
SSgA Gov/Corp (BB G/C)	-0.2%	-0.2%	1.9%	-1.2%	1.9%	3.3%
IR+M (BB G/C)	-0.1%	-0.1%	2.4%	-0.7%	N/A	N/A
Bloomberg Gov/Credit	-0.2%	-0.2%	1.8%	-1.3%	1.8%	3.2%
DBF Idaho Mortgages (BB Mortgage)	-0.2%	-0.2%	3.3%	0.7%	3.3%	5.0%
Bloomberg Treasury	-0.4%	-0.4%	0.9%	-1.9%	1.1%	2.7%
DBF MBS (BB Mortgage)	-0.3%	-0.3%	1.4%	-0.4%	1.2%	2.8%
Bloomberg Mortgage	-0.4%	-0.4%	1.1%	-0.7%	1.2%	2.9%
SSgA TIPS (BB TIPS)	0.1%	0.1%	0.8%	0.9%	2.6%	4.0%
Bloomberg US TIPS	0.1%	0.1%	0.9%	1.2%	2.7%	3.5%
Cash						
Clearwater: PERSI STIF (90-day LIBOR)	0.4%	0.4%	4.7%	2.9%	2.2%	1.9%
ICE BofA 3-mo Treasury Bill Index	0.3%	0.3%	4.7%	2.8%	2.0%	1.7%

		Market Value	% of Assets
Total Fund		\$26,009,112,516.12	
Total Domestic Equity (Russell 3000)		\$14,733,754,101.89	56.6%
(Includes U.S. Eq, Glbl Eq, RE, PE)			
U.S. Equity ex RE, PE (Russell 3000)	\$	6,878,625,405.99	26.4%
Donald Smith & Co. (Russell 3000)	\$	954,219,355.36	3.7%
Peregrine (Russell 1000 Growth)	\$	829,213,682.55	3.2%
Atlanta Capital (Russell 2500)	\$	724,160,884.98	2.8%
Mountain Pacific (Russell 2500)	\$	771,756,571.28	3.0%
MCM Russell 1000 (Russell 1000)	\$	2,691,271,521.33	10.3%
MCM Russell 2000 (Russell 2000)	\$	116,874,058.54	0.4%
Global Equity (Russell 3000)	\$	4,792,536,503.91	18.4%
BLS (MSCI ACWI)	\$	685,279,753.06	2.6%
Bernstein (MSCI ACWI)	\$	740,086,510.93	2.8%
Brandes (Russell 3000)	\$	748,564,950.23	2.9%
	۶ \$	643,455,794.77	2.5%
Longview (MSCI ACWI)	۶ \$, ,	
PineStone (MSCI World)		657,232,185.35	2.5%
Pzena (MSCI ACWI)	\$	681,591,886.89	2.6%
Walter Scott (MSCI World net div)	\$	635,972,981.69	2.4%
Private Equity (Russell 3000)	\$	1,973,630,475.18	7.6%
Real Estate (NCREIF)	\$	1,880,053,165.53	7.2%
MCM REIT (DJ US Select REIT)	\$	302,308,921.70	1.2%
Adelante REITs (Wilshire REIT)	\$	488,814,348.96	1.9%
Private Real Estate	\$	1,088,929,894.87	4.2%
Intil Consider (1900) 5455)		¢2 742 925 752 72	1.4.40/
Int'l Equity (MSCI EAFE)	<u> </u>	\$3,743,825,752.72	14.4%
MCM International (MSCI EAFE)	\$	284,494,249.34	1.1%
C Worldwide (MSCI ACWI ex US)	\$	429,481,994.72	1.7%
Mondrian (MSCI EAFE)	\$	519,529,577.85	2.0%
Sprucegrove (MSCI EAFE)	\$	455,195,850.37	1.8%
MCM Emerging Markets (MSCI EMF)	\$	902,041,179.87	3.5%
WCM (MSCI EMF)	\$	637,000,000.00	2.4%
Wasatch (MSCI EMF)	\$	514,479,896.72	2.0%
Total Fixed Income (BC Aggregate)		\$7,455,994,231.67	28.7%
Baird (BB Aggregate)	\$	511,397,242.72	2.0%
Clearwater (BB Aggregate) - 1/2014	\$	385,644,150.18	1.5%
Dodge & Cox (BB Aggregate)	\$	509,445,051.71	2.0%
JP Morgan (BB Aggregate)	ب \$	514,403,939.45	
•			2.0%
SSgA Gov/Corp (BB G/C)	\$	1,614,311,797.23	6.2%
IR+M (BB G/C)	\$	506,322,324.57	1.9%
DBF Idaho Mortgages (BB Mortgage)	\$	906,141,611.64	3.5%
DBF MBS (BB Mortgage)	\$	166,543,779.23	0.6%
SSgA TIPS (BB TIPS)	\$	2,341,584,021.16	9.0%
Cash		\$75,405,725.39	0.3%
Clearwater: PERSI STIF (90-day LIBOR)	\$	75,405,725.39	0.3%

Adelante (Public RE - REITs)

Domestic Equity: Wilshire REIT Benchmark

F	or the month of:	July	2025		
Manager Performance Calcul	lations			* /	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Adelante Total Return	-0.76%	0.25%	2.98%	2.59%	7.61%
Wilshire REIT Index	-0.81%	0.65%	2.65%	2.52%	7.57%

Performance Attribution & Strategy Comments

For the month ended July 31, 2025 – The Account outperformed the Wilshire US REIT Index by 5 basis points, gross of fees, as the REIT market declined 0.8%.

- Contributors: the sector allocation to Real Estate Services (overweight), Care Facilities REIT (overweight) and security selection within Care Facilities REIT.
- Detractors: security selection within Office REIT, Apartment REIT and Hotel REIT.
- Best performing holding: CBRE Group, +11.1%.
- Worst performing holding: Extra Space Storage, Inc., -8.8%.

For the trailing quarter ended July31, 2025 – The Account underperformed the Wilshire US REIT Index by 40 basis points, gross of fees, as the REIT market advanced 0.7%.

- Contributors: the sector allocation to Real Estate Services (overweight), Specialty Industrial REIT (underweight) and security selection within Shopping Center REIT.
- Detractors: security selection within Office REIT, Manufactured Housing REIT and Data Center REIT.
- Best performing holding: CBRE Group, +27.2%.
- Worst performing holding: AvalonBay Communities, Inc., -10.5%.

Comments – July marked the fourth consecutive month of underperformance for REITs relative to the broader equity market, with the Wilshire U.S. REIT Index slipping 0.81%. The yield on the 10-year U.S. Treasury rose to 4.48% on July 15, the day after the President urged Federal Reserve Chair Jerome Powell to lower interest rates; by July 31, the yield had eased to 4.36%. All "shelter" property types declined in July, with Apartments down 5.9%, Single-Family Homes down 5.5%, and Manufactured Housing down 2.4%.

AI infrastructure and data center investment continued to dominate both real estate and technology headlines. Supportive policy developments, including the White House AI Action Plan and pro-AI energy and data center proposals from President Trump, are expected to accelerate growth, with industry forecasts now anticipating that new data center construction starts will soon exceed new office starts. At the same time, corporate adoption of AI is reshaping space requirements as firms like Amazon, Microsoft, and Intel announced layoffs tied to operational streamlining and AI integration.

Healthcare REITs were the best-performing sector in July, gaining 6.2%. Welltower delivered standout results with 22% year-over-year normalized FFO growth, an especially notable achievement given its status as the largest U.S. REIT and its low leverage profile (less than 3x net debt to EBITDA). In contrast, Storage REITs were the weakest performers, falling 7.9%. Extra Space Storage declined 8.8% following an earnings call where management reported expense growth exceeding consensus expectations.

Earnings season underscored the divergence between sectors positioned to benefit from secular growth trends—such as data centers, industrial, and healthcare—and those facing cyclical or structural headwinds, including office, certain residential categories, and storage.

 $As of July 31, the portfolio's dividend yield stood at 3.7\%, with cash holdings \ representing 2.2\% of assets.$

Manager Style Summary

Adelante (formerly Lend Lease Rosen) manages the public real estate portfolio, comprised of publicly-traded real estate companies, primarily real estate investment trusts (REITs). Investments will generally fall into one of three categories as described in the Portfolio Attributes section: Core holdings, Takeover/Privatization candidates, and Trading Opportunities. Typical portfolio characteristics include current pricing at a discount relative to the underlying real estate value, attractive dividend prospects, low multiple valuations (P/FFO), and expert management.

Adelante (Public RE - REITs)

Domestic Equity: Wilshire REIT Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Adelante	Wilshire REI1	Calc	Min	Max	Compliance			
B2. All securities are publicly-traded real estate companies, primarily real estate investment trusts									
B3. Mkt Cap of Issuers of Securities	B3. Mkt Cap of Issuers of Securities in the Account \$250								
B4. Single Security Positions <= 30%	% @ purchase	9				ok			
B6a. P/FFO (12-mo trail)	17.24	16.28	1.06		1.30	ok			
B6b. Beta	0.95	1.00	0.95	0.70	1.30	ok			
B6c. Dividend Yield	3.65	4.07	0.90	0.80	2.00	ok			
B6d. Expected FFO Growth	18.38	17.18	107%	80%	120%	ok			
E2. Commissions not to exceed \$0.06/share									
The portfolio is in compliance with a	III other aspe	cts of the Por	tfolio Guideli	nes	✓ Yes	☐ No			

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Portfolio Attributes

Portfolio Guidelines section B5

Core Holdings (40% - 100%)

Actual: 83%

83% ok

Consists of investments with the following characteristics: premier asset portfolios and management teams, attractive dividend yields, low multiple valuations, real estate property types or regions that are less prone to experinece the impact of an economic slowdown.

Takeover/Privatization Candidates (0% - 15%)

Actual:

0%

ok

Focuses on smaller companies which may be attractive merger candidates or lack the resources to grow the company in the longer-term. Also focuses on companies which may have interest in returning to the private market due to higher private market valuations.

Trading Arbitrage (0% - 20%)

Actual:

16%

ok

Focuses on high quality companies which may become over-sold as investors seek liquidity.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$

1,448

Organizational/Personnel Changes

There were no changes during the month.

Account Turnover

Gained: Number of Accounts: 0

Total Market Value (\$m):

\$

Lost: Number of Accounts: 0

Total Market Value (\$m):

Ś

Reason(s):

Atlanta Capital

Domestic Equity: Russell 2500 Benchmark

	For the month of:	July	2025			
Manager Performance C	alculations		* Annualized re			
	Last	Last	Last	Last	Last	
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*	
Atlanta Capital	-0.15%	5.09%	0.48%	N/A	N/A	
Russell 2500	1.93%	13.02%	4.28%	N/A	N/A	

Portfolio Attributes

Characteristics	<u>Atlanta</u>	RU 2500	Sector	Analysis (Top 2)	
Mkt Value (\$m)	724.04	N/A	Over-weight	<u> Atlanta</u>	RU 2500
Wtd Cap (\$b)	13.70	8.04	Industrials	26.87%	20.58%
P/E	21.90	19.40	Financials	21.70%	17.63%
Beta	0.73	1.00			
Yield (%)	0.81	1.45	Under-weight	<u>Atlanta</u>	RU 2500
Earnings Growth	13.90	9.90	Health Care	4.01%	11.04%
			Real Estate	2.20%	6.60%

Performance Attribution & Strategy Comments

The low-quality rally in U.S. SMID Cap stocks continued in the month of July as less punitive tariff policy and increased government deficit spending continued a "risk-on" equity rally that started in May. During the month, lower quality factors such as high beta and negative earnings continued to outperform the market. The Atlanta SMID Cap portfolio trailed the Russell 2500 U.S. Small/Mid Cap benchmark in the month of July. Overall stock selection detracted from performance and was most pronounced in the portfolio's Industrial and Financial holdings. Selection was positive in Real Estate, Health Care, and Materials. Overall sector allocation was positive for the month with our overweight to Industrials and our underweight to Health Care, Communication Services, and Real Estate. benefiting performance. Our lack of Utilities and Energy and our overweight to Financials were detractors. While markets have clearly become more optimistic over the past three months, significant economic factors like growing budget deficits, unsettled tariff policy, persistent inflation, multiple geopolitical conflicts, and a more challenged U.S. consumer remain real concerns. We continue to focus the portfolio on high quality companies that should protect in volatile periods and perform well in rising markets.

Manager Style Summary

Atlanta Capital has been hired to manage a small-to-mid cap quality equity portfolio. Atlanta will invest in a focused portfolio of generally 50-60 companies with 5% max position size. Further, sector limits are limited to 30% absolute. Atlanta evaluates U.S. companies having market capitalizations within the range of companies comprising the Russell 2500 Index. The team excludes companies with volatile earnings streams, short operating histories, high levels of debt, weak cash flow generation, and low returns on capital to create a "focus list" of high-quality companies.

Atlanta Capital

Domestic Equity: Russell 2500 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Atlanta	Calc	Min	Max	Compliance			
A2. Cash exposure <= 5%									
B2. Securities, at time of purchase,	within the ind	ex market cap)			Yes			
B3. Security position <= 5% of the a	ccount					Yes			
B4. Number of issues		52		50	60	ok			
B5. Sector limits less than 30%					•	Yes			
B6. Annual turnover		11%		10%	20%	ok			
B7. Normal Global Portfolio Charact	eristics			•		•			
Capitalization (rel)	8037	13703	170%	100%	200%	ok			
Maximum Sector Exposure		27%		0%	30%	ok			
Price/Book Value (rel)	2.2	3.5	159%	100%	170%	ok			
Price/Earnings (rel)	19.4	21.9	113%	100%	200%	ok			
Dividend Yield (rel)	1.5	0.8	56%	40%	70%	ok			
Beta (rel)		0.73		0.70	1.00	ok			
D. No foreign currency denominate affiliated pooled funds.	d securities, d	erivatives, sho	ort sales, con	nmodities, m	argin or	Yes			
E1. Brokerage commissions not to exceed \$0.05/share for U.S. equities									
The portfolio is in compliance with al				es	✓ Yes	Yes ☐ No			

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 32,600

Organizational/Personnel Changes

N/A

Account	Turnover

Gained: Number of Accounts: 1 Total Market Value (\$m): \$ 70.0

Lost: Number of Accounts: 0 Total Market Value (\$m): \$
Reason(s):

Baird Advisors

Core Fixed: BB U.S. Aggregate Bond Index

	For the month of:	July	2025		
Manager Performance Cald	culations			*	Annualized returns
	Last	Last	Last	Last	Last
	Month	3 Months	1 Year	3 Years*	5 Years*
Baird	-0.13%	n/a	n/a	n/a	n/a
BB Aggregate	-0.26%	n/a	n/a	n/a	n/a

Performance Attribution & Strategy Comments

The PERSI portfolio outperformed the benchmark by 13 basis points, gross of fees. Credit positioning contributed to relative performance, driven by subsector/security selection decisions within financials and industrials. Securitized positioning, active yield curve positioning, and the positive convexity bias did not materially impact relative performance. As always, the portfolio remained duration neutral.

Yields rose across the Treasury curve, led by a 24 bps increase in the 2yr maturity (3.96%) and 15 bps rise in the 10yr (4.38%), flattening the 2s10s curve slope by 9 bps (to +42 bps). The 10yr Treasury ended the month at 4.38%, just 2 bps below its YTD average despite covering an 80-bps range thus far in 2025. Catalysts for higher yields included a stronger than expected June payrolls (+147k vs +106k estimates) and above consensus Core PCE inflation (2.8% YoY vs 2.7% estimates). Deficit and borrowing concerns also weighed on yields as the Congressional Budget Office projected that the One Big Beautiful Bill Act will boost the federal deficit by \$3.4 trillion through 2034. To help contain borrowing costs, the US Treasury announced plans for a greater focus on T-Bill issuance, above historical targets (24% of current issuance vs < 20% historical) and President Trump openly discussed removing the Fed Chair for his reluctance to cut rates. Yet, the FOMC held rates steady (4.25-4.5%) at the July meeting. However, for the first time since 1993 there were two dissenting committee members who preferred lower rates. While the Fed acknowledged that growth "moderated" in 1H '25, Powell noted we "have a long way" to go to understand tariff impacts on inflation and labor. New trade deals emerged during the month with several countries with the average effective tariff rate now in the high teens versus 2.5% to start the year.

IG Corporate spreads tightened (-7 bps) in July to finish at their tightest level in 2025 (+76) and just 2 bps above the tight of the trailing 25 years. Lighter issuance, resilient fundamentals and demand for income supported valuations. Non-Agy CMBS (-5 bps) and ABS (-6 bps) also tightened.

Organizational/Personnel Changes

N/A

Manager Style Summary

Baird's investment philosophy is based structuring the portfolio to achieve the return of the benchmark then add incremenatal value through a bottom-up, risk-controlled process (yield curve positioning, sector allocation, security selection and competitive execution). The result is consistent, competitive performance over complete market cycles.

Baird Advisors

Core Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	Baird	BB AGG	Min	Max	Compliance
B1. Effective Duration:	6.0	6.0	5.5	6.5	ok
B2. Sector Diversification:					
Government	31%	46%	11%	81%	ok
Treasuries	31%	46%	11%	81%	ok
Agencies	о%	1%	0%	6%	ok
Credit	36%	28%	3%	53%	ok
Financial	15%	8%	0%	23%	ok
Industrial	20%	14%	0%	29%	ok
Utility	1%	2%	0%	12%	ok
Non-Corporate	о%	3%	0%	13%	ok
Securitized	30%	26%	1%	51%	ok
Non-Agency RMBS	3%	0%	0%	15%	ok
Agency RMBS	20%	24%	4%	44%	ok
ABS	3%	0%	0%	10%	ok
Non-Agency CMBS	4%	1%	0%	11%	ok
Agency CMBS	о%	1%	0%	11%	ok
Municipals	1%	1%	0%	11%	ok
B3. Issuer Concentration: <=5% all n	on US Gov't/A	gcy		6%	ok
B4. Number of positions	191		200	400	check
B. Non-Investment Grade Alloc	о%			5%	ok
F2. Annual Turnover			0%	50%	ok
The portfolio is in compliance with a	all other aspec	ts of the Portfoli	o Guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Number of Positions: Strategically adding positions to be within the estimated number of positions.

Total Firr	n Assets I	Jnder Mai	nagement	(\$m)) as ot	•
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Account Turnover							
Gained:	Number of Accounts:	0	Total Mkt Value (\$m):	\$	-		
Lost:	Number of Accounts:	0	Total Mkt Value (\$m):	\$	-		

Reason(s) for loss: Baird Advisors did not gain or lose any accounts in the Aggregate Strategy this month.

173,765

Qtr 2

Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

	For the month of:	July	2025		
Manager Performand	ce Calculations			* A	Innualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Bernstein GSV	1.03%	13.83%	16.56%	15.39%	13.20%
MSCI ACWI	1.36%	11.99%	15.87%	15.25%	12.79%
Russell 3000	2.20%	14.20%	15.68%	16.42%	15.19%

Performance Attribution & Strategy Comments

Portfolio Performance: In July, the Portfolio increased in absolute terms but underperformed its Benchmark, the MSCI ACWI, gross of fees. Stock selection contributed to overall performance, while sector selection detracted, gross of fees. Stock selection within technology and consumer staples contributed the most, while selection within communication services and an underweight to technology detracted, offsetting some of the gains. US telecommunications provider Charter Communications detracted most during the month. The company reported disappointing 2Q:25 results in broadband, with adjusted EBITDA missing expectations on larger than expected losses of residential broadband net customers. The company also reported disappointing margins and lowered its full-year 2025 guidance on capital expenditures. UnitedHealth Group, the largest US managed-care services company, detracted from relative performance after poor 2Q:25 results, with EPS nearly 10% below consensus. The quarterly results announcement included another cut to fullyear guidance. UnitedHealth was downgraded by several analysts during the month. US-based financial technology company Fiserv also detracted. Despite reporting inline 2Q:25 results, the company lowered its full-year organic growth guidance to ~10% from 10%–12%, and also reduced FY operating margins expansion guide to ~100 bps from >125 bps. Computer technology company Oracle was the leading contributor during the month. The software giant's share price hit a record high after it disclosed that it had signed several multi-billion-dollar cloud service agreements with OpenAI. Samsung Electronics contributed to performance. The company's stock price rose in anticipation of its 2Q:25 results following improving sentiment on Samsung's memory position. The stock also benefited from a large external foundry customer deal announced with Tesla, leading investors to expect more orders from big customers. US discount variety store Dollar Tree contributed. The company closed on the sale of Family Dollar, and third-party data sources showed positive traffic trends during July. Outlook: July was a USdominated month. The month kicked off with the passage of the budget reconciliation bill in the US and saw several large trade deal outlines announced at rates lower than most recent fears. Mid-month reports that Trump would imminently fire Fed Chairman Powell ultimately didn't happen. A last-minute barrage of higher tariff rates for certain countries was announced after markets had closed for the month. Japan had Upper House elections during the month in which the ruling Liberal Democratic Party failed to keep its majority. Longterm government bond yields in the US, Japan and the UK crept up in July and may be near levels where risk increases that poor fiscal discipline and elevated inflation will eventually necessitate policies that lower growth. The S&P 500 was up during the month while European and Japanese stocks fell by 2.1% and 1.2% respectively in USdollar terms, although both markets were up in their local-currency terms. Emerging markets fared well, with China up 4.8%. From a style standpoint, growth continues to outperform value globally—most notably in the US and emerging markets, while value outperformed in Europe and Japan—leading the broad MSCI ACWI Value Index to underperform the styleneutral index by 0.5% in US-dollar terms in July, and by 2.1% year to date. We believe our Portfolio is well positioned with a collection of underappreciated businesses, as well as businesses undergoing positive changes with overall good growth prospects and profitability characteristics yet trading at a large discount to the market. We have about a 14% underweight to US megacap tech stocks (the Magnificent Seven) compared with the market; we believe this is appropriate, as we feel we can find other strong businesses trading at much more attractive valuations.

Manager Style Summary

Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance	
B3. Security position <= 10% of the account @ purchase							
B4. Number of issues		57.0		25	75	ok	
B5. Normal Regional Exposures (* bend	chmark -/+ m	in/max):					
United States *	65%	49%		40%	90%	ok	
Europe ex U.K. *	11%	13%		-4%	26%	ok	
UK *	3%	14%		-7%	13%	ok	
Japan *	5%	11%		-5%	15%	ok	
Emerging Markets		7%		0%	20%	ok	
Other		6%		0%	20%	ok	
B6. Normal Global Portfolio Characteri	stics (MSCI A	CWI)			•	-	
Capitalization	797,913	309,037	39%	50%	100%	check	
Price/Book Value	3.4	2.3	68%	50%	100%	ok	
Price/Earnings (Next 12 mo)	18.0	13.7	76%	50%	100%	ok	
Price/Cash Flow	15.7	9.7	61%	50%	100%	ok	
Dividend Yield	1.8	2.0	110%	75%	200%	ok	
C1. Currency or cross-currency position	າ <= value of l	hedged secu	rities			ok	
No executed forward w/o a corresp	oonding secu	rities positio	n.			ok	
C2. Max forward w/ counterparty <= 3	0% of total m	v of account				ok	
Forwards executed with Custodian <= 100% of the total mv of account, given credit check						ok	
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok	
F3. Annual turnover 51% 30% 40%							
The portfolio is in compliance with all ot	her aspects o	f the Portfoli	io Guideline	!S	✓ Yes	☐ No	

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover: Turnover will vary throughout market cycles based on the level of volatility in

markets and the changing nature of the value opportunity.

B6. Capitalization: Our portfolio average capitalisation weight relative to the benchmark is driven by

two factors. We find some smaller cap ideas very attractive.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$829,095

Organizational/Personnel Changes

Investment decisions for Global Strategic Value are made by the Chief Investment Officer and Director of Research. For the month of July 2025 there were no personnel changes for the GSV portfolio.

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s):

	For the month of:	July	2025		
Manager Performance	Calculations			*	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
BLS	-2.98%	2.89%	14.31%	9.68%	11.83%
MSCI ACWI	1.36%	11.99%	15.87%	15.25%	12.79%

Performance Attribution & Strategy Comments

In July, the largest relative contributors to performance were St. James's Place (7% return in US dollars), Budweiser APAC (6%), and Yum China (4%). Conversely, Novo Nordisk (-31%), Anheuser-Busch InBev (-14%), and Otis Worldwide (-14%) were the largest relative detractors.

More than two-thirds of our companies have now reported their second-quarter results, and, with one exception, the reports have generally been as expected or better. Many of our companies delivered strong results that reaffirmed their fundamental quality including St. James's Place, Mastercard, Visa, Moody's, S&P Global, and Experian.

Novo Nordisk pre-released headline figures for the second quarter and negatively revised its outlook for 2025. The outlook was lowered by more than we, and the market, had expected. We see this as a reset of expectations, and closely linked to Novo Nordisk announcing their new CEO, Mike Doustdar. The new CEO is a company veteran having had the responsibility for International Operations, which for Novo Nordisk are the countries outside of the US. The revised forecast reflects temporary issues related to the growth in GLP-1s in the US, both within obesity and diabetes. Diabetes treatments were 70% of revenues in 2024 and grew by 8% in the first half of 2025, with GLP-1 based treatments growing by 10%. This core business is a chronic treatment and thus has great long-term predictability in attractive growth rates supported by low GLP-1 penetration outside of the US. As Novo Nordisk is addressing their current issues and combined with an expected industry-first oral obesity launch in 2026, we thus expect the growth to remain attractive and double-digit over the mid-term.

St. James's Place delivered a strong second quarter and first half report. Strong gross flows and improved retention rate to above 95% resulted in net flows increasing funds under management by 4%, which combined with asset appreciation resulted in 198 billion British pounds in funds under management. With continued cost-discipline, this resulted in 17% growth in underlying cash flows.

Anheuser-Busch InBev's second-quarter results showed resilient underlying performance, with organic revenue growing 3.0% on a 4.9% increase in revenue per hectoliter. EBITDA grew 6.5%. A 1.9% decline in group organic volumes was primarily due to headwinds in Brazil, where volumes fell 9% primarily amidst adverse weather, and soft consumer sentiment in China. However, volumes in other markets grew 0.7%. The company reiterated its full-year guidance for 4%-8% organic EBITDA growth as expected. We remain convinced that we can expect steadily increasing dividend distributions and share buybacks.

In July, we increased our holdings in Novo Nordisk, Otis, Zoetis and Anheuser-Busch InBev, following share price weakness. These purchases were funded by reducing positions in stronger relative performers, including St. James's Place, Moody's and Experian.

Manager Style Summary

BLS is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies which have the best possibility of creating sustainable value and generating attractive risk adjusted returns to investors in the long term. Country and sector exposures are by-products of the security selection process and are unconstrained by index weights. The portfolio consists of roughly 25-30 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

BLS Capital

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfol	io Guideline:	BLS	Min	Max	Compliance		
B3. No more than 10% of the account shall be invested in any one security @ purchase							
B4. N	o more than 2 companies headquartered	d in Denmark			No		
B5. N	umber of issues	26	25	30	ok		
B6. N	ormal Regional Exposures (* benchmark	-/+ min/max):		•	•		
	North America	40%	35%	50%	ok		
J	Japan	0%	0%	0%	ok		
	Europe ex UK	30%	15%	35%	ok		
	UK	24%	5%	13%	check		
	Pacific ex Japan	0%	0%	0%	ok		
	Emerging Markets	7%	10%	30%	check		
	Non-Index Countries	0%	0%	0%	ok		
	Total	100%					
B7. N	ormal Global Portfolio Characteristics						
	Capitalization (45%-75%)	95	45	75	check		
	Price/Book Value	6.0	5	9	ok		
	Price/Earnings (current)	20.2	17	23	ok		
	Price/Cash Flow (current)	17.9	19	24	check		
	Dividend Yield	2.2%	1.8%	2.8%	ok		
	ROE	46%	31%	37%	check		
	ROIC	46%	42%	50%	ok		
	FCF Yield	5.6%	3.8%		ok		
F2. Br	rokerage commissions not to exceed \$0.0	03/share for U.S. equities			Yes		
F3. Ar	nnual turnover	40%		40%	ok		
The po	rtfolio is in compliance with all other asp	ects of the Portfolio Guideli	nes		☐ No		

Manager Explanations for Deviations from Portfolio Guidelines

B4. Denmark HQ Limit: We see attractive risk-adjusted return potential in our globally exposed companies with

HQs in Denmark. We assess underlying exposure more so than location of HQ.

B6. Regional Exposures: We have continued to see more attractive risk-adjusted return potential in our European

and UK listed companies as opposed to Emerging Markets holdings.

B7. Capitalization: We continue to see attractive risk-adjusted returns in higher market capitalization names.

B7. ROE & Price/Cash FLow: We continue to see attractive opportunities in companies with a low price to cash flow

ratio and higher returns on equity.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 8,184

Organizational/Personnel Changes

There were no changes to the investment team in July 2025.

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Acco	unt	Turr	nove	٦r

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ -

Lost: Number of Accounts: 0 Total Market Value (\$m): \$

Reason(s):

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

	For the month of:	July	2025		
Manager Performance Ca	lculations			*	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	<u> 3 Months</u>	<u> 1 Year</u>	3 Years*	<u> 5 Years*</u>
Brandes	-0.48%	8.87%	17.07%	19.30%	18.46%
Russell 3000	2.20%	14.20%	15.68%	16.40%	15.18%

Performance Attribution & Strategy Comments

Global equity market indices rose in July but it was a tale of two markets, with US stock gains more than offsetting an EAFE decline. Gains in the US were again supported by strong corporate earnings and some tariff deal announcements. Against this backdrop the Brandes Global Equity portfolio declined slidghtly, underperforming the broad World index; Value stocks globally also lagged Growth in general. The portfolio's strong stock selection in Financials was the largest relative contributor to performance, with gains in several US banks and Capital Markets holdings. Several Technology names also rose but the portfolio's sharp underweight to Information Technology, the overall strongest perfoming sector in the index, led to the sector being the portfolio's largest relative detractor. On a country basis the largest relative detractor was the US, while select Emerging Markets managed small gains. As of 7/31/25, the largest absolute country weightings were in the U.S. - although the portfolio is significantly underweight relative to the index-France and the United Kingdom: the largest sector weightings were Financials, Health Care and Information Technology. During the month the Global Investment Committee added two new names to the portfolio, Irish Life Science company ICON PLC and US Health Care company UnitedHealth Group. They also sold one full position, UK Aerospace company Rolls-Royce Holdings PLC as the shares exceeded their intrinsic value and funds were redeployed into more attractive opportunities. The PERSI Global Equity portfolio continues to hold key positions in the economically sensitive financials sector and the more defensive health care sector, while maintaining its largest underweight to technology. While overweight Financials, they have performed well over the past year and we have pared some of our exposure as our holdings have appreciated. Despite the strong rebound this year, global value stocks continue to trade within the least-expensive quartile relative to growth (MSCI World Value vs. MSCI World Growth) since the style indices began. This is evident across various valuation measures, including price/earnings, price/cash flow, and enterprise value/sales. Historically, such discount levels often signaled attractive subsequent relative returns for value stocks during the next three- to five-year plus period. This is encouraging because our strategy, guided by our value philosophy and process, has had the tendency to outperform the value index when that index outperformed the broad benchmark.

We are excited about the long-term prospects of our holdings, which display attractive fundamentals and in aggregate trade at more compelling valuation levels than the benchmark.

Total Firm Assets Under Management (\$m) as of:	Qtr 2	\$	35,643
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Organizational/Personnel Changes

None

Account Turnover								
Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-			
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-			
	Reason(s): N/A							

Manager Style Summary

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Por	tfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
В3.	Security position <= 5% of the ad	count @ purc	hase			•	ok
B4.	Number of issues		69		40	70	ok
B5.	Normal Country Exposures:					•	•
	United States & Canada		44%		30%	100%	ok
	Americas ex U.S.		6%		0%	40%	ok
	United Kingdom		10%		0%	25%	ok
	Europe ex U.K.		24%		0%	50%	ok
	Japan		1%		0%	45%	ok
	Pacific ex Japan		13%		0%	40%	ok
	Non-Index Countries		0%		0%	20%	ok
	Cash & Hedges		2%				
	Total		100%				
В6.	Normal International Portfolio C	haracteristics	(FTSE All Worl	d ex U.S. "Lar	ge")		
	Capitalization	\$121,753	\$104,876	86%	30%	125%	ok
	Price/Book Value	2.0	1.6	80%	50%	100%	ok
	Price/Earnings	16.4	16.1	98%	50%	100%	ok
	Price/Cash Flow	10.6	7.6	72%	50%	100%	ok
	Dividend Yield	2.8	3.3	118%	90%	150%	ok
В7.	Normal U.S. Portfolio Characteri	stics (Russell 3	000)			•	•
	Capitalization	\$1,016,488	\$159,496	16%	30%	125%	check
	Price/Book Value	4.7	1.6	35%	50%	100%	check
	Price/Earnings	26.5	13.5	51%	50%	100%	ok
	Price/Cash Flow	18.1	9.2	51%	50%	100%	ok
	Dividend Yield	1.2	2.3	195%	90%	150%	check
C1.	Currency or cross-currency posit	ion <= value o	f hedged secu	rities		•	ok
	No executed forward w/o a corr	esponding sec	urities positio	n.			ok
C2.	Max forward w/ counterpart <=	30% of total m	nv of account				ok
F2.	Brokerage commissions not to e	xceed \$0.05/sl	nare or 50% of	principal (no	n-U.S.)		ok
F2.	Annual turnover		24%			100%	ok
The	portfolio is in compliance with all	other aspects	of the Portfoli	io Guidelines		✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B7. Capitalization: Current US mkt historically wide spread btw Value/Growth causing all portf

characteristics to skew even more "value" than our typical range.

B7. Price/Book Value: Current US mkt historically wide spread btw Value/Growth causing all portf

characteristics to skew even more "value" than our typical range.

B7. Dividend Yield: Current US mkt historically wide spread btw Value/Growth causing all portf

characteristics to skew even more "value" than our typical range.

C WorldWide Asset Management

International Equity: MSCI ACWI ex US Benchmark

F	or the month of:	July	2025		
Manager Performance Calcu	ulations			* /	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
C WorldWide Asset Mgmt	-1.63%	4.03%	3.69%		
MSCI ACWI ex US	-0.29%	7.82%	14.73%		

Performance Attribution & Strategy Comments

Among the top contributors to investment returns in July were TSMC, Hoya and Assa Abloy. Regarding TSMC, gross margins held up impressively well despite the steep appreciation in the TWD and with dilution coming from its overseas expansion. TSMC has been able to protect margins by increasing prices and this quarter represents the 10th quarter in a row with more than double-digit yearly price increases. The company raised guidance for 2025 to 30% growth from mid-20s growth, but did not indicate an increase in its CAPEX guidance for 2025 (growing 30% over last year). Assa Abloy reported strong margins of 16.2% despite dilution from M&A, surpassing expectations by 50 bps in total. The company is using its pricing power and raised prices by 2% in Q2, and with US prices next quarter expected to come up by up to 5% depending on the outcome of final tariff levels. The company expects the European residential market to start to improve due to lower interest rates. Still, the US residential market is expected to remain weak until interest rates are lowered.

Among the top detractors were Novo Nordisk, Deutsche Boerse and Nestlé. On July 29th, Novo Nordisk preannounced sales and operating profit growth for the quarter and an updated full-year outlook. The company now expects a weaker second half, guiding sales growth of 8-14%, in local currency, with EBIT growth at 10-16%. This contrasts with May's forecast of 13-21% and operating profit growth of 16-24%. With the FDA's grace period for compounding of GLP-1s expiring in late May, Novo expected the pressure from unsafe, "copy-cats" to diminish, but this has not materialized. Novo is using litigation to target the compounding firms. Still, without intervention from the US authorities, this seems to be a persistent feature of the obesity market in the US. Competition from Eli Lilly in Novo Nordisk's Ozempic business appears to have been stronger than expected. Upcoming major catalysts for Novo Nordisk are the read-out from the Phase 3 EVOKE program with Semaglutide in Alzheimer's disease, the Q1 2026 data from the head-to-head trial between CagriSema and Tirzeptatide and the global launch of CagriSema in 2027.

After a very strong run in its shares starting a year ago, Deutsche Boerse has given up some of its gains since the rotation out of defensive stocks into more cyclically exposed names began in April. The company reported Q2 revenue growing by 5% and a small beat to expectations of EBIT, while reiterating its full-year guidance. Nestlé delivered 3% organic growth, but RIG (volume) was down by 0.4% due to weakness in China. The company reiterated its FY25 guidance and 16% EBIT margin target, but it is evident that the turnaround in Nestlé will take time.

There were no changes to the portfolio.

Manager Style Summary

C WorldWide Asset Management will manage an international equity mandate. They utilize a "bottom up" strategy and will hold a maximum of 30 stocks (one in/one out) with a quality and large cap bias. The portfolio will exhibit low turnover and the investment horizon is long term. Global trends and themes assist with portfolio construction from idea generation to execution. The firm is looking for stable and sustainable business models favorably aligned with global and regional themes.

C WorldWide Asset Management

International Equity: MSCI ACWI ex US Benchmark

Portfolio Guideline Compliance

Port	folio Guideline:	C World	Min	Max	Compliance
A2.	Cash exposure <= 5%			•	Yes
B2.	Securities with a >=5% weighting, not to collectively e	exceed 40% c	of the port		Yes
В3.	Security position <= 10% of the account				Yes
B4.	Number of issues	30.0	25	30	ok
B5.	Normal Regional Exposures (benchmark min/max):				
	Europe ex U.K.	45%	20%	60%	ok
	U.K.	15%	0%	30%	ok
	Pacific	16%	0%	30%	ok
	Emerging Markets	14%	0%	30%	ok
	United States	10%	0%	20%	ok
	Total	100%			
В6.	Normal Global Portfolio Characteristics relative to be	nchmark			
	Capitalization	149.31%	50%	200%	ok
	Price/Book Value	206.87%	50%	-	ok
	Price/Earnings	138.94%	50%	-	ok
	Price/Cash Flow	162.41%	50%	-	ok
	Dividend Yield	71.46%	-	200%	ok
D.	No derivatives, short sales, commodities, margin or co	urrency hedg	ing.		Yes
E2.	Brokerage commissions not to exceed \$0.08/share fo	r U.S. equitie	:S		Yes
E3.	Annual turnover	10%	0%	30%	ok
The	portfolio is in compliance with all other aspects of the	Portfolio Gui	idelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 16,945

Organizational/Personnel Changes

No changes in organization or personnel.

		_	
Acco	unt	Lurr	າດver

 Gained:
 Number of Accounts:
 2
 (\$m):
 \$ 945.5

 Lost:
 Number of Accounts:
 1
 (\$m):
 \$ 8.5

Reason(s): Change in investment strategy and personnel.

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

	For the month of:	July	2025		
Manager Performan	er Performance Calculations * Annualized returns				
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Clearwater Agg	-0.24%	0.72%	3.81%	1.99%	-0.77%
BB Aggregate	-0.26%	0.54%	3.38%	1.64%	-1.07%

Performance Attribution & Strategy Comments

In July, the markets were mostly greeted with positive economic news, positive outcomes from trade negotiations, and rising asset prices. I say mostly, because there were also a few really big downside surprises including rising CPI, cracks forming in the employment reports, and a short-lived threat by the president to fire Jerome Powell as Fed Chairman. So much for a lazy summer.

By the end of the month, interest rates were higher by 10 to 12 basis points in the long end and mostly unchanged in the short end. The Federal Reserve held rates steady, but two voting members dissented in favor of lowering rates. In August, the Jackson Hole Economic Policy Symposium is shaping up to be very interesting and could prove to be a turning point in Fed policy, just as it has done in several recent years. Hi grade credit spreads tightened by about 10 basis points in July to 120 bps, which is getting very close to the lows we saw back in February.

The Clearwater portfolio slightly outperformed the benchmark in July by just 2 basis points. We brought our sector and duration targets slightly closer to benchmark this month, so it makes sense that our performance was in line. Our top performers were mostly our shortest positions, and our worst performers were the longest treasury bonds. Longer corporate bonds fared slightly better due to the spread tightening. This performance is in line with expectations when longer rates rise. We continue to think that there will be a better opportunity to add risk at a future date. We are letting positions slowly roll down and letting some of our overweights naturally shrink as they have performed very well. This should give us ample room to take advantage of the next opportunity that the market presents.

Manager Style Summary

Clearwater manages a core Aggregate portfolio which is not expected to deviate significantly from the benchmark, although issuer concentration is expected to be much larger. They seek to add value through sector allocation and security selection rather than duration bets. Prior to January 2014, Clearwater managed a TBA mortgage portfolio. The historical returns through December 2013 reflects the performance of the TBA portfolio while performance beginning January 2014 reflects the Aggregate portfolio.

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	BB Agg	Min	Max	Compliance
A1. The account shall consist of dollar	denominated fi	xed income so	ecurities		ok
B2. Duration:	6.3	6.0	5.5	6.5	ok
B3. Sector Diversification:					
Treasuries	33%	45%	30%	60%	ok
Agencies	3%	1%	0%	16%	ok
Supra/Sovereign	1%	3%	0%	13%	ok
Corporates	34%	24%	4%	44%	ok
Industrial	16%	14%	0%	29%	ok
Financial	17%	8%	0%	23%	ok
Utility	2%	2%	0%	12%	ok
MBS	26%	24%	9%	39%	ok
ABS	1%	0%	0%	5%	ok
CMBS	2%	1%	0%	6%	ok
B4. Issuer Concentration: <=5% all cor	porate issuers			5%	ok
B5. Number of positions	185		100	200	ok
B6. Non-Investment Grade alloc	0%			10%	ok
B7. Out of index sector alloc	0%			10%	ok
B7. TIPS allocation	0%			20%	ok
E2. Annual Turnover (ex TBA rolls)	22%		25%	65%	check
The portfolio is in compliance with all	other aspects of	the Portfolio	Guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

E2. Annual Turnover (ex TBA): Turnover continues to climb back to normal levels but may take a few more months to get back into range.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 4,729

Organizational/Personnel Changes

N/A

Acco	uint'	Turn	OVER

Gained: Number of Accounts: 0 Total Mkt Value (\$m): \$ Lost: Number of Accounts: 0 Total Mkt Value (\$m):

Reason(s) for loss: N/A

Clearwater Advisors - PERSI STIF

Cash: Merrill Lynch o-3 Month Treasury Bill Benchmark

	For the month of:	July	2025		
Manager Performance Ca	Iculations			* /	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Clearwater - PERSI STIF	0.37%	1.09%	4.70%	4.69%	2.93%
ML 0-3 Month T-bill	0.36%	1.08%	4.65%	4.73%	2.88%

Performance Attribution & Strategy Comments

The market was back to focusing on economic data, trade deals, and the Fed in July with Trump's tax cut package and the debt ceiling in the review mirror. The Fed met at the end of the month and held rates while Powell's hawkish comments pushed yields higher despite the two dissenting votes. In the middle of the month, the market was spooked by Trump threatening to fire Powell, but he quickly reaffirmed he wouldn't. Meanwhile, economic data continued to avoid worst case scenarios with a better-than-expected jobs report and retail sales, as well as inflation that generally met expectations despite moving slightly higher.

The Treasury curve modestly bear flattened with the 2- and 30-year yield rising 24 and 13 basis points, respectively. Similarly, yields on the very front end were higher, including the 3- and 12-month yield rising 4 and 13 basis points, respectively. The Fed was on hold again this month and yields moved on generally better than expected economic data/more hawkish Powell comments. SOFR remained in the same area around 4.40%. Investment grade corporate bond spreads narrowed 7 basis points on improved risk sentiment and subdued volatility that drove lower-rated credit outperformance.

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	Min	Max	Compliance
B2a. Sector Allocations:	100%			
Treasuries	8%	0%	100%	ok
Agencies	23%	0%	100%	ok
Corporates	9%	0%	100%	ok
Mortgage Backed Securities (MBSs)	0%	0%	60%	ok
Asset Backed Securities (ABSs)	8%	0%	40%	ok
Cash	0%	0%	100%	ok
Commercial Paper	52 %	0%	100%	ok
B2b. Quality: Securities must be rated investment	grade by S&P o	r Moody's at time	of purchase	ok
B2c. Effective Duration <=18 months	2		18	ok
B2d. Number of securities	43	10	50	ok
B3a. Allocation of corporate securities to one issu	4%		5%	ok
The portfolio is in compliance with all other aspects	of the Portfolio	Guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Manager Style Summary

The enhanced cash portfolio was created with the expectation that the portfolio will generate returns similar to, or in slight excess of, the Mellon Short-Term Investment Fund (STIF), while providing PERSI with an increased level of transparency into the cash portfolio.

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D.B. Fitzpatrick & Co., Inc. - Idaho Commercial Mortgages

Domestic Fixed: BB Mortgage Benchmark

F	or the month of:	July	2025		
Manager Performance Calcul	ager Performance Calculations * Annualized retu				ized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Idaho Commercial Mortgages	-0.12%	0.63%	5.84%	3.43%	0.78%
BB Mortgage	-0.41%	0.44%	3.36%	1.11%	-0.72%

Portfolio Summary

ırket Valu	e: \$	910,671,987	\$ 910,671,987		D	elinquencies	s/REOs
					\$ Amt	% of Portfoli	
Origir	nations/	Payoffs	30 days	\$	-	0.00%	
/lonth:	\$	10,261,271	60 days	\$	-	0.00%	
TD:	\$	46,661,741	90 days	\$	-	0.00%	
			120+ day	ys \$	-	0.00%	
Payoffs:	\$	1,408,368	REOs	\$	-	0.00%	

Performance Attribution & Strategy Comments

The PERSI Commercial Mortgage Portfolio returned 5.84% during the last year, outperforming its benchmark by 248 basis points. Looking at the longer term, PERSI's portfolio has returned 0.78% (annualized) during the last five years, outperforming its benchmark by 150 basis points (annualized).

There continues to be momentum building for Idaho commercial real estate, with investors looking to deploy capital in the state. Vacancy rates have risen in some property sectors (industrial), but strength in the local economy combined with the potential for continued population growth have most investors bullish on Idaho. Borrowers' further acclimation to today's interest rate environment is also helping to build momentum in the market, which is as active today as it's been in several years.

Loan originations in the commercial mortgage portfolio were \$10.3m in July and we are on track to record total loan production of \$60m-\$80m for full-year 2025. The portfolio did not experience any delinquencies in July and holds no real estate owned assets (REOs), nor do we see significant signs of stress with any loans in the portfolio.

Manager Style Summary

The Idaho Commercial Mortgage portfolio is managed by DBF and consists of directly owned Idaho commercial mortgages. DBF oversees the origination process, the monitoring of the portfolio, and services 50% of the portfolio.

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D.B. Fitzpatrick & Co., Inc. - MBS Portfolio

Domestic Fixed: BB Mortgage Benchmark

	For the month of:	July	2025		
Manager Performance Calculations * Annualized re					Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
DBF MBS	-0.32%	0.46%	3.43%	1.14%	-0.68%
BB Mortgage	-0.41%	0.44%	3.36%	1.11%	-0.72%

Portfolio Attributes

Characteristics	<u>DBF</u>	BB Mtg
Market Value (\$ m)	\$166.54	N/A
Weighted Average Effective Duration (in years)	6.0	6.0
Weighted Average Yield (in %)	5.1%	5.1%
Weighted Average Coupon (in %)	3.6%	3.5%

Performance Attribution & Strategy Comments

The bond market has a lot to contemplate, with the U.S. economy weakening at the same time that a new protectionist trade regime is being enacted. The second of these factors threatens to be inflationary, and indeed inflation breakeven rates (what investors forecast inflation will be in the future) in the U.S. remain elevated. Slower economic growth, on the other hand, could lead to disinflation and to a lower real rate of interest. These two issues are likely to be the main drivers of the bond market (and the capital markets generally) at least through the end of 2025, with it not yet clear which will dominate the other. Worries about tariff-induced inflation took precedence in July, with the U.S. Treasury yield curve up during the month (the 10-year Treasury yield was 4.37% at month-end, up 15 basis points) and inflation breakeven rates rising modestly.

PERSI's mortgage-backed security (MBS) portfolio has been performing well, beating its benchmark by nine basis points in July and seven basis points during the last year. Agency MBS offer good relative value within the bond market, with attractive yields compared to Treasury securities despite little prepayment risk in most coupons. Comparatively, we see little value in corporate bonds, with corporate spreads near multi-year lows despite an increasingly shaky near-term outlook for stocks.

We have recently been adding to higher coupon MBS in PERSI's portfolio, taking advantage of higher yields available in that part of the market. The portfolio is now slightly up in coupon compared to its benchmark and has a yield-to-maturity of 5.1%.

Manager Style Summary

DBF's MBS (Mortgage Backed Security) portfolio is a "core" holding which attempts to generally track the returns of the Barclays Capital Mortgage Index. Excess returns are added through security selection and interest rate bets, although such bets are expected to be limited and relatively low-risk. DBF also manages the Idaho Mortgage Program in conjunction with this portfolio -- the MBS portfolio serves as a "cash reserve" of sorts, to fund mortgages managed through the Idaho Mortgage Program. Consequently, we expect this portfolio to hold traditional MBS instruments and to maintain a reasonably healthy status, with no significant bets which could go significantly awry.

D.B. Fitzpatrick & Co., Inc. - MBS Portfolio

Domestic Fixed: BB Mortgage Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:		DBF	Min	Max	Compliance
B2. Minimum portfolio size		\$167	\$50		ok
B2a. Security Type:					
MORTGAGE RELATE	D	100%	80%	100%	ok
Generic MBSs		100%	75%	100%	ok
GNMAs		7.2%			-
FNMAs		59.3%			
FHLMCs		33.1%			
CMOs		0.0%	0%	25%	ok
NON-MORTGAGE RI	LATED	0.0%	0%	20%	ok
Treasuries		0.0%	0%	20%	ok
Agencies		0.0%	0%	20%	ok
Cash		0.4%	0%	10%	ok
Attributes:	BB Mtg				•
Duration	6.0	6.0	4.0	8.0	ok
Coupon	3.5%	3.6%	2.5%	4.5%	ok
Quality	AAA+	AAA+	AAA		ok
B3. Individual security excl	reasuries as a %	6 of portfolio	0%	5%	ok
B4. Number of securities		80	25	50	check
E2. Annual Turnover		4%	0%	25%	ok
The portfolio is in compliance	with all other as	spects of the Port	tfolio Guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Number of Securities: Number of securities is greater than 50 due to cash flow activity from the commercial mortgage portfolio.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$

1,413

Organizational/Personnel Changes

There were no organizational or personnel changes in July.

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А	CC	Oι	ınτ	ıı	ırn	OΝ	χe	п

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ -

Lost: Number of Accounts: 0 Total Market Value (\$m): \$

Reason(s): N/A

Dodge & Cox

Core Fixed: BB U.S. Aggregate Bond Index

For	the month of:	July	2025		
Manager Performance Calculat	ions			* /	nnualized returns
	Last	Last	Last	Last	Last
	Month	3 Months	1 Year	3 Years*	5 Years*
Dodge & Cox	-0.11%	0.94%	N/A	N/A	N/A
BB Aggregate	-0.26%	0.54%	3.38%	1.64%	-1.07%

Performance Attribution & Strategy Comments

The Bloomberg U.S. Aggregate Bond Index returned -0.3% in July as U.S. Treasury yields rose across the curve. For example, the 2-year Treasury yield rose by 24 basis points (bps) to 3.96% and the 10-year Treasury yield rose by 15 bps to 4.37%. Investment-grade corporate bonds returned 0.1% in July, outperforming comparable-duration Treasuries by 56 bps. Meanwhile, Agency MBS returned -0.4%, performing in line with comparable-duration Treasuries. The robust demand for investment-grade credit and technical factors contributed to tighter spreads, while Agency MBS faced challenges amid rising Treasury yields.

The portfolio outperformed its benchmark for the month of July. Security selection was positive as several credit issuers outperformed, notably Pemex. Asset allocation was modestly positive as the portfolio's underweight to U.S. Treasuries contributed; this was partially offset by the portfolio's overweight to Agency MBS pass-throughs, which detracted. The portfolio's slightly longer relative duration positioning modestly detracted from relative returns as interest rates rose.

Organizational/Personnel Changes

N/A

Manager Style Summary

Dodge & Cox's investment philosophy relies on fundamental research to construct and manage a diversified portfolio of fixed income securities with the goal of producing above-market returns over a three- to five-year time period. The team rigorously vets analyst-driven research recommendations to reach a collective decision.

Dodge & Cox

Core Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	D&C	BB AGG	Min	Max	Compliance
B1. Effective Duration:	6.2	6.0	4.5	7.5	ok
B2. Sector Diversification:		-			
Treasuries	16%	45%	10%	80%	ok
Government-Related	4%	4%	0%	39%	ok
Agencies	2%	1%	0%	11%	ok
Gov't Guaranteed	1%	1%	0%	11%	ok
Corporate	28%	24%	0%	54%	ok
Financial	13%	8%	0%	23%	ok
Industrial	13%	14%	0%	34%	ok
Utility	2%	2%	0%	12%	ok
Securitized					
MBS Pass-through	40%	24%	4%	44%	ok
ABS	7 %	0%	0%	10%	ok
CMBS	о%	1%	0%	11%	ok
Agency CMBS	о%	1%	0%	6%	ok
Local Authorities	1%	1%	0%	11%	ok
B3. Issuer Concentration: <=5% all n	on US Gov't/A	gcy		3%	ok
B4. Number of positions	119		100	400	ok
B. Non-Investment Grade Alloc	4%			15%	ok
G.Current ETF Exposure	о%				
H2. Annual Turnover	83%		0%	60%	check
The portfolio is in compliance with a	ıll other aspec	ts of the Portfoli	o Guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

H2. Annual Turnover:

The Annual Turnover figure was out of line with our normal portfolio turnover at 358%. The portfolio funded late April with in-kind securities,

Total Firm Assets Under Management (\$m) as of:	Qtr 1	\$ 417,100

Account TurnoverGained:Number of Accounts:1Total Mkt Value (\$m):\$ 150.0Lost:Number of Accounts:1Total Mkt Value (\$m):\$ 86.0

Reason(s) for loss: Entity Reorganization - Plan Consolidation

Donald Smith & Co., Inc.

Domestic Equity: Russell 3000 Benchmark

zomestie zquieji ii						
	For the	e month of:	July	2025		
Manager Performa	nce Calculat	ions			* Ar	nnualized returns
		Last	Last	Last	Last	Last
		<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Donald Smith & Co.		0.26%	14.63%	12.92%	32.01%	27.90%
Russell 3000		2.20%	14.20%	15.68%	16.42%	15.19%
Portfolio Attribute	S					
<u>Characteristics</u>	DSCO	<u>RU 3000</u>		Sector Analysis		
Mkt Value (\$m)	954.20	N/A		Over-weight	<u>DSCO</u>	RU 3000
Wtd Cap (\$b)	19.52	1108.38		Materials	22.86%	1.57%
P/E	9.11	26.43		Financials	31.79%	11.68%
Beta	0.86	N/A		Industrials	17.69%	12.88%
Yield (%)	2.19	1.22				
Earnings Growth				Under-weight	<u>DSCO</u>	<u>RU 3000</u>
				Info Technology	0.00%	35.81%
				Health Care	0.00%	9.02%
				Cons. Staples	0.00%	3.93%

Performance Attribution & Strategy Comments

The account's rise of +0.3% lagged all three indices (Russell 3000 Value +0.6%; Russell 3000 +2.2%; S&P 500 +2.2%). Consumer discretionary stocks (General Motors +8.4%; M/I Homes +7.2%; Beazer Homes +5.1%; Harley-Davidson +3.1%) were the largest contributors. Both homebuilders reported earnings in the month. Harley-Davidson rose after reporting a partnership with KKR and PIMCO to sell the majority of its loan portfolio and a stake in its financing subsidiary. General Motors rose despite reporting that it had taken over a \$1 bln hit due to tariffs, guiding toward more impact in the quarter ahead. After falling on these earnings results, however, the stock quickly recovered. Among financials, Citigroup (+10.1%) was the top contributor as the stock hit a high after reporting strong Q2 earnings, aided by higher than expected profitability in trading and investment banking businesses, and announcing plans to buy back a significant number of shares. Genworth Financial (+1.0%) also rose. There was news of a favorable UK court ruling which would result in a recovery of \$750 mm in cash payments by Genworth. Civitas (+10.3%) rose with oil prices moving up. Among industrial names, Tutor Perini (+2.9%) continued to rise. Global Ship Lease (+8.4%) was strong as its particular segment of the market (small to medium sized vessels) has been seeing an uptick in demand. Both Allegiant (-6.0%) and AerCap (-8.3%) declined. Allegiant reported that it had agreed to sell the Sunseeker Resort to Blackstone at a much lower price than what it spent to develop the resort. On the materials side across gold, steel, and copper, stocks were mixed. We added to Allegiant, Equinox, Harley-Davidson, IAMGOLD, and Radian, while reducing Eldorado and Tutor Perini. Gerdau SA is a new purchase, a Brazilian steel producer which despite a complicated dual share class structure and secondary US listed ADR has upside potential from several sources of value. Insurance, precious metals, financials, auto, building / real estate, and aircraft leasing / airlines are the largest industry weightings. The portfolio trades at 89% of tangible book value and 6.2x 2-4 year normalized EPS.

Manager Style Summary

Donald Smith & Co manages an all-cap portfolio, employing a bottom-up, deep value investment strategy. They invest in stocks with low P/B ratios and which are undervalued given their long-term earnings potential. Consequently, the portfolio will consist of securities with higher dividend yield and lower P/B and P/E ratios relative to the market. This is a concentrated portfolio, consisting of approximately 15-35 issues, and as a result, may experience more volatility than the market.

Donald Smith & Co., Inc.

Domestic Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Port	folio Guideline:	DSCO	RU 3000	Calc	Min	Max	Compliance
B2.	Security Market Cap (in \$m) >	\$100 m @ pu	irchase				ok
В3.	Security Positions <= 15% @ pu	urchase					ok
B4.	Number of issues	35			15	35	ok
B5.	B5. Portfolio Characteristics						
	P/B	0.89	4.71	19%	30%	100%	check
	P/E (1 Year Forward)	9.11	26.43	34%	50%	100%	check
	Dividend Yield	2.19	1.22	180%	50%	150%	check
F2.	Commissions not to exceed \$0	.05/share; ex	planation red	quired for cor	nmissions >\$	0.07/share	ok
F3.	Annual Turnover	26 %			20%	40%	ok
The	portfolio is in compliance with a	II other aspe	cts of the Por	tfolio Guideli	ines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/B: Our primary approach is to buy low P/B stocks selling at discounts to

tangible book value.

B5. P/E (1 Yr Forward): We focus on normalized EPS looking out 2-4 years. On this basis, we

are significantly below the market.

B5. Dividend Yield: We focus on stocks with low price-to-tangible-book-values and low

P/Es. Based on normalized earnings, these stocks should generate

higher dividend yields over the long-term.

Total Firm Assets Under Management (\$m) as of:

Qtr 1 \$ 4,329

Organizational/Personnel Changes

We hired one additional analyst, George Macarthur-Stanham.

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s): N/A

Income Research & Management (IR+M)

Core Fixed: BB Gov/Credit Bond Index

Fe	or the month of:	July	2025		
Manager Performance Calcula	ntions			* Д	annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	<u> 3 Months</u>	<u>1 Year</u>	3 Years*	5 Years*
IR+M	-0.12%	0.81%	3.74%	2.36%	-0.74%
BB Gov/Credit	-0.22%	0.57%	3.34%	1.80%	-1.27%

Performance Attribution & Strategy Comments

The PERSI portfolio outperformed the Bloomberg Barclays G/C Index, returning (0.12)% versus (0.22)%. The portfolio's underweight to Treasuries (TSYs) and overweight to Financials and Industrials aided relative performance while its out of benchmark allocation to ABS detracted. Investors received some clarity on fiscal policy as the Trump administration signed an omnibus tax and spending bill into law early in the month and continued to strike tariff agreements with trading partners. The "One Big Beautiful Bill" extended the tax provisions from the Tax Cuts and Jobs Act from 2017, cut spending on entitlement programs and clean energy, and raised the debt ceiling by \$5tn to \$41.1tn; the Congressional Budget Office estimated that the bill would net increase the budget deficit by \$3.4tn through 2034. Although the federal government reported trade deals with major trading partners like Japan, the EU, and South Korea, agreements with Mexico, Taiwan, and Canada have yet to be reached as the broad reciprocal tariff policy goes into effect on August 1. President Trump continued to advocate for lower interest rates and briefly suggested firing Fed Chair Powell, causing a momentary shock to TSYs yields; at its July meeting, the Federal Open Market Committee kept the federal funds target rate range unchanged (4.25% - 4.50%). TSYs yields rose during the month and the inversion in the front-end flattened; the 2-year tenor increased by 24bps to 3.96%, while 3- and 6-month T-Bill yields remained roughly unchanged. IG corporate spreads continued to tighten for the third consecutive month as the \$81bn of supply fell slightly short of dealers' monthly estimates; HY spreads decreased as well, declining by 12bps from 29obps to 278bps. The average spread of Bloomberg Corporate Index narrowed by 7bps to 76bps, just 2bps above the post-GFC low of 74bps, which was set in November 2022. The yield of the Bloomberg HY Index rose by 2bps from 7.06% to 7.08%; speculative-grade issuers continued to take advantage of the low borrowing costs and attractive market backdrop as July's \$35bn of supply marked the second-busiest month of issuance since September 2021. ABS outperformed other securitized sectors, driven by spread tightening among long-duration, stranded-cost utility issues, which have rebounded following the LA wildfire-related underperformance in Q1.

Total Firm Assets Under Management (\$m) as of:	Qtr 4	\$	123,180
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Organizational/Personnel Changes

N/A

Manager Style Summary

IR+M's investment philosophy is based on the belief that careful security selection and active portfolio risk management provide superior returns over the long term. Utilizing a disciplined, bottom-up investment approach, IR+M adds value through security selection by seeking attractive, overlooked, and inefficiently priced issues.

Income Research & Management (IR+M)

Core Fixed: BB Gov/Credit Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	IR+M	BB G/C	Min	Max	Compliance
B2. Effective Duration:	6.1	6.1	5.6	6.6	ok
B3. Sector Diversification:					
Government	38%	63%	33%	93%	ok
Treasuries	35%	62%	32%	92%	ok
Agencies	о%	1%	-4%	6%	ok
Govt Guaranteed	3%	0%	-10%	10%	ok
Credit	42%	37%	17%	57%	ok
Financial	16%	11%	-4%	26%	ok
Industrial	20%	18%	3%	33%	ok
Utility	5%	3%	-7%	13%	ok
Non-Corporate	ο%	4%	-6%	14%	ok
Securitized					
RMBS	2%	0%	-10%	10%	ok
ABS	8%	0%	-10%	10%	ok
CMBS	8%	0%	-10%	10%	ok
Agency CMBS	1%	0%	-5%	5%	ok
Municipals	1%	1%	-9%	11%	ok
B4. Issuer Concentration: <=5% all co	rporate issue	rs		5%	ok
B5. Number of positions	335		100	175	check
B6. Non-Investment Grade alloc	ο%			5%	ok
E2. Annual Turnover	52%		25%	75%	ok
The portfolio is in compliance with a	ll other aspec	ts of the Portfol	io Guidelines		☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. Number of Positions: Due to volatility, we positioned the portfolio to take advantage of attractive opportunities.

Account Turi	nover
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Gained: Number of Accounts: 0 Total Mkt Value (\$m): \$ Lost: Number of Accounts: 0 Total Mkt Value (\$m): \$ -

Reason(s) for loss:

J.P. Morgan

Core Plus Fixed: BB U.S. Aggregate Bond Index

	For the month of:	July	2025		
Manager Performance Cald	culations			*	Annualized returns
	Last	Last	Last	Last	Last
	Month	3 Months	1 Year	3 Years*	5 Years*
J.P. Morgan	-0.16%	N/A	N/A	N/A	N/A
BB Aggregate	-0.26%	N/A	N/A	N/A	N/A

Performance Attribution & Strategy Comments

The JPMCB Core Plus Bond Fund outperformed the Bloomberg US Aggregate Index in July, delivering a return of -0.16% compared to the benchmark's -0.26%.

In July, investor sentiment improved as new U.S. trade agreements with Vietnam, Japan, and the EU eased trade war fears, despite higher tariffs. The Federal Reserve maintained steady interest rates, with two governors dissenting in favor of a rate cut due to a more dovish view on labor market conditions. Meanwhile, the ten-year U.S. Treasury yield rose to 4.36%, up from 4.23% a month earlier, reflecting a stable labor market and rising consumer goods prices amid emerging tariff effects.

Over the month, the fund's performance was largely driven by our strategic allocation to Securitized Credit, particularly CMBS, and targeted security selection within ABS. Our out-of-benchmark positioning in High Yield Credit also positively impacted performance, benefiting from spread carry and tighter credit spreads amid solid earnings growth. Investment Grade and Emerging Market credits contributed positively through security selection. However, these gains were somewhat offset by our curve steepener, which underperformed as the curve flattened at the month's end due to the Federal Reserve Chair's hawkish comments regarding a stable labor market and the upside risks to inflation. Our slightly long duration position relative to the benchmark was a marginal detractor to performance as Treasury yields rose in response to stronger-than-expected economic data—such as solid June employment figures, better-than-anticipated GDP growth, and an increase in Core Goods CPI reflecting tariff impacts. The fund maintains a yield curve steepening bias through long positions at the front-end and short positions at the back-end.

Organizational/Personnel Changes

None

Manager Style Summary

J.P. Morgan Asset Management's investment philosophy is to deliver portfolio ballast, with a disciplined yield advantage. JPM utilizes a multi-dimensional approach to the "plus" which combines bottom-up security selection and top-down macro positioning.

J.P. Morgan

Core Plus Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	JPM	BB AGG	Min	Max	Compliance
Effective Duration:	6.1	5.9			
Sector Diversification:					
Government	28%	46%			
Treasuries	28%	45%			
Agencies	о%	1%			
Dev Mkt Gov't	0%	0%			
IG Corporate	24%	26%			
HY Corp Credit	8%	0%			
Securitized	54%	26%			
Agency MBS	31%	25%			
Non-Agency MBS	4%	0%			
CMBS	8%	1%			
ABS	10%	0%			
EMD	2%	1%			
Cash	3%	0%			
Issuer Concentration: <=5% all corp	orate issuers	_		5%	
Number of positions	2604				
Non-Investment Grade Alloc	16%			25%	ok
Sub-Prime MBS Alloc	о%			10%	ok
Annual Turnover	37%		25%	75%	ok
The portfolio is in compliance with	all other aspec	ts of the Guidel	ines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Qtr 2	\$ 3,733,778
	Otr 2

Account TurnoverGained:Number of Accounts:0Total Mkt Value (\$m):\$ -Lost:Number of Accounts:0Total Mkt Value (\$m):\$ -

Reason(s) for loss: N/A

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Longview Partners

Global Equity: MSCI ACWI Benchmark

	For the month of:	July	2025		
Manager Performance Ca	alculations			* /	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Longview	-0.52%	5.31%	3.07%	10.00%	12.23%
MSCI ACWI	1.36%	11.99%	15.87%	15.25%	12.79%

Performance Attribution & Strategy Comments

Among the largest contributors to relative performance were Oracle, IQVIA and Thermo Fisher. Oracle continued to outperform in July following the news at the end of June that it had signed a cloud contract worth \$30bn in annual revenues starting in 2028. Amid growing market optimism around Oracle's AI offerings, their share price has doubled since late April and the position was sold during the month having exceeded its price target. IQVIA outperformed in July following the release of its second quarter earnings, recovering its underperformance since the delay of reciprocal tariffs on April 9th. These showed continued strong organic growth in its Technology & Analytics Solutions (TAS) business and a recovery in leading indicators such as RFP flow and book-to-bill in its Research & Development Solutions segment. Thermo Fisher outperformed following the release of its second quarter earnings. Revenue and earnings per share figures exceeded previous guidance, which was set when it was feared that tariffs between the US and China would be more severe than they are currently. Thermo raised the lower end of its revenue and adjusted earnings per share forecasts for the full year 2025.

Some of the most significant detractors from relative performance were UnitedHealth Group (UnitedHealth), Fiserv and HCA Healthcare. UnitedHealth underperformed ahead of the release of second quarter results at the end of the month as weak results from peers Elevance and Centene and the company's announcement that they had proactively reached out to the Department of Justice (DOJ) and had begun complying with formal criminal and civil requests from the DOJ. Towards the end of the month the company released its second quarter results which included the re-establishment of earnings guidance for 2025 and a substantial increase in disclosure on the business. Whilst second quarter results were broadly in-line, the new earnings per share guidance of \$16 per share was below consensus expectations as UnitedHealth, and their peers, continue to struggle with significant inflation in medical costs which appears to have become more widespread than previously suggested. UnitedHealth announced several remedial initiatives which management believes will help return the business to earnings growth in 2026. These include 'strongly responsive' repricing to reflect rising cost pressures, redesigning patient benefits and exiting some less profitable plans. Fiserv's shares underperformed in July following the release of its second quarter results. Whilst results were roughly in-line with consensus expectations, the company lowered its 2025 organic revenue guidance from 10-12% to 'about 10%', citing delays to some of its product initiatives, client delays and a weaker macro environment. HCA Healthcare underperformed for much of July as its shares de-rated on concerns over the impact of the One Big Beautiful Bill Act on Medicaid and Affordable Care Act Exchanges. However, the company's strong second quarter earnings towards the end of the month led to a partial recovery which has continued into August.

Manager Style Summary

Longview is a "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights, and is unconstrained by the index weights. The portfolio holds 30-35 securities at a time, and stocks are equally weighted. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Longview Partners

Global Equity: MSCI ACWI Benchmark

Port	folio Guideline:	Longview	Min	Max	Compliance			
В3.	3. Security position <= 5% of the account @ purchase							
B4.	Number of issues	35	ok					
B5.	Normal Regional Exposures (* benchmark -/+ min/m	ax):		•	•			
	United States & Canada	82%	35%	80%	check			
	Europe incl U.K.	18%	20%	50%	check			
	Japan	0%	0%	20%	ok			
	Emerging Markets	0%	0%	15%	ok			
	Non-Index Countries	0%	0%	10%	ok			
	Total	100%		•				
B6.	Normal Global Portfolio Characteristics							
	Median Mkt Cap (in billions)	97,932	\$10					
	Price/Earnings (Trailing)	23.6	10	17				
	Dividend Yield	1%	0.5%	2.0%				
	Price/Cash Flow (Trailing)	16.9	10	14				
C1.	No executed forward w/o a corresponding securities	position.		•	Yes			
C2. Foreign Currency (cash or cash equiv) <= 8% of Account value								
F2. Brokerage commissions not to exceed \$0.06/share for U.S. equities								
F3.	Annual turnover	16%	25%	50%	check			
The	portfolio is in compliance with all other aspects of the	Portfolio Gui	idelines	✓ Yes	☐ No			

Manager Explanations for Deviations from Portfolio Guidelines

B5. Regional Exposures: The output of our investment process is a concentrated, yet diversified, portfolio of typically 35 names, unconstrained by geography or sector.

F3. Annual Turnover: We do not target a specific level of turnover. Annual turnover is calculated on a rolling 12 month period and includes client flows.

Total Firm Assets Under Management (\$m) as of:

Qtr 3 \$ 13,843

Organizational/Personnel Changes

There were no changes to the investment team in July.

Account Turnover						
Gained:	Number of Accounts:	0	(\$m):	\$ -		
Lost:	Number of Accounts:	0	(\$m):	\$ -		
	Reason(s):					

Mondrian Investment Partners

International Equity: MSCI EAFE Benchmark

	<u> </u>					
	For th	e month of:	July	2025		
Manager Perfo	rmance Calcula	tions			* Anr	nualized returns
		Last	Last	Last	Last	Last
		Month	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Mondrian		-1.16%	2.40%	16.87%	15.69%	13.21%
MSCI EAFE		-1.40%	5.38%	12.77%	13.57%	10.34%
Country Alloca	tion Compariso	n				
Over-weight	Mondrian	<u>EAFE</u>	<u>U</u>	nder-weight	Mondrian	EAFE
UK	21.49%	14.98%	Australia		1.41%	7.04%
Italy	7.02%	3.21%	Switzerland		3.99%	9.45%
Hong Kong	5.58%	2.12%	Sweden		0.00%	3.57%

Performance Attribution & Strategy Comments

International equity markets were slightly weaker in July despite several trade deals being agreed between the US and major trading partners such as the EU and Japan. Market weakness was driven by the depreciation of international currencies following strong year-to-date gains. The US dollar rallied as the Federal Reserve kept rates steady and pushed back against expectations for near-term cuts. The Danish equity market and the health care sector both lagged as Novo Nordisk lowered growth expectations for their obesity drugs as competition intensified. The IT sector underperformed as management teams adopted a more cautious outlook amid rising trade and geopolitical uncertainties. Conversely, the energy sector led returns supported by an oil rally after the Trump administration adopted a more hawkish stance toward Russia, including threats of penalties on India for its purchases of Russian oil.

In a weak month for equity markets, the portfolio outperformed the market, driven by strong stock selection in the consumer staples sector and the lack of exposure to the weak Danish equity market.

Within consumer staples, British American Tobacco, the UK-based tobacco company, benefitted from a more benign regulatory environment and expectations for continued strong results. The strength was partially offset by stock selection in communication services where WPP, the UK advertising and communications group, underperformed as they reduced guidance due to account losses and a weaker macro backdrop.

Manager Style Summary

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

Mondrian Investment Partners

International Equity: MSCI EAFE Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance			
B3. Security position <= 5% of the account @ purchase									
B4. Number of issues		50		40	60	ok			
B5. Normal Regional Exposures:						ok			
United Kingdom		21%		0%	45%	ok			
Europe ex U.K.		42%		0%	75%	ok			
Japan		24%		0%	45%	ok			
Pacific ex Japan		10%		0%	40%	ok			
Non-Index Countries		0%		0%	20%	ok			
Cash		2%		0%	5%	ok			
Total		100%							
B6. Normal Portfolio Characteristic	CS								
Capitalization	91,519	66,631	73%	25%	100%	ok			
Price/Book Value	2.0	1.4	71%	50%	125%	ok			
Price/Earnings (Trailing)	16.5	12.9	78%	50%	100%	ok			
Price/Cash Flow	10.3	6.3	62%	50%	100%	ok			
Dividend Yield	2.9	3.9	132%	100%	200%	ok			
C1. Currency or cross-currency pos	ition <= val	ue of hedged s	ecurities	•		ok			
No executed forward w/o a corresponding securities position.									
C2. Max forward w/ counterpart <= 30% of total mv of account									
F2. Annual turnover 28% 40%						ok			
The portfolio is in compliance with a	ll other asp	ects of the Por	tfolio Guide	elines	✓ Yes	☐ No			

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 49,071

Organizational/Personnel Changes

No Changes.

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m) \$ Lost: Number of Accounts: 0 Total Market Value (\$m) \$ -

Reason(s):

40

Mountain Pacific Investment Advisers

Domestic Equity: Russell 2500 Benchmark

Somestic Equity. Nassen 2500 Seriemmunk									
	For t	he month of:	July	2025					
Manager Perform	nance Calcul	ations			* A	nnualized returns			
		Last	Last	Last	Last	Last			
		<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*			
Mountain Pacific		0.87%	8.07%	2.26%	10.09%	11.13%			
Russell 2500		1.93%	13.02%	4.28%	8.40%	11.00%			
Portfolio Attributes									
Characteristics	Mtn Pac	<u>RU 2500</u>	-		Sector Analysis				
Mkt Value (\$m)	772.49	N/A		Over-weight	Mtn Pac	RU 2500			
Wtd Cap (\$b)	34.14	8.14		Capital Goods	55.98%	22.53%			
P/E	22.75	19.24		Materials	5.64%	3.84%			
Beta	0.96	1.00							
Yield (%)	0.92	1.48		<u>Under-weight</u>	Mtn Pac	RU 2500			
Earnings Growt	10.35	12.57		Cons. Cyclical	3.47%	14.23%			
				Real Estate	0.00%	6.73%			
				Financial Svcs	11.63%	16.72%			

Performance Attribution & Strategy Comments

Despite a strong June payrolls print just before Independence Day, Fed governor Waller reiterated his preference two weeks later for a July rate cut. Indeed, both governors Waller and Bowman dissented from the July 30 FOMC decision to hold the Fed Funds rate constant, the first double dissent in over 30 years. Their nonconformist opinions appeared prescient on August 1 when July payrolls data of only 73k were released. The data included historically large downward May and June revisions of 258k combined, bringing those months revised numbers below 20k. Bonds, especially in the front end, rallied sharply, recouping the entire sell-off of July. A Fed Funds cut in September is now widely expected.

The portfolio gained 0.87% during the month, underperforming our benchmark, the RU 2500, by 106 bps. Over the past three months, our portfolio has underperformed the index by 495 bps.

Negative selection contribution, mostly in financials and industrials, outweighed positive allocation contribution due to our overweight in industrials.

Two financial stocks, Arthur J. Gallager and Fiserv, fell during the month on disappointing earnings releases. Performance in our industrial holdings has been mixed through 2Q earnings.

Second quarter earnings season is closing out strongly with S&P 500 earnings up over 10% y/y. Valuation multiples are historically high, however. Risk tolerance among investors also seems high, possibly supported by the expectation of lower interest rates.

Manager Style Summary

Mountain Pacific manages a mid-to small-cap portfolio, employing a "GARP" (Growth At a Reasonable Price) investment strategy. Their portfolio holdings and characteristics will wander around the average stock in their benchmark, and they tend to favor companies which do not sell directly to the public and therefore, depend on sales to other businesses. Mountain Pacific runs a more concentrated portfolio than most, and as a result, their returns will diverge more dramatically from their benchmark, and sometimes for sustained periods.

Mountain Pacific Investment Advisers

Domestic Equity: Russell 2500 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Mtn Pac	RU 2500	Calc	Min	Max	Compliance	
B2. Security Market Cap (in \$m) \$100.0 \$7,500.0							
B3. Wtd Avg Cap	34140	8138	420%	80%	120%	check	
B4. Number of issues	38			35	55	ok	
B5. Security Positions <= 4% @ purc	hase					ok	
B6a. P/E (12-mo trail)	29.00	29.16	99%	80%	120%	ok	
B6b. Beta	0.96	1.00	0.96	0.80	1.20	ok	
B6c. Yield	0.92	1.48	62%	80%	120%	check	
B6d. Expected Earnings Growth	10.35	12.57	82%	80%	120%	ok	
E2. Commissions not to exceed \$0.06/share							
E3. Annual Turnover	8%				60%	ok	
The portfolio is in compliance with all	other aspects	of the Portfo	lio Guideline	es	✓ Yes	☐ No	

Manager Explanations for Deviations from Portfolio Guidelines

B3. Wtd Avg Cap: Our Wtd Avg Cap exceeds that of the benchmark due to price appreciation. The median cap of the portfolio is \$12.3 BN.

Our yield is below that of the benchmark as we have been adding companies that reinvest more for growth than pay dividends.

Assets Under Management (\$m) as of:

Qtr 2 \$ 1,716

Organizational/Personnel Changes

None

B6c. Yield:

Account Turnover

Total Market Value (\$n \$ Gained: Number of Accounts: 0 Lost:

Number of Accounts: 0 Total Market Value (\$n \$

Reason(s): N/A

Peregrine Capital Management

Domestic Equity: Russell 1000 Growth Benchmark

	For th	e month of:	July	2025			
Manager Perform	nance Calculat	tions			* Annı	ıalized returns	
		Last	Last	Last	Last	Last	
		Month	3 Months	1 Year	3 Years*	5 Years*	
Peregrine		0.69%	16.34%	27.26%	17.95%	6.03%	
Russell 1000 Grow	rth	3.78%	20.16%	23.75%	22.60%	17.27%	
Portfolio Attributes							
Characteristics	<u>Peregrine</u>	RU 1000G		Sector Analysis			
Mkt Value (\$m)	829.15	N/A		Over-weight	<u>Peregrine</u>	RU 1000G	
Wtd Cap (\$b)	501.59	1925.36		Financials	14.80%	6.37%	
P/E	44.67	33.13		Health Care	12.39%	6.57%	
Beta	1.03	1.00		Cons Disc	18.79%	13.28%	
Yield (%)	0.24	0.51					
Earnings Growth	18.49	14.92		Under-weigh	<u>Peregrine</u>	RU 1000G	
				Info Tech	34.38%	52.54%	
				Cons Stp	0.00%	2.48%	
				Industrials	4.14%	5.93%	

Performance Attribution & Strategy Comments

Similar to June, US growth indices pushed higher in July again hitting records during the month. The S&P 500® was up 2.23% and the Russell 1000® Growth was up 3.78% for June. Peregrine's Large Cap Growth strategy trailed for the month but remains ahead of the benchmarks for the last twelve months.

Stocks climbed a wall of worry shrugging off concerns around tariffs, geopolitics, US employment softness and other macroeconomic factors. Perhaps explaining the strong monthly performance, Q2 earnings season began positively for U.S equities. However, it is still early in quarterly reporting. The U.S. Federal Reserve held rates unchanged in July though there was more vocal dissent than in past. Al optimism remained a tailwind for stocks. Big tech, particularly semis, and other Al-linked stocks were among the best performers in the month.

Several holdings had strong returns during July: CoStar Group reported record Q2 bookings and removed some of the bear thesis on the core business and residential opportunity. Trade Desk was added to the S&P 500 during July and saw steady increases during the month. Synopsys and Cadence both increased during July driven in part by market shift towards Semiconductors.

Our underperforming holdings were mostly driven by the market's shift away from software: CrowdStrike reported an in line Q2 but saw the stock decline along with software peers. ServiceNow reported strong Q2 results on which the stock increased. However, the stock faded towards the end of month with the broader software market. Duolingo continued to give back its strong gains from early in the year.

Manager Style Summary

Peregrine manages a large cap growth equity portfolio, utilizing a "bottom up" strategy, and focusing more on the future growth prospects of a firm rather than current earnings. We can expect the P/E and P/B ratios to be slightly higher than that of the market, stock volatility to be slightly higher than the market, and dividend yield to be lower than average. Their style encourages overweight positions in traditional growth sectors such as technology, retail, business services, and financial services. Due to the concentrated nature of the portfolio, it will tend to be more volatile than more diversified portfolios.

Peregrine Capital Management

Domestic Equity: Russell 1000 Growth Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	S&P 500	Peregrine	Calc	Min	Max	Compliance
B2. Security Market Cap > \$1 billion						
B3. Security position <=5% @ purcha	ase, excludin	g contributio	ns			ok
B4. Number of issues		27		25	35	ok
B5. P/B	4.97	10.92	2.2	1.2	2.0	check
B5. P/E (Projected)	23.93	44.67	1.9	1.0	2.0	ok
B5. Dividend Yield	1.21	0.24	0.2	0.1	0.8	ok
B5. Beta	1.00	1.29	1.3	1.10	1.35	ok
B5. Earnings Growth (5-year)		18%		11%	22%	ok
F2. Commissions not to exceed \$0.05/share					ok	
F3. Annual Turnover 14% 15% 30%			30%	check		
The portfolio is in compliance with all	other aspect	ts of the Port	folio Guideli	nes	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/E (projected): This measure typically is at a premium for faster growing companies earlier in

> their life-cycle than the more mature mix of companies in the S&P 500®. The Russell 1000® Growth is at a similar premium of ~10.5x. We don't expect

this measure to come down to below 2x the S&P 500® in the near-term.

F3. Annual Turnover: Our normalized turnover remains approximately 20%. We expect this figure to

move back above 15%.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 4,481

Organizational/Personnel Changes

On July 28, 2025 Emily Hillen-Myers was hired as an Operations Analyst.

Account Turnover

Gained: **Number of Accounts:** 0 Total Market Value (\$m): Lost:

Number of Accounts: 0 Total Market Value (\$m):

Reason(s):

	For the month of:	July	2025		
Manager Performance	Calculations			* Ar	nualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
PineStone	0.23%	7.86%	6.48%	N/A	N/A
MSCI World	1.29%	11.91%	15.72%	N/A	N/A

Performance Attribution & Strategy Comments

Global equity markets edged slightly higher in July. The Trump administration announced several trade deals; however, uncertainty remains with looming deadlines and several extensions being discussed with key trading partners. Earnings season kicked off with most companies beating consensus estimates helped by strength in technology companies. The Fed held interest rates steady adopting a wait-and-see approach to mixed economic data. The Information Technology sector led the way for the MSCI World.

In July, the PineStone Global Equity Strategy was positive in absolute returns and underperformed its benchmark. Negative security selection effect was the primary driver whereas positive security selection within Communication Services helped relative performance in the month.

Among the top relative detractors held in the strategy for the month were Compagnie Financiere Richemont (CFR or "Richemont") and Novo Nordisk. Not owning NVIDIA, a large benchmark constituent that outperformed also hurt relative performance meaningfully. Richemont underperformed as weakness in China and concerns of punitive tariffs on Swiss luxury goods and watches weighed on sentiment. The company reported solid financial results within the period, and the business continues to deliver strong growth in its iconic hard jewellery collections (Cartier & Van Cleef). As for Novo Nordisk, the company lowered its full-year sales and earnings forecast in late July that led to a sell-off in the stock. Management cited heightened competition from rivals such as Eli Lilly, slower than expected market penetration, and continued use of illegal compound / counterfeit semaglutide drugs. Novo Nordisk also announced a CEO change with insider, Mike Doustdar being promoted to the position, effective August 7th.

As for top relative contributors held in the strategy, these included Oracle and Taiwan Semiconductor Manufacturing Company (TSMC). TSMC continued its outperformance as the company continues to dominate in production of the leading-edge nodes, critical to AI. The company reported earnings that were better than expected helped by strong growth in AI chip manufacturing and solid, near 50% margins. As for Oracle, its shares continued outperforming as well with confidence from the market in its cloud / AI infrastructure solutions. The company announced an expansion of its OpenAI partnership underscoring the prevalence of Oracle Cloud Infrastructure (OCI) in the AI buildout.

During the period, we did not exit any existing positions nor initiate any new positions.

Manager Style Summary

PineStone is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies and seek to consistently compound shareholder wealth at attractive rates of return over the long term while preserving capital. Country and sector exposures are by-products of the security selection process. The portfolio consists of roughly 30-50 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

PineStone

Global Equity: MSCI World Benchmark

Portfolio Guideline Compliance						
Portfolio Guideline:	Index	PineStone	Calc	Min	Max	Compliance
B3. No more than 10% of the acco	hase	Yes				
B4. Number of issues		30		25	50	ok
B5. Issuer market capitalization: a	bove \$1 billic	n @ purcha	se			Yes
B6. Normal Regional Exposures (*	benchmark -	/+ min/max)):			-
North America		67%		30%	80%	ok
Japan		3%		0%	30%	ok
Europe ex UK		14%		10%	50%	ok
UK		6%		0%	50%	ok
Pacific ex Japan		0%		0%	30%	ok
Emerging Markets		10%		0%	20%	ok
Non-Index Countries		0%		0%	20%	ok
Total		100%				
B7. Normal Global Portfolio Chara	cteristics					
ROE	12.9	30.2	234%	100%		ok
ROIC	12.9	31.3	243%	100%		ok
Price/Earnings	21.6	26.2	121%	50%		ok
Price/Book Value	3.6	7.8	219%	50%		ok
Price/Cash Flow	14.7	22.6	154%	50%		ok
Dividend Yield	1.7	22.6	1371%	25%		ok
Market Capitalization	887,546	744,074	84%	25%		ok
C2. Max value of forwards w/sing	e counterpar	0%			30%	ok
C3. Cash/cash equiv in non-USD currencies 0% 10%						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						Yes
F3. Annual turnover		5%		10%	20%	check
The portfolio is in compliance with	all other aspe	cts of the Po	ortfolio Guid	lelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover:

The high-conviction, long-term approach has generally resulted in a historical name turnover below 10% on an annual basis.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 59,010

Organizational/Personnel Changes

There were no material changes to the firm's ownership structure in Q2 2025. Two employees were made equity partners. PineStone is and intends to remain 100% private and employee-owned.

Account Turnover

Gained: Number of Accounts: 3 Total Market Value (\$m): \$254.1 M Lost: Number of Accounts: 1 Total Market Value (\$m): \$5.4 M

Reason(s): Consolidation of assets.

Pzena	
Global Equity:	MSCI ACWI Benchmark

	For the month of:	July	2025		
Manager Performan			* An	nualized returns	
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Pzena	-1.60%	6.14%	8.82%		
MSCI ACWI	1.36%	11.99%	15.87%		

Performance Attribution & Strategy Comments

Please note, the above represents net returns.

Global equities rose modestly in July, supported by increased clarity surrounding U.S. trade policy and stable inflation, despite simmering concerns regarding the impact of tariffs on prices. The U.S. market led global indices higher, while China and Taiwan contributed as well, due to solid economic data and the AI narrative, respectively. Within the MSCI All Country World Index (MSCI ACWI Index), information technology, energy, and communication services rose the most. Consumer staples, health care, and materials declined over the period.

The Pzena Global Focused Value portfolio declined and underperformed the MSCI ACWI Index. Health care, information technology, and communication services detracted from relative performance. Financials, consumer discretionary, and industrials contributed during the period.

Baxter International (medical products company) declined after management lowered guidance due to continued weakness in its IV solutions business and a voluntary pause in Novum IQ pump shipments following an FDA alert, despite reporting in-line earnings. Charter Communications, (pure-play U.S. cable communications business) fell after reporting weaker-than-expected second-quarter results, with higher broadband subscriber losses, and soft EBITDA guidance amid ongoing fixed wireless competition. Fresenius Medical Care (leading provider of dialysis products and services) declined as investor sentiment remained cautious following a muted reaction to its late-June investor day.

Samsung Electronics (world's largest manufacturer of memory chips and smartphones) rose after securing a long-term Al chip deal with Tesla, while progress qualifying next-generation HBM chips with Broadcom and AMD helped offset concerns from an inventory write-down for legacy products. Reckitt Benckiser (health, hygiene, and nutrition company) contributed as the company demonstrated emerging market strength driven by brand investment and digital execution. Citigroup (money center bank) rose after reporting stronger-than-expected earnings, with broad-based revenue growth led by a strong performance in markets and improved efficiency reflecting progress on its transformation efforts.

Manager Style Summary

Pzena will manage a global, focused deep value fund. The firm seeks investments with skewed potential outcomes via a concentrated portfolio of deeply undervalued businesses. A quantitative screen filters for low price-to-normal earnings level and current earnings depressed to historical norms. Fundamental research is performed to determine if the problem is temporary and not permanent, if the company's business is good and assesses the downside risks. It's a bottom-up process that focuses on the cheapest quintile. After an initial review a full research project will be performed. Initial position size is based on valuation, risk, and diversification. The number of holdings is expected to be between 40 - 60.

Pzena

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Pzena	Calc	Min	Max	Compliance		
B3. No more than 5% of the accou	B3. No more than 5% of the account shall be invested in any one security @ purchase							
B4. Number of issues		53		40	60	ok		
B5. Normal Regional Exposures (*	benchmark -/	+ min/max)	:	•				
Emerging Markets	10%	9%		0%	25%	ok		
Europe ex UK	11%	30%		0%	41%	ok		
Japan	5%	2%		0%	35%	ok		
North America	68%	45%		30%	98%	ok		
United Kingdom	3%	11%		0%	33%	ok		
Other	3%	2 %		0%	33%	ok		
Total		100%						
B6. Normal Global Portfolio Chara	cteristics							
Capitalization	795474	66843	8%	10%	80%	check		
Price/Book Value	3.4	1.2	36%	20%	100%	ok		
Price/Earnings	21.6	12.8	59%	20%	120%	ok		
Dividend Yield	1.8	3.4	192%	75%	200%	ok		
B7. Price/Normalized Earnings in C	Q1	84%		60%	100%	ok		
C2. Max value of forwards w/singl	e counterpar	0%			30%	ok		
C3. Cash/cash equiv in non-USD cu	C3. Cash/cash equiv in non-USD currencies				10%	ok		
F2. Brokerage commissions not to exceed \$0.035/share for U.S. equities						Yes		
F3. Annual turnover	F3. Annual turnover 22% 20% 40%					ok		
The portfolio is in compliance with a	all other aspec	cts of the Po	rtfolio Guid	lelines	✓ Yes	☐ No		

Manager Explanations for Deviations from Portfolio Guidelines

B6. Capitalization

The portfolio's wgtd avg market cap is slightly below the 10% minimum guideline as the index is more concentrated in mega caps.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 76,127

Organizational/Personnel Changes

As mentioned in our prior response, effective July 1, 2025, Lawrence Paustian officially transitioned from Pzena's research team to our client services team.

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s): Please note that the above information reflects account gains and losses for the month of June 2025. Information for July 2025 is not yet available and will be

Sprucegrove

International Equity: MSCI EAFE Benchmark

	For the month of:	July	2025		
Manager Performance	Calculations			*,	Annualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Sprucegrove	0.99%	8.33%	7.86%	-	-
MSCI EAFE	-1.40%	5.38%	12.77%	-	-

Performance Attribution & Strategy Comments

April 22, 2024 inception date.

International equity markets declined in July, with the MSCI EAFE Index returning -1.40% amid rising trade tensions and mixed economic data. Currency fluctuations and weak performance from growth-oriented sectors contributed to broader volatility.

The Fund outperformed the benchmark (0.99% vs. -1.40%), with stock selection as the primary driver. Industrials contributed the most, supported by strong relative performance across multiple weeks, along with notable contributions from off-benchmark positions in Jardine Matheson and Ryanair.

Information Technology also added meaningfully, driven by strong stock selection.

Financials detracted from relative performance, due to both stock selection and an underweight allocation.

From a country perspective, the Fund benefited from its exposure to Emerging Markets as well as its holdings in Japan.

*MSCI EAFE

Manager Style Summary

Sprucegrove will manage an international equity portfolio. The bottom-up process seeks ownership of quality and value with a long-term focus (low turnover). Sprucegrove seeks investments that provide a margin of safety on quality via above average and consistent profitability, sustainable competitive advantages, financial strength, business growth opportunities and capable management. An investment must meet both quality and attractive value characteristics.

Sprucegrove

International Equity: MSCI EAFE Benchmark

Portfolio Guideline Compliance

Port	folio Guideline:	Sprucegrv	Min	Max	Compliance	
B2.	Security position <= 5% of the account @ purchase				Yes	
B4.	Number of issues	62.0	40		ok	
В6.	Largest single industry group exposure (by GICS)	18%	0%	25%	ok	
В7.	Number of sectors in portfolio	10	7	11	ok	
В8.	European country exposure (# of countries)	11	3		ok	
В8.	Asia/Pacific country exposure (# of countries)	4	3		ok	
В9.	Normal Country Exposures					
	Japan	17 %	5%	50%	ok	
	United Kingdom	15%	10%	50%	ok	
	Canada	2%	0%	10%	ok	
	United States (not permitted)	0%	0%	0%	ok	
	Other MSCI EAFE Individual Country (not listed					
abo	ve)	9%	0%	15%	ok	
	Total non-MSCI EAFE Country, exclude Canada	13%	0%	15%	ok	
	Total non-MSCI EAFE Country, include Canada	15%	0%	20%	ok	
C3.	Maximum value of forward w/single counterparty	0%	0%	30%	ok	
C4.	Foreign Currency (cash or cash equiv) <= 5% of Accord	unt value			Yes	
The	The portfolio is in compliance with all other aspects of the Portfolio Guidelines					

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 12,692

Organizational/Personnel Changes

Additionally, for this quarter, we had one new hire, an Investment Analyst.

Account Turnover

 Gained:
 Number of Accounts:
 0
 (\$m):
 \$

 Lost:
 Number of Accounts:
 4
 (\$m):
 \$ (1,139.1)

Reason(s): Restructuring, underperformance, and client's style shift (to deep value).

Walter Scott & Partners Limited

Global Equity: MSCI World Benchmark

	For the month of:	July	2025		
Manager Performanc			* Annı	ualized returns	
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Walter Scott	-0.42%	7.14%	5.98%	11.67%	10.28%
MSCI World	1.29%	11.91%	15.72%	15.83%	13.78%

Performance Attribution & Strategy Comments

Global equity markets delivered positive returns in July, supported by steady earnings and fewer surprises from central banks. Against this backdrop, the portfolio returned -0.4%, trailing MSCI World (ndr), which returned 1.3%.

All of the relative lag can be attributed to the technology and healthcare sectors.

Technology stocks, notably the subset of semiconductor related businesses, were strong over the month, driving the positive index return. However, the portfolio's holdings in this sector lagged their respective index peers, detracting 1.2pps from relative performance.

Notably, non-held stock NVIDIA returned 13%, and was a significant individual detractor. Held names, ASML and Texas Instruments, which both returned -12%, further weighed on relative return.

The healthcare sector was weak, falling 3.0% over the month. The portfolio's greater exposure to this sector was the primary driver of the 0.5pps relative drag, with a small portion of the underperformance attributable to the returns of held names. Notably, Danish pharmaceutical company Novo Nordisk was the portfolio's weakest performer, falling 30%. The decline followed a reduction in profit guidance and the appointment of a new CEO, whose reception was broadly underwhelming.

While equity markets have breathed a collective sigh of relief that draconian tariff rates have largely been avoided, the overall level of US import taxes still sits at a rate last seen 90 years ago. The unleashing of a further barrage of tariffs, notably on Canada and Taiwan, has demonstrated that the trade situation remains highly fluid. Consequently, there is still considerable uncertainty over the impact of tariffs on the global economy, supply chains, and the American consumer. This may be a recipe for volatility ahead, with investors becoming increasingly vigilant with regards to equity valuations. Against this backdrop, the ongoing evolution of the AI theme has continued to garner investor interest. Increasingly, market attention will focus on how companies are actually monetising and growing their businesses through the deployment of the evolving technology.

Manager Style Summary

Walter Scott is a "bottom-up" manager whose process is driven by individual security selection. They invest in companies with high rates of internal wealth generation (IRR > 20%) which translates into total return to the investor over time (real return = 7-10%). Country and sector exposures are by-products of the security selection process. This is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Walter Scott & Partners Limited

Global Equity: MSCI World Benchmark

Portfolio Guideline Co	mpliance
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Portfolio Guideline:	WS	Min	Max	Compliance		
A2. Cash balance <= 5% of portfolio market value	2%		5%	ok		
B3. No more than 5% of the account shall be invested in any one security @ purchase						
B4. Number of issues	46	40	60	ok		
B5. No shares of investment companies or pooled fu	ınds sponsored/mana	ged by manager	or affiliates	Yes		
B6. Normal Regional Exposures (* benchmark -/+ mi	n/max):					
North America	68%	60%	75%	ok		
Japan	4%	0%	9%	ok		
Europe ex UK	14%	8%	22%	ok		
UK	4%	0%	12%	ok		
Pacific ex Japan	5%	0%	12%	ok		
Emerging Markets	4%	0%	12%	ok		
Total	98%		•	•		
B7. Normal Global Portfolio Characteristics	•	•				
ROE	27%	10%	20%	check		
CROCE	31%	20%	30%	check		
Operating Margin	18%	15%	25%	ok		
Portfolio turnover	1%	0%	20%	ok		
Relative P/E	1.2	1.0	1.4	ok		
Price/Book Value	8	3	5	check		
Price Earnings	28	22	34	ok		
Price/Cash Flow	23	13	21	check		
Dividend Yield	1%	1%	3%	ok		
E2. Brokerage commissions in bps	5	4	13	ok		
E3. Annual turnover	14%		30%	ok		
The portfolio is in compliance with all other aspects of	f the Portfolio Guidelir	nes	✓ Yes	☐ No		

Manager Explanations for Deviations from Portfolio Guidelines

B7. ROE: Net income has grown faster than shareholder equity for the portfolio's

companies in aggregate.

B7. CROCE: Net cash from operating activities has grown faster than capital

employed for the portfolio's companies in aggregate.

B7. Price/Book: As with net income (see ROE explanation), the price of the portfolio's

holdings has increased at a faster pace than their book values.

B7. Price/Cash Flow: The price of the portfolio's holdings have increased at a faster pace than

the most recently reported cash flows of the portfolio's companies.

Total Firm Assets Under Management (\$m) as of:

\$77,882.5 Qtr 2

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): Lost: 1

Number of Accounts: Total Market Value (\$m): \$ 232.5

Reason(s): The reason for the termination was nearer-term performance against the MSCI World index.

Organizational/Personnel Changes

There were no organisational or personnel changes during the period.

Wasatch Global Investors

Emerging Markets Equity: MSCI EM Benchmark

	For the month of:	July	2025		
Manager Performand	e Calculations			* An	nualized returns
	Last	Last	Last	Last	Last
	<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
Wasatch	-5.91%	3.14%	5.32%	n/a	n/a
MSCI EM	1.95%	12.69%	17.18%	n/a	n/a

Country Allocat	ion Comparison				
Over-weight	Wasatch	<u>EM</u>	Under-weight	Wasatch	<u>EM</u>
India	31.18%	16.89%	China	11.36%	29.21%
United States	10.72%	0.00%	South Korea	2.47%	10.97%
Mexico	8.64%	1.92%	Saudi Arabia	0.00%	3.40%

Performance Attribution & Strategy Comments

The benchmark MSCI Emerging Markets Index rose 1.95% in July, paced by rallies led by technology shares in China, Taiwan and Korea. The information-technology sector drove returns within the Index as investor enthusiasm for artificial intelligence offset headwinds that included renewed trade tensions impacting India. The Wasatch strategy underperformed the benchmark.

On a geographic basis, stock selection and overweight positioning in India detracted most from relative performance. However, the absence of holdings in Saudi Arabia contributed modestly to relative results.

At the sector level, stock selection in financials and information technology detracted most from performance relative to the benchmark. Conversely, lack of direct exposure to the utilities and energy sectors contributed to the strategy's relative performance.

Some of the largest detractors from performance for the month included WEG SA, a Brazilian manufacturer of power components; Five-Star Business Finance Ltd., a financial company operating in India; and MercadoLibre, Inc. (MELI), a Latin American e-commerce and fintech giant.

The largest contributors to performance included Tencent Holdings Ltd., a large Chinese online-gaming company; Asia Vital Components Co. Ltd., a Taiwanese manufacturer of fan coolers for computer equipment; and Trip.com Group Ltd. (TCOM), a leading online travel agency based in China.

Manager Style Summary

Wasatch believes that long-term stock prices are driven by earnings growth. The market's short-term bias presents opportunities to purchase high-quality businesses at a discount to their long-term value. They are patient investors in exceptional companies that can compound earnings over time. The Wasatch Emerging Markets Select strategy is a concentrated, yet diversified growth portfolio of high-quality companies. They use a team based, bottom-up, systematic, approach that seeks to identify companies with outstanding long-term growth potential. Attributes of typical investments include high returns on capital, exceptional management teams, sustainable competitive advantages, and reasonable valuations.

Wasatch Global Investors

Emerging Markets Equity: MSCI EM Benchmark

Portfolio Guideline Compliano	е					
Portfolio Guideline:	Index	Wasatch	Calc	Min	Max	Compliance
Security position <= 10% of the ac	count @ purch	ase			<u> </u>	Yes
Number of issues		35		20	50	ok
Investments in a single sector will	not exceed mo	re than 50%	of the portf	folio value	•	Yes
Investments in a single country wi	I not exceed m	nore than 50	% of the por	tfolio value		Yes
Normal Regional Exposures (* ben	chmark -/+ mi	n/max):				
Emerging Markets	100%	82%		60%	100%	ok
Other	0%	18%		0%	40%	ok
Total		100%				
Normal Global Portfolio Character	istics (Relative	to the Index	:)			
Price/Earnings (fwd)	13.0	25.7	198%	50%	NA	ok
ROE	18.0	24.9	138%	50%	NA	ok
3-5 Yr.Est. Growth	11.6	27.3	235%	50%	NA	ok
No derivatives, short sales, commo	odities, margin	or currency	hedging			Yes
Annual turnover		39%		10%	60%	ok
The portfolio is in compliance with	all other aspe	cts of the Po	rtfolio Guide	elines	✓ Yes	□No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm A	Assets Under	Management (ˈsmˈ) as of:
i Otai i ii iii <i>r</i>	133CC OHUCI	ivialiagellielle	7111	, as on

Qtr 2 \$ 27,326

Organizational/Personnel Changes

None

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ Lost: Number of Accounts: 4 Total Market Value (\$m): \$ 106.7

Reason(s): Reallocation of assets.

WCMEmerging Markets Equity: MSCI EM Benchmark

	For the	month of:	July	2025		
Manager Performance Calculations					* Annu	alized returns
		Last	Last	Last	Last	Last
		<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	5 Years*
WCM		1.91%	18.68%	32.16%	N/A	N/A
MSCI Emerging Ma	arkets	2.02%	12.94%	17.88%	N/A	N/A
Country Allocatio	n Comparison					
Over-weight	<u>WCM</u>	<u>EM</u>	<u>Un</u>	der-weight	<u>WCM</u>	<u>EM</u>
Singapore	5.69%	0.02%	Inc	lia	12.08%	16.89%
Brazil	7.97%	4.06%	Tai	iwan	12.84%	19.48%
Canada	2.44%	0.00%	Ch	ina	25.94%	28.24%

Performance Attribution & Strategy Comments

During July 2025, the portfolio underperformed the MSCI Emerging Markets benchmark, as evidenced by a portfolio total return of 1.91% versus the benchmark's 2.02%, resulting in a total effect of -11 basis points. The negative stock selection effect of -49 basis points outweighed the positive country allocation effect of 38 basis points. Brazil detracted from performance with a total effect of -69 basis points, while China contributed positively with a total effect of 76 basis points. Additionally, Communication Services provided the largest positive sector contribution with a total effect of 1.58%, while Financials detracted from relative performance by -0.49%.

The portfolio demonstrated alternating relative performance versus the MSCI Emerging Markets benchmark, with a notable underperformance of -1.51% for the week ending July 3rd, followed by a moderate outperformance of 76 basis points and 71 basis points for the weeks ending July 11th and 18th, respectively, before another significant underperformance of -1.31% for the week ending July 25th, and a strong recovery with an outperformance of 1.24% for the week ending July 31st. The week ending July 3rd saw the underperformance primarily driven by negative stock selection of -1.55%, while the subsequent week's outperformance was evenly supported by positive stock selection of 39 basis points and favorable country allocation of 37 basis points. For the week ending July 18th, robust stock selection of 1.17% was partially offset by negative country allocation of -46 basis points, while the week ending July 25th's underperformance was again attributed to weak stock selection of -1.34%. The final week's outperformance was underpinned by strong stock selection of 86 basis points and positive country allocation of 38 basis points. On a country level, Singapore detracted most in the week ending July 3rd with -46 basis points, while China contributed most positively in the weeks ending July 11th and 31st with 55 basis points and 65 basis points, respectively.

Manager Style Summary

WCM will manage an emerging markets equity portfolio. WMC's emerging market philosophy is built on moats, culture, tailwinds, focused and valuation. They focus on bottom-up stock picking with a selection edge. The portfolio will hold approximately 50 stocks. Maximum position size will be around 10% with maximum industry exposure around 30%. Idea generation is followed by rigorous quantitative and fundamental analysis before portfolio construction is undertaken.

WCM

Emerging Markets Equity: MSCI EM Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	WCM	Min	Max	Compliance
At least 80% in emerging/frontier	88%	80%	100%	ok
Number of countries in the portfolio	16	3	N/A	ok
Number of global industries	28	15	N/A	ok
No more than 5% of the outstanding shares of each is	ssuer		•	Yes
% of outstanding of China traded company shares	0.01%	0	4%	ok
				_
Single Industry (% MV)	20%		30%	ok
Single Sector (% MV)	26%		50%	ok
Single position (% MV)	9%		10%	ok
Derivatives (% MV)	0%	0%	0%	ok

The portfolio is in compliance with all other aspects of the portfolio guidelines	✓ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 114,200

Organizational/Personnel Changes

No changes.

Account Turnover

Gained: Number of Accounts: 0 Total Market Value (\$m): \$ Lost: Number of Accounts: 0 Total Market Value (\$m): \$ -

Reason(s): N/A

Last Last Last Last Last Last Last Last Section	PERSI Choice Plan Summary						Jul 2025
Balance	Performance - Net of fees	rmance - Net of fees blue = outperform by 50 bp; red = underperform by 50 bp					(*Annualized)
PERSI Total Return Fund			Last	Last	Last	Last	Last
PERSI Total Return Fund ^a n/a 0.0% 5.6% 8.5% 8.0% 7.8% Strategic Policy ^b 0.0.7% 6.8% 10.4% 8.6% 8.4% Policy (55% R300, 155 MSCI EAFE, 30% BCAgg) 0.9% 8.7% 11.7% 11.6% 9.6% Calvert Balanced Fund 18 ** CBARX 1.4% 8.9% 11.6% 11.9% 9.4% Custom Bench (60% R1000, 40% BCAgg) 1.2% 8.6% 11.3% 10.8% 8.8% Capital Preservation PERSI Short-Term Investment Portfolio ^b n/a 0.4% 1.1% 4.6% 4.6% 2.8% ICE BOTA US 3-month T-bill Index 0.3% 1.0% 4.6% 4.7% 2.8% Bond Index Fund n/a -0.3% 0.5% 3.4% 1.6% -1.2% Bloomberg Aggregate -0.3% 0.5% 3.4% 1.6% -1.1% Bloomberg Aggregate -0.3% 0.5% 3.4% 1.6% -1.1% Bloomberg US TIPS Index 10 n/a 0.1% 0.5% 4.1% 0.9% 1.1% Bloomberg US TIPS Index 10 n/a 0.1% 0.5% 4.1% 0.9% 1.1% Bloomberg US TIPS Index 10 n/a 0.1% 0.5% 4.1% 0.9% 1.2% U.S. Equity Russell 3000 2.2% 14.2% 15.5% 16.3% 17.0% 15.8% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.2% 14.3% 16.3% 17.0% 15.8% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap Equity Index Fund N/a 2.5% 15.5% 18.0% 17.0% 15.8% Small Cap T. Rowe Price Small Cap Stock Fund N/a 2.5% 15.5% 18.0% 17.4% 16.3% SP 500 Specialty U.S. Septently N/a 1.0% 1.0% 1.0% 1.0% 1.0% 1.0% 1.0% 1.0%			<u>Month</u>	3 Months	<u>1 Year</u>	3 Years*	<u>5 Years</u> *
Strategic Policy * 0.7% 6.8% 10.4% 8.6% 8.4% Policy (55% R2000, 15% M3COL EAFE, 30% BCAgg) 0.9% 8.7% 11.7% 11.6% 9.6% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 11.6% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 9.6% 12.8% 11.6% 11.9% 10.8% 8.8% 12.8%							
Policy (55% R3000, 15% M5CI EAFE, 30% BCAgg) Calvert Balanced Fund 6 ** Custom Bench (60% R1000, 40% BCAgg) Cayon Tender 6 ** Custom Bench (60% R1000, 40% BCAgg) Cayon Tender 6 ** Custom Bench (60% R1000, 40% BCAgg) Cayon Tender 6 ** Custom Bench (60% R1000, 40% BCAgg) Cayon Tender 6 ** Cayon Ten		n/a	0.0%	5.6%	8.5%	8.0%	7.8%
Calvert Balanced Fund 18** CBARX 1.4% 8.9% 11.6% 11.9% 9.4% Custom Bench (60% R1000, 40% BCAgg) 12.2% 8.6% 11.3% 10.8% 8.8% (Capital Preservation Person International Portfolio	- '				10.4%		8.4%
Custom Bench (60% R1000, 40% BCAgg) 1.2% 8.6% 11.3% 10.8% 8.8%	•		0.9%	8.7%	11.7%	11.6%	9.6%
PERSI Short-Term Investment Portfolio		CBARX			11.6%		9.4%
PERSI Short-Term Investment Portfolio	Custom Bench (60% R1000, 40% BCAgg)		1.2%	8.6%	11.3%	10.8%	8.8%
Bond Samonth T-bill Index D.3% 1.0% 4.6% 4.7% 2.8%	Capital Preservation						
Bond US Bond Index Fund	PERSI Short-Term Investment Portfolio *	n/a	0.4%	1.1%	4.6%	4.6%	2.8%
US Bond Index Fund	ICE BofA US 3-month T-bill Index		0.3%	1.0%	4.6%	4.7%	2.8%
Dodge and Cox Fixed Income Fund S DOXIX -0.1% 1.0% 3.9% 3.4% 0.7% Bloomberg Aggregate -0.3% 0.5% 3.4% 1.6% -1.1% US TIPS Index Fund n/a 0.1% 0.5% 4.1% 0.9% 1.1% Bloomberg US TIPS Index D.1% 0.5% 4.1% 0.9% 1.2% U.S. Equity Russell 3000 Large Cap U.S. Large Cap U.S. Large Cap Equity Index Fund n/a 2.2% 14.2% 15.7% 16.4% 15.2% Vanguard Growth & Income Fund N/a 2.2% 14.3% 16.3% 17.0% 15.8% Vanguard Growth & Income Fund VGIAX VGIAX 2.8% 15.5% 18.0% 17.4% 16.3% S&P 500 Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund n/a 2.5% 15.9% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.3% 1.4% 7.5% 7.7% International Equity Index Fund n/a -2.0% 0.3% 1.4% 1.6% 7.7% International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend 0.4% 5.4% 12.8% 13.6% 10.3% DFAE Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A N/A DFAE Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A N/A DFCEX 1.3% 13.4% 13.9% N/A N/A DFCEX 1.3% 13.4% 13.9% N/A N/A N/A D	Bond						
Bloomberg Aggregate	US Bond Index Fund	n/a	-0.3%	0.5%	3.4%	1.6%	-1.2%
US TIPS Index Fund	Dodge and Cox Fixed Income Fund 5	DOXIX	-0.1%	1.0%	3.9%	3.4%	0.7%
Bloomberg US TIPS Index 0.1% 0.5% 4.1% 0.9% 1.2%	Bloomberg Aggregate		-0.3%	0.5%	3.4%	1.6%	-1.1%
U.S. Equity Russell 3000 Large Cap U.S. Large Cap Equity Index Fund n/a 2.2% 14.3% 16.3% 17.0% 15.8% Vanguard Growth & Income Fund vGlAX 2.8% 15.5% 18.0% 17.4% 16.3% S&P 500 2.2% 14.2% 16.3% 17.1% 15.9% Small/Mid Cap U.S. Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund n/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund n/a 7.5% Russell 2000 17.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	US TIPS Index Fund	n/a	0.1%	0.5%	4.1%	0.9%	1.1%
Russell 3000 2.2% 14.2% 15.7% 16.4% 15.2% Large Cap	Bloomberg US TIPS Index		0.1%	0.5%	4.1%	0.9%	1.2%
Large Cap U.S. Large Cap Equity Index Fund n/a VGIAX 2.2% 14.3% 16.3% 17.0% 15.8% Vanguard Growth & Income Fund VGIAX S&P 500 2.2% 14.2% 16.3% 17.1% 15.9% Small/Mid Cap U.S. Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund Name of the proof o	U.S. Equity						
U.S. Large Cap Equity Index Fund n/a 2.2% 14.3% 16.3% 17.0% 15.8% Vanguard Growth & Income Fund d VGIAX 2.8% 15.5% 18.0% 17.4% 16.3% S&P 500 2.2% 14.2% 16.3% 17.1% 15.9% Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund d N/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund d TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund N/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity Index Fund N/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	Russell 3000		2.2%	14.2%	15.7%	16.4%	15.2%
Vanguard Growth & Income Fund ம VGIAX 2.8% 15.5% 18.0% 17.4% 16.3% S&P 500 2.2% 14.2% 16.3% 17.1% 15.9% Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund ³ n/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund ⁶ TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX <	Large Cap						
S&P 500 Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund 3 n/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund 5 TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	U.S. Large Cap Equity Index Fund	n/a	2.2%	14.3%	16.3%	17.0%	15.8%
Small/Mid Cap U.S. Small/Mid Cap Equity Index Fund ³ n/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund ⁴ TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A <td>Vanguard Growth & Income Fund 2</td> <td>VGIAX</td> <td>2.8%</td> <td>15.5%</td> <td>18.0%</td> <td>17.4%</td> <td>16.3%</td>	Vanguard Growth & Income Fund 2	VGIAX	2.8%	15.5%	18.0%	17.4%	16.3%
U.S. Small/Mid Cap Equity Index Fund ³ n/a 2.5% 16.1% 11.4% 12.5% 11.1% Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap T. Rowe Price Small Cap Stock Fund ⁶ TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	S&P 500		2.2%	14.2%	16.3%	17.1%	15.9%
Dow Jones U.S. Completion Total Stock Market Index 2.5% 15.9% 11.6% 12.3% 10.8% Small Cap	Small/Mid Cap						
Small Cap T. Rowe Price Small Cap Stock Fund № TRSSX 0.5% 8.5% 4.7% 7.3% 8.8% Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	U.S. Small/Mid Cap Equity Index Fund ³	n/a	2.5%	16.1%	11.4%	12.5%	11.1%
T. Rowe Price Small Cap Stock Fund Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8% Specialty US REIT Index Fund	Dow Jones U.S. Completion Total Stock Market Inde	ex	2.5%	15.9%	11.6%	12.3%	10.8%
Russell 2000 1.7% 13.0% -0.6% 7.0% 9.8%	Small Cap						
Specialty	T. Rowe Price Small Cap Stock Fund 🕯	TRSSX	0.5%	8.5%	4.7%	7.3%	8.8%
US REIT Index Fund n/a -0.7% 0.4% 1.3% 1.4% 7.5% Dow Jones U.S. Select REIT -0.7% 0.3% 1.4% 1.6% 7.7% International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	Russell 2000		1.7%	13.0%	-0.6%	7.0%	9.8%
Dow Jones U.S. Select REIT	Specialty						
International Equity International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A		n/a					7.5%
International Equity Index Fund n/a -2.0% 5.1% 12.7% 13.5% 10.4% T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	Dow Jones U.S. Select REIT		-0.7%	0.3%	1.4%	1.6%	7.7%
T. Rowe Price Overseas Stock TROIX -1.6% 6.0% 11.5% N/A N/A MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	International Equity						
MSCI EAFE net dividend -1.4% 5.4% 12.8% 13.6% 10.3% DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% 13.9% N/A N/A	International Equity Index Fund	n/a	-2.0%	5.1%	12.7%	13.5%	10.4%
DFA Emerging Markets Core Equity I DFCEX 1.3% 13.4% N/A N/A	T. Rowe Price Overseas Stock	TROIX	-1.6%	6.0%	11.5%	N/A	N/A
	MSCI EAFE net dividend		-1.4%	5.4%	12.8%	13.6%	10.3%
	DFA Emerging Markets Core Equity I	DFCEX	1.3%	13.4%	13.9%	N/A	N/A
MSCLEMF 2.0% 12.9% 17.9% 11.0% 5.8%	MSCI EMF		2.0%	12.9%	17.9%	11.0%	5.8%

^{**} BNYM and Callan have return discrepancies and are reviewing

^{*} Performance reported by Custodian and may be preliminary; mutual funds identified by corresponding tickers

^{*} Strategic Policy Benchmark = 21% R3000, 18% MSCI ACWI, 6% MSCI EAFE, 9% MSCI EM, 8% PE, 4% NAREIT, 4% NFI-ODCE EW, 20% Agg, 10% TIPS

α Fund returns reflect fees beginning 05/01/15

¹ Calvert Balanced Social Investment (Sudan-Free) Fund performance begins 10/12/07; effective 05/23: share class change from CBAIX to CBARX

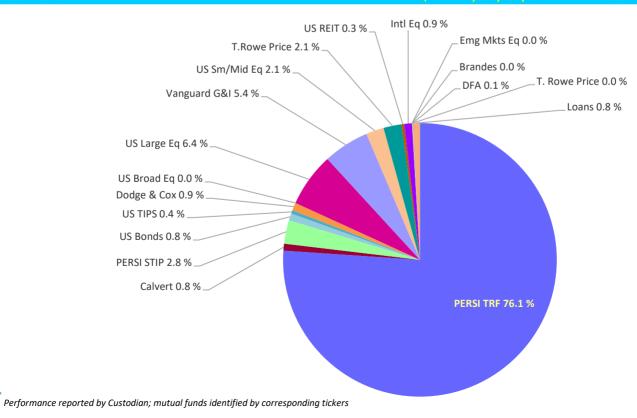
² Vanguard Growth & Income Admiral Shares (VGIAX) performance begins 08/01/03; previous periods reflect Vanguard Growth & Income Investor Shares (VQNPX)

³ US Small/Mid Cap Equity Index Fund managed by MCM performance begins 10/12/07; previous periods reflect Dreyfus Premier Midcap Stock R Fund (DDMRX)

⁴ T. Rowe Price Small Cap Stock Fund (TRSSX) begins 04/01/2017; (OTCFX) performance begins 8/01/2003; previous periods reflect ING Small Company Fund (AESGX)

⁵ Effective 05/23:share class change from DODIX to DOXIX

ERSI Choice Plan Summary				Jul 2025
erformance - Net of fees				
			Alloc by	Alloc by
			<u>Fund</u>	Asset Clas
lanced				76.0%
PERSI Total Return Fund	\$	1,390,020,626	75.1 %	
Calvert Balanced Fund	\$	15,661,962	0.8 %	
pital Preservation				2.6%
PERSI Short-Term Investment Portfolio (ML 0-3mo T-bill)	\$	48,812,737	2.6 %	
nds				2.0%
U.S. Bond Index Fund (BC Aggregate)	\$	14,030,463	0.8 %	
U.S. TIPS Index Fund (BC US TIPS)	\$	6,143,545	0.3 %	
Dodge and Cox Fixed Income Fund (BC Aggregate)	\$	17,155,763	0.9 %	
S. Equity				17.5
Large Cap	ć	120 170 127	6.0.0/	
U.S. Large Cap Equity Index Fund (S&P 500)	\$	128,170,137	6.9 %	
Vanguard Growth & Income Fund (S&P 500) Small/Mid Cap	\$	108,795,088	5.9 %	
U.S. Small/Mid Cap Equity Index Fund (DJ USTSMI) Small Cap	\$	42,374,715	2.3 %	
T. Rowe Price Small Cap Stock Fund (R2000) Specialty	\$	39,104,239	2.1 %	
U.S. REIT Index Fund (DJ US Select REIT)	\$	5,713,574	0.3 %	
emational Equity				1.1 9
International Equity Index Fund (MSCI EAFE)	\$	17,588,128	1.0 %	
T. Rowe Price Overseas Stock	\$	1,018,180	0.1 %	
DFA Emerging Markets Core Equity I	\$	1,232,033	0.1 %	
her				0.8 9
Loans	\$	14,372,914	0.8 %	
tal DC Plan	\$	1,850,194,104	100%	100.0 9





August 26, 2025

To: PERSI Board of Directors

From: Deputy Director

Subject: Operational Updates

New Employers:

- Lava Hot Springs Academy
 - Located in Lava Hot Springs
 - > 12 Employees 6 Elected/Appointed Not Paid
- Madison County Fire Protection District
 - Located in Rexburg
 - > 34 Employees 4 Elected/Appointed Not Paid
- East Boise County EMS District
 - Located in Idaho City
 - ➤ 4 Employees 3 Elected/Appointed Not Psid

Charter School Closure (Potential):

- > Idaho Education News Article stated their Board voted to close
- > Initial letters have been sent to school contacts
- ➤ Withdrawal Amount is approximately \$352K based on FY 24 valuation

MEMORANDUM

DATE:

July 23, 2025

TO:

Alex Simpson

Deputy Director

FROM:

Mike Anderson

Financial Executive Officer

SUBJECT:

New Employer

A New School will enter the PERSI system effective August 1, 2025

LAVA HOT SPRINGS ACADEMY – Lava Hot Springs – 12 employees and 6 elected/appointed not paid.

There is no board action required. Idaho Code 59-1302(15) includes school districts in the definition of a mandatory PERSI employer.

MEMORANDUM

DATE: August 12, 2025

TO: Alex Simpson Alex

Deputy Director

FROM: Mike Anderson

Financial Executive Officer

SUBJECT: New Employer

The following employer will enter the PERSI system on October 1, 2025:

MADISON COUNTY FIRE PROTECTION DISTRICT

Location - Rexburg, ID - 34 Employees - 4 Elected/Appointed Officials Not Paid

MEMORANDUM

DATE:

August 15, 2025

TO:

Alex Simpson Alex

Deputy Director

FROM:

Mike Anderson

Financial Executive Officer

SUBJECT:

New Employer

The following employer will enter the PERSI system on October 1, 2025:

EAST BOISE COUNTY EMS DISTRICT

Location - Idaho City, ID - 4 Employees - 3 Elected/Appointed Officials Not Paid





August 26, 2025

TO: Retirement Board Trustees FROM: Mike Hampton, Director

SUBJECT: Executive Legislation Process and Approval

Summary:

Staff provided draft versions of two Executive Agency Legislative Ideas at the July Board meeting. There have been no substantive edits to these draft amendments.

Key Discussion:

- 1) EALS 183-01: Idaho Code Cleanup Act:
 - a. HB 14, Idaho Code 67-3701 all state governmental entities to review existing code and make legislative recommendation to the Idaho Legislature for the 2026 legislative session.
 - b. Requires review of all Idaho Code to identify all obsolete, outdated or unnecessary statutory language.
 - c. General counsel and internal subject matter experts to identify and recommend amendment to the PERSI code to address outdated, obsolete, or unnecessary language as well as amending language to improve efficiency and understanding.
- 2) EALS 183-02: External Tax Counsel suggested technical corrections to 59-1358(9):
 - a. Replace "after-tax contributions" with "Roth contributions and investment earnings.
 - b. Add IRS code section references to 401(a) and 402A to already referenced 401(k) section.
 - c. Add language "as now in effect and as hereafter amended" to maintain reference to IRS code sections even if they are amended subsequently.

Action:

Staff requests the Board adopt 2025 legislative ideas 183-01 and 183-02 as presented and authorize staff to make non-substantive changes, technical in nature only, that may be required by the Regulatory and Legislative Affairs Bureau, without further Board review and approval.

Executive Agency Legislative System (EALS) Template

EALS# STATUS

EALS #: 183-01 Status: Draft Jun 25, 2025 DFM Analyst: A. Harper

Agency: PERSI Special Assist: J. Neill

BASIC PROPOSAL INFORMATION

Title: Idaho Code Cleanup Act

Preferred house of origin and committee:

House: Commerce and Human Resources

CONTACTS

Contact 1: Elisa Magnuson, General Counsel

Contact 2: Mike Hampton, Director

COMMENTARY

Statement of Purpose:

Repeal Idaho Code sections: 59-1324, 1381,1382,1383,1384,1385,1396,1397 and 1399.

Amend Idaho Code sections to remove unnecessary or conflicting language or improve clarity: 59-1301, 1302, 1305A, 1320, 1331, 1342, 1350, 1351, 1352, 1352A, 1352B, 1353, 1354, 1356, 1359, 1361 and 1361A.

Fiscal impact of legislative idea:

This legislation will have no impact on the state's General fund or any dedicated fund or federal fund. Amend and repeal in accordance with Idaho Cleanup Act.

EALS 183-01

TITLE 59 PUBLIC OFFICERS IN GENERAL

CHAPTER 13 PUBLIC EMPLOYEE RETIREMENT SYSTEM

59-1301. PUBLIC EMPLOYEE RETIREMENT SYSTEM CREATED -- PURPOSE -- DUTIES OF FIDUCIARIES OF RETIREMENT FUND.

- (1) A retirement and disability benefit system is created and placed under the management of a retirement board for the purpose of providing a retirement system and other benefits for public employees in the state of Idaho under this chapter. The retirement system shall be known as the "Public Employee Retirement System of Idaho (PERSI)."
- (2) The purpose of such system is to provide an orderly means whereby public employees in the state of Idaho who become superannuated or other- wise incapacitated as the result of age or disability, may be retired from active service without prejudice and without inflicting a hardship upon the employees retired, and to enable such employees to accumulate pension credits to provide for old-age, disability, death and termination of employment, thus effecting economy and efficiency in the administration of the state, county and local government. The legislature, therefore, declares that, in its considered judgment, the public good, and the general welfare of the citizens of this state required the enactment of this measure, under the police powers of the state.

With respect to the retirement fund created in this chapter, the fiduciaries of the fund shall discharge their duties with respect to the fund solely in the interest of the members and their beneficiaries

- (a) for the exclusive purpose of:
 - (i) providing benefits to members and their beneficiaries; and
 - (ii) defraying reasonable expenses of administering the system;
- (b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;
- (c) by diversifying the investments of the fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and
- (d) in accordance with the provisions of the Idaho Code governing the system.

[59-1301, added 1963, ch. 349, Art. 1, sec. 1, p. 988; am. 1990, ch. 231, sec. 1, p. 613; am. 1991, ch. 16, sec. 1, p. 36; am. 2000, ch. 13, sec. 1, p. 27.]

59-1302. DEFINITIONS.

- (1) As used in this chapter, each of the terms de- fined in this section shall have the meaning given in this section unless a different meaning is clearly required by the context.
- (2) "Active member" means any employee who is not establishing the right to receive benefits through his or her employer's participation in

any other retirement system established for Idaho public employees, if such participation is mandated by applicable Idaho statutes other than this chapter. In no case will an employee be entitled to any benefit under this chapter for public service if such employee is establishing retirement benefit entitlements by other Idaho statutes or federal statutes other than military service or social security for that same service.

- (3) "Accumulated contributions" means the sum of amounts contributed by a member of the system, together with regular interest credit thereon.
 - (4) "Actuarial equivalent" means a benefit equal in value to another benefit, when computed on the basis of the actuarial tables in use by the system.
 - (5) "Actuarial tables" means such tables as shall have been adopted by the board in accordance with recommendations of the actuary.
 - (5A) "Alternate payee" means a spouse or former spouse of a member who is recognized by an approved domestic retirement order as having a right to all or a portion of the accrued benefits in the retirement system with respect to such member.
 - (5B) "Approved domestic retirement order" means a domestic retirement order that creates or recognizes the existence of an alternate payee's right or assigns to an alternate payee the right to all or a portion of the accrued benefits of a member under the retirement system, that directs the system to establish a segregated account or disburse benefits to an alternate payee, and that the executive director of the retirement system has determined meets the requirements of sections 59-1319 and 59-1320, Idaho Code.
 - (5C) "Average monthly salary" means the member's average salary during the base period as calculated pursuant to rules adopted by the retirement board.
 - (5D) (a) "Base period" means the period of fifty-four (54) consecutive calendar months during which the member earned:
 - (i) The highest average salary; and
 - (ii) Membership service of at least one-half (1/2) the number of months in the period, excluding months of service attributable to:
 - A. Military service;
 - B. Service qualifying as minimum benefit pursuant to section 59-1342(5), Idaho Code; and
 - C. Worker's compensation income benefits.
 - (b) Effective October 1, 1993, the consecutive calendar months shall be forty-eight (48). Effective October 1, 1994, the consecutive calendar months shall be forty-two (42).
 - (c) Entitlement to a base period shall not vest until the effective date of that base period. The retirement benefits shall be calculated on the amounts, terms and conditions in effect at the date of the final contribution by the member.
 - (d) If no base period exists for a member, the member's average monthly salary shall be determined by the board, using standards not inconsistent with those established in this subsection.
 - (e) To assure equitable treatment for all members, salary increments inconsistent with usual compensation patterns may be disallowed by the board in determining average monthly salary and base period.
 - (6) "Beneficiary" means the person who is nominated by the written designation of a member, duly executed and filed with the board, to receive the death benefit.

- (7) "Calendar year" means twelve (12) calendar months commencing on the first day of January.
- (7A) "Contingent annuitant" means the person designated by a member under certain retirement options to receive benefit payments upon the death of the member. The person so designated must be born and living on the effective date of retirement.
- (8) "Credited service" means the aggregate of membership service and disable service, prior service and disabled service.
- (9) "Date of establishment" means July 1, 1965, or a later date established by the board or statute.
- (10) "Death benefit" means the amount, if any, payable upon the death of a member.
- (11) "Disability retirement allowance" means the periodic payment becoming payable to a member who meets all applicable eligibility requirements for disability retirement.
 - (12) "Disabled" means:
 - (a) That the member is prevented from engaging in any occupation or employment for remuneration or profit as a result of bodily injury or dis- ease, either occupational or nonoccupational in cause, but excluding disabilities resulting from service in the armed forces of any country other than the United States, or from an intentionally self-inflicted injury; and
 - (b) That the member will likely remain so disabled permanently and continuously during the remainder of the member's life.

It is not necessary that a person be absolutely helpless or entirely unable to do anything worthy of compensation to be considered disabled. If the person is so disabled that substantially all the avenues of employment are reasonably closed to the person, that condition is within the meaning of "dis- abled." In evaluating whether a person is disabled, medical factors and non- medical factors, including but not limited to education, economic and social environment, training, and usable skills, may be considered.

Refusal to submit to a medical examination ordered by the board before the commencement of a disability retirement allowance or at any reasonable time thereafter shall constitute proof that the member is not disabled. The board shall be empowered to select for such medical examination one (1) or more physicians or surgeons who are licensed to practice medicine and perform surgery. The fees and expenses of such examination shall be paid from the administration account of the fund. No member shall be required to undergo such examination more often than once each year after he has received a disability retirement allowance continuously for two (2) years.

(12A) "Disabled service" means the total number of months elapsing from starting the first day of the month next succeeding the final contribution of a member prior following the last creditable month of service to receiving a disability retirement allowance to the first day of the month following the date of termination of such disability retirement allowance. During such period, the member shall remain classified in the membership category held during the month of final contribution—Disability service shall be granted at the same membership class held on the date of final contribution. Disabled service credited to a member, if any, shall not cause the member to exceed three hundred sixty (360) total months. The total number of months of disabled service credited for a person first becoming disabled after the effective date of this chapter shall not exceed the excess, if any, of three hundred

sixty (360) over the total number of months of prior service and membership service.

- (12B) "Domestic retirement order" means any judgment, decree, or an order, including approval of a property settlement agreement, that relates to the provision of marital property rights to a spouse or former spouse of a member and is made pursuant to a domestic relations law, including the community property law of the state of Idaho or of another state.
- (13) "Early retirement allowance" means the periodic payment becoming payable to a member who meets all applicable eligibility requirements for early retirement.
- (13A) "Early retirement" means retirement by a member prior to age sixty (60) years for police officer members or age sixty-five (65) years for general members.
 - (14) (A) "Employee" means:
 - (a) Any person who normally works twenty (20) hours or more per week for an employer, or a schoolteacher who works half-time or more for an employer and who receives salary for services rendered for such employer;
 - (b) Elected officials or appointed officials of an employer who receive a salary;
 - (c) A person who is separated from service with fewer than five (5) consecutive months of employment and who is reemployed or reinstated by an employer participating in the public employee retirement system of Idaho within thirty (30) days; or
 - (d) A person receiving differential wage payments as defined in 26 U.S.C. 3401(h) on or after July 1, 2009. A differential wage payment generally refers to an employer payment to an employee called to active duty in the uniformed services for more than thirty (30) days that represents all or a portion of the compensation he would have received from the employer if he were performing services for the employer.
 - (B) "Employee" does not include employment as:
 - (a) A person rendering service to an employer in the capacity of an independent business, trade or profession; or
 - (b) A person whose employment with any employer does not total five (5) consecutive months; or
 - (c) A person provided sheltered employment or make-work employment by a public employer in an employment or industries program maintained for the benefit of such person; or
 - (d) An inmate of a state institution, whether or not receiving compensation for services performed for the institution; or
 - (e) A student enrolled in an undergraduate, graduate, or career technical program at and employed by a state college, university, community college or career technical center when such employment is predicated on student status; or
 - (f) A person making contributions to the director of the office of personnel management under the United States civil service system retirement act, except that a person who receives separate remuneration for work currently performed for an employer and the United States government may elect to be a member of the retirement system, in accordance with rules of the board; or
 - (g) A person not under contract with a school district or charter school who on a day-to-day basis works as a substitute teacher replacing a contracted teacher and is paid a substitute wage as established by district policy or who on a day-to-day basis works as a substitute

assistant re- placing a staff instruction assistant or a staff library assistant and is paid a substitute wage as established by district policy; or

- (h) 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, soil and water conservation district, or mosquito abatement district when the city, county, irrigation district, cemetery district, soil and water conservation 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 positions, golf course positions, invasive species inspection positions, and irrigation positions; or
- (i) A person in a position that: (i) is eligible for participation in an optional retirement program established under section 33-107A or 33-107B, Idaho Code; or (ii) would be eligible for participation in an optional retirement program established under section 33-107A or 33-107B, Idaho Code, if the person was not working less than half-time or fewer than twenty (20) hours per week.
- (15) "Employer" means the state of Idaho or any political subdivision or governmental entity, provided such subdivision or entity has elected to come into the system. Governmental entity means any organization composed of units of government of Idaho or organizations funded only by government or employee contributions or organizations that discharge governmental responsibilities or proprietary responsibilities that would otherwise be performed by government. All governmental entities are deemed to be political subdivisions for the purpose of this chapter. Provided however, that on and after the effective date of this act, all new employers added to the public employee retirement system must be in compliance with internal revenue regulations governing governmental retirement plans. All state agencies, political subdivisions or governmental entities which are currently participating employers in PERSI are, for purposes of PERSI, deemed one (1) employer.
- (15A) "Final contribution" means the final contribution made by a member pursuant to sections 59-1331 through 59-1334, Idaho Code.
 - (16) "Firefighter" means:
 - (a) An employee, including paid firefighters hired on or after October
 - 1, 1980, whose primary occupation is that of preventing and extinguishing fires as determined by the rules of the board; or
 - (b) The state fire marshal or the state fire marshal's deputies.
- (17) "Fiscal year" means the period beginning on July 1 in any year and ending on June 30 of the next succeeding year.
- (18) "Fund" means the public employee retirement fund established by this chapter.
- (19) "Funding agent" means any bank or banks, trust company or trust companies, legal reserve life insurance company or legal reserve life insurance companies, or combinations thereof, any thrift institution or credit union or any investment management firm or individual investment manager selected by the board to hold and/or invest the employers' and members' contributions and to pay certain benefits granted under this chapter.

- (20) "Inactive member" means a former active member who is not an employee and is not receiving any form of retirement allowance, who has not requested a separation benefit, or for whom a separation benefit has not become payable.
 - (20A) "Ineligible" means:
 - (a) Not eligible to participate and not required to contribute as an employee when:
 - (i) The employer is not a current member of the public employee retirement system of Idaho (PERSI);
 - (ii) The employee is not an employee as defined in subsection (14) of this section; or
 - (iii) The employee is participating in the judges retirement fund, the firefighters retirement fund or the optional retirement plan;
 - (b) Not eligible for retirement where there has been no termination of employment from an employer participating in PERSI, the judges retirement fund, the firefighters retirement fund or the optional retirement plan or where there has been a withdrawn employer a withdrawn employer, a PERSI participating employer, the judges retirement fund or the optional retirement plan; or
- (c) Not eligible to receive a separation benefit where there has been no termination of employment from an employer participating in PERSI, the judges retirement fund, the firefighters retirement fund or the optional retirement plan or where there has been a withdrawn employer a withdrawn employer, a PERSI participating employer, the judges retirement fund or the optional retirement plan.
- <u>All</u> state agencies, political subdivisions or governmental entities that qualify as an employer as defined in subsection (15) of this section or prior to April 4, 2017, were considered an employer and are currently participating in PERSI are, for purposes of PERSI, deemed one (1) employer.
- (20B) "Lifetime annuity" means periodic monthly payments of income by the retirement system to an alternate payee.
- (20C) "Lump sum distribution" means a payment by the retirement system of the entire balance in the alternate payee's segregated account, together with regular interest credited thereon.
 - (21) "Member" means an active member, inactive member, ineligible member, or a retired member.
 - (22) "Membership service" means military service that occurs after the commencement of contributions payable under sections $\underline{59-1331}$ through $\underline{59-1334}$, Idaho Code, and service with respect to which contributions are payable under sections $\underline{59-1331}$ through $\underline{59-1334}$, Idaho Code, which, except for benefit calculations described in sections $\underline{59-1342}$ and $\underline{59-1353}$, Idaho Code, includes service transferred to a segregated account under an approved domestic retirement order.
- (23) "Military service" means any period of active duty service in the armed forces of the United States, including the national guard and reserves, under the provisions of titles 10, 32, and 37, U.S.C., that commences fewer than ninety (90) days after the person ceases to be an employee and ends fewer than ninety (90) days before the person again becomes an employee. Provided, if a member fails to again become an employee as a result of his death while in active duty service, the member shall be entitled to military service through the date of death. Provided further, if a member fails to again become an employee due to a disability retirement resulting from service in the armed forces of the United States, the member shall be entitled

to military service through the date the disability allowance becomes payable. In no event shall military service include:

- (a) Any period ended by dishonorable discharge or during which termination of such service is available but not accepted; or
- (b) Any active duty service in excess of five (5) years if at the convenience of the United States government, or in excess of four (4) years if not at the convenience of the United States government, provided additional membership service may be purchased as provided in section 59-1362, Idaho Code.
- (24) (a) "Police officer" for retirement purposes shall be as defined in section 59-1303, Idaho Code.
- (b) "POST" means the Idaho peace officer standards and training council established in chapter 51, title 19, Idaho Code.
- (25) "Prior service" means any period prior to July 1, 1965, of military service or of employment for the state of Idaho or any political subdivision or other employer of each employee who is an active member or in military ser- vice or on leave of absence on the date of establishment, provided, however, an employee who was not an active member or in military service or on leave of absence on the date of establishment shall receive credit for the member's service prior to July 1, 1965, on the basis of recognizing two (2) months of such service for each month of membership service. For the purpose of computing such service, no deduction shall be made for any continuous period of absence from service or military service of six (6) months or less.
- (26) "Regular interest" means interest at the rate set from time to time by the board.
- (27) "Retired member" means a former active any member receiving a retirement allowance.
- (28) "Retirement" means the acceptance of a retirement allowance under this chapter upon termination of employment and, u-Unless otherwise provided by law, requires a termination of employment from an employer participating in PERSI, the judges retirement fund, the firefighters retirement fund or the optional retirement plan. under this chapter, termination from any employer as defined in section 59-1302(15) or participating in the judges retirement fund or the optional retirement plan is required.
- (29) "Retirement board" or "board" means the board provided for in sections $\frac{59-1304}{2}$ and $\frac{59-1305}{2}$, Idaho Code, that administers the retirement sys tem.
- (30) "Retirement system" or "system" means the public employee retirement system of Idaho \underline{PERSI} .
 - (31) (A) "Salary" means:
 - (a) The total salary or wages paid to a person who meets the definition of employee by an employer for personal services performed and reported by the employer for income tax purposes, including the cash value of all remuneration in any medium other than cash.
 - (b) The total amount of any voluntary reduction in salary agreed to by the member and employer where the reduction is used as an alternative form of remuneration to the member.
 - (B) Salary in excess of the compensation limitations set forth in section 401(a)(17) of the Internal Revenue Code shall be disregarded for any person who becomes a member of the system on or after July 1, 1996. The system had no limitations on compensation in effect on July 1, 1993. The compensation limitations set forth in section 401(a)(17) of the Internal Revenue Code shall not apply for an eligible employee. For purposes of

this subsection, "eligible employee" is an individual who was a member of the system before July 1, 1996.

- (C) "Salary" does not include:
- (a) Contributions by employers to employee-held medical savings accounts, as those accounts are defined in section 63-3022K, Idaho Code.
- (b) Lump sum payments inconsistent with usual compensation patterns made by the employer to the employee only upon termination from service including, but not limited to, vacation payoffs, sick leave payoffs, early retirement incentive payments and bonuses.
- (c) Differential wage payments as defined in 26 U.S.C. 3401(h). A differential wage payment generally refers to an employer payment to an employee called to active duty in the uniformed services for more than thirty (30) days that represents all or a portion of the compensation he would have received from the employer if he were performing services for the employer.
- (d) 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.
- (31A) "School employee" means any employee of any school district or charter school employed as instructional staff, pupil service staff, or professionally endorsed staff and any staff holding a certificate pursuant to section $\underline{33-1201A}$, Idaho Code, and school bus drivers and resource officers, subject to the provisions of subsection (14) of this section.
- (31B) "Segregated account" means the account established by the retirement system for the alternate payee of a member who is not a retired member. It shall include the months of credited service and accumulated contributions transferred from the member's account.
- (32) "Separation benefit" means the amount, if any, pursuant to section 59-1359, Idaho Code.
 - (32A) "Separated from employment" means the inactive member terminated all employment with the employer. An inactive member is not considered to have separated from employment if he continues performing services for the same employer in any capacity including, but not limited to independent contractor, leased employee, or temporary service. For purposes of section 59-1359, "same employer" means the employer for which the person last worked prior to being separated from employment.
- (33) "Service" means being shown on an employer's payroll as an employee receiving a salary. For each calendar month, service is credited only when a member is an employee as defined in subsection (14)(A) of this section and is employed for fifteen (15) days or more during the calendar month. Employment of fourteen (14) days or less during any calendar month shall not be credited. No more than one (1) month of service shall be credited for all service in any month.
- (34) "Service retirement allowance" means the periodic payment becoming payable upon an active member's ceasing to be an employee while eligible for service retirement.
- (34A) "Service retirement" means retirement by a member at or after age sixty (60) years for police officer members or at or after age sixty-five (65) years for general members.
 - (35) "State" means the state of Idaho.

- (35A) "Termination from employment" means the employee has separated from employment, the employee has ended service with the employer and the employer has notified PERSI of the termination.
- (36) "Vested member" means an active or inactive member who has at least five (5) years of credited service, except that a member who at the time of his separation from service:
 - (a) Held an office to which he had been elected by popular vote or having a term fixed by the constitution, statute or charter or was appointed to such office by an elected official; or
 - (b) Was the head or director of a department, division, agency, statutory section or bureau of the state; or
 - (c) Was employed on or after July 1, 1965, by an elected official of the state of Idaho and occupied a position exempt from the provisions of chapter 53, title 67, Idaho Code; and
 - (d) Was not covered by a merit system for employees of the state of Idaho; is vested without regard to the length of credited service.
- (37) The masculine pronoun, wherever used, shall include the feminine pronoun.

[59-1302, added 1963, ch. 349, Art. 1, sec. 2, p. 988; am. 1965, ch. 265, sec. 1, p. 682; am. 1967, ch. 398, sec. 1, p. 1184; am. 1969, ch. 283, sec. 1, p. 856; am. 1969, ch. 460, sec. 1, p. 1288; am. 1970, ch. 153, sec. 1, p. 473; am. 1971, ch. 49, sec. 1, p. 105; am. 1972, ch. 245, sec. 1, p. 636; am. 1974, ch. 57, sec. 2, p. 1118; am. 1975, ch. 217, sec. 1, p. 604; am. 1976, ch. 97, sec. 1, p. 404; am. 1979, ch. 158, sec. 1, p. 479; am. 1984, ch. 132, sec. 1, p. 309; am. 1985, ch. 84, sec. 1, p. 164; am. 1986, ch. 147, sec. 1, p. 409; am. 1987, ch. 346, sec. 1, p. 735; am. 1989, ch. 189, sec. 1, p. 465; am. 1989, ch. 190, sec. 1, p. 469; am. 1990, ch. 130, sec. 1, p. 300; am. 1990, ch. 231, sec. 2, p. 613; am. 1990, ch. 249, sec. 1, p. 702; am. 1991, ch. 61, sec. 1, p. 140; am. 1992, ch. 220, sec. 1, p. 658; am. 1992, ch. 342, sec. 1, p. 1038; am. 1993, ch. 350, sec. 2, p. 1296; am. 1994, ch. 209, sec. 1, p. 658; am. 1994, ch. 276, sec. 1, p. 856; am. 1994, ch. 411, sec. 1, p. 1296; am. 1995, ch. 143, sec. 1, p. 607; am. 1996, ch. 59, sec. 1, p. 170; am. 1996, ch. 79, sec. 1, p. 252; am. 1996, ch. 112, sec. 1, p. 415; am. 1997, ch. 72, sec. 1, p. 148; am. 1997, ch. 218, sec. 1, p. 643; am. 1998, ch. 22, sec. 1, p. 128; am. 1999, ch. 198, sec. 1, p. 508; am. 1999, ch. 199, sec. 1, p. 519; am. 1999, ch. 329, sec. 39, p. 879; am. 2002, ch. 46, sec. 1, p. 102; am. 2004, ch. 232, sec. 1, p. 679; am. 2004, ch. 294, sec. 1, p. 818; am. 2007, ch. 44, sec. 1, p. 105; am. 2010, ch. 143, sec. 1, p. 300; am. 2010, ch. 182, sec. 1, p. 371; am. 2011, ch. 100, sec. 1, p. 240; am. 2011, ch. 100, sec. 2, p. 245; am. 2011, ch. 100, sec. 3, p. 251; am. 2012, ch. 31, sec. 1, p. 90; am. 2012, ch. 217, sec. 1, p. 590; am. 2013, ch. 187, sec. 13, p. 457; am. 2017, ch. 235, sec. 1, p. 576; am. 2018, ch. 235, sec. 1, p. 548; am. 2021, ch. 83, sec. 1, p. 275; am. 2022, ch. 216, sec. 1, p. 689; am. 2022, ch. 219, sec. 1, p. 727; am. 2024, ch. 167, sec. 1, p. 635.]

59-1303. POLICE OFFICER MEMBER STATUS.

(1) As used in this chapter, each of the terms used in this section shall have the meaning given in this section unless a different meaning is clearly required by the context.

- (2) Police officer membership status for retirement purposes may be fixed only by law pursuant to subsection (3) of this section. After July 1, 2024, police officer member status should only be considered for additional categories or classes of employees engaged in hazardous duty and engaged in jobs where the employee becomes superannuated due to the arduous physical requirements of the job. For the purposes of this section, "hazardous duty" means duties performed under circumstances that may result in serious injury or death and that involve physical hardship. Stress alone is not a sufficient hardship for police officer member status. For any legislative proposal or bill that would add additional classes of employees to subsection (3) of this section or that would otherwise increase police officer member status, the board shall provide a recommendation to any Idaho legislative committee considering such legislative proposal or bill.
- (3) Only members holding or filling the following positions or offices are designated by law as having police officer member status for retirement purposes during the time of their appointment to that position or during their term of office:
 - (a) Idaho state police:
 - (i) The director and deputy director of the Idaho state police;
 - (ii) Commissioned and sworn troopers, specialists (detectives), and POST training coordinators;
 - (iii) Commissioned and sworn personnel in a supervisory capacity as major, captain, lieutenant, or sergeant;
 - (iv) The commissioned state brand inspector, deputy brand inspectors, and brand inspector supervisors; and
 - (v) Emergency communications officers and supervisory emergency communications officers pursuant to section $\underline{19-5119}$, Idaho Code;
 - (b) County law enforcement:
 - (i) County sheriffs;
 - (ii) "Peace officers" and "county detention officers" as defined in chapter 51, title 19, Idaho Code;
 - (iii) Supervisory "peace officers" and "county detention officers" as defined in chapter 51, title 19, Idaho Code;
 - (iv) Juvenile detention officers and supervisory juvenile detention officers;
 - (v) Juvenile probation officers and supervisory juvenile probation officers;
 - (vi) Adult misdemeanor probation officers and supervisory adult misdemeanor probation officers; and
 - (vii) Emergency communications officers and supervisory emergency communications officers pursuant to section $\underline{19-5119}$, Idaho Code;
 - (c) City law enforcement:
 - (i) City police chiefs;
 - (ii) "Peace officers" as defined in $\frac{\text{chapter 51, title 19}}{\text{Code}}$, Idaho Code;
 - (iii) Supervisory "peace officers" as defined in chapter 51, title 19, Idaho Code; and
 - (iv) Emergency communications officers and supervisory emergency communications officers pursuant to section 19-5119, Idaho Code;
 - (d) Conservation officers, the enforcement assistant chief, and enforcement bureau chief of the department of fish and game;

- (e) Department of correction:
 - (i) The director and deputy director of the department of correction, the division chief and deputy division chief for probation and parole, and the wardens and deputy wardens of institutions;
 - (ii) Correctional officers, presentence investigators, correctional officers in the supervisory capacity of lieutenant, sergeant, corporal, correctional specialist, correctional specialist supervisor, and correctional managers;
 - (iii) Probation and parole supervisors, probation and parole investigators, and probation and parole officers; and
 - (iv) Correctional peace officer training instructors;
- (f) Employees of the adjutant general and military division of the state where military membership is a condition of employment;
- (g) Magistrates of the district court; justices of the supreme court, judges of the court of appeals, and district judges who have made an election under section 1-2011, Idaho Code; and court employees designated by court order to have primary responsibility for court security or transportation of prisoners;
- (h) Employees whose primary function requires that they are certified by the Idaho department of health and welfare as an emergency medical technician-basic, an advanced emergency medical technician-ambulance, an emergency medical technician-intermediate, or an emergency medical technician-paramedic;
- (i) Criminal investigators of the attorney general's office and criminal investigators of a prosecuting attorney's office; and
- (j) The director of security and the criminal investigators of the Idaho state lottery.
- (4) On and after July 1, 1985, no active member shall be classified as a police officer for retirement purposes unless the employer shall have certified to the board, on a form provided by the board, that such member is an employee whose primary position with the employer is one designated as such within the meaning of this chapter, and the board shall have accepted such certification. Acceptance by the board of an employer's certification shall in no way limit the board's right to review and reclassify the position for retirement purposes based on an audit or other relevant information presented to the board. The board may carry out such acts as are necessary to enforce the provisions of this chapter.
- (5) A member classified as a police officer for retirement purposes whose position is reclassified to that of a general member for retirement purposes as a result of a determination that the position does not meet the requirements of this chapter for police officer member status for retirement purposes shall become a general member. Excess employer and employee contributions shall be refunded to the employer by offsetting future contributions and the member's record shall be corrected. It shall be the employer's responsibility to refund employee contributions directly to the employee.

[59-1303, added 2020, ch. 136, sec. 2, p. 422; am. 2022, ch. 283, sec. 1, p. 899; am. 2022, ch. 285, sec. 1, p. 904; am. 2023, ch. 218, sec. 23, p. 649; am. 2024, ch. 87, sec. 1, p. 425.]

59-1304. RETIREMENT BOARD -- APPOINTMENT.

- (1) There is hereby created in the office of the governor a governing authority of the system to consist of a board of five (5) persons known as the retirement board. Each member of the board shall be appointed by the governor to serve a term of five (5) years. The governor shall designate one (1) member of the board to serve as chairman.
- (2) Two (2) board members shall be appointed from among active members having at least ten (10) years of credited service.
- (3) Three (3) board members shall be appointed from among Idaho citizens who are not members of the system except by reason of having served on the board.
- (4) Members of the board shall be compensated as provided by section $\underline{59-509}$ (p), Idaho Code. These allowances shall be paid from the administration account of the fund.
- (5) A board member shall serve until his successor qualifies. Each board member shall be entitled to one (1) vote, and three (3) board members shall constitute a quorum. Three (3) votes shall be necessary for resolution or action by the board at any meeting except as otherwise provided in this chapter.
- (6) The board shall hold regular meetings and shall hold special meetings at such times and at such places as it deems necessary. All meetings of the board shall be open to the public. The board shall keep a record of all its proceedings.
- [(59-1304) 59-1326, added 1963, ch. 349, Art. 8, sec. 1, p. 988; am. 1969, ch. 283, sec. 11, p. 856; am. 1974, ch. 22, sec. 45, p. 592; am. 1974, ch. 57, sec. 16, p. 1118; am. 1976, ch. 355, sec. 1, p. 1170; am. 1980, ch. 247, sec. 78, p. 646; am. 1988, ch. 234, sec. 1, p. 462; am. and redesig. 1990, ch. 231, sec. 4, p. 620; am. 2021, ch. 178, sec. 1, p. 493.]

59-1305. POWERS AND DUTIES OF BOARD -- INDEMNIFICATION.

(1) The board shall have the power and duty, subject to the limitations of this chapter, of managing the system. It shall have the powers and privileges of a corporation, including the right to sue and be sued in its own name as such board. Members of the retirement board, retirement system staff and retirement system mortgage and investment committee members shall, jointly and individually, be provided a defense and indemnified against all claims, demands, judgments, costs, charges and expenses, including court costs and attorney's fees, and against all liability losses and damages of any nature whatsoever that arise out of and in the course and scope of their official duties and functions, but only if the defense and indemnity for such person's wrongful act or omission are not provided by chapter 9, title 6, Idaho Code, and the wrongful act or omission of the person was not intentional, willful or wanton misconduct, fraudulent, or a knowing violation of law. The board may, as a fiduciary of the trust, determine to provide a defense and indemnity hereunder. The board may, as a fiduciary of the trust, determine to refuse a defense or disavow and refuse to pay any judgment against a board member, retirement system staff, or retirement system mortgage and investment committee member if it is determined that such person was not within the course and scope of his official duties and functions or his conduct was intentional misconduct, willful, wanton, fraudulent, or a knowing violation of the law. Any defense

and indemnity provided under this section shall be an expense of the trust, and the board is authorized but not required to purchase insurance to protect against such risks notwithstanding any other provision of law. No contribution or indemnification, or reimbursement for legal fees and expenses related to such defense or indemnification, shall be sought from any person defended or indemnified under this section unless the court in which the underlying claim was brought finds that the act or omission of the person was outside the course and scope of his official duties and functions or was intentional, willful or wanton misconduct, fraudulent, or a knowing violation of law. Any action by the trust against a board member, retirement system staff, or mortgage and investment committee member, and any action by a person against the trust for contribution, indemnification or necessary legal fees and expenses, shall be tried to the court in the same civil lawsuit brought on the claim against the retirement board member, retirement system staff, or retirement system mortgage and investment committee member. The venue of all actions in which the board is a party shall be Ada county, Idaho.

- (2) The board shall appoint an executive director to serve at its discretion. The executive director shall be the secretary to the board, bonded as is required by the board, and shall perform such duties as assigned by the board. The executive director shall be authorized to designate a staff member as acting director or secretary in the director's absence.
- (3) The board shall authorize the creation of whatever staff it deems necessary for sound and economical administration of the system. The executive director shall hire the persons for the staff who shall hold their respective positions subject to the rules of a merit system for state employees. The salaries and compensation of all persons employed for purposes of administering the system shall be fixed by the board and as otherwise provided by law.
- (4) The board shall obtain all actuarial, audit, legal and medical services it deems appropriate for the system. It shall cause a competent actuary who is a member of the academy of actuaries and who is familiar with public systems of pensions to be retained on a consulting basis. The actuary shall be the technical advisor of the board on matters regarding the operation of the system. During the first year of operation of the system and at least once every four (4) years thereafter, the actuary shall make a general investigation of the suitability of the actuarial tables used by the system. The board shall adopt the actuarial tables and assumptions in use by the system and may change the same in its sole discretion at any time. The actuary shall make an annual valuation of the liabilities and reserves of the system and an annual determination of the amount of contributions required from the employers under this chapter and certify the results thereof to the board. The actuary shall also perform such other duties as may be assigned by the board. An independent financial audit shall be conducted annually or as frequently as otherwise determined by the board.
- (5) The board shall establish the system's office or offices to be used for the meetings of the board and for the general purposes of the administrative personnel. The board shall provide for the installation of a complete and adequate system of accounts and records for administering this chapter. All books and records shall be kept in the system's offices.
- (6) If the board determines that it has previously overpaid or underpaid benefits provided under this chapter or chapter 14, title 72, Idaho

Code, it shall correct the prior error. In the event of prior underpayment, the board shall forthwith pay the amount of the underpayment together with regular interest thereon. In the event of prior overpayment, the board may offset future benefit payments by the amount of the prior overpayment together with regular interest thereon. Any such decision to offset future benefit payments shall be administratively and judicially reviewable as provided in section 59-1314, Idaho Code. Nothing herein contained shall be construed to limit the rights of a member or the board to pursue any other remedy provided by law.

- (7) (a) For the collection of an overpayment, the board shall have the power to issue subpoenas to financial institutions to compel the production of evidence to determine if persons other than a deceased retiree or a deceased beneficiary have access to an account.
- (b) Any subpoena issued pursuant to this section may be enforced by the district courts of Ada county. The court shall have jurisdiction to hear the parties, determine the reasonableness of the subpoena, and to set aside, modify, or enforce the subpoena by its order in accordance with the evidence. Any failure to obey such court order may be punished by the court as a contempt thereof.

[(59-1305) 59-1327, added 1963, ch. 349, Art. 8, sec. 2, p. 988; am. 1965, ch. 265, sec. 3, p. 682; am. 1969, ch. 283, sec. 12, p. 856; am. 1971, ch. 49, sec. 11, p. 105; am. 1985, ch. 4, sec. 1, p. 8; am. and redesig. 1990, ch. 231, sec. 5, p. 620; am. 1991, ch. 61, sec. 2, p. 144; am. 1993, ch. 350, sec. 3, p. 1301; am. 2005, ch. 90, sec. 1, p. 307; am. 2006, ch. 268, sec. 1, p. 834; am. 2022, ch. 38, sec. 1, p. 99.]

59-1305A. CRIMINAL HISTORY CHECKS.

- (1) The public employee retirement system of Idaho (PERSI), through the cooperation of the Idaho state police, shall establish a system to obtain a criminal history check on individuals, including but not limited to classified and nonclassified employees as de- fined in section 67-5302, Idaho Code, those who will have access to person- ally identifiable information, and those who will have access to initiate or approve financial transactions. The criminal history check shall be based on a completed ten (10) finger fingerprint card or scan and shall include, at a minimum, information from the following state and national databases:
 - (a) The Idaho bureau of criminal identification; and
 - (b) The federal bureau of investigation.
- (2) PERSI shall may charge all such individuals a fee necessary to cover the cost of undergoing a criminal history check pursuant to this section. The total fee shall be sufficient to cover the net costs charged by the federal bureau of investigation and the Idaho state police. A record of all background checks shall be maintained by PERSI. A copy shall be provided to the applicant upon request.
- (3) The Idaho state police and PERSI shall implement a joint exercise of powers agreement pursuant to sections $\frac{67-2328}{67-2328}$ through $\frac{67-2333}{67-2333}$, Idaho Code, necessary to implement the provisions of this section.

[59-1305A, added 2022, ch. 40, sec. 1, p. 104.]

59-1306. CONFORMITY WITH FEDERAL TAX CODE TO MAINTAIN QUALIFIED PLAN TAX STATUS.

Chapter 13, title 59, and chapter 14, title 72, Idaho Code, shall be administered in a manner so as to comply with the requirements of 26 U.S.C. section 401(a)(8), (9), (16), (25), (31), (36) and (37) as hereinafter amended and with the vesting requirements described in 26 U.S.C. section 411(e)(2) as hereinafter amended. The public employee retirement system board shall promulgate rules and amend or repeal conflicting rules in order to assure compliance with the requirements of these sections. This chapter shall be in full force and effect only so long as compliance with paragraphs (8), (9), (16), (25), (31), (36) and (37) of subsection 401(a) and paragraph (2) of subsection 411(e) of the Internal Revenue Code is required for public retirement systems. If compliance with any such paragraph is, at any point no longer required, this provision or the applicable portion thereof, will cease to have any force or effect.

[(59-1306) 1989, ch. 185, sec. 2, p. 461; 1990, am. and redesignated, ch. 231, sec. 6, p. 621; am. 1998, ch. 193, sec. 1, p. 697; am. 2014, ch. 87, sec. 1, p. 237.]

59-1307. AGREEMENTS WITH OTHER RETIREMENT SYSTEMS.

The board may enter into agreements with the boards or other authorities of other retirement systems operated by the state of Idaho or by political subdivisions to protect the retirement rights or benefits of employees who may alter their membership status by changing employment from one agency to another.

[(59-1307) 1963, ch. 349, Art. 3, sec. 3, p. 988; am. and redesig. 1990, ch. 231, sec. 7, p. 621.]

59-1308. SUPPLEMENTAL BENEFIT PLAN -- CONTRIBUTIONS AND EXPENSES OF THE SUPPLEMENTAL BENEFIT PLAN -- INDEMNIFICATION.

(1) The state shall sponsor and the board shall administer one (1) or more supplemental benefit plans to be used for allocation of extraordinary gains as provided in section 59-1309, Idaho Code, and for voluntary contributions of active members. The supplemental plans may be established under the qualified requirements of section 401(a) of the Internal Revenue Code and with the qualified cash or deferred arrangements under section 401(k) of the Internal Revenue Code or any other tax-deferred plan permitted by law, as determined by the retirement board. The board is authorized to secure such qualified staff and consultants as it determines necessary to establish and administer such plans. Employee and employer contributions shall be permitted according to the provisions of these plans as established by the board. For purposes of this section, "employee" shall mean a participant as defined in the

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supplemental benefit plan documents or board rules.

(2) The board is authorized, but not required, to establish separate trust funds to hold the assets of the supplemental benefit plans created under this

section. The investment options available under supplemental benefit plans shall be determined by the board and may include but are not limited to investment in all or part of the public employee retirement fund and use of private vendor options.

- (3) Supplemental benefit plans shall be available to all active members and shall be in addition to any other retirement or tax-deferred compensation system established by the employer. The board may provide educational opportunities related to supplemental benefit plans and retirement savings, as determined by the board.
- (4) Accounts shall be established in supplemental benefit plans for all active members eligible for an extraordinary gains transfer under section 59-1309, Idaho Code. After the initial transfer of extraordinary gains, any active member may make additional voluntary contributions to his/her account, subject to applicable limitations, by authorizing his/her employer to contribute an amount by payroll deduction to the supplemental benefit plan in lieu of receiving such amount as salary. The amount of such contributions shall be subject to any limitations established by the board or state or federal law. The employer shall provide coordination of contributions between multiple plans to assure that contribution limits are not exceeded. Should aggregate contributions to multiple plans exceed applicable limits, excess contributions shall be deemed to apply exclusively to plans not created by this chapter. In the event a preexisting plan is used as a supplemental plan, voluntary contributions may continue to be made to that plan despite the absence of extraordinary gains transfers.
- (5) For purposes of this section, the employer is authorized to make such deductions from salary for any employee who has authorized such deductions in writing. The employer shall forward all contributions under this section to the board by the fifth working day after each payroll, in addition to reports as directed by the board. Any costs incurred by the board, whether direct or indirect, due to an employer's failure to properly withhold, transfer, limit and report contributions, shall be the responsibility of the employer and shall be immediately due and payable upon notice from the board. This includes but is not limited to costs associated with plan corrections. Such costs shall be treated as delinquent contributions under section 59-1325, Idaho Code.
- (6) The board may enter into agreements with employers or require participation to implement the supplemental benefit plans, and the board may designate administrative agents to execute all necessary agreements pertaining to the supplemental benefit plans.
- (7) All contributions received from participants in the supplemental benefit plans shall be deposited with a trustee designated by the board. All such funds are hereby perpetually appropriated to the board, shall not be included in the department's budget, and may be invested or used to pay for investment and administrative expenses of the supplemental benefit plans. Inactive members may be required to transfer supplemental benefit plan account balances as determined by the board.
- (8) The board may establish rules to implement and administer supplemental benefit plans. Costs of administration shall be appropriated by the legislature and may be paid from the interest earnings of the funds accrued as a result of the deposits or as an assessment against each account, to be decided by the board. Investment-related expenses are exempt from appropriation.

- (9) (a) Qualified pre-tax contributions and investment earnings under the supplemental benefit plans shall be in compliance with the requirements of sections 401 (a) and 401 (k) of the Internal Revenue Code or any other tax-deferred plan permitted by law.
- (b) Qualified after-tax contributions shall be in compliance with the requirements of section 401(k) of the Internal Revenue Code.
- (c) Distributions of funds held in supplemental benefit plan accounts are subject to federal law limitations. The board may provide for retirement disbursement options other than lump sum payments.
- (10) All additional contributions made by the employee under this section shall continue to be included as regular compensation for the purpose of computing the employer and employee retirement contributions and pension benefits earned by an employee under this chapter, but such sum shall not be included in the computation of any income taxes withheld on behalf of any employee. However, funds accrued in a supplemental benefit plan account shall not be considered in determining any other benefits under this chapter.
- (11) The provisions of sections $\underline{59-1316}$ and $\underline{59-1317}$ (1), (2) and (5), Idaho Code, shall also apply to the supplemental benefit plans created under this section. Should a court order that an assignment be made to a participant's spouse or former spouse of all or part of an account created under this section, the assignment shall be separate and distinct from any approved domestic retirement order required by section $\underline{59-1317}$ (4), Idaho Code. Requirements for assignments of supplemental accounts may be set forth in rule or other plan documents.
- (12) Members of the retirement board or retirement system staff shall, jointly or individually, be provided a defense and indemnified against all claims, demands, judgments, costs, charges and expenses, including court costs and attorney's fees, and against all liability losses and damages of any nature whatsoever arising out of and in the course and scope of their official duties and functions in administering any plans created pursuant to the provisions of this section to the same extent as provided in section $\underline{59-1305}(1)$, Idaho Code. The venue of all actions in which the retirement board or retirement staff is a party shall be in Ada county, Idaho.

[59-1308, added 1995, ch. 120, sec. 1, p. 520; am. 2000, ch. 208, sec. 1, p. 529; am. 2001, ch. 89, sec. 1, p. 227; am. 2006, ch. 268, sec. 2, p. 835; am. 2024, ch. 19, sec. 1, p. 159.]

59-1309. ALLOCATION OF EXTRAORDINARY GAINS.

- (1) At the close of each fiscal year, the board shall determine whether the fund has experienced extraordinary gains. If extraordinary gains exist the board may allocate all or part of them as set forth in this section. In determining whether extraordinary gains should be allocated, the board shall exercise its fiduciary discretion.
- (2) Extraordinary gains are defined as the excess, if any, at the close of the fiscal year of plan assets over the plan's accrued actuarially determined liabilities plus a sum necessary to absorb a one (1) standard deviation market event without increasing contribution rates, as determined by the board.
- (3) If the board determines that extraordinary gains should be allocated, the gains shall be allocated to retirees, to active members, and to employers in such proportion as determined by the board. The board

shall determine no later than the first day of December following the close of the fiscal year the amount of extraordinary gains to be allocated, if any.

- (4) Retirees shall receive their allocation in the form of a one-time payment made in addition to their regular monthly benefit payments. For purposes of this section, "retirees" include retired members, members receiving a disability retirement allowance, contingent annuitants, and surviving spouses who elected the annuity option under section 59-1361(5), Idaho Code. To participate in the retiree allocation, a retiree must be receiving a regular monthly allowance at the close of the fiscal year and on the date of distribution. The retiree allocation shall be distributed proportionally based on the final monthly retirement allowance of the fiscal year divided by the total of all monthly retirement allowances paid for the same month. The date of distribution shall be no later than the first day of February following the close of the fiscal year.
- Active members shall receive their allocation as a transfer of funds to a supplemental retirement account established by the board. Funds transferred to or held in supplemental retirement accounts shall be accounted for separately and shall not be considered in determining any other benefits under this chapter. To participate in the active member allocation, the member must have been an active member on the last day of the fiscal year and have accrued at least twelve (12) months of service on that date. Any member who has withdrawn contributions from the fund prior to the date of transfer is not eliqible to receive a transfer under this section. The active member allocation shall be distributed proportionally based on accumulated contributions at the close of the fiscal year divided by the total accumulated contributions of all active members at the close of the fiscal year, not to exceed the amount that would result by applying the limits imposed by rule or by section 415(c)(1) of the Internal Revenue Code to compensation earned during the fiscal year. The transfer of funds shall occur in the following calendar year but shall be subject to reduction and forfeiture, based on the application of limits imposed by rule or by section 415 of the Internal Revenue Code for that year.
- (6) Employers shall receive their allocation as a credit against future contributions required by section 59-1325, Idaho Code. Credits are not available to any employer who has withdrawn from participation in the fund prior to the transfer date. The employer allocation shall be credited proportionally based on employer contribution liability accrued during the fiscal year as provided in section 59-1322, Idaho Code, divided by the total employer contribution liability for the fiscal year. The credits shall be established no later than the first day of February following the close of the fiscal year. The credits shall be applied thereafter in the same manner as provided in section 59-1325, Idaho Code, until exhausted. If, after twelve (12) months of remittances, an employer's credits have not been exhausted, and the employer has not withdrawn from participation in the fund, the value of the remaining credits shall carry over to the next year, together with an interest payment equal to regular interest on the remaining credits.

[59-1309, added 2000, ch. 208, sec. 2, p. 531.]

59-1310. ADMISSIBILITY IN EVIDENCE OF PHOTOREPRODUCED COPIES OF RECORDS OR DOCUMENTS MAINTAINED BY THE SYSTEM -- DESTROYING THE ORIGINAL.

Copies of records or documents maintained on microfilm, microfiche, computer imagery or other photoreproductive material of archival quality by the retirement system shall be as admissible in evidence as the original itself in any legal, judicial or administrative proceeding, or action, provided the custodian of records of the retirement system certifies on such copies offered into evidence that the retirement system is not in possession of the original and that the copy is a true and correct representation of the original. The original may be destroyed by the retirement system once the original is microfilmed, microfiched, digitally imaged or copied by other photoreproduction of archival quality.

[59-1310, added 1996, ch. 79, sec. 2, p. 257; am. 1999, ch. 198, sec. 2, p. 514.]

59-1311. PUBLIC EMPLOYEE RETIREMENT FUND CREATED -- ADMINISTRATION -- PAYMENT OF BENEFITS -- PERPETUAL APPROPRIATION.

- (1) There is hereby established in the state treasury a special fund, the "Public Employee Retirement Fund," which shall be separate and apart from all public moneys or funds of this state and shall be administered under the direction of the board exclusively for the purposes of this chapter. The state treasurer shall maintain within the fund a clearing account, a portfolio investment expense account and an administration account.
- (2) All contributions received from employers by the board on their account and on account of members shall be deposited with a funding agent designated by the board. All such funds are hereby perpetually appropriated to the board and shall not be included in the department's administration ac- count budget and shall be invested or used to pay for investment-related expenses.
- (3) As needed to pay current obligations, the board shall transfer funds from the funding agent to the state treasurer's office for deposit into the administration account. All funds deposited in the administration account shall be available to the board for the payment of administrative expenses only to the extent so appropriated by the legislature.
- (4) As required by the board, the funding agent shall transfer funds to the state treasurer's office for deposit into the portfolio investment expense account for payment of investment expenses. The funds deposited in the portfolio investment expense account shall be used for payment of investments and investment-related and actuarial-related expenses. Such expenses shall include but not be limited to:
 - (a) Reporting services;
 - (b) Investment and actuarial advisory services;
 - (c) Funding agent fees and money management fees; and
 - (d) Investment and actuarial staff expenses including hiring of investment and actuarial management personnel. Investment and actuarial management personnel are defined as staff positions that are classified at pay grades N through V by the division of human resources.

Investment and actuarial management personnel shall be exempt from the provisions of chapter 53, title 67, Idaho Code, and section 67-3519, Idaho Code, and shall be hired by and serve at the pleasure of the board. All expenses of the portfolio investment expense account shall be reported on a

quarterly basis to the legislature and to the division of financial management in the office of the governor.

- (5) As required by the board, the funding agent shall transfer funds to the state treasurer's office for deposit into the clearing account. All benefits for members shall be payable directly from the clearing account or by the funding agent as they come due. If the amount of such benefits payable at any time exceeds the amount in the clearing account, the payment of all or part of such benefits may be postponed until the clearing account becomes adequate to meet all such payments, or the board may require a refund from the funding agent sufficient to meet all such payments.
- (6) Moneys representing member entitlements that remain unclaimed after reasonable attempts to effect payment shall remain in the retirement fund available for payment to the member or other established rightful payee.

[(59-1311) 1963, ch. 349, Art. 9, sec. 2, p. 988; am. 1980, ch. 51, sec. 2, p. 106; am. 1985, ch. 168, sec. 5, p. 448; am. 1989, ch. 186, sec. 1, p. 461; am. and redesig. 1990, ch. 231, sec. 9, p. 622; am. 1992, ch. 220, sec. 3, p. 662; am. 1996, ch. 79, sec. 3, p. 257; am. 2020, ch. 137, sec. 1, p. 424.]

59-1312. SELECTION OF FUNDING AGENT(S) -- INVESTMENT OF ASSETS - TAX EXEMPTION.

- (1) The board shall select the funding agent(s) and establish a medium for funding, which may be a self-administration pension trust fund or a group annuity contract, or combination thereof. The contract shall authorize the funding agent(s) to hold and, subject to the provisions of subsections (2) and (3) of this section, to invest moneys for the system and to pro- vide the retirement benefits and death benefits for retired members granted by this chapter.
- (2) The board is authorized to select investment managers registered with the Securities and Exchange Commission to invest, reinvest and otherwise manage, subject to the restrictions outlined in subsection (3) of this section, such portions of the assets of the fund as are assigned by the board and are held by a funding agent (s) designated by the board.
- (3) The funding agent(s) and investment managers, in acquiring, investing, reinvesting, exchanging, retaining, selling and managing the moneys and properties of the system, shall be governed by the Uniform Prudent Investor Act, chapter 5, title 68, Idaho Code; provided, however, that the board is hereby authorized and empowered, in its sole discretion, to limit, control and designate the types, kinds and amounts of such investments. The funding agent(s) will not be required to segregate moneys applicable to individual employees or employers, but shall only be responsible for the aggregate of such moneys as are received by it.
- (4) All contributions paid to the funding agent(s) shall be construed as being exempt from premium taxes payable pursuant to section 41-402, Idaho Code.

[(59-1312) 1963, ch. 349, Art. 8, sec. 3, p. 988; am. 1965, ch. 265, sec. 4, p. 682; am. 1986, ch. 147, sec. 5, p. 415; 1990, am. and redesignated, ch. 231, sec. 10, p. 623; am. 1997, ch. 14, sec. 5, p. 18.]

59-1313. TRUST AGREEMENT -- AMENDED TO COMPLY WITH THIS CHAPTER.

The board may amend its trust agreement with the funding agent to comply with the requirements of this chapter.

[(59-1313) 59-1344, added 1967, ch. 115, sec. 9, p. 222; am. and redesignated 1990, ch. 231, sec. 11, p. 624.]

- 59-1314. RULES -- PROCEDURES FOR HEARINGS PRIOR TO APPEALS -- APPEALS.
- (1) Subject to other provisions of this chapter and pursuant to the policy and standards set out in section $\underline{59-1301}$, Idaho Code, the board shall have the power and authority to adopt, amend or rescind such rules and administrative policies as may be necessary for the proper administration of this chapter.
- (2) A final decision of the board shall be served by first class and certified mail, postage paid, on all interested parties. Any person aggrieved by any otherwise final decision or inaction of the board must, before he appeals to the courts, file with the executive director of the board by mail or personally, within ninety (90) days after the service date of the final decision on the aggrieved party, a notice for a hearing before the board. The notice of hearing shall set forth the grounds of appeal to the board.
- (3) A hearing shall be held before the board in Ada County, Idaho, at a time and place designated by the board or may be undertaken or held by or before any member(s) thereof or any hearing officer appointed by the board for that purpose. The proceedings before the board shall be governed by the provisions of chapter 52, title 67, Idaho Code. Members of the board or the hearing officer shall have power to administer oaths, to preserve and enforce order during such hearings, to issue subpoenas for and to compel the attendance and testimony of witnesses or the production of books, papers, documents and other evidence and to examine witnesses.
- (4) Every finding, order or award made by any member or hearing officer pursuant to such hearing, as confirmed or modified by the board, and ordered filed in its office, shall be deemed to be the finding, order or award of the board. The recommended order of the hearing officer shall be considered by the board and the decision and order of the majority of the members shall be the order of the board. Every such order rendered by the board shall be in writing and a copy thereof shall be mailed by first class and certified mail to each party to the appeal and to his attorney of record.
- (5) If any person in proceedings herein disobeys or resists any lawful order or process or misbehaves during a hearing, or so near the place thereof as to obstruct the same, or neglects to produce, after having been ordered so to do, any pertinent book, paper, document or other evidence, or refuses to appear after having been subpoenaed, or upon appearing refuses to take the oath as a witness, or after having taken the oath refuses to be examined according to law, the board shall certify the facts to the district court having jurisdiction, and the court shall thereupon, in a summary manner, hear the evidence as to the acts complained of, and, if the evidence so warrants, punish such person in the same manner and to the same extent as for contempt committed before the court, or commit such person upon the same conditions as if doing of the forbidden act had occurred with reference to the proceedings, or in the presence of the court.
- (6) Any party aggrieved by a final order of the board may seek judicial review thereof pursuant to the provisions of chapter 52, title 67, Idaho Code. The decision or judgment of the district court shall be subject to ap-

peal to the Supreme Court in the same manner and by the same procedure as appeals are taken and perfected to the court in civil actions at law.

[(59-1314) 1963, ch. 349, Art. 8, sec. 4, p. 988; am. 1971, ch. 49, sec. 12, p. 105; am. 1984, ch. 132, sec. 6, p. 316; am. and redesignated 1990, ch. 231, sec. 12, p. 624; am. 1991, ch. 61, sec. 3, p. 145; am. 1993, ch. 216, sec. 96, p. 665; am. 1996, ch. 247, sec. 1, p. 781.]

59-1315. AMOUNT, TERMS AND CONDITIONS OF REVISED BENEFITS ARE TO BE PROSPECTIVE ONLY UNLESS OTHERWISE PROVIDED.

As the amount, terms and conditions of benefits may be revised from time to time the application of such revisions shall be prospective only and not retrospective or retroactive unless otherwise provided by statute. Accordingly, unless otherwise provided, a member's benefits are determined based upon the terms of the plan on the date of the member's last contribution as an active member.

[(59-1315) 1971, ch. 49, sec. 15, p. 105; am. and redesig. 1990, ch. 231, sec. 13, p. 625; am. 2005, ch. 89, sec. 1, p. 306.]

59-1316. MEMBER'S RETIREMENT RECORDS CONFIDENTIAL -- PENALTY FOR DIVULGING INFORMATION.

- (1) Each member shall furnish the board with such information as the board shall deem necessary for the proper operation of the system. As provided in section 74-106, Idaho Code, information contained in the retirement system mortgage portfolio loan documents and in each member's retirement system records is confidential and may not be divulged except as ordered by a court or except as may be required by the employer member or by the retirement board and its staff in order to carry into effect the purposes of this chapter.
- (2) A member may by his written authorization release specific information from his own retirement system records to a stated designee. If the member is deceased, the member's contingent annuitant or beneficiary may by written authorization release specific information from the member's retirement system records to a stated designee.
- (3) The retirement system may disclose the identity of a deceased member's beneficiary to the member's spouse, children, and the courtappointed administrator of the member's estate.
- (4) Should a court order direct distribution or partial distribution of a member's benefit as defined in either chapter 13, title 59, Idaho Code, or chapter 14, title 72, Idaho Code, to the member's spouse or former spouse, the system may release to the spouse, former spouse, or the court issuing the order information pertaining to the division or segregation of the member's accounts or benefit. This information includes account balances, service accumulations, and related information and histories, but does not include current addresses and phone numbers. The system may release the same in- formation to a member's current spouse at any time, regardless of whether a court has ordered a distribution or division of the member's account.
- (5) No board member, director, deputy, employee, contractor, or any person formerly employed in any such position shall knowingly divulge or make known to any person in any manner any member's retirement system records obtained directly or indirectly in the discharge of duties except as pro-

vided by statute, court order, or rules of the retirement system promulgated under this section or sections 50-1507, 50-1508, 50-1524, 59-1301, 59-1314, 59-1383, 59-1392, 72-1405, Idaho Code.

(6) Any board member, director, deputy, employee, contractor, or any person formerly employed in any such position who knowingly violates any of the provisions of this section shall be guilty of a felony and, upon conviction, shall be punished by a fine of not less than one hundred dollars (\$100) nor more than five thousand dollars (\$5,000) or by imprisonment for not more than five (5) years. Upon such conviction, such person shall also forfeit his office, employment, or contract, if any, and shall be ineligible to hold any public office in this state for a period of two (2) years. Nothing in this subsection shall limit the retirement system's ability to take any and all disciplinary actions authorized pursuant to chapter 53, title 67, Idaho Code.

[59-1316, added 1988, ch. 275, sec. 1, p. 906; am. 1990, ch. 213, sec. 90, p. 553; am. and redesig. 1990, ch. 231, sec. 14, p. 625; am. 1990, ch. 249, sec. 7, p. 711; am. 1992, ch. 220, sec. 4, p. 664; am. 1996, ch. 103, sec. 1, p. 405; am. 2000, ch. 13, sec. 2, p. 27; am. 2001, ch. 90, sec. 1, p. 229; am. 2015, ch. 141, sec. 158, p. 501; am. 2024, ch. 26, sec. 1, p. 179.]

59-1317. RIGHTS TO BENEFITS INALIENABLE.

- (1) The right of a person to any benefits under this chapter and the money in any fund created by this chapter shall not be assignable or subject to execution, garnishment or attachment or to the operation of any bankruptcy or insolvency law.
- (2) Notwithstanding subsection (1) of this section, the benefits of a member or alternate payee shall be subject to garnishment, execution, or wage withholding under <u>chapter 12</u>, <u>title 7</u>, Idaho Code, for the enforcement of an order for the support of a minor child.
- (3) Notwithstanding subsection (1) of this section, prior to July 1, 1998, should a court order direct distribution or partial distribution of a member benefit defined in either chapter 13, title 59, Idaho Code, or chapter 14, title 72, Idaho Code, be made to the member's spouse or former spouse, that member's full benefit entitlement will be forwarded to the court for distribution.
- (4) Notwithstanding subsection (1) of this section, on or after July 1, 1998, should a court order direct distribution or partial distribution of a member's benefit defined in either chapter 13, title 59, Idaho Code, or chapter 14, title 72, Idaho Code, be made to the member's spouse or former spouse, the court order must be an approved domestic retirement order and shall comply with the requirements of sections $\underline{59-1319}$ and $\underline{59-1320}$, Idaho Code.
- (5) Notwithstanding subsection (1) of this section, should a court order establish a trust pursuant to section $\underline{15-5-409}$, Idaho Code, the full benefit entitlement will be forwarded to the trustee, naming the trustee as payee.

[(59-1317) 1963, ch. 349, Art. 7, sec. 1, p. 988; am. 1985, ch. 168, sec. 4, p. 448; am. 1986, ch. 221, sec. 5, p. 588; 1990, am. and redesignated, ch. 231, sec. 15, p. 625; am. 1996, ch. 102, sec. 1, p. 405; am. 1998, ch. 22, sec. 2, p. 134.]

59-1318. RIGHTS IN ASSETS OF SYSTEM LIMITED.

No particular person, group of persons or entity shall have any right in any specific portion of the assets of the system other than such undivided interest in the whole of such assets as is specified in this chapter.

[(59-1318) 1963, ch. 349, Art. 9, sec. 4, p. 988; am. and redesig. 1990, ch. 231, sec. 16, p. 626.]

59-1319. APPROVED DOMESTIC RETIREMENT ORDERS -- REQUIREMENTS.

- (1) An approved domestic retirement order must meet the following requirements:
 - (a) Clearly specify that such order applies to the retirement system;
 - (b) Clearly specify the effective date of the order, which is the date of divorce or the date of an earlier property settlement agreement incorporated into the initial divorce decree, the name, account number, date of birth, sex, and last known mailing address of the member and the

name, date of birth, sex, and last known mailing address of the alternate payee covered by the order;

- (c) Provide for a proportional reduction of the amount awarded to an alternate payee in the event that benefits available to the member are reduced by law;
- (d) For benefits as defined in chapter 13, title 59, Idaho Code, for members who are not retired members: (i) clearly specify the amount or percentage of the member's taxed and tax deferred accumulated contributions which are to be credited to the segregated account or the manner in which such amount or percentage is to be determined, and (ii) clearly specify the member's months of credited service, either by specific amount or percentage, to be transferred by the retirement system to the segregated account or the manner in which such amount or percentage is to be determined. The months of credited service transferred to the alternate payee shall be proportional to the accumulated contributions attributable to such months of credited service. Months of credited service transferred shall be whole months and not partial months;
- (e) For benefits as defined in chapter 13, title 59, Idaho Code, for retired members, clearly specify the amount or percentage of the member's benefit being paid that the retirement system is to pay to the alternate payee, or the manner in which such amount or percentage is to be determined, and if the alternate payee is the member's named contingent annuitant and is waiving all survivor benefits as the named contingent annuitant, clearly specify such waiver pursuant to this subsection; and
- (2) An approved domestic retirement order cannot:
 - (a) Require the retirement system to provide any type or form of benefit or any option not otherwise provided under the retirement system;

- (b) Require the retirement system to provide increased benefits determined on the basis of actuarial value;
- (c) Require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be an approved domestic retirement order or a court order entered prior to July 1, 1998;
- (d) Require any action on the part of the retirement system contrary to its governing statutes or rules other than the direct payment of the benefit awarded to an alternate payee;
- (e) Segregate or attempt to segregate the right to reinstate previous credited service as provided in section 59-1360, Idaho Code, unless such credited service has been fully reinstated by full payment of contributions and interest as provided in section 59-1360, Idaho Code;
- (f) Purport to award to the alternate payee any future benefit increases that are provided or required by the legislature, except as provided in subsections (6) and (7) of section 59-1320, Idaho Code; or
- (g) Require the payment of benefits to an alternate payee before the date on which the alternate payee attains the earliest retirement age under the retirement system. However, an alternate payee may take a lump sum distribution any time prior to receiving a lifetime annuity payment.
- (3) In no event shall an approved domestic retirement order cause the retirement system to pay any benefit or any amount of benefit greater than would have been paid had the member's account not been segregated.
- (4) A party to any domestic retirement order issued prior to July 1, 1998, which distributes benefits defined in either chapter 13, title 59, Idaho Code, or chapter 14, title 72, Idaho Code, may move the court to modify such order to comply with the requirements of this section and section 59-1320, Idaho Code, provided that modifications be limited to issues related to the distribution of benefits defined in either chapter 13, title 59, Idaho Code, or chapter 14, title 72, Idaho Code, and that the value of the distribution is not materially changed.
- (5) The alternate payee's social security number shall be provided to the board before a domestic retirement order is approved under section 59-1320, Idaho Code, in a manner prescribed by the board.

[59-1319, added 1998, ch. 22, sec. 3, p. 134; am. 1999, ch. 198, sec. 3, p. 514; am. 2000, ch. 13, sec. 3, p. 28; am. 2004, ch. 212, sec. 1, p. 638; am. 2004, ch. 328, sec. 1, p. 980.]

59-1320. APPROVED DOMESTIC RETIREMENT ORDERS -- APPLICATION AND EFFECT.

(1) The executive director of the public employee retirement system or his designee upon receipt of a copy of a domestic retirement order, shall determine whether the order is an approved domestic retirement order and shall notify the member and the alternate payee of the determination within ninety (90) days. Orders shall be applied prospectively only from the first day of the month following the order being determined to be an approved domestic retirement order. The retirement system shall then pay benefits or establish a segregated account in accordance with the order. When established, the segregated account will consist of accumulated contributions identified in the approved domestic retirement order together with accrued interest on that amount from the effective date to the date of segregation.

- (2) If the order is determined not to be an approved domestic retirement order, or if no determination is issued within ninety (90) days, the member or the alternate payee named in the order may move the court which issued the order to amend the order so that it will be approved. The court that issued the order or which would otherwise have jurisdiction over the matter has jurisdiction to amend the order so that it will be qualified even though all other matters incident to the action or proceeding have been fully and finally adjudicated.
- (3) The executive director of the retirement system to which a domestic retirement order is submitted or his designee has exclusive authority to determine whether a domestic retirement order is an approved domestic retirement order. If it is determined that a domestic retirement order does not meet the requirements for an approved domestic retirement order, both the issuing court and the parties to the order shall be notified so action may be taken to amend the order.
- (4) Because an approved domestic retirement order cannot cause the retirement system to pay any benefit or any amount of benefit greater than would have been paid had the member's account not been segregated, disputes related to benefits paid under an approved domestic retirement order shall be resolved between the parties to the order by the court issuing that order. The retirement system shall not be made a party to the action. Any cost, including attorney's fees, incurred by the retirement system as a result of such actions shall be distributed by the court among the parties and included in any amended order issued.
- (5) Unless the approved domestic retirement order specifies differently, if the member has a right to a vested benefit as of the effective date of the order, then both the member and the alternate payee shall have a right to a vested benefit after the transfer of months of service even if the member or the alternate payee has less than sixty (60) months of membership service.
- (6) For benefits under chapter 13, title 59, Idaho Code, for members other than retired members, if the domestic retirement order awards to the alternate payee a portion of the member's accumulated contributions the alternate payee shall be entitled to all the same benefits and rights an inactive member has under chapter 13, title 59, Idaho Code. The alternate payee's benefit calculation for a lifetime annuity shall use the member's average monthly salary and base period as of the effective date of the order and the months of credited service transferred to the alternate payee's segregated account. The benefit calculation shall use the alternate payee's age with the appropriate reduction factors based on the alternate payee's age at the time of payment of the lifetime annuity. For the purpose of the lifetime annuity, the bridging factor, as specified in section 59-1355, Idaho Code, shall be the bridging factor between the effective date of the order or the last day of contributions by the member prior to the effective date of the order, whichever is earliest, and the date of the first lifetime annuity payment to the alternate payee. The alternate payee shall have the right to select any of the optional retirement allowances provided in section 59-1351, Idaho Code. The alternate payee shall have the right to name a beneficiary.
- (7) For benefits defined under chapter 13, title 59, Idaho Code, for retired members, and for benefits under chapter 14, title 72, Idaho Code, the retirement system shall include in the alternate payee's amount or percentage of the benefit, on a proportional basis, all future adjustments, including

postretirement increases that are granted by the retirement system, and any death benefit.

- (8) For benefits under chapter 13, title 59, Idaho Code, for retired members, the form of payment previously elected by the member under section 59-1351, Idaho Code, cannot be changed by a domestic retirement order, except that a member's benefit may be adjusted as provided in section 59-1351(2), Idaho Code, if an alternate payee waives all survivor benefits otherwise payable as a contingent annuitant as provided in section 59-1319(1)(e), Idaho Code. Furthermore, no segregated account will be established by the retirement system for the alternate payee. Upon the death of the alternate payee, his/her percentage of the benefit will revert to the person or persons, including the member, who are entitled to the benefit under the system at the time of the alternate payee's death.
- (9) For benefits defined under chapter 14, title 72, Idaho Code, the benefit transferred to the alternate payee shall start when the retirement system begins paying benefits to the member, surviving spouse, or surviving children of the member. The transferred benefit shall be payable only for the lifetime of the alternate payee and it shall not revert to the member, surviving spouse or surviving children of the member.
- (10) The retirement system shall be authorized to issue any and all appropriate tax forms or reports for any payments made to the alternate payee.
- (11) The retirement system, the retirement board, and officers and employees of the retirement system shall not be liable to any person for making payments of any benefits in accordance with an approved domestic retirement order.

[59-1320, added 1998, ch. 22, sec. 4, p. 136; am. 1999, ch. 198, sec. 4, p. 516; am. 2004, ch. 328, sec. 2, p. 981; am. 2006, ch. 19, sec. 1, p. 71.]

59-1321. PROCEDURE FOR EMPLOYEES OF POLITICAL SUBDIVISIONS TO BE INCLUDED IN RETIREMENT SYSTEM.

A political subdivision not participating in the system may, through its governing body, notify the board in writing that it elects to include its employees in the system. The board shall make a study and estimate the cost of including such employees in the system. Upon completion of the study and under the condition that the excess cost, if any, to include the employees as active members is paid upon admission, the political subdivision may apply for admission to the system. Payment of excess cost shall be made upon admission, unless the board in its sole discretion grants an extension. In no case shall an extension exceed two (2) years. Thereupon the board may upon such terms, not inconsistent with this chapter, as are set forth in a contract between the board and the political sub-division, integrate said political subdivision, and its employees into the system established by this chapter effective on the date of notice of election or later unless otherwise prohibited by law. The contract shall have no effect, however, until notice and hearing regarding it is afforded to such employees. Such contract shall provide for the appropriate funding of accrued benefits under any existing retirement program at the time the political subdivision is admitted to the system.

[(59-1321) 1963, ch. 349, Art. 3, sec. 4, p. 988; am. 1976, ch. 97, sec. 3, p. 409; am. 1987, ch. 164, sec. 1, p. 322; am. 1989, ch. 187, sec.

- 1, p. 463; am. and redesig. 1990, ch. 231, sec. 17, p. 626.]
- 59-1322. EMPLOYER CONTRIBUTIONS -- AMOUNTS -- RATES -- AMORTIZATION.
- (1) Each employer shall contribute to the cost of the system. The amount of the employer contributions shall consist of the sum of a percentage of the salaries of members to be known as the "normal cost" and a percentage of such salaries to be known as the "amortization payment." The rates of such contributions shall be determined by the board on the basis of assets and liabilities as shown by actuarial valuation, and such rates shall become effective no later than January 1 of the second year following the year of the most recent actuarial valuation, and shall remain effective until next determined by the board.
- (2) The normal cost rate shall be computed to be sufficient, when applied to the actuarial present value of the future salary of the average new member entering the system, to provide for the payment of all prospective benefits in respect to such member, which benefits are not provided by the member's own contribution.
- (3) The amortization rate shall not be less than the minimum amortization rate computed pursuant to subsection (5) of this section, unless a one
- (1) year grace period has been made effective by the board. During a grace period, the amortization rate shall be no less than the rate in effect during the immediately preceding year. A grace period may not be made effective if more than one (1) other grace period has been effective in the immediately preceding four (4) year period.
- (4) Each of the following terms used in this subsection and in subsection (5) of this section shall have the following meanings:
 - (a) "Valuation" means the most recent actuarial valuation.
 - (b) "Valuation date" means the date of such valuation.
 - (c) "Effective date" means the date the rates of contributions based on the valuation become effective pursuant to subsection (1) of this section.
 - (d) "End date" means the date thirty (30) years after the valuation date until July 1, 1993. On and after July 1, 1993, "end date" means twenty-five (25) years after the valuation date.
 - (e) "Unfunded actuarial liability" means the excess of the actuarial present value of (i) over the sum of the actuarial present values of (ii), (iii), (iv) and (v) as follows, all determined by the valuation as of the valuation date:
 - (i) all future benefits payable to all members and contingent annuitants;
 - (ii) the assets then held by the funding agent for the payment of benefits under this chapter;
 - (iii) the future normal costs payable in respect of all then active members;
 - (iv) the future contributions payable under sections $\underline{59-1331}$ through $\underline{59-1334}$, Idaho Code, by all current active members;
 - (v) the future contributions payable to the retirement system un- der sections 33-107A and 33-107B, Idaho Code.
 - (f) "Projected salaries" means the sum of the annual salaries of all members in the system.

- (g) "Scheduled amortization amount" means the actuarial present value of future contributions payable as amortization payment from the valuation date until the effective date.
- (5) The minimum amortization payment rate shall be that percentage, calculated as of the valuation date, of the then actuarial present value of the projected salaries from the effective date to the end date which is equivalent to the excess of the unfunded actuarial liability over the scheduled amortization amount.
- (6) The board, in its discretion, may determine separate rates of contribution for employers as described in subsection (1) of this section for each of the following groups in accordance with differences in normal costs between the groups:
 - (a) Police officers and firefighters;
 - (b) School employees; and
 - (c) All other members.

[(59-1322) 1963, ch. 349, Art. 9, sec. 1, p. 988; am. 1974, ch. 57, sec. 17, p. 1118; am. 1979, ch. 158, sec. 5, p. 485; am. 1980, ch. 51, sec. 1, p. 106; am. 1982, ch. 243, sec. 4, p. 630; am. 1984, ch. 132, sec. 7, p. 318; am. 1986, ch. 143, sec. 3, p. 401; am. 1986, ch. 146, sec. 1, p. 408; am. 1987, ch. 348, sec. 1, p. 763; am. 1988, ch. 237, sec. 1, p. 465; am. and redesig, 1990, ch. 231, sec. 18, p. 626; am. 1990, ch. 249, sec. 8, p. 712; am. 1992, ch. 342, sec. 5, p. 1047; am. 1999, ch. 271, sec. 1, p. 683; am. 2022, ch. 216, sec. 2, p. 695.]

59-1324. TRANSFER OF MONEYS FROM STATE COMMUNITY COLLEGE ACCOUNT.

After July 1, 1984, the state board of education shall, at the request of the board, direct the transfer from the state community college account or from appropriations made for that purpose to the public employee retirement account of an aggregate sum in lieu of and equivalent to individual employer contributions provided by section 59-1322, Idaho Code, required with respect to employees of community college districts on the basis of salaries paid such employees as certified by the board to the state treasurer.

[(59-1324) 59-1332B, added 1969, ch. 144, sec. 4, p. 466; am. 1984, ch. 180, sec. 6, p. 430; am. and redesig. 1990, ch. 231, sec. 20, p. 628; am. 2013, ch. 187, sec. 14, p. 463.]

59-1325. EMPLOYER REMITTANCE TO BOARD -- COLLECTION OF DELINOUENCIES.

(1) Each employer, or, where the employer's payroll is paid separately by departments, each department of the employer, shall remit to the retirement board all contributions required of it and its employees on the basis of salaries paid by it during each pay period together with whatever contributions or contribution credits may be required to correct previous errors or omissions. These remittances shall be accompanied by such reports as are required by the board to determine contributions required and member benefit entitlements established under this chapter and, unless extended in writing by the executive director, shall be remitted no later than five (5) days after each pay date. Such contributions shall be remitted together with contributions remitted pursuant to subsection (5) of section 59-1308, Idaho Code, as directed by the board. Thereafter, unpaid contributions shall be considered delinquent and interest will begin accruing at the

greater of the rate of interest provided in section 28-22-104(1), Idaho Code, or regular interest. The executive director may, in his discretion, waive these interest charges in extraordinary circumstances.

- (2) If any employer shall fail or refuse to remit any such contributions within thirty (30) days after the date due, the board may certify to the state controller the fact of such failure or refusal and the amount of the delinquent contribution or contributions, together with interest. A copy of such certification and request shall be furnished the delinquent employer.
- (3) The state controller shall deduct said amount as an offset, together with interest charges, from any funds payable then or in the future to the delinquent employer and shall pay such amounts to the retirement fund.

[(59-1325) 1963, ch. 349, Art. 9, sec. 3, p. 988; am. 1969, ch. 283, sec. 13, p. 856; am. 1971, ch. 49, sec. 13, p. 105; am. 1976, ch. 97, sec. 10, p. 414; am. 1977, ch. 178, sec. 8, p. 462; am. 1987, ch. 164, sec. 4, p. 324; am. and redesig. 1990, ch. 231, sec. 21, p. 628; am. 1994, ch. 180, sec. 140, p. 511; am. 1999, ch. 195, sec. 1, p. 507; am. 2002, ch. 8, sec. 1, p. 11.]

59-1326. PROCEDURE FOR COMPLETE OR PARTIAL WITHDRAWAL OF POLITICAL SUBDIVISIONS FROM THE SYSTEM -- CALCULATION OF WITHDRAWAL PENALTY -- INDEMNIFICATION.

- (1) A political subdivision, through its governing body, may by resolution adopted by two-thirds (2/3) of the members of the governing body declare its intent to withdraw completely from the system and to submit the question of withdrawing from the system to the active members of the political subdivision. The political subdivision shall notify its employees and the retirement board, in writing, of its action and shall advise the active members of their right to vote for or against withdrawal, as provided in subsection (2) of this section. A political subdivision shall automatically be considered to have requested a complete withdrawal from the system on the date the political subdivision permanently ceases to employ active members. A withdrawing political subdivision shall be required to make withdrawal penalty payments as provided in this section.
- (2) All active members of the withdrawing political subdivision shall be allowed to vote by secret ballot for or against allowing the political subdivision to completely withdraw from the system. More than fifty percent (50%) of the withdrawing political subdivision's active members must approve the complete withdrawal at least thirty (30) days before the effective withdrawal date. All active members of the withdrawing political sub- division who are on the political subdivision's payroll thirty (30) days be- fore the effective withdrawal date shall be allowed to vote. If more than fifty percent (50%) of the withdrawing political subdivision's active members fail to vote for complete withdrawal, the political subdivision shall not be allowed to withdraw. Fifteen (15) days before the effective withdrawal date, the governing board of the withdrawing political subdivision shall certify to the retirement board the results of the voting by the active members.
- (3) Partial withdrawal occurs for a political subdivision when its average membership declines for two (2) consecutive fiscal years either by more than twenty-five (25) members or by twenty-five percent (25%) of the average membership. For purposes of this subsection, the effective date of partial withdrawal is the first day after the end of the two (2) consecutive

fiscal year period. Average membership for a two (2) consecutive fiscal year period shall be calculated as one twenty-fourth (1/24) of the sum of the number of active members employed during each month of such period.

- (4) Complete withdrawal by a political subdivision shall be on the first day of the month following the date the political subdivision ceases to employ active members or the first day of the month following sixty (60) days from the date the board receives the political subdivision's written request to withdraw. However, the complete withdrawal date shall not occur before the withdrawal penalty is determined, as provided in subsection (7) of this section.
- (5) After complete withdrawal, all employees of the withdrawing political subdivision shall be ineligible to accrue future benefits with the system due to employment with the withdrawing political subdivision. The withdrawing political subdivision shall be ineligible to request to be included in the system, as provided in section $\underline{59-1321}$, Idaho Code, for five (5) years after its complete withdrawal date.
- (6) All active or inactive members of the political subdivision shall be eligible for benefits accrued with the system up to the complete withdrawal date. However, no retirement allowance or separation benefit shall be paid until the member actually separates from service with the withdrawing political subdivision, and there is no guarantee of right to reemployment made by the withdrawing political subdivision. If the person returns to employment with the same withdrawing political subdivision within ninety
- (90) days, any separation benefit or retirement allowance paid to the person shall be repaid to the system.
- (7) On the date of complete withdrawal, the withdrawal penalty for an employer is (a) multiplied by the ratio of (b) to (c) as follows:
 - (a) The excess of the actuarial present value of the vested accrued benefits of the system's members over the fair value of its assets, both as of the date of the last actuarial valuation adopted by the board prior to the complete withdrawal date based on the assumption that thirty percent (30%) of all terminating employees will eventually return to employment covered by the system and that future cost-of-living allowances as provided in section $\underline{59-1355}$, Idaho Code, will be at a rate of two percent (2%) per year;
 - (b) The total present value of accrued benefits of all active members of the withdrawing political subdivision as of the last actuarial valuation adopted by the board prior to the complete withdrawal date;
 - (c) The total present value of accrued benefits of all active members of the system as of the last actuarial valuation adopted by the board prior to the complete withdrawal date.

The actuarial costs to determine the amount described in paragraph (b) of this subsection shall be paid by the withdrawing political subdivision.

- (8) On the date of partial withdrawal, the withdrawal penalty for an employer is the same as if complete withdrawal had occurred, multiplied by one (1) minus the ratio of (a) to (b) as follows:
 - (a) The average membership of the employer estimated by the board for the year commencing on such date;
 - (b) The average membership of the employer during the second complete fiscal year prior to such date.
- (9) The withdrawing political subdivision shall enter into a contract with the system that establishes terms for the political subdivision's

payment of its withdrawal penalty. The contract shall use an interest rate equal to the interest rate used in the actuarial valuation adopted by the board prior to the withdrawal date, net of actuarially assumed investment expenses. The contract shall not extend the duration of the withdrawal penalty payments beyond ten (10) years or the end of the current amortization period, whichever is less. The contract shall be a financial obligation of the withdrawing political subdivision and any of its successors and assigns. "Current amortization period" means the period over which the amortization payment rate times the actuarial present value of the projected salaries is equivalent to the unfunded actuarial penalty, all determined by the current valuation last adopted by the board prior to the complete withdrawal date.

(10) Upon the complete withdrawal of the political subdivision, the system shall have no further legal obligation to the political subdivision or its employees, and the system shall not be held accountable for the continued future accrual of any retirement benefit rights to which such employees may be entitled beyond the complete withdrawal date. Any litigation regarding the forfeiture of any benefits because of the political subdivision's complete withdrawal from the system shall be the sole legal responsibility of the withdrawing political subdivision, and the withdrawing political subdivision shall indemnify and hold harmless the system, its board, its employees, and the state of Idaho from any claims, losses, costs, damages, expenses, and liabilities, including without limitation court costs and reasonable attorney's fees asserted by any person or entity as a result of the political subdivision's withdrawal from the system.

[(59-1326) 59-1309A, added 1981, ch. 152, sec. 1, p. 263; am. 1984, ch. 132, sec. 2, p. 313; am. and redesig. 1990, ch. 231, sec. 22, p. 628; am. 1992, ch. 220, sec. 5, p. 664; am. 1996, ch. 251, sec. 1, p. 792; am. 2022, ch. 39, sec. 1, p. 101.]

59-1327. MAKING A FALSE CLAIM -- MISDEMEANOR.

Any person making a false claim for allowance of benefits or payment of money under the provisions of this chapter, knowing the same to be false, shall be guilty of a misdemeanor and shall be punished pursuant to the provisions of section 18-113, Idaho Code.

[59-1327, added 1993, ch. 349, sec. 2, p. 1294.]

59-1328. ADMINISTRATIVE PENALTIES FOR FAILURE TO COMPLY WITH REPORTING REQUIREMENTS.

The board may assess actual costs including staff salaries and benefits and miscellaneous costs such as computer programming and processing, as an administrative penalty against any employer which refuses or fails to comply with the board's reporting requirements after the system staff has attempted to obtain compliance for a period of three (3) months. After three (3) months, the actual administrative costs shall be monitored and the board may assess them directly against the noncomplying employer unit.

[59-1328, added 1993, ch. 348, sec. 1, p. 1294.]

59-1329. BOARD REGULATIONS.

The board is authorized to promulgate rules providing for imposition of interest on delinquent employee contributions.

[59-1329, added 1993, ch. 350, sec. 4, p. 1302.]

59-1331. CONTRIBUTIONS.

- (1) Beginning on or after the later of the date of establishment or employment, each active member shall contribute toward the cost of the benefits provided under this chapter. This contribution shall be made in the form of a deduction from salary to be transmitted to the board in accordance with section 59-1325, Idaho Code.
- (2) Any person who was prevented from being an active member during his first twelve (12) months of employment due to the restriction contained in subsection (2) of section 59-1302, Idaho Code, may, prior to December 31, 1975, pay the board the contributions he would have made absent said restriction and be credited with membership service for such period of time. The time for payment shall be extended provided such payment includes regular interest from December 31, 1975.
 - (3) Employee contributions received by the board in error may be refunded upon a distributable event with regular interest.

[(59-1331) 59-1303, added 1963, ch. 349, Art. 2, sec. 1, p. 988; am. 1969, ch. 283, sec. 2, p. 856; am. 1969, ch. 460, sec. 2, p. 1288; am. 1971, ch. 49, sec. 2, p. 105; am. 1974, ch. 57, sec. 3, p. 1118; am. 1979, ch. 158, sec. 2, p. 483; am. 1981, ch. 10, sec. 2, p. 17; am. 1984, ch. 130, sec. 1, p. 304; am. and redesig. 1990, ch. 231, sec. 24, p. 630; am. 2001, ch. 138, sec. 1, p. 498.]

59-1332. PICK UP OF EMPLOYEE CONTRIBUTIONS.

- (1) An employer, pursuant to the provisions of section 414(h)(2) of the Internal Revenue Code of 1954, as amended, shall pick up and pay the contributions which would be payable by the employees as members under sections 59-1331 and 72-1431, Idaho Code, with respect to the service of employees after June 30, 1983.
- (2) The members' contributions picked up by an employer shall be designated for all purposes of the retirement system as member contributions, except for the determination of tax upon a distribution from the retirement

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system. These accumulated contributions shall become part of the members' accumulated contributions, but accounted for separately from those previously accumulated.

(3) Member contributions picked up by an employer shall be payable from the same source as is used to pay compensation to a member, and shall be included in the member's salary as defined in subsection (31) of section 59-1302, Idaho Code.

[(59-1332) 1983, ch. 163, sec. 1, p. 469; am. 1986, ch. 147, sec. 2, p. 414; am. and redesig. 1990, ch. 231, sec. 25, p.

630.] 59-1333. CONTRIBUTIONS FROM EMPLOYEES.

The contribution for a member who is not classified as a police officer, firefighter, or school employee shall be sixty percent (60%) of the employer contribution rate determined pursuant to section $\underline{59-1322}$, Idaho Code, and rounded to the nearest one hundredth percent (.01%) of salary. The board is specifically authorized to certify to the state controller the necessary adjustments in the rate of member contributions.

[(59-1333) 1963, ch. 349, Art. 2, sec. 2, p. 988; am. 1974, ch. 57, sec. 4, p. 1118; am. 1977, ch. 178, sec. 6, p. 462; am. 1980, ch. 143, sec. 2, p. 308; am. 1982, ch. 243, sec. 1, p. 629; am. 1986, ch. 143, sec. 1, p. 400; am. and redesig. 1990, ch. 231, sec. 26, p. 630; am. 1994, ch. 180, sec. 141, p. 512; am. 2022, ch. 216, sec. 3, p. 696.]

59-1334. CONTRIBUTIONS -- FROM POLICEMEN AND FIREFIGHTERS.

The contribution for a member who is classified as a police officer or firefighter shall be seventy-two percent (72%) of the employer contribution rate deter- mined pursuant to section $\underline{59-1322}$, Idaho Code, and rounded to the nearest one hundredth percent (.01%) of salary. The board is specifically authorized to certify to the state controller the necessary adjustments in the rate of member contributions.

[(59-1334) 1963, ch. 349, Art. 2, sec. 3, p. 988; am. 1974, ch. 57, sec. 5, p. 1118; am. 1977, ch. 178, sec. 7, p. 462; am. 1980, ch. 143, sec. 3, p. 308; am. 1982, ch. 243, sec. 2, p. 629; am. 1986, ch. 143, sec. 2, p. 400; am. and redesignated 1990, ch. 231, sec. 27, p. 631; am. 1994, ch. 180, sec. 142, p. 512; am. 2022, ch. 216, sec. 4, p. 696.]

59-1335. CONTRIBUTIONS -- FROM SCHOOL EMPLOYEES.

The contribution for a member who is classified as a school employee as defined in section 59-1302 (31A), Idaho Code, shall be sixty percent (60%) of the employer contribution rate determined pursuant to section 59-1322, Idaho Code, and rounded to the nearest one hundredth percent (.01%) of salary. The board is specifically authorized to certify to the state controller the necessary adjustments in the rate of member contributions.

[59-1335, added 2022, ch. 216, sec. 5, p. 697.]

59-1341. CONDITIONS OF ELIGIBILITY FOR SERVICE RETIREMENT.

A vested member is eligible for service retirement as indicated below, based upon his service retirement ratio. A member's service retirement ratio shall, at retirement, be equal to the ratio of (1) to (2) as follows:

(1) The number of years of credited service for which the member was

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classified as a police officer or firefighter:

(2) The member's total number of years of credited service.

For service retirement ratio: Service retirement eligibility age is:

0.000 to 0.100	65
0.101 to 0.300	64
0.301 to 0.500	63
0.501 to 0.700	62
0.701 to 0.900	61
0.901 to 1.000	60

A person who was an active member on June 30, 1985 shall be deemed to have a service retirement ratio of 1.000 either if the member was a police officer or firefighter on that date and continuously thereafter to retirement or if at the time of retirement the majority of the member's credited service has been that of a police officer or firefighter.

[(59-1341) 1963, ch. 349, Art. 4, sec. 1, p. 988; am. 1965, ch. 165, sec. 1, p. 324; am. 1967, ch. 398, sec. 4, p. 1184; am. 1969, ch. 283, sec. 3, p. 856; am. 1971, ch. 49, sec. 5, p. 105; am. 1979, ch. 158, sec. 3, p. 484; am. 1985, ch. 168, sec. 1, p. 445; am. 1987, ch. 164, sec. 2, p. 323; am. and redesig. 1990, ch. 231, sec. 29, p. 632; am. 1990, ch. 249, sec. 2, p. 706; am. 1999, ch. 199, sec. 2, p. 525.]

- 59-1342. COMPUTATION OF SERVICE RETIREMENT ALLOWANCES -- MINIMUM BENEFITS. (1) The annual amount of accrued retirement allowance for each month of credited service for which a member was not classified as a police member or firefighter shall equal one and two-thirds percent (1 2/3%) of the member's average monthly salary. Effective October 1, 1992, the annual amount of accrued retirement allowance for all service for which a member was not classified as a police member or firefighter shall equal one and seventy- five hundredths percent (1.75%) of the member's average monthly salary; effective October 1, 1993, the annual amount of accrued retirement allowance shall equal one and eight hundred thirty-three thousandths percent (1.833%) of the member's average monthly salary; effective October 1, 1994, the annual amount of accrued retirement allowance shall equal one and nine hundred seventeen thousandths percent (1.917%); and effective June 30, 2000, the annual amount of accrued retirement allowance shall equal two percent (2%) of the member's average monthly salary. Entitlement to an annual amount of accrued retirement allowance shall not vest until the effective date of that annual amount of accrued retirement allowance. The retirement benefits shall be calculated on the amounts, terms and conditions in effect on the date of the final contribution by the member. The annual amount of initial service retirement allowance of such a member shall equal
 - (a) The member's accrued retirement allowance; or

paragraph (a) or (b) of this subsection, whichever is greater:

- (b) Five dollars (\$5.00) multiplied by the number of months of credited service and by the bridging factor, as provided in section $\underline{59-1355}$, Idaho Code, between July 1, 1974, and the first of the month following the member's final contribution.
- (2) The annual amount of accrued retirement allowance for each month of credited service for which a member was classified as a police member or firefighter shall equal two percent (2%) of the member's average monthly salary. Effective October 1, 1992, the annual amount of accrued retirement allowance for all service for which a member was classified as a police

member or firefighter shall equal two and seventy-five thousandths percent (2.075%) of the member's average monthly salary; effective October 1, 1993, the annual amount of accrued retirement allowance shall equal two and fifteen hundredths percent (2.15%) of the member's average monthly salary; effective October 1, 1994, the annual amount of accrued retirement allowance shall equal two and two hundred twenty-five thousandths percent (2.225%); and effective June 30, 2000, the annual amount of accrued retirement allowance shall equal two and three-tenths percent (2.3%) of the member's average monthly salary. Entitlement to an annual amount of accrued retirement allowance shall not vest until the effective date of that annual amount of accrued retirement allowance. The retirement benefits shall be calculated on the amounts, terms and conditions in effect on the date of the final contribution by the member. The annual amount of initial service retirement allowance of such a member shall equal paragraph (a) or (b) of this subsection, whichever is greater:

- (a) The member's accrued retirement allowance; or
- (b) Six dollars (\$6.00) multiplied by the number of months of credited service and by the bridging factor, as provided in section 59-1355, Idaho Code, between July 1, 1974, and the first of the month following the member's final contribution.
- (3) The provisions of this section shall be applicable to members and contingent annuitants of the retirement system and to members, annuitants and beneficiaries of the teachers and city systems. In any recomputation of an initial retirement allowance for a person not making a final contribution subsequent to 1974, the bridging factor referred to in subsections (1) and (2) of this section shall be 1.000. Any recomputed retirement allowance shall be payable only prospectively from July 1, 1974.
- (4) Benefits payable to a person who became a member prior to July 1, 1974, or to the member's beneficiaries shall never be less than they would have received under this chapter as in effect on June 30, 1974; provided, however, that the member shall have accrued the amount of accumulated contributions required thereby prior to payment of an initial retirement allowance.
 - (5) (a) If the majority of a member's credited service is as an elected official or as an appointed official, including a member of the Idaho legislature who first took office after July 1, 2019, and that official was normally in the administrative offices of the employer less than twenty (20) hours per week during the term of office, or was normally not required to be present at any particular workstation for the employer twenty (20) hours per week or more during the term of office, that member's initial service retirement allowance shall be the sum of:
 - (i) That amount computed under subsection (1) and/or (2) of this section for only those months of service as an elected or an appointed official that are in excess of the months of other credited service, without consideration of any other credited service; and
 - (ii) That accrued service retirement allowance that is computed from an average monthly salary for salary received during the member's total months of credited service excluding those excess months referenced in subparagraph (i) of this paragraph.
 - (b) The initial service retirement allowance of members of the Idaho legislature who first took office on or before July 1, 2019, will be computed under subsection (1) and/or (2) of this section, on the basis of their total months of credited service.

- (6) In no case, however, will a member's initial service retirement benefit be equal to more than the member's accrued benefit as of May 1, 1990, or one hundred percent (100%) of the member's average compensation for the three (3) consecutive years of employment that produce the greatest aggregate compensation, whichever is greater. If the benefit is calculated to exceed one hundred percent (100%) of the member's average compensation, the member shall be eligible for and may choose either:
 - (a) An annual service retirement allowance equal to the member's average annual compensation for the three (3) consecutive years of employment that produced the greatest aggregate compensation; or
 - (b) A separation benefit.
- (7) The annual amount of initial service retirement allowance of a <u>vested</u> member who is over age seventy (70) years on the <u>effective</u> date of the member's <u>retirement last contribution</u> shall be a percentage of the member's initial service retirement allowance. Such percentage shall be one hundred percent (100%) increased as determined by the board to compensate for each month that the vested member's retirement is deferred beyond age seventy (70) years.
- (8) A member's accrued retirement allowance, as otherwise provided in subsections (1), (2), (3), (4) and (5) of this section, shall not be less than the minimum accrued retirement allowance provided in this subsection. The determination of the initial service retirement allowance provided in subsections (1) and (2) of this section, and the application of the provisions in subsections (6) and (7) of this section, will be made after the determination of the minimum accrued retirement allowance provided in this subsection.

This subsection shall apply to members who have at least two (2) separate periods of employment covered under this chapter where each separate period of employment would otherwise be eligible for a separation benefit described in section 59-1359, Idaho Code. For purposes of this subsection, if a separation of employment occurs that does not exceed sixty (60) consecutive calendar months, then the member's period of employment shall be considered a continuous period of employment. For purposes of this subsection, the date of last contribution is the date of final contribution for each period or periods of employment.

For each separate period of employment considered under this subsection, the member must not have received a separation benefit for that period or, if he has received such a separation benefit under section 59-1359, Idaho Code, he must have completed reinstatement of all previous credited service associated with all separation benefits for all periods of employment as permitted under section 59-1360, Idaho Code.

The minimum accrued retirement allowance shall be equal to the largest accrued retirement allowance calculated at each date of last contribution based upon the benefit and eligibility provisions in effect as of the date of the last contribution made during such separate period of employment. For purposes of determining the accrued retirement allowance for each date of last contribution:

- (a) The member must have at least sixty (60) months of credited service at the date of last contribution;
- (b) The member's months of credited service and average monthly salary are determined based solely on all periods of employment up to that date of last contribution, ignoring later periods of employment; and
- (c) The accrued retirement allowance computed for each period is multiplied by the bridging factor as provided in section $\underline{59-1355}(3)$,

Idaho Code, between the date of the last contribution made during that separate period of employment and the date of the member's final contribution made during the last period of employment prior to retirement.

[(59-1342) I.C., sec. 59-1319, as added by 1974, ch. 57, sec. 10, p. 1118; am. 1979, ch. 26, sec. 2, p. 41; am. 1985, ch. 168, sec. 2, p. 446; am. 1985, ch. 193, sec. 1, p. 492; am. and redesig. 1990, ch. 231, sec. 30, p. 633; am. 1990, ch. 249, sec. 4, p. 708; am. 1990, ch. 258, sec. 1, p. 738; am. 1991, ch. 61, sec. 4, p. 146; am. 1992, ch. 220, sec. 6, p. 666; am. 1992, ch. 342, sec. 2, p. 1042; am. 1994, ch. 276, sec. 3, p. 861; am. 1997, ch. 110, sec. 1, p. 266; am. 2000, ch. 209, sec. 1, p. 533; am. 2009, ch. 237, sec. 1, p. 729; am. 2019, ch. 75, sec. 1, p. 174.]

59-1343. CONVERSION AND COMMUTATION OF CERTAIN PAYMENTS.

Unless the retirement board establishes a different level by rule, benefit payments of less than twenty dollars (\$20.00) per month shall be commuted into an actuarially equivalent single sum.

[(59-1343) 1974, ch. 57, sec. 7, p. 1118; am. 1981, ch. 10, sec. 5, p. 18; am. and redesig. 1990, ch. 231, sec. 31, p. 634; am. 1993, ch. 350, sec. 5, p. 1302; am. 2001, ch. 138, sec. 2, p. 499.]

59-1344. TIME FOR PAYMENT OF SERVICE RETIREMENT OR EARLY RETIREMENT.

A service retirement allowance or early retirement allowance shall become payable to a member on the first of the month following his ceasing to be an employee while eligible for service retirement or early retirement and on the first of each month thereafter to and including the first of the month of the member's death.

[(59-1344) 1963, ch. 349, Art. 5, sec. 1, p. 988; am and redesig. 1990, ch. 231, sec. 32, p. 634.]

59-1345. VESTED MEMBER ELIGIBLE FOR EARLY RETIREMENT.

A vested member who is not eligible for either service retirement or disability retirement is eligible for early retirement if he is within ten

(10) years of being eligible for service retirement. Additionally, a vested member is eligible for early retirement on termination of disability retirement as provided by section $\underline{59-1354}(2)$, Idaho Code.

[59-1345, added 1990, ch. 231, sec. 33, p. 634; am. 1994, ch. 209, sec. 2, p. 663; am. 1999, ch. 199, sec. 3, p. 525.]

59-1346. COMPUTATION OF EARLY RETIREMENT ALLOWANCES.

(1) The annual amount of initial early retirement allowance of a member shall be a percentage of the member's accrued retirement allowance. Such percentage shall be one hundred percent (100%) if the sum of the number of years and months of credited service and the age in years and months is equal to or greater than the sum indicated in this subsection. Otherwise,

such percentage shall be one hundred percent (100%) reduced by one-fourth of one percent (.25%) for each month up to sixty (60) months that the member's retirement precedes the date the member would be eligible to receive full accrued benefit without additional credited service, and further reduced by two-thirds of one percent (.6667%) for each additional month. Effective October 1, 1992, the further reduction for each additional month shall equal six thousand forty-two ten-thousandths of one percent (.6042%) of the member's average monthly salary; effective October 1, 1993, the further reduction for each additional month shall equal five thousand four hundred seventeen ten-thousandths of one percent (.5417%) of the member's average monthly salary; and effective October 1, 1994, the further reduction for each additional month shall equal four thousand seven hundred ninety-two ten-thousandths of one percent (.4792%) of the member's average monthly salary. Entitlement to an annual amount of accrued retirement allowance shall not vest until the effective date of that annual amount of accrued retirement allowance. The retirement benefits shall be calculated on the amounts, terms and conditions in effect at the date of the final contribution by the member.

If a member's service retirement ratio as defined by section $\underline{59-1341}$, Idaho Code, is:

Then the sum of the member's credited service and age must be equal to or greater than:

0.000	to	0.050	90
0.051	to	0.150	89
0.151	to	0.250	88
0.251	to	0.350	87
0.351	to	0.450	86
0.451	to	0.550	85
0.551	to	0.650	84
0.651	to	0.750	83
0.751	to	0.850	82
0.851	to	0.950	81
0.951	to	1.000	80

- (2) (a) If the majority of a member's credited service is as an elected official or as an appointed official, including a member of the Idaho legislature who first took office after July 1, 2019, and that official was normally in the administrative offices of the employer less than twenty (20) hours per week during the term of office, or was normally not required to be present at any particular workstation for the employer twenty (20) hours per week or more during the term of office, that member's accrued retirement allowance shall be the sum of:
 - (i) That amount computed from an average monthly salary for salary received only for those months of service as an elected or as an appointed official that are in excess of the months of other credited service without consideration of any other credited service; and
 - (ii) That accrued retirement allowance that is computed from an average monthly salary for salary received during the member's

total months of credited service excluding those excess months referenced in subparagraph (i) of this paragraph.

- (b) The initial retirement allowance of members of the Idaho legislature who first took office on or before July 1, 2019, will be computed under the provisions of this section, on the basis of their total months of credited service.
- (3) In no case will a member's initial early retirement benefit be equal to more than the member's accrued benefit as of May 1, 1990, or one hundred percent (100%) of the member's average compensation for the three (3) consecutive years of employment that produce the greatest aggregate compensation, whichever is greater. If the benefit is calculated to exceed one hundred percent (100%) of the member's average compensation, the member shall be eligible for and may choose either:
 - (a) An annual early retirement allowance equal to the member's average annual compensation for the three (3) consecutive years of employment that produced the greatest aggregate compensation; or
 - (b) A separation benefit.
- (4) A member's accrued retirement allowance, as otherwise provided in subsections (1) and (2) of this section, shall not be less than the minimum accrued retirement allowance provided in this subsection. The determination of the initial early retirement allowance provided in subsections (1) and (2) of this section and the application of the provisions in subsection
- (3) of this section will be made after the determination of the minimum accrued retirement allowance provided in this subsection.
 - (a) The provisions of this subsection shall apply to members who have at least two (2) separate periods of employment covered under this chapter where each separate period of employment would otherwise be eligible for a separation benefit described in section 59-1359, Idaho Code. For purposes of this subsection, if a separation of employment occurs that does not exceed sixty (60) consecutive calendar months, then the member's period of employment shall be considered a continuous period of employment. For purposes of this subsection, the date of last contribution is the date of final contribution for each period of employment.
 - (b) For each separate period of employment considered under this subsection, the member must not have received a separation benefit for that period or, if he has received such a separation benefit under section $\underline{59-1359}$, Idaho Code, he must have completed reinstatement of all previous credited service associated with all separation benefits for all periods of employment as permitted under section $\underline{59-1360}$, Idaho Code.
 - (c) The minimum accrued retirement allowance shall be equal to the largest accrued retirement allowance calculated at each date of last contribution based upon the benefit and eligibility provisions in effect as of the date of the last contribution made during such separate period of employment. For purposes of determining the accrued retirement allowance for each date of last contribution:
 - (i) The member must have at least sixty (60) months of credited service at the date of last contribution;
 - (ii) The member's months of credited service and average monthly salary are determined based solely on all periods of employment up to that date of last contribution, ignoring later periods of employment; and

(iii) The accrued retirement allowance computed for each period is multiplied by the bridging factor as provided in section $\underline{59-1355}$ (3), Idaho Code, between the date of the last contribution made during the separate period of employment and the date of the member's final contribution made during the last period of employment prior to retirement.

[(59-1346) 1980, ch. 143, sec. 4, p. 308; am. 1982, ch. 243, sec. 3, p. 629; am. 1985, ch. 168, sec. 3, p. 447; am. 1985, ch. 193; sec. 2, p. 493; am. and redesig. 1990, ch. 231, sec. 34, p. 634; am. 1990, ch. 258, sec. 2, p. 739; am. 1992, ch. 220, sec. 7, p. 667; am. 1992, ch. 342, sec. 3, p. 1044; am. 1993, ch. 350, sec. 6, p. 1302; am. 1994, ch. 276, sec. 4, p. 863; am. 2009, ch. 237, sec. 2, p. 732; am. 2018, ch. 177, sec. 1, p. 390; am. 2019, ch. 75, sec. 2, p. 176.]

59-1350. DEFERRAL OF EARLY RETIREMENT.

Early retirement may be deferred by a member until the date he would have been eligible for service retirement had he remained an active member.

[59-1350, added 1990, ch. 231, sec. 38, p. 636; am. 1992, ch. 220, sec. 8, p. 668; am. 1999, ch. 199, sec. 4, p. 525.]

59-1351. CONVERSION OF SERVICE RETIREMENT OR EARLY RETIREMENT ALLOWANCES INTO OPTIONAL RETIREMENT ALLOWANCES -- FORM OF OPTIONAL RETIREMENT.

- (1) The service retirement allowance, or the early retirement allowance of a member who, at time of retirement, so elects shall be converted into an optional retirement allowance which is the actuarial equivalent of such other allowance. The optional retirement allowance may take one (1) of the forms listed below and shall be in lieu of all other benefits under this chapter except that the provisions of section 59-1361(2), Idaho Code, shall be applicable:
 - (a) Option 1 provides a reduced retirement allowance payable during the lifetime of the retired member for the life of the retired member and, upon the member's death, and a continuation thereafter of such reduced retirement allowance during the lifetime of the to the member's named contingent annuitant for their lifetime.
 - (b) Option 2 provides a reduced retirement allowance payable during the lifetime of the retired member for the life of the retired member and, upon the member's death, and a continuation thereafter of one- half (1/2) of such reduced retirement allowance during the lifetime of the to the member's named contingent annuitant for their lifetime.
 - (c) Option 3, which is available only if the member retires before the date of the member's social security normal retirement age for that member, provides an increased retirement allowance until such date and a reduced retirement allowance thereafter, the difference between the two 2) amounts approximately equaling the governmental old-age benefit becoming payable at such date as estimated by the board.
 - (d) Option 4, which is available only if the member retires before date of the member's social security normal retirement age for that member, provides either an adjusted option 1 (option 4A) or option 2

- (option 4B) retirement allowance until such date and a reduced retirement allowance thereafter, the difference between the two (2) amounts approximately equaling the governmental old-age benefit becoming payable at such date as estimated by the board. The adjusted retirement allowance shall be paid to the retired member during the member's lifetime and the appropriate continuation amount of the adjusted allowance to the member's named contingent annuitant for life thereafter.
- (2) Should the named contingent annuitant under options 1 or option 2 1, 2, or 4 either predecease a member retiring on or after October 1, 1992, or waive all survivor benefits pursuant to a domestic retirement order approved under section 59-1320, Idaho Code, upon notification to the board, the member's benefit on the first day of the month following the death of the contingent annuitant or approval of the domestic retirement order or other court order, as applicable, thereafter become an allowance calculated will be adjusted to the Regular allowance or Option 3 pursuant to section 59-1342, or 59-1346, or 59-1351(1)(c), Idaho Code, whichever was applicable on the date of retirement, in addition to any postretirement allowance adjustments which may have accrued from that time. Should the named contingent annuitant under option 4 either predecease the member, or waive all survivor benefits pursuant to a domestic retirement order approved under section 59-1320, Idaho Code, upon notification to the board, the member's benefit on the first day of the month following the contingent annuitant's death or approval of the domestic retirement order, as applicable will thereafter become the option 3 allowance to which the member would have been entitled as of the date of the annuitant's death, or approval of the domestic retirement order, as applicable. The benefit changes under this subsection shall be available only to members whose last contribution was made after June 30, 1992.
- (3) Option 1 or 2 may not be chosen if initial monthly payments would be less than that amount set forth in, or pursuant to, section $\underline{59-1343}$, Idaho Code.
- (4) Application for any optional retirement allowance shall be in writing, duly executed and filed with the board. Such application shall contain all information required by the board, including such proofs of age as are deemed necessary by the board.
- (5) A retirement option elected at the time of retirement as provided for in this section may not be changed except by written notice to the retirement board no later than five (5) business days after the receipt of the first retirement allowance.
- (6) Not later than one (1) year after the marriage of a retired member, the member may elect option 1, 2 or 4 to become effective ninety (90) days after the date of such election, provided the member's spouse is named as a contingent annuitant, and either:
 - (a) The member was not married at the time of the member's retirement; or
 - (b) The member earlier elected option 1, 2, 4A or 4B, having named the member's spouse as contingent annuitant, and said spouse has died or has waived all survivor benefits as provided in subsection (2) of this section.

Should a member make an election under this subsection (6), upon notification to the board, the member's benefit on the first day of the month following the effective date of the election will thereafter become the optional retirement allowance elected, calculated as of the date of

retirement pursuant to subsection (1) of this section, in addition to any postretirement allowance adjustments that may have accrued from that time.

[(59-1351) 1963, ch. 349, Art. 5, sec. 7, p. 988; am. 1967, ch. 398, sec. 6, p. 1184; am. 1969, ch. 283, sec. 6, p. 856; am. 1974, ch. 57, sec. 8, p. 1118; am. 1976, ch. 97, sec. 7, p. 411; am. 1981, ch. 10, sec. 6, p. 18; am. and redesig. 1990, ch. 231, sec. 39, p. 636; am. 1990, ch. 249, sec. 3, p. 707; am. 1991, ch. 61, sec. 5, p. 148; am. 1992, ch. 220, sec. 9, p. 668; am. 1992, ch. 342, sec. 4, p. 1045; am. 1994, ch. 209, sec. 4, p. 663; am. 1999, ch. 160, sec. 2, p. 439; am. 1999, ch. 199, sec. 5, p. 525; am. 2004, ch. 328, sec. 3, p. 983; am. 2009, ch. 144, sec. 1, p. 433.]

59-1352. ELIGIBILITY FOR DISABILITY RETIREMENT.

- (1) An active member with five (5) years of membership service is eligible for disability retirement.
- (2) A police officer member, general member, school employee member, or a paid firefighter hired on or after July 1, 1993, who is not eligible for service retirement is eligible for disability retirement if disabled, as provided in section $\underline{59-1302}$ (12), Idaho Code, on or after the first day of employment as a result of bodily injury or disease from an occupational cause.
 - (3) Only active members, and inactive members whose date of last contribution as an active member was less than one (1) year prior to the date of application, are eligible to apply for disability retirement.
 - (4) Refusal to submit to a medical examination ordered by the board before the commencement of a disability retirement allowance or at any reasonable time thereafter shall constitute proof that the member is not disabled. The board shall be empowered to select for such medical examination one (1) or more physicians or surgeons who are licensed to practice medicine. The fees and expenses of such examination shall be paid from the administration account of the fund. No member shall be required to undergo such examination more often than once each year after he has received a disability retirement allowance continuously for two (2) years.

[59-1352, added 1990, ch. 231, sec. 40, p. 637; am. 1993, ch. 178, sec. 1, p. 458; am. 1993, ch. 251, sec. 1, p. 875; am. 2000, ch. 68, sec. 1, p. 152; am. 2001, ch. 138, sec. 3, p. 499; am. 2006, ch. 148, sec. 1, p. 462; am. 2007, ch. 44, sec. 2, p. 111; am. 2009, ch. 144, sec. 2, p. 435; am. 2024, ch. 34, sec. 1, p. 235.]

59-1352A. PUBLIC SAFETY OFFICER PERMANENT DISABILITY BENEFIT.

- (1) A public safety officer who is ruled determined by the retirement system to be permanently disabled, as provided in sections 59-1302 (12) and 59-1352, Idaho Code, on or after July 1, 2009, as a result of bodily injury or disease sustained in the line of duty is eligible for a onetime permanent disability benefit in the amount of one hundred thousand dollars (\$100,000), which shall be payable as provided in this section to the permanently disabled public safety officer.
- (2) Public safety officers who qualify and who seek the benefit under this section shall apply to the retirement board. No benefit shall be

payable unless the retirement board determines $\underline{\text{that the permanent}}$ disability:

- (a) The permanent disability o Occurred in the line of duty;
- (b) The permanent disability w Was not caused by the intentional misconduct of the public safety officer or by the public safety officer's intentional infliction of injury; and
- (c) The public safety officer was not voluntarily intoxicated at the time of the event causing the permanent disability.
- (3) As used in this section, "public safety officer" means an active member of the retirement system who, when injured:
- (a) Was designated as a police officer member under section $\underline{59}$ 1303, Idaho Code;
- (b) Was a firefighter as defined in section 59-1302(16), Idaho Code; or
- (c) Was a paid firefighter as defined in section $\frac{72-1403}{4}$ (A), Idaho Code.
- (4) The benefit payable under this section is as follows:
- (a) Separate from and independent of any benefits payable to the public safety officer under this chapter;
- (b) Not dependent upon years of service or age of the public safety officer; and
- (c) Shall not be subject to state income taxes.
- (5) It is the intent of the legislature that this benefit shall be funded solely by public safety officers in perpetuity and not by an employer, as defined in section $\underline{59-1302}$ (15), Idaho Code. Therefore, the costs associated with providing this benefit, as determined by the board, shall be paid solely by the public safety officers.

[59-1352A, added 2009, ch. 158, sec. 1, p. 476; am. 2020, ch. 97, sec. 1, p. 256.]

59-1352B. PUBLIC SAFETY OFFICER CATASTROPHIC LINE OF DUTY BENEFITS.

- (1) For purposes of this section:
- (a) "Catastrophic injury" means a sudden, violent, life-threatening, duty-related injury sustained by an active member within the scope of the public safety officer's duties and within the department policy that is due to an externally caused event such as a motor vehicle collision, gunshot wound, aggravated battery, structural collapse, significant fall, or other external event or events that is not self-inflicted or the result of intoxication; provided, however, that no psychological injury, disorder, or condition shall be considered a catastrophic injury under this definition. The injury must be of such severity that it causes the loss of ability to maintain certifications required by the state of Idaho, the member's department, or both. The injury shall be supported by evidence of one (1) or more of the following conditions:
 - (i) Total, complete, permanent, and uncorrectable loss of sight in both eyes;
 - (ii) Total, complete, permanent, and uncorrectable loss of hearing in both ears;
 - (iii) Total, complete, and permanent loss of the ability to speak;
 - (iv) Total, complete, and permanent loss of the use of one (1) or both feet at or above the ankle;

- (v) Total, complete, and permanent loss of the use of one (1) or both hands at or above the wrist;
- (vi) Injury to the spine that results in a total, permanent, and complete paralysis of both arms, both legs, or one (1) arm and one (1) leg; or
- (vii) An externally caused, physical traumatic injury to the brain that renders the member physically or mentally unable to perform the duties of a public safety officer.
- (b) "Catastrophic line of duty benefits" means benefits payable to a public safety officer who sustains a catastrophic injury pursuant to this section.
- (c) "Public safety officer" means a police officer member as set forth in section 59-1303, Idaho Code, or a firefighter member as set forth in section 59-1302 (16), Idaho Code.
- (2) A public safety officer who sustains a catastrophic injury as set forth in this section is eligible for:
 - (a) A onetime permanent catastrophic injury benefit in the amount of five hundred thousand dollars (\$500,000); and
 - (b) An ongoing annual benefit in an amount not less than seventy-five thousand dollars (\$75,000) per year, to be adjusted every four (4) years pursuant to an actuarial study to determine the change in average public safety officer benefits over the previous four (4) years.
- (3) In the event a public safety officer receiving the catastrophic line of duty benefit as set forth in this section dies and leaves a surviving spouse to whom the member was married at the time of the catastrophic injury, such surviving spouse shall receive the catastrophic line of duty benefit for the duration of such spouse's life to which the public safety officer would have been entitled.
- (4) The benefits payable under this section shall not be subject to Idaho state income tax.
- (5) A public safety officer who seeks to obtain benefits under this section shall apply to the retirement board within twelve (12) months of the date of the incident resulting in the public safety officer's catastrophic injury. No benefit shall be payable unless the retirement board determines eligibility pursuant to the requirements of this section. A public safety officer's refusal to submit to a medical examination ordered by the board before the commencement of a catastrophic line of duty benefit or at any reasonable time thereafter shall constitute proof that the member is not eligible for the benefits provided for in this section.
- (6) The benefits provided for in this section shall not be in addition to other benefits under this chapter.
- (7) If a public safety officer who qualifies for benefits provided for in this section again becomes an employee in a nonpublic safety officer position as defined in sections 59-1302 (14) and (16) and 59-1303, Idaho Code, as a result of returning to employment with an employer as defined in section 59-1302 (15), Idaho Code, the public safety officer may elect to continue receiving benefits and not accrue additional service. In such circumstance, no contributions shall be made by the member during such reemployment and the public safety officer catastrophic line of duty benefit payable on the behalf of the member shall continue.
- (8) It is the intent of the legislature that this benefit shall be funded solely by public safety officers in perpetuity and not by an employer as defined in section 59-1302(15), Idaho Code. Therefore, the costs

associated with providing this benefit as determined by the board shall be paid solely by public safety officers. An actuarial cost analysis of the benefit will be performed every four (4) years by the board.

[59-1352B, added 2021, ch. 143, sec. 1, p. 395.]

59-1353. COMPUTATION OF DISABILITY RETIREMENT ALLOWANCES.

- (1) The base disability retirement allowance of any member shall be equal to an initial service retirement allowance, as defined in section $\underline{59-1342}$, Idaho Code, based upon the years of service which would have been credited to the member had the member continued in eligible employment until service retirement eligibility age, as defined in section $\underline{59-1341}$, Idaho Code. Provided, however, that the total years of credited service shall not exceed the greater of:
 - (a) Thirty (30) years; or
 - (b) The member's accrued membership and prior service.
- (2) The annual amount of disability retirement allowance shall equal the excess, if any, of (a) over (b), where:
 - (a) Is the base disability retirement allowance provided in subsection
 - (1) of this section; and
 - (b) Is the sum of:
 - (i) Any payment or portion of a payment under the provisions of any workers' compensation law for income benefits because of the same disability, which payment is not being offset by federal social security disability benefits; and
 - (ii) The service retirement allowance payable under the provisions of section $\underline{59-1342}$, Idaho Code, where the member is the older of either age sixty-two (62) or the respective service retirement eligibility age provided in section $\underline{59-1341}$, Idaho Code.
- (3) If a single payment is made under the provisions of any workers' compensation law and such single payment is in lieu of periodic income payments, for the purposes of this section such single payment shall be converted, pursuant to regulations adopted by the board, to equal periodic payments of the same number of months for which the worker's compensation payment is awarded.
- (4) Each adjustment in the payment of a disability retirement allowance due to a change in the amount payable under the provisions of any workers' compensation law shall take effect on the first of the month following the month in which such change is effective.
- [(59-1353) 1963, ch. 349, Art. 6, sec. 2, p. 988; am. 1974, ch. 57, sec. 12, p. 1118; am. and redesig. 1990, ch. 231, sec. 41, p. 637; am. 1991, ch. 61, sec. 6, p. 149; am. 1993, ch. 251, sec. 2, p. 876.]
- 59-1354. TIME FOR PAYMENT OF DISABILITY RETIREMENT ALLOWANCE.
- (1) A disability retirement allowance shall become payable to a member on the first of the month next following the later of after:
 - (a) The day salary, sick leave or other temporary compensation benefits terminate under any plan paid for in whole or in part by the member's employer of the member; or

- (b) The day f \underline{F} ive (5) months after the member becomes eligible for dis-ability retirement.
- (2) The disability retirement allowance shall be paid monthly thereafter to, but not including, the first of the month next following the earliest of the date through the month:
 - (a) Of the retired member's death; or
 - (b) That the retired member elects to receive an early or service retirement allowance; or
 - (c) That the retired member ceases to be disabled, provided however, that a retired member, who subsequent to becoming a disability retiree serves on any state board or commission that is statutorily required to meet once per month or less and, who is not an employee as defined in this chapter by virtue of such service, shall not be deemed to have ceased to be disabled because of such service; or
 - (d) That the member waives, in writing, the member's disability allowance.
- (3) When a disability retirement allowance ceases pursuant to subsection (2) (b) of this section, the early or service retirement allowance shall become payable on the first of the month following the date of the last payment of the disability retirement allowance.
- (4) Effective the date a disability retirement allowance ceases pursuant to subsections (2) (c) and (d) of this section, the member's status shall be inactive unless the member again becomes an employee or elects either early or service retirement.
- [(59-1354) 1963, ch. 349, Art. 5, sec. 3, p. 988; am. 1969, ch. 283, sec. 4, p. 586; am. 1976, ch. 97, sec. 5, p. 410; am. 1981, ch. 10, sec. 4, p. 18; am. and redesig. 1990, ch. 231, sec. 42, p. 638; am. 1993, ch. 251, sec. 3, p. 876; am. 2012, ch. 115, sec. 1, p. 317.]
- 59-1354A. MEMBERS RECEIVING A DISABILITY RETIREMENT RETURNING TO WORK.
- (1) A retired member receiving a disability retirement allowance may return to work under the following conditions:
 - (a) The retired member must notify the executive director in writing in advance of the return to work; and
 - (b) The disability retirement allowance shall terminate upon such notification.
- (2) The disability retirement allowance of a retired member who returns to work under subsection (1) of this section shall resume if:
 - (a) The retired member terminates his return to work within one hundred fifty (150) days from the date of the notification required in subsection (1)(a) of this section;
 - (b) The retired member makes a written request to the board; and
 - (c) The board determines that the member is disabled, as defined in section $\underline{59-1302}$ (12), Idaho Code, and that the member could not successfully return to work because of the same disability on which his disability retirement was based.
- (3) In making its decision, the board may require the member to submit medical records in support of his request and may require the member to submit to a medical examination. The refusal to submit such records or to submit to such examination shall constitute proof that the member is not disabled. If the board requires a medical examination, any costs associated with such examination must be paid by the member. A disability retirement allowance

that is resumed under this section shall be payable the first of the month after the board makes the determination described herein.

- (4) If a retired member receiving a disability retirement allowance who returns to work again meets the definition of employee as defined in section $\underline{59-1302}$ (14) (A), Idaho Code, eligibility for disability retirement shall be determined in accordance with sections $\underline{59-1302}$ (12), $\underline{59-1352}$ and $\underline{59-1354}$, Idaho Code.
- (5) For the purposes of this section, "return to work" means being engaged in any activity for which compensation is normally paid but shall not include service on any state board or commission that is statutorily required to meet once per month or less where the retired member is not an employee as defined in this chapter by virtue of such service.

[59-1354A, added 2010, ch. 101, sec. 1, p. 197; am. 2012, ch. 115, sec. 2, p. 318.]

59-1355. POSTRETIREMENT ALLOWANCE ADJUSTMENTS.

- (1) Each retirement allowance payment shall, subject to the provisions of this section, equal the inflation factor for the adjustment year of payment multiplied by the amount of the retirement allowance payment for March of the previous year. During any adjustment year for which the ratio of the consumer price index for the index month of the previous year to the consumer price index for the index month of the second previous year is not more than one hundred one percent (101%), the inflation factor shall be such ratio or ninety-four percent (94%), whichever is greater, which inflation factor shall not be subject to legislative approval. Otherwise the inflation factor during such adjustment year shall be one hundred one percent (101%), except that the board, with legislative approval, may put into effect a greater factor which is no more than such ratio or one hundred six percent (106%), whichever is smaller, if it finds the value of the actuarial assets of the system to be no less than its actuarial liabilities, including those created by the increased factor. The actuarial assets comprise the sum of the actuarial present value of the amortization payments determined in accordance with the requirements of section 59-1322(5), Idaho Code, plus the amounts determined in paragraphs (e)(ii), (e)(iii), (e)(iv), (e) (v) and (g) of section 59-1322(4), Idaho Code. The actuarial liabilities are as defined in paragraph (e) (i) of section 59-1322(4), Idaho Code. The board's proposed inflation factor for any adjustment year shall be communicated by letter to the legislature by not later than January 15 prior to that year.
- (2) During an adjustment year following one in which there was at least one (1) retirement allowance payment but none in March, each retirement allowance payment shall equal the partial factor multiplied by the amount of the monthly retirement allowance payment in the earlier year. The partial factor shall equal 1.000 plus one-twelfth (1/12) of the product of the number of months in the earlier adjustment year in which member contributions were not made and the excess, if any, of the inflation factor for the later year over 1.000.
- (3) During an adjustment year following one in which there was no retirement allowance payment, each retirement allowance payment shall equal

the initial retirement allowance multiplied by the bridging factor between the first day of the month following the member's final contribution and the date of the first retirement allowance payment.

- (a) Except as provided in paragraph (b) of this subsection, the bridging factor between any two (2) dates shall be the ratio of the amounts of retirement allowance payable on the two (2) dates for any member who retired on the earlier date immediately following his final contribution.
- (b) For any member not making a final contribution subsequent to 1974 whose initial retirement allowance is a minimum allowance provided in section $\underline{59-1342}$ (1) (b) or $\underline{59-1342}$ (2) (b), Idaho Code, the bridging factor shall be computed as if the member had made his final contribution in 1974.
- (4) The consumer price index shall be that for all urban consumers published by the bureau of labor statistics, United States department of labor.
- (5) The adjustments provided under this section shall in no event reduce a benefit payment below its initial amount.
- (6) An adjustment year shall extend from March through the following February. The index month is October for adjustment years commencing before March, 1990, and is August for subsequent adjustment years.
- (7) If, by the forty-fifth day of any regular legislative session, the legislature has not adopted a concurrent resolution rejecting or amending the proposed adjustments of the board allowed in subsections (1) and (8) of this section, such action on the part of the legislature shall constitute legislative approval of the board's adjustments.
- (8) Notwithstanding other provisions of this section, the board may grant a postretirement allowance adjustment for any previous year or years up to the full amount of the increase in the consumer price index for that year or those years, as provided in subsection (7) of this section.

[(59-1355) 1979, ch. 26, sec. 3, p. 42; am. 1984, ch. 132, sec. 3, p. 314; am. 1986, ch. 122, sec. 1, p. 322; am. 1989, ch. 184, sec. 1, p. 459; am. and redesig. 1990, ch. 231, sec. 43, p. 638; am. 1990, ch. 249, sec. 5. p. 709; am. 1996, ch. 79, sec. 4, p. 258; am. 2009, ch. 144, sec. 3, p. 435.]

59-1356. REEMPLOYMENT OF RETIRED MEMBERS.

(1) If an early retired member, except as provided in subsection (6) of this section, is reemployed with an employer participating in the public employee retirement system of Idaho PERSI within ninety (90) days from retiring, or the early retired member is guaranteed reemployment with an employer participating in the public employee retirement system of Idaho PERSI, the member shall be considered to have continued in the status of an employee and not to have separated from service. Any retirement allowance payments received by the retired member shall be repaid to the system and the retirement shall be negated. The month of last contribution prior to the negated retirement and the month of initial contribution upon return to reemployment shall be considered consecutive months of contributions in the determination of an appropriate salary base period upon subsequent retirement. A retired member is not considered to have separated from service if he continues performing services for an employer participating in the public employee retirement system of Idaho PERSI in any capacity, including

but not limited to independent contractor, leased employee, or temporary services.

- (2) Except as provided in subsections (3), (4), (5), and (6) of this section, when a retired member meets the definition of an employee as defined in section 59-1302(14)(A)(a), Idaho Code, any benefit payable on behalf of such member shall be suspended and any contributions payable by such member under sections 59-1331 through 59-1334, Idaho Code, shall again commence. The suspended benefit, as adjusted pursuant to section 59-1355, Idaho Code, shall resume upon subsequent retirement, along with a separate allowance computed with respect only to that salary and service credited during the period of reemployment. Any death benefit that becomes payable under the suspended benefit shall be payable under section 59-1361(2), Idaho Code. Any death benefit that becomes payable with respect to salary and service accrued during the period of reemployment shall be payable under section 59-1361(3), Idaho Code, if the member dies during the period of reemployment.
- (3) If a retired member who is receiving a benefit that is not reduced under section 59-1346, Idaho Code, and who has been retired for more than six (6) months again becomes employed as defined in this section and section 59-1302 (14) (A) (b), Idaho Code, as a result of being elected to a public office other than an office held prior to retirement, the retired member may elect to continue receiving benefits and not accrue additional service, in which event no contributions shall be made by the member or employer during such reemployment and any benefit payable on behalf of such member shall continue.
- (4) If a retired school employee, as defined in section $\underline{59-1302}$ (31A), Idaho Code, who retired on or after age sixty (60) years or a retired public safety officer returns to work as a school employee as defined in section $\underline{59-1302}$ (31A), Idaho Code, and is receiving a benefit that is not reduced under section $\underline{59-1346}$, Idaho Code, again becomes an employee as defined in this section and section $\underline{59-1302}$ (14), Idaho Code, as a result of returning to employment with a school district as provided in section $\underline{33-1004H}$, Idaho Code, the retired member may elect to continue receiving benefits and not accrue additional service, in which event no contributions shall be made by the member during such reemployment and any benefit payable on behalf of such member shall continue.
- (5) If a retired member as defined in section 59-1302 (27), Idaho Code, who retired prior to January 1, 2022, and retired on or after age fifty-five (55) years again becomes an employee as defined in this section and in section 59-1302 (14), Idaho Code, as a result of returning to employment with an employer as defined in section 59-1302 (15), Idaho Code, the retired member may elect to continue receiving benefits and not to accrue additional service. In such a situation, no contributions shall be made by the member during the reemployment and any benefit payable on behalf of such member shall continue. This subsection shall no longer be in force and effect after June 30, 2026, however, the other provisions of this section shall remain in full force and effect and shall remain applicable to all employment.
- (6) A retired member as defined in section 59-1302 (27), Idaho Code, with police officer status as defined in section 59-1303, Idaho Code, or with firefighter member status as defined in section 59-1302 (16), Idaho Code, who retires on or after age fifty (50) years and who, within thirty (30) days after retiring, again becomes an employee as defined in section 59-1302 (14), Idaho Code, with an employer participating in PERSI, or who is guaranteed reemployment with an employer participating in PERSI, shall

be considered to have continued in the status of an employee and not to have separated from service. As a result of returning to employment with an employer as defined in section 59-1302 (15), Idaho Code, the retired member may elect to continue receiving benefits and not to accrue additional service. In such a situation, contributions shall be made by the member and employer during the reemployment at the rate established by PERSI for police officer or firefighter members, as applicable, and any benefit payable on behalf of such member shall continue. The provisions of this subsection shall be null, void, and of no force and effect after June 30, 2027. However, the other provisions of this section shall remain in full force and effect and shall remain applicable to all employment.

(7) It is the responsibility of each employer to immediately report to the retirement board the employment of any retired member so that benefit payments can be suspended as provided in this section. If an employer fails to properly report the employment of a retired member and it results in the retirement board making benefit payments that should have been suspended, the employer shall, in addition to paying delinquent employee and employer contributions from the date of eligibility, also be responsible for repaying to the retirement board the benefit payments made to the retired member that should have been suspended, plus interest. The employer may then recoup such payments from the retired member.

[(59-1356) 59-1318, added 1963, ch. 349, Art. 5, sec. 8, p. 988; am. 1969, ch. 283, sec. 7, p. 856; am. 1974, ch. 57, sec. 9, p. 1118; am. 1981, ch. 10, sec. 7, p. 19; am. and redesig. 1990, ch. 231, sec. 44, p. 639; am. 1996, ch. 243, sec. 1, p. 773; am. 1999, ch. 198, sec. 5, p. 518; am. 2006, ch. 151, sec. 1, p. 466; am. 2006, ch. 185, sec. 1, p. 585; am. 2007, ch. 44, sec. 3, p. 111; am. 2007, ch. 45, sec. 1, p. 114; am. 2007, ch. 131, sec. 2, p. 388; am. 2008, ch. 27, sec. 16, p. 54; am. 2012, ch. 169, sec. 2, p. 449; am. 2017, ch. 80, sec. 1, p. 223; am. 2019, ch. 202, sec. 1, p. 620; am. 2021, ch. 204, sec. 2, p. 555; am. 2022, ch. 216, sec. 6, p. 697; am. 2023, ch. 91, sec. 1, p. 285.]

59-1358. COMPUTATION OF SEPARATION BENEFITS.

The separation benefit shall equal the excess, if any, of the member's accumulated contributions at the time the benefit becomes payable over the aggregate of all retirement allowance payments ever made to the member.

[(59-1358) 1963, ch. 349, Art. 6, sec. 5, p. 988; am. and redesig. 1990, ch. 231, sec. 46, p. 640.]

59-1359. SEPARATION BENEFITS.

- (a) The separation benefit, if any, shall become payable upon the written request of an inactive member who has been separated from employment. If the person who received a separation benefit is reemployed or reinstated by the same employer within ninety (90) days or is guaranteed a right to employment or reinstatement with the same employer, the person shall repay to the system any separation benefit paid.
- (b) A separation benefit shall automatically be payable three (3) years after a person becomes an inactive member if the inactive member is not a

vested member, has accumulated contributions of less than one thousand dollars (\$1,000), and has been separated from employment and is not reemployed or reinstated by the same employer within ninety (90) days.

- (c) For purposes of this section, "separated from employment" means the inactive member terminated all employment with the employer. An inactive member is not considered to have separated from employment if he continues performing services for the same employer in any capacity including, but not limited to, independent contractor, leased employee, or temporary services. For purposes of this section, "same employer" means the employer for which the person last worked prior to being separated from employment.
 - $\frac{\text{(d)} (c)}{\text{(c)}}$ Any member may elect to have eligible rollover distributions paid directly to a specified eligible retirement plan as required by 26 U.S.C. section 401(a) (31).

[(59-1359) 1963, ch. 349, Art. 5, sec. 4, p. 988; am. 1965, ch. 165, sec. 2, p. 324; am. 1971, ch. 49, sec. 6, p. 105; am. 1987, ch. 164, sec. 3, p. 324; am. and redesig. 1990, ch. 231, sec. 47, p. 640; am. 1993, ch. 350, sec. 7, p. 1304; am. 1996, ch. 243, sec. 3, p. 774; am. 1998, ch. 193, sec. 2, p. 697; am. 1999, ch. 199, sec. 6, p. 527; am. 2006, ch. 152, sec. 1, p. 467; am. 2007, ch. 44, sec. 4, p. 112.]

59-1360. CESSATION OF MEMBERSHIP -- REINSTATEMENT.

A person shall cease to be a member when the person's accumulated contributions are paid to the person. After again becoming an employee the member may reinstate previous credited service by repaying to the retirement fund the full amount of all prior accumulated contributions provided such repayment includes payment of interest as determined by the board.

[(59-1360) 1963, ch. 349, Art. 3, sec. 2, p. 988; am. 1971, ch. 49, sec. 4, p. 105; am. 1976, ch. 97, sec. 2, p. 409; am. 1984, ch. 129, sec. 1, p. 304; am. and redesig. 1990, ch. 231, sec. 48, p. 640; am. 1991, ch. 17, sec. 1, p. 37; am. 1993, ch. 350, sec. 8, p. 1304.]

59-1361. COMPUTATION OF DEATH BENEFITS -- METHOD OF PAYMENT - OPTIONAL DEATH BENEFIT.

- (1) The death benefit of an active or inactive member not vested at time of death shall equal the excess, if any, of the member's accumulated contributions at the time the benefit becomes payable over the aggregate of all benefit payments ever made to the member.
- (2) The death benefit of an early or service retired member shall equal the excess, if any, of the member's accumulated contributions at the time the member retired over the aggregate of all retirement allowance payments ever made to the member, the member's named contingent annuitant, and the optional death benefit recipient, if any.
- (3) The death benefit of a vested member who, at the time of death is either active, inactive, or a disability retiree, shall equal the excess, if any, of two hundred percent (200%) of the member's accumulated contributions at the time of death over the aggregate of all benefit payments ever made to the member and the optional death benefit recipient, if any.
- (4) The death benefit, if any, will be paid to the member's designated beneficiary who is surviving the member at the time the benefit becomes

payable. If no beneficiary has been designated or the designated beneficiary has predeceased the member, the death benefit will be paid to the surviving spouse, and if there is no surviving spouse it will be paid in accordance with the laws of descent and distribution of the state of Idaho as they may then be in effect member's will as administered through probate or if no will is administered through probate then it will be paid in accordance with intestate succession law of the Idaho Uniform Probate Code as now in effect and as hereinafter amended. The designated beneficiary may waive, in writing as required by the board, any death benefit otherwise payable. If the designated beneficiary waives the death benefit, it will be paid as if the designated beneficiary predeceased the member.

(5) When the surviving spouse of a vested member is entitled to a death benefit under subsection (3) of this section, the surviving spouse may elect either an allowance as provided in option 1 under section 59-1351, Idaho Code, or a one (1) time lump sum death benefit payment as provided in subsection (3) of this section. The initial retirement allowance upon which such optional retirement allowance is based shall be calculated as if the member had retired immediately before his death. If the member is not then eligible to receive a service or early retirement allowance, such initial retirement allowance shall equal the actuarial equivalent of the retirement allowance payable when the member would first be eligible for service or early retirement, calculated as if he had separated from service immediately before his death.

[(59-1361) 1963, ch. 349, Art. 6, sec. 2, p. 988; am. 1974, ch. 57, sec. 15, p. 1118; am. 1976, ch. 97, sec. 9, p. 413; am. 1984, ch. 132, sec. 5, p. 316; am. 1986, ch. 147, sec. 4, p. 414; 1990, am. and redesignated, ch. 231, sec. 49, p. 641; am. 1990, ch. 249, sec. 6, p. 711; am. 1992, ch. 220, sec. 10, p. 669; am. 1997, ch. 348, sec. 1, p. 1034; am. 1999, ch. 160, sec. 1, p. 438; am. 1999 ch. 199, sec. 7, p. 527; am. 2004, ch. 211, sec. 1, p. 637.]

59-1361A. PUBLIC SAFETY OFFICER DEATH BENEFITS.

- (1) On and after July 1, 2003, in the event a public safety officer dies as the direct and proximate result of a personal injury sustained in the line of duty, a death benefit in the amount of one hundred thousand dollars (\$100,000) shall be payable as provided in this section to the officer's surviving spouse or, in the event there is no surviving spouse, divided among the officer's dependent children.
- (2) Application for benefits under this chapter shall be made to the retirement board. No benefit shall be payable unless it is established, as determined by the retirement board, provided that:
 - (a) The officer's death occurred in the line of duty and the officer's surviving spouse or dependent children have applied for death benefits and was awarded death benefits by the Department of Justice as provided in 34 U.S.C. section 10281 as now in effect and as hereinafter amended; and
 - (b) The death was not caused by the intentional misconduct of the officer or by such officer's intentional infliction of injury; and
 (c) The officer was not voluntarily intoxicated at the time of death; and

- (d) Benefit payments will not be paid to a person whose actions were a substantial contributing factor to the death of the officer.
- (3) As used in this section:
- (a) "Dependent child" means a surviving natural or legally adopted child who is under twenty-one (21) years of age at the time of the officer's death. Benefits to dependent children shall be paid in accordance with the provisions of the Idaho uniform transfers to minors act, as set forth in chapter 8, title 68, Idaho Code; provided that when there are multiple dependent children, the benefit shall be divided equally among them.
- (b) "Public safety officer" means an active member of the retirement system who when injured:
 - (i) Was designated as a police officer member under section $\underline{59-1303}$, Idaho Code, and had been treated as such for contribution purposes;
 - (ii) Was a "firefighter" as defined in section $\underline{59-1302}$ (16), Idaho Code; or
 - (iii) Was a "paid firefighter" as defined in section $\frac{72-1403}{}$ (A), Idaho Code.
- (4) Benefits payable under this section:
- (a) Are separate from and independent of any benefits payable under section 59-1361, Idaho Code;
- (b) Are not dependent on years of service or age of the public safety officer; and
- (c) Shall not be subject to state income taxes.
- (5) The costs of providing this benefit, as determined by the board, shall be paid by the employers of public safety officers as an additional contribution component separate and distinct from all other obligations under this chapter. Such costs will be paid in a manner as determined by the board.

[59-1361A, added 2003, ch. 238, sec. 1, p. 614.]

59-1362. PURCHASE OF ACTIVE DUTY SERVICE IN THE ARMED FORCES.

- (1) If a member is entitled to reemployment rights related to the member's active duty service under the uniformed services employment and reemployment rights act of 1994 (USERRA), as amended, any period of that active duty service that is not eligible to be credited as military service under section $\underline{59-1302}$ (23), Idaho Code, may be credited as membership service if the member pays employee contributions for that period as required in this section.
- (2) The member must pay employee contributions or enter into an agreement to do so and begin making payments within ninety (90) days from the date of reemployment. If the member pays employee contributions or enters into an agreement to do so, the employer will be responsible for paying employer contributions for the same period within thirty (30) days thereafter. Both employee and employer contributions will be based upon compensation the member would have received but for the period of active duty service.
- (3) The member may have up to five (5) years to repay employee contributions, with interest accruing only from the date of return from active duty service. If the member terminates employment prior to repaying

- all the employee contributions related to the eligible period as agreed, membership service will be granted only for the period for which contributions were paid.
- (4) All periods of active duty service that do not qualify as "military service" under section $\underline{59-1302}$ (23), Idaho Code, or for purchase of membership service under this section, must be purchased under section $\underline{59-1363}$, Idaho Code.

[59-1362, added 2000, ch. 281, sec. 1, p. 904; am. 2002, ch. 9, sec. 1, p. 12; am. 2007, ch. 44, sec. 5, p. 112.]

59-1363. PURCHASE OF MEMBERSHIP SERVICE.

- (1) Notwithstanding any other provision of this chapter, an active or inactive member who is vested may purchase up to forty-eight (48) months of membership service within ninety (90) days prior to the date of retirement as defined in section 59-1302(28), Idaho Code.
- (2) The cost of purchases under this section shall be the full actuarial costs of the service as determined by the board. The board may provide for payment options, including periodic payments, but no service shall be credited until payment has been made in full. The member shall be solely responsible for the costs of such purchased service, except that an employer may participate in the costs at its option.
- (3) In no event shall any member be allowed to purchase in the aggregate more than forty-eight (48) months of membership service under this section.

[59-1363, added 2000, ch. 440, sec. 1, p. 1401; am. 2002, ch. 9, sec. 2, p. 12; am. 2007, ch. 44, sec. 6, p. 113; am. 2024, ch. 18, sec. 1, p. 158.]

59-1365. VOLUNTARY UNUSED SICK LEAVE POOL.

The board is authorized to establish and administer an unused sick leave pool for the voluntary participation of employer units not eligible to participate in other statutorily created sick leave arrangements. The pool shall be funded entirely by the contributions of participating employer units and the board may charge reasonable administrative expenses for administration. The requirements, rates and parameters for participation in the pool will be set forth by rules of the board.

[59-1365, added 2000, ch. 30, sec. 1, p. 56.]

59-1381. MERCER OF CITY SYSTEMS INTO STATE EMPLOYEE SYSTEM -- DEFINITIONS. As used in this chapter, each of the terms defined shall have the meaning given in this section or in section 59-1302, Idaho Code, unless a different meaning is clearly required by the context.

- (a) "Board" means the retirement board of the employee system.
- (b) "City member" means a person receiving benefits or establishing the right to receive benefits from a city system.
- (c) "City system" means the Boise city employee's retirement system and any policeman's retirement system established and operated by virtue of any city ordinance, charter, or pursuant to the provisions of chapter 15, title 50, Idaho Code.

(d) "Employee system" means the retirement system created by and existing through the provisions of chapter 13, title 59, Idaho Code.

(e) "Employer" means a city having a city system.

[(59-1381) 1971, ch. 26, sec. 1, p. 68; am. and redesig. 1990, ch. 231, sec. 56, p. 643.]

59-1382. CITY ORDINANCE ELECTING MERGER -- CONTRACT WITH BOARD.

Any city having a city system may elect to merge its city system with the employee system by the enactment of an ordinance declaring such intention; the provisions of section 50-1503, Idaho Code, and section 50-1524, Idaho Code, notwithstanding. Thereupon the board of the employee system may upon such terms as are set forth in a contract between the board and employer integrate the city system of the employer into the employee system.

[(59-1382) 1971, ch. 26, sec. 2, p. 68; am and redesig. 1990, ch. 231, sec. 57, p. 644.]

59-1383. TRANSFER OF ASSETS, LIABILITIES, DUTIES, AND RIGHTS TO STATE EMPLOYEE SYSTEM -- GOVERNING BOARD OF CITY SYSTEM ABOLISHED.

On its date of establishment all of the funds, assets, liabilities, duties, obligations and rights of the governing board of the city system and of all city members being integrated into the employee system shall be transferred to the employee system. The governing board of such a city system is by this chapter abolished. On and after the date of establishment, benefits payable to annuitants and beneficiaries of such a city system shall become the obligation of the employee system and shall be paid in the same amount as established by such a city system, except that on and after the date of establishment future monthly benefits shall be subject to the provisions of section 59-1356 [59-1355], Idaho Code. The funds of such a city system are by this chapter abolished. The custodian of the fund of such a city system shall transfer all cash on hand in such fund to the state treasurer for deposit in the clearing account of the employee system, and all evidence of indebtedness arising from invested money of said fund to the funding agent as designated by the board. The money and property of such funds shall become the money and property of the employee system.

[(59-1383) 1971, ch. 26, sec. 4, p. 68; am. and redesig. 1990, ch. 231, sec. 58, p. 644.]

59-1384. BENEFITS NOT REDUCED.

Benefits paid city members or their beneficiaries shall never be less than the benefits they would have received from the city systems if such systems had not been integrated with the employee system.

[(59-1384) 1971, ch. 26, sec. 5, p. 68; am. and redesig. 1990, ch. 231, sec. 59; p. 644.]

59-1385. CONTRIBUTIONS BY EMPLOYER -- ADJUSTMENT TO EQUALIZE BENEFITS PAYABLE AND ASSETS TRANSFERRED -- CORPORATE TAX BY CITY TO PAY CONTRIBUTIONS.

(a) Each employer shall contribute to the cost of benefits under the system, pursuant to section 59-1322, Idaho Code. On the date of establishment and from time to time thereafter, the board shall conduct studies of those benefits payable under section 59-1384, Idaho Code, which are in excess of those otherwise earned in accordance with chapter 13, title 59, Idaho Code. If, for any such employer, such study indicates the value of such benefits exceeds the amount of money and property transferred in accordance with section 59-1383, Idaho Code, said amount being adjusted for interest and for any previous payments in accordance with this section and section 59-1384, Idaho Code, such excess value shall be computed as an additional contribution to be paid by such employer. In the event said amount so adjusted shall exceed said value of such benefits, the excess shall be immediately payable to such employer by the employee system.

(b) Each such employer may levy a special tax on all assessed property within its corporate limits solely for the purpose of paying all or a portion of such contributions.

[(59-1385) 1971, ch. 26, sec. 3, p. 68; am. and redesig. 1990, ch. 231, sec. 60, p. 644.]

59-1391. DEFINITIONS.

As used in sections $\underline{59-1391}$ through and including $\underline{59-1399}$, Idaho Code, each of the terms defined shall have the meaning given in this section or in section $\underline{59-1302}$, Idaho Code, unless a different meaning is clearly required by the context.

- (a) "Board" means the retirement board of the employee system.
- (b) "Firefighter member" means a person or beneficiary who, prior to October 1, 1980, was receiving benefits or establishing the right to receive benefits from the firefighters' retirement fund.
- (c) "Firefighters' retirement fund" means the retirement system created by and existing pursuant to chapter 14, title 72, Idaho Code.
- (d) "Employee system" means the retirement system created and existing pursuant to chapter 13, title 59, Idaho Code.
- (e) "Employer" means a city or fire district that employs paid fire-fighters who are participating in the firefighters' retirement fund on October 1, 1980.
- (f) "Paid firefighter" means any individual, male or female, excluding office secretaries on the payroll of any city or fire district in the state of Idaho who devotes his or her principal time of employment to the care, operation, maintenance or the requirements of a regularly constituted fire department of such city or fire district in the state of Idaho.

[(59-1391) 59-1351, added 1979, ch. 147, sec. 1, p. 452; am. 1980, ch. 50, sec. 39, p. 102; am. 1984, ch. 132, sec. 8, p. 318; am. and redesig. 1990, ch. 231, sec. 61, p. 645; am. 1990, ch. 249, sec. 9, p. 713.; am. 2013, ch. 187, sec. 15, p. 463.]

59-1392. TRANSFER OF ALL ASSETS, LIABILITIES, DUTIES, OBLIGATIONS AND RIGHTS OF THE FIREFIGHTERS' RETIREMENT FUND TO THE EMPLOYEE SYSTEM.

All of the funds, assets, liabilities, duties, obligations and rights provided for by chapter 14, title 72, Idaho Code, shall be transferred to, and integrated with, the employee system on October 1, 1980. Benefits payable to firefighter members shall become the obligation of the employee system on October 1, 1980. Cash on hand in the firefighters' retirement fund shall be deposited to the credit of the public employee retirement fund as provided in section 59-1311, Idaho Code.

[(59-1392) 1979, ch. 147, sec. 2, p. 453; am. and redesig. 1990, ch. 231, sec. 62, p. 645.]

59-1393. CONTRIBUTIONS.

- (1) Employers shall deduct, withhold and remit contributions from the salaries of paid firefighters who were employed as paid firefighters prior to October 1, 1980, as provided by section 72-1431, Idaho Code.
- (2) Employers shall make payments required by the provisions of section $\frac{72-1432}{1980}$, Idaho Code, for all paid firefighters employed prior to October 1,
- (3) Employers shall deduct, withhold and remit contributions from the salaries of paid firefighters, whose employment begins on or after October 1, 1980, and make employer contributions for such paid firefighters, as provided in chapter 13, title 59, Idaho Code, on and after October 1, 1980.

[(59-1393) 1979, ch. 147, sec. 3, p. 453; am. 1980, ch. 50, sec. 40, p. 102; am. and redesig. 1990, ch. 231, sec. 63, p.

646.] 59-1394. EXCESS COSTS -- ADDITIONAL

CONTRIBUTIONS.

- (1) In addition to the employee and employer contributions required by $\frac{\text{chapter }14$, title 72, Idaho Code, additional contributions shall be required to fund the provisions of section $\frac{59-1397}{}$, Idaho Code. These costs shall be borne by employers and by the state of Idaho as hereinafter provided.
 - (a) Fifty percent (50%) of the gross receipts by the state of the tax on fire insurance premiums, as provided by section 41-402, Idaho Code, is hereby perpetually appropriated to the public employee retirement account for the purpose of partially funding the benefit payment requirements imposed by the provisions of chapter 14, title 72, Idaho Code.
 - (b) The board shall conduct studies from time to time of the benefits prescribed by section 59-1397, Idaho Code, to determine the additional contributions required to fund the rights conferred by chapter 14, title 72, Idaho Code, above and beyond the initial contribution from the fire insurance premium tax required by subsection (1) (a) of this section. If such studies indicate the value of the benefits exceeds the required contributions otherwise prescribed, the board shall establish an additional contribution rate necessary to bring the amounts into balance. The cost of such additional contribution shall be borne equally by the employers through additional contributions and the state of Idaho through the fire insurance

premium tax. In addition to appropriation of the fire insurance premium tax contained in subsection

- (1) (a) of this section, the amount of the gross receipts by the state of the tax on fire insurance premiums, as provided by section $\underline{41-402}$, Idaho Code, necessary to match dollar for dollar the additional contribution required of employers is hereby perpetually appropriated commencing July 1, 1980 to the public employee retirement account for the purpose of subsection (1) (b) of this section. If the matching funds herein provided equal one hundred percent (100%) of the gross receipts from the fire insurance premium tax, the employers shall contribute the balance of the monies required to meet the required contribution rate. The additional contribution rate from the employers commencing October 1, 1980 shall be ten percent (10%) of the pay period salary of each paid firefighter until next determined by the board.
- (2) Nothing herein contained shall prevent the board from contracting with employers to provide a schedule of contributions which will retire any excess cost over a given period of time, not to exceed fifty (50) years. In the event that such agreements are reached, the amount of the fire insurance premium tax necessary to match additional employer contributions is continuously appropriated for that purpose.

[(59-1394) 1979, ch. 147, sec. 7, p. 454; am. 1980, ch. 50, sec. 44, p. 103; am. and redesig. 1990, ch. 231, sec. 64, p. 646; am. 1996, ch. 208, sec. 14, p. 672; am. 1996, ch. 322, sec. 57, p.

1086.] 59-1395. MEMBERSHIP RIGHTS AND DUTIES.

The rights, benefits, memberships, payments, duties and obligations of paid firefighters whose employment begins on or after October 1, 1980, with respect to membership and participation in the employee system shall be governed by the provisions of chapter 13, title 59, Idaho Code.

[(59-1395) 1979, ch. 147, sec. 4, p. 453; am. 1980, ch. 50, sec. 41, p. 103; am. and redesig. 1990, ch. 231, sec. 65, p.

47.]

59-1396. LIMIT ON SEPARATION BENEFIT.

- (1) When a firefighter member who was employed prior to October 1, 1980, terminates employment and seeks return of his or her accumulated contributions, such contributions shall be returned as provided under the provisions of section 72-1444, Idaho Code.
- (2) When a paid firefighter whose employment began on or after October 1, 1980, terminates employment and seeks return of his or her accumulated contributions, such contributions shall be returned as provided by sections 59-1358 and 59-1359, Idaho Code.

[(59-1396) 1979, ch. 147, sec. 5, p. 454; am. 1980, ch. 50, sec. 42, p. 103; am. and redesig. 1990, ch. 231, sec. 66, p. 647; am. 2001, ch. 138, sec. 4, p. 499.]

59-1397. BENEFITS PAYABLE.

The combined rights and benefits of paid firefighters who were employed prior to October 1, 1980, shall not be less than the rights and benefits they would have received from the firefighters' retirement fund, had the fund not been integrated with the employee system.

[(59-1397) 1979, ch. 147, sec. 6, p. 454; am. 1980, ch. 50, sec. 43, p. 103; am. and redesig. 1990, ch. 231, sec. 67, p. 647.]

59-1398. MEMBERSHIP IN SOCIAL SECURITY.

The provisions of the federal social security system are hereby made applicable to all paid firefighters hired for the first time on or after October 1, 1980.

[(59-1398) 1979, ch. 147, sec. 8, p. 455; am. 1980, ch. 50, sec. 45, p. 104; am. and redesig. 1990, ch. 231, sec. 68, p. 648.]

59-1399. COOPERATION OF STATE INSURANCE FUND.

The director of the state insurance fund is hereby authorized and directed to cooperate with and furnish necessary information to the board to accomplish the purposes of this chapter.

[(59-1399) 1979, ch. 147, sec. 10, p. 456; am. and redesig. 1990, ch. 231, sec. 69, p. 648.]

Executive Agency Legislative System (EALS) Template

EALS# STATUS

EALS #: 183-02 Status: Draft Jun 25, 2025 DFM Analyst: A. Harper

Agency: PERSI Special Assist: J. Neill

BASIC PROPOSAL INFORMATION

Title: Roth Contributions to Supplemental Benefit Plan

Preferred house of origin and committee:

House: Commerce and Human Resources

CONTACTS

Contact 1: Elisa Magnuson, General Counsel

Contact 2: Mike Hampton, Director

COMMENTARY

Statement of Purpose:

Amend §59-1308(9) to replace "after-tax contributions" with "Roth contributions and investment earnings" to align with IRS regulations regarding the type of after-tax contributions referred to in this section. Add references to IRS code sections 401(a) and 402A to compliment existing reference to 401(k). Add "as now in effect and as hereafter amended" to maintain reference to IRS code if future amendments to IRS code occur.

Fiscal impact of legislative idea:

This legislation will have no impact on the state's General fund or any dedicated fund or federal fund. This is a technical correction to update terminology only.

EALS 183-02

- 59-1308. SUPPLEMENTAL BENEFIT PLAN CONTRIBUTIONS AND EXPENSES OF THE SUPPLEMENTAL BENEFIT PLAN - INDEMNIFICATION. (1) The state shall sponsor and the board shall administer one (1) or more supplemental benefit plans to be used for allocation of extraordinary gains as provided in section 59-1309, Idaho Code, and for voluntary contributions of active members. The supplemental plans may be established under the qualified requirements of section 401(a) of the Internal Revenue Code and with the qualified cash or deferred arrangements under section 401(k) of the Internal Revenue Code or any other tax-deferred plan permitted by law, as determined by the retirement board. The board is authorized to secure such qualified staff and consultants as it determines necessary to establish and administer such plans. Employee and employer contributions shall be permitted according to the provisions of these plans as established by the board. For purposes of this section, "employee" shall mean a participant as defined in the supplemental benefit plan documents or board rules.
- (2) The board is authorized, but not required, to establish separate trust funds to hold the assets of the supplemental benefit plans created under this section. The investment options available under supplemental benefit plans shall be determined by the board and may include but are not limited to investment in all or part of the public employee retirement fund and use of private vendor options.
- (3) Supplemental benefit plans shall be available to all active members and shall be in addition to any other retirement or tax-deferred compensation system established by the employer. The board may provide educational opportunities related to supplemental benefit plans and retirement savings, as determined by the board.
- (4) Accounts shall be established in supplemental benefit plans for all active members eligible for an extraordinary gains transfer under section 59-1309, Idaho Code. After the initial transfer of extraordinary gains, any active member may make additional voluntary contributions to his/her account, subject to applicable limitations, by authorizing his/her employer to contribute an amount by payroll deduction to the supplemental benefit plan in lieu of receiving such amount as salary. The amount of such contributions shall be subject to any limitations established by the board or state or federal law. The employer shall provide coordination of contributions between multiple plans to assure that contribution limits are not exceeded. Should aggregate contributions to multiple plans exceed applicable limits, excess contributions shall be deemed to apply exclusively to plans not created by this chapter. In the event a preexisting plan is used as a supplemental plan, voluntary contributions may continue to be made to that plan despite the absence of extraordinary gains transfers.
- (5) For purposes of this section, the employer is authorized to make such deductions from salary for any employee who has authorized such deductions in writing. The employer shall forward all contributions under this section to the board by the fifth working day

after each payroll, in addition to reports as directed by the board. Any costs incurred by the board, whether direct or indirect, due to an employer's failure to properly withhold, transfer, limit and report contributions, shall be the responsibility of the employer and shall be immediately due and payable upon notice from the board. This includes but is not limited to costs associated with plan corrections. Such costs shall be treated as delinquent contributions under section 59-1325, Idaho Code.

- (6) The board may enter into agreements with employers or require participation to implement the supplemental benefit plans, and the board may designate administrative agents to execute all necessary agreements pertaining to the supplemental benefit plans.
- (7) All contributions received from participants in the supplemental benefit plans shall be deposited with a trustee designated by the board. All such funds are hereby perpetually appropriated to the board, shall not be included in the department's budget, and may be invested or used to pay for investment and administrative expenses of the supplemental benefit plans. Inactive members may be required to transfer supplemental benefit plan account balances as determined by the board.
- (8) The board may establish rules to implement and administer supplemental benefit plans. Costs of administration shall be appropriated by the legislature and may be paid from the interest earnings of the funds accrued as a result of the deposits or as an assessment against each account, to be decided by the board. Investment-related expenses are exempt from appropriation.
- (9) (a) Qualified pre-tax contributions and investment earnings under the supplemental benefit plans shall be in compliance with the requirements of sections 401(a) and 401(k) of the Internal Revenue Code, as now in effect and as hereafter amended, or any other tax-deferred plan permitted by law.
- (b) Qualified after-tax contributions Roth contributions and investment earnings shall be in compliance with the requirements of sections 401(a), 401(k), and 402A of the Internal Revenue Code-as now in effect and as hereafter amended; and
- (c) Distributions of funds held in supplemental benefit plan accounts are subject to federal law limitations. The board may provide for retirement disbursement options other than lump sum payments.
- (10) All additional contributions made by the employee under this section shall continue to be included as regular compensation for the purpose of computing the employer and employee retirement contributions and pension benefits earned by an employee under this chapter, but such sum shall not be included in the computation of any income taxes withheld on behalf of any employee. However, funds accrued in a supplemental benefit plan account shall not be considered in determining any other benefits under this chapter.
- (11) The provisions of sections 59-1316 and 59-1317(1), (2) and (5), Idaho Code, shall also apply to the supplemental benefit plans created under this section. Should a court order that an assignment be made to a participant's spouse or former spouse of all or part of an account created under this section, the assignment shall be separate and distinct from any approved domestic retirement order required by

section 59-1317(4), Idaho Code. Requirements for assignments of supplemental accounts may be set forth in rule or other plan documents.

(12) Members of the retirement board or retirement system staff shall, jointly or individually, be provided a defense and indemnified against all claims, demands, judgments, costs, charges and expenses, including court costs and attorney's fees, and against all liability losses and damages of any nature whatsoever arising out of and in the course and scope of their official duties and functions in administering any plans created pursuant to the provisions of this section to the same extent as provided in section $\underline{59-1305}(1)$, Idaho Code. The venue of all actions in which the retirement board or retirement staff is a party shall be in Ada county, Idaho.



PERSI CHOICE 401(k) PLAN AUGUST 26, 2025

AGENDA

- Choice Plan, Diane Kaiser
 - Recap
 - Plan Review
- Callan, Ann O'Bradovich and Greg Ungerman
 - 2Q 2025 Performance Review
 - What are other Public DC Plans doing?
- Fiscal, Chris Wester
 - Fee Review Monthly Administrative Fees
 - Fee Review Total Return Fund Investment Management Fee
- Choice Plan, Diane Kaiser
 - Wrap-up

A YEAR OF CHANGES

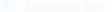
- Federal Legislation affected the Choice 401(k) Plan
 - Long-term, part-time employees must be allowed to participate
 - Eligibility no longer tied to Base Plan eligibility
 - If the Plan offers catch-up contributions for participants age 50+, it had to add Roth
- Impact
 - Employers were required to transmit Choice 401 (k) Plan data and money to Empower, rather than PERSI
 - Plan Document amendments were needed

EMPLOYERS TRANSITIONED TO EMPOWER

- Beginning December 2024, a team of us began working with PERSI employers to transition them from reporting Choice Plan to PERSI and instead send transmittals directly to Empower.
- PERSI has 864 employers in the system as of 6/30/2025
- By the end of July, this massive transition has been completed!
- This was a Team Effort and Heavy Lift
 - Employers
 - Tegrit (PERSI Pension Administration System vendor)
 - Empower (Choice 401(k) Plan Record Keeper
 - BNY Mellon (Choice 401(k) Plan Fund Custodian
 - Fiscal Mike Anderson's team
 - QA Catherine Atchison's team
 - IT Larry Sweat's team
 - Choice Plan Dan Gardner
 - Management Support

KEY PLAN DOCUMENT CHANGES

- We've been working with the Board to make sure the Plan Document got changed with respect to SECURE 2.0 provisions:
 - Enhanced Eligibility criteria
 - Added Roth contribution type
 - Changes related to Catch-up Contributions for participants aged 50 and older
- Some clean-up changes were also made





PLAN PERFORMANCE INSIGHTS

As of 6/30/2025

95270-01

PERSI Choice 401(k) Plan

Executive summary

As of 6/30/2025





Overview

The assets and participant counts presented are effective as of period end. The assets do not reflect any adjustments, dividends, corrections, or similar that are processed after period end.



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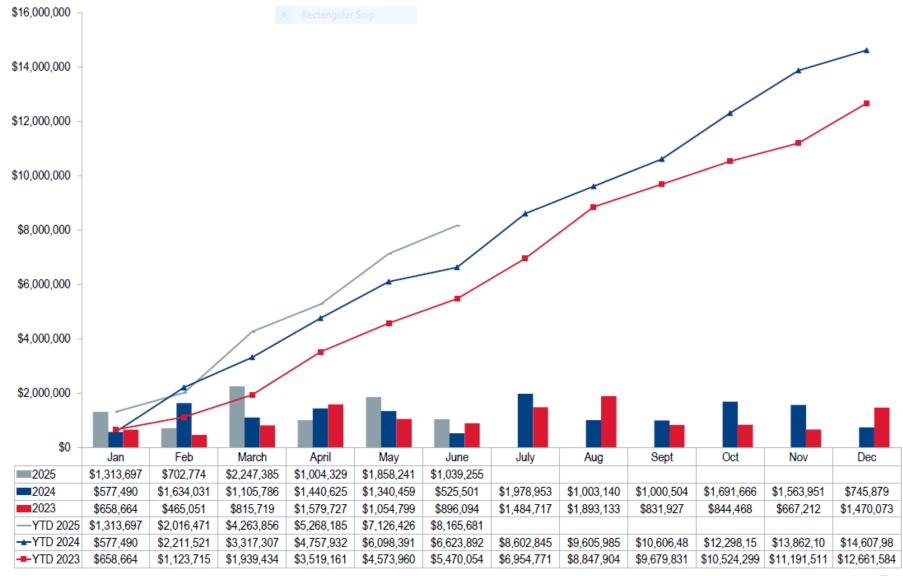
95270-01 PERSI Choice 401(k) Plan

Asset allocation by fund

The balances reflected are based on all actively employed and separated from service plan participants. The participant balances do not include any outstanding loan amounts.

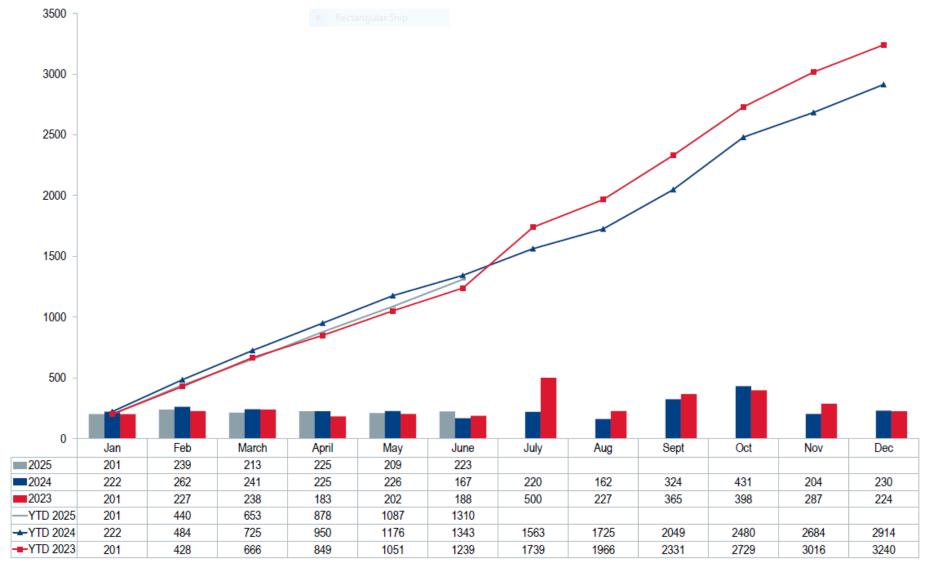
		As	As of 6/30/2024			As of 6/30/2025		
Asset class	Investment option	Total balance	% of total	Participants	Total balance	% of total	Participants	
Balanced	Calvert Balanced R6	\$11,053,916	0.68%	1,032	\$15,607,277	0.85%	1,419	
	PERSI Total Return Fund	\$1,272,722,607	77.81%	43,055	\$1,390,295,534	76.01%	43,512	
Bond	Dodge & Cox Income Fund Class X	\$16,420,352	1.00%	1,006	\$17,016,743	0.93%	1,022	
	U.S. Bond Market Index Fund	\$12,424,191	0.76%	1,172	\$13,931,677	0.76%	1,207	
	U.S. TIPS Index Fund	\$4,479,057	0.27%	367	\$6,172,334	0.34%	432	
Capital Preservation	PERSI Short-Term Investment Portfolio	\$44,393,839	2.71%	1,462	\$49,246,034	2.69%	1,530	
International Equity	DFA Emerging Market Core Equity 2 Port I	\$1,008,917	0.06%	122	\$1,135,590	0.06%	230	
	International Equity Index Fund	\$14,283,057	0.87%	1,435	\$17,721,934	0.97%	1,560	
	T. Rowe Price Overseas Stock I	\$496,444	0.03%	127	\$956,783	0.05%	234	
Large Cap	U.S. Large Cap Equity Index Fund	\$97,824,883	5.98%	3,465	\$125,092,298	6.84%	4,032	
	Vanguard Growth & Income Adm	\$84,353,231	5.16%	3,483	\$105,805,030	5.78%	4,039	
Mid Cap	U.S. Small/Mid Cap Equity Index Fund	\$35,461,881	2.17%	2,474	\$41,305,907	2.26%	2,736	
Small Cap	T. Rowe Price Instl Small-Cap Stock	\$35,568,771	2.17%	2,390	\$38,978,956	2.13%	2,475	
Specialty	U.S. REIT Index Fund	\$5,189,584	0.32%	820	\$5,724,619	0.31%	901	

Roll-Ins





New Enrollments





QUESTIONS? COMMENTS?



THANK YOU!

Callan

August 26, 2025

Public Employee Retirement
System of Idaho

PERSI Choice 401(k) Plan

Ann O'Bradovich

Senior Vice President

Greg Ungerman, CFA

Senior Vice President and Defined Contribution Practice Leader

PERSI Choice 401(k) Plan

DC workshop - 2025

Background and Review

- Fiduciary Check list (Work Plan)
- Current Investment Structure

2Q 2025 Performance Review

- Participant allocations
- Investment Option Performance

Investment Fee Review

What are other Public DC Plans doing?

• Callan Survey: Government Plans excerpts



Defined Contribution Consulting

100+ Years combined experience

72 Fee studies and recordkeeper searches over the past three years

58 Investment structure evaluations

36 Target date fund suitability

35 Custom projects – governance reviews, managed account suitability evaluation, demographic analysis, plan design evaluation, independent fiduciary searches Callan's DC Research and Consulting Group complements our investment consultants, providing specialty research and expertise around plan trends, aspects of compliance and administration, behavioral aspects of structure design specific to DC plans, and vendor and fee management. We have a strongly tenured team that works with a wide variety of plan sponsors and recordkeepers, which provides valuable context and expertise to our clients.



Scotty Lee

Jamie McAllister

Jana Steele

Greg Ungerman, CFA

Patrick Wisdom

Fiduciary Check List

PERSI Choice 401(k) Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Ongoing Items			
Legislative / Regulatory/Trends Updates	Quarterly	May 2025	August 2025
Investment Performance Review	Quarterly	May 2025	August 2025
Manager Diligence/ Updates	Ongoing	April 2025	April 2026
Investment Management Fee Review	Annual	August 2024	August 2025
Investment Policy Statement Review	1-2 Years	August 2024	Dec 2025
Fiduciary Training	1-3 Years	Ongoing	Sept 2025
Strategic Projects			
DC Trends Survey Review	Annual	August 2024	April & August 2025
Investment Structure Evaluation	~5 Years	2022	2027-2028
Default Investment Alternative Suitability	~5 Years	2021 (reviewed 2022,2024)	2026
Administrative Fee Benchmarking	~5 Years	March 2020	2026
Recordkeeper Search	~10 Years if needed	2020	2028 - 2029
Additional Projects			
Participant Communications	Ongoing		
TRF Fee Policy & Process	Annual		August 2025



PERSI Choice 401(k) Plan

History

2014 & 2015	2017	2020 - 2023	2024	2025
Recordkeeper (RK) search and selection in 2014 Change to Empower completed by 2015 2Q New fee structure put in place Investment lineup review and changes coordinated with recordkeeper transition (October 2014) Use Mellon Capital Management's passive collective trusts for all asset classes Relationship pricing Added index funds: public U.S. REITs, emerging market equity, TIPS Changed passive broad U.S. equity from Wilshire 5000 to Russell 3000 Participant communication included RK and investment lineup changes at the same time	Share Class Changes T. Rowe Price Small Cap Stock Fund share class change from OTCFX to TRSSX Brandes International Equity Fund share class change from BIIEX to BIERX	Policy Statement Revision and Review: Nov 2020 Recordkeeper RFP: Empower retained 2020 Default Investment Fund Suitability Review: February 2021 Investment Structure Review: June 2022 • TRF remains Default Option • Simplified U.S. equity options • Changed emerging markets from passive to active • Reduced passive fund fees • Eliminated revenue share classes Investment Structure Implemented: April 2023 DC Workshop: August 2023	Policy Statement Review Default Investment Fund Review: Introduced EBRI's PRRL Data to participant behavior observations Investment Manager Fee Review Factsheet Production Review Callan Survey: Jovernment Plans results DC Workshop: August 2024	Policy Statement Review Fee Policy Review Default Investment Fund Review Investment Manager Fee Review Factsheet Production Review Callan Survey: Government Plans Results DC Workshop: August 2025



PERSI Choice 401(k) Plan

Background

The Plan is a non-ERISA plan. Fiduciary rules and laws are established through State Law (59-1301 primarily).

- The Plan is actually two plans
- 414(k): Gain sharing
- 401(k): Voluntary employee contributions, rollovers and employer contributions

The Plan was initially put in place to facilitate the distribution of extraordinary gains from the DB plan. The initial intent was for those receiving a gain sharing distribution to have the option to invest the gain sharing exactly as it was invested in the DB plan, thus the inclusion of the Total Return Fund (TRF) as the default option.

 The initial gain sharing amount was about \$59 million. There have been no additional gain sharing events since 2001.

Current PERSI Employers: 864

Some employers offer other DC plans to participants



Optimizing the DC Investment Structure

Callan's Philosophical Tenets

Durable

Investment structures should be built for the long term. Three-tier structures facilitate usage for a full range of participants from "do-it-for-me" to "do-it-yourselfers."

Simple

Simpler can be better. The number of choices affects participants' allocation decisions. Make sure the level of complexity is suited to the sophistication level of your participants.

Open Architecture

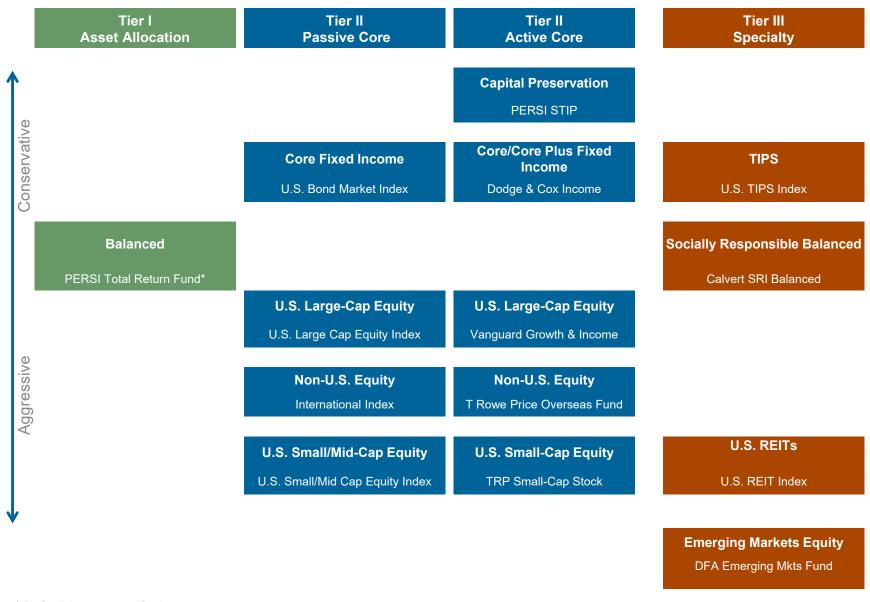
Multi-manager funds allow for better diversification, top-tier managers in every category, and efficient implementation of changes to the lineup without disrupting participants.

Low Cost

Take advantage of scale and competition to manage costs for both active and passive options. Make use of passive in constructing multi-manager options. Monitor all expenses.

PERSI Choice 401(k) Plan

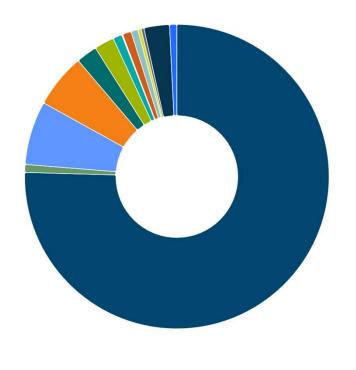
Investment Structure



^{*} Default Investment Option



PERSI Choice 401(k) Asset Allocation as of June 30, 2025



Asset Class	Assets	Actual Weight
■ Total Return Fd	\$1,390,550,164	75.43%
■ Calvert SRI Balanced ¹	\$15,591,205	0.85%
MCM U.S. Large Cap Equity	\$124,835,096	6.77%
 Vanguard Growth & Income 	\$105,713,737	5.73%
■ MCM U.S. Small/Mid Cap Equity	\$41,248,303	2.24%
T. Rowe Price Small Cap	\$38,980,751	2.11%
MCM Intl Equity	\$17,499,897	0.95%
■ T. Rowe Price Overseas Stock²	\$945,894	0.05%
■ DFA Emerging Markets Core Equity³	\$1,116,188	0.06%
■ Dodge & Cox Income Fund ⁴	\$17,013,733	0.92%
■ MCM U.S. Bond	\$13,838,643	0.75%
MCM U.S. TIPS	\$6,327,217	0.34%
■ MCM U.S. REITs	\$5,835,960	0.32%
■ PERSI STIP	\$49,856,270	2.70%
Loan Fund	\$14,087,600	0.76%
Total Fund	\$1,843,440,659	100.00%



PERSI Choice 401(k) Asset Distribution as of June 30, 2025

Portfolio	Ending Assets Jun 30, 2025	Weight	Net Cash Activity	Investment Gain/Loss	Beginning Assets Mar 31, 2025	Weight
Domestic Equity						
MCM U.S. Large Cap Equity	\$124,835,096	6.77%	\$3,126,624	\$12,210,346	\$109,498,126	6.36%
Vanguard Growth & Income	\$105,713,737	5.73%	\$448,050	\$11,996,749	\$93,268,938	5.42%
MCM U.S. Small/Mid Cap Equity	\$41,248,303	2.24%	\$329,053	\$4,444,460	\$36,474,789	2.12%
T. Rowe Price Small Cap	\$38,980,751	2.11%	\$104,801	\$2,426,943	\$36,449,007	2.12%
Balanced						
Total Return Fd	\$1,390,550,164	75.43%	\$904,967	\$79,561,962	\$1,310,083,235	76.08%
Calvert SRI Balanced ¹	\$15,591,205	0.85%	\$512,359	\$1,064,617	\$14,014,229	0.81%
International Equity						
MCM Intl Equity	\$17,499,897	0.95%	\$241,390	\$1,719,130	\$15,539,378	0.90%
T. Rowe Price Overseas Stock ²	\$945,894	0.05%	\$146,547	\$70,716	\$728,631	0.04%
DFA Emerging Markets Core Equity ³	\$1,116,188	0.06%	-\$15,585	\$113,786	\$1,017,987	0.06%
Domestic Fixed Income						
Dodge & Cox Income Fund ⁴	\$17,013,733	0.92%	\$701,196	\$244,313	\$16,068,224	0.93%
MCM U.S. Bond	\$13,838,643	0.75%	-\$496,526	\$159,501	\$14,175,668	0.82%
MCM U.S. TIPS	\$6,327,217	0.34%	-\$357,105	\$21,935	\$6,662,387	0.39%
MCM U.S. REITs	\$5,835,960	0.32%	\$44,491	-\$122,035	\$5,913,504	0.34%
PERSI STIP	\$49,856,270	2.70%	\$1,292,465	\$489,336	\$48,074,469	2.79%
Loan Fund	\$14,087,600	0.76%	\$245,058	-\$257,012	\$14,099,554	0.82%
Total Fund	\$1,843,440,659	100.00%	\$7,227,786	\$114,144,747	\$1,722,068,126	100.00%



PERSI Choice 401(k) Plan Plan offers a range of options Investment Structure: Diversified Investment Options Equity: higher return, higher volatility Fixed Income: lower return lower volatility Risk/Return 5 Years Ended June 30, 2025 Balance: moderate risk and returns profile Active and Passive strategies 25 20-Vanguard G&I MCM S&P 500 15-MCM Intl Stock Index TRP Small Cap Calvert SRI Returns 10-MCM Wilshire 4500 DFA EM Total Return Fund 5 TRP Overseas **D&C Bond Fund** 0-MCM LB Agg Index $(5)^{-}$ 10 15 20 5 25

Standard Deviation



PERSI Choice 401(k) Plan Performance Overview*

	Last	Last	Last 3	Last 5	Last 10
	Quarter	Year	Years	Years	Years
Domestic Equity					
Mellon Large Cap Equity	10.94%	15.15%	19.65%	16.58%	13.59%
Vanguard Growth and Income	12.84%	15.06%	19.84%	17.04%	13.60%
S&P 500 Index	10.94%	15.16%	19.71%	16.64%	13.65%
Mellon Small/MidCap Equity	12.11%	15.44%	15.24%	11.82%	9.15%
DJ US Completion Total Stock Mkt	12.15%	15.58%	15.07%	11.51%	9.02%
T. Rowe Price Small Cap Stock	6.58%	11.27%	10.35%	9.79%	9.43%
Russell 2000 Index	8.50%	7.68%	10.00%	10.04%	7.12%
Balanced					
Total Return Fund	6.07%	10.81%	9.65%	8.72%	7.64%
Target Index (1)	6.67%	11.64%	9.93%	9.05%	7.78%
Calvert SRI Balanced (2)	7.37%	11.10%	13.47%	10.21%	8.73%
60%S&P/40% Blmbg Agg	7.05%	11.66%	12.73%	9.63%	9.08%
International Equity					
Mellon Intl Index	11.22%	18.04%	16.21%	11.35%	6.75%
T. Rowe Price Overseas Stock (4)	11.01%	16.71%	14.17%	10.74%	-
MSCI EAFE Index	11.78%	17.73%	15.97%	11.16%	6.51%
DFA Emerging Markets Core Eq (5)	12.71%	13.12%	11.61%	10.44%	5.97%
MSCI Emg Mkts	11.99%	15.29%	9.70%	6.81%	4.82%
Domestic Fixed Income					
Dodge & Cox Income (3)	1.43%	6.60%	4.33%	1.12%	2.91%
Mellon Blmbg Agg	1.21%	6.05%	2.50%	(0.81%)	1.65%
Blmbg Agg Index	1.21%	6.08%	2.55%	(0.73%)	1.76%
Mellon U.S. TIPS	0.47%	5.81%	2.29%	1.55%	2.62%
BImbg US TIPS Index	0.48%	5.84%	2.34%	1.61%	2.67%
Mellon U.S. REITs	(1.76%)	7.97%	4.62%	8.37%	5.26%
DJ US Select REIT Index	(1.71%)	8.09%	4.77%	8.55%	5.45%
PERSI STIP	1.07%	4.82%	4.64%	2.91%	2.22%
FTSE Treas 1 Yr	0.97%	4.99%	4.07%	2.17%	1.87%
TBills + 0.50%	1.16%	5.18%	5.06%	3.26%	2.48%

⁽¹⁾ Target Benchmark consists of 21% Russell 3000, 20% Bloomberg Aggregate, 10% Bloomberg TIPS, 6% MSCI EAFE, 18% MSCI ACWI, 9% MSCI Emerging Markets, 4% NCREIF NFI-ODCE, 4%FTSE NAREIT All Equity ldx, and 8% Private Equity.

Callan

For the Quarter

- Balanced Funds
 - Total Return Fund underperformed the Target Index by 60 bps.
 - Calvert outperformed its benchmark by 32 bps.
- Active Manager performance vs benchmarks:

-	T. Rowe Price Overseas	- 77 bps
-	Vanguard G&I	+190 bps
-	DFA Emerging Markets	+ 72 bps
-	Dodge & Cox	+ 22 bps
-	T. Rowe Price Small Cap	- 192 bps

Long-term Perspective (3- to 10-yr)

- Dodge & Cox has outperformed over longer periods of time
- Vanguard G&I has outperformed its long-term target over the last 3 and 5 years
- T. Rowe Price Sm Cap outperformed the Russell 2000 index over the last 3 years
- T. Rowe Price Overseas⁴ has underperformed the MSCI EAFE Index for the last 3 and 5 years
- DFA Emerging Markets⁵ has outperformed the MSCI Emerging Markets Index for longer periods
- Total Return underperformed its long-term target over the last 3, 5 and 10 years.
- Calvert outperformed its long-term target over the last 3 and 5 years but lagged over the last 10 years
- Passive funds kept pace with their respective benchmarks.

⁽²⁾ Performance represents Calvert Balance I until 04/30/2023 and Calvert Balance R6 thereafter.

⁽³⁾ Performance represents Dodge & Cox Income I until 04/30/2023 and Dodge & Cox Income X thereafter.

⁽⁴⁾ Funded April 2023, performance represents the T. Rowe Price Overseas Stock I Mutual Fund.

⁽⁵⁾ Funded April 2023, performance represents the DFA Emerging Markets Core Equity I Mutual Fund.

^{*}Returns are net of fee

PERSI Investment Fee Summary as of June 30, 2025

	Vehicle	Assets as of	Total Fee (%)	Total Fee (\$)	Peer Group	
		June 30, 2025	1 0 0 0 (70)	101011100 (4)	Median Fee	
Tier I: Asset Allocation Options						
PERSI Total Return	CIT	\$1,390,550,164	0.27%	\$3,754,485	0.68%	
Tier II: Passive Core Options						
MCM U.S. Bond	CIT	\$13,838,643	0.04%*	\$5,535	0.04%	
MCM U.S. Large Cap Equity	CIT	\$124,835,096	0.035%*	\$43,692	0.02%	
MCM International Equity	CIT	\$17,499,897	0.065%*	\$11,375	0.05%	
MCM U.S. Small/Mid Cap Equity	CIT	\$41,248,303	0.05%*	\$20,624	0.04%	
Tier II: Active Core Options						
PERSI STIP	CIT	\$49,856,270	0.11%	\$54,842	0.25%	
Dodge & Cox Income Fund	MF	\$17,013,733	0.33%	\$56,145	0.36%	
Vanguard Growth & Income	MF	\$105,713,737	0.24%	\$253,713	0.59%	
T. Rowe Price Overseas Stock Fund	MF	\$945,894	0.67%	\$6,337	0.79%	
T. Rowe Price Small Cap Fund	MF	\$38,980,751	0.66%	\$257,273	0.89%	
Tier III: Specialty Options	Tier III: Specialty Options					
MCM U.S. TIPS	CIT	\$6,327,217	0.04%*	\$2,531	0.12%	
Calvert SRI Balanced	MF	\$15,591,205	0.61%	\$95,106	0.68%	
MCM U.S. REITs	CIT	\$5,835,960	0.09%*	\$5,252	0.45%	
DFA Emerging Markets Core Equity	MF	\$1,116,188	0.40%	\$4,465	0.99%	

^{*}Reflects total expense ratio

- Most of the Plan's investment options have a fee below the median fee of their respective peer group. There are three options (in blue) with a fee that is higher than its peer group median fee.
- Mellon offers a cheaper institutional class for the passive CITs held in the PERSI Choice 401(k) Plan. Staff is working with Mellon to confirm this option is appropriate for the Choice Plan
- This analysis focuses solely on fees and not other factors that may be relevant in the selection and/or retention of an investment fund or share class. Although an investment management fee may be above median, it does not mean the fund is not 'reasonable', which is the ERISA standard



Alternative Share Classes / Vehicles

Mellon offers a cheaper institutional class for the passive CITs held in the PERSI Choice 401(k) Plan

	_	Current CIT	Alternate CIT		
	Assets as of June 30, 2025	Total Fee ¹	Total Fee ¹	Fee Savings (\$)	
Currently Eligible to Move	to Alternative				
MCM U.S. Bond	\$13,838,643	0.040%	0.035%	\$692	
MCM U.S. Large Cap Equity	\$105,713,737	0.035%	0.020%	\$15,857	
MCM International Equity	\$17,499,897	0.065%	0.055%	\$1,750	
MCM U.S. Small/Mid Cap Equity	\$41,248,303	0.050%	0.040%	\$4,125	
MCM U.S. TIPS	\$6,327,217	0.040%	0.035%	\$316	
MCM U.S. REITs	\$5,835,960	0.090%	0.040%	\$2,918	

¹ Total fees are inclusive of both investment management and administrative fees.



What are other Public DC Plans Doing?





The 18th annual *DC Survey* covers the key tenets of DC plan management such as governance, investments, fees, plan design, and more. Throughout the survey, we have summarized responses from governmental organizations, denoted by figures and charts displayed in red. Of the 89 respondents, 18 identified themselves as governmental organizations.



Respondent Characteristics

Callan conducted this DC Survey online in late 2024. This survey incorporates responses from 89 DC plan sponsors, including both Callan clients and other organizations.

Respondents spanned a range of industries, with the top being financial services and government.

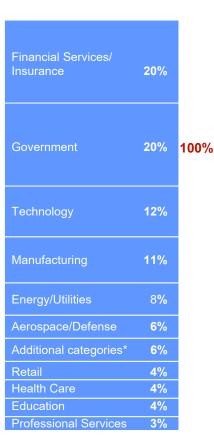
Government only responses are noted in **RED**

91% of respondents had more than \$200 million in plan assets; moreover, 67% were "mega plans" with at least \$1 billion in assets, and 58% had more than 10,000 participants.

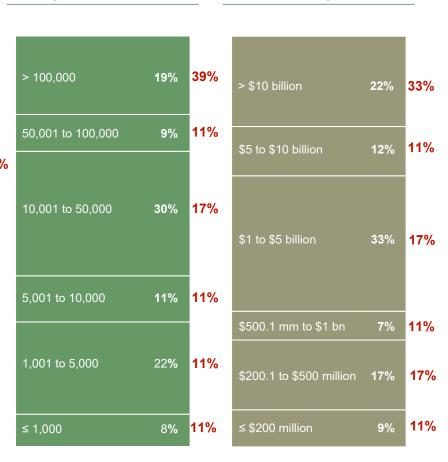
Primary industry employees hired from

Number of participants in DC plan

Assets in DC plan



^{*}Additional categories: other (2%), transportation (1%), nonprofit (1%), entertainment/media (1%)



Note: Throughout the survey, charts may not sum to 100% due to rounding.

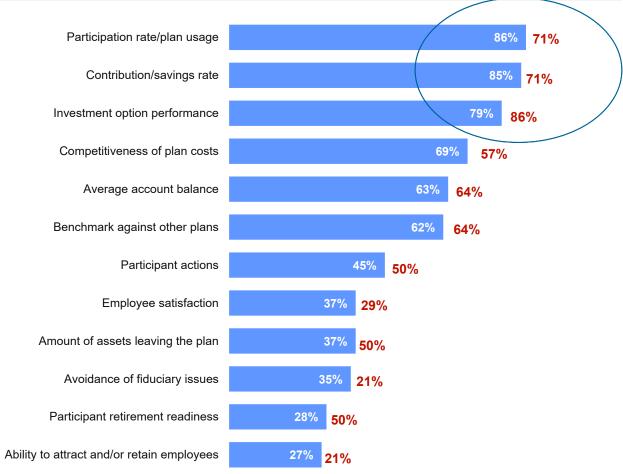


DC Plan Measurement

Government Plans shown in red font indicate investment performance is the #1 most important criteria. Governments tend to view their DC Plans as supplemental since the Pension Plan is the primary retirement investment vehicle.

Broad Survey respondents monitored participation rate/plan usage to measure the success of their DC plan. Contribution/savings rate followed closely, with investment option performance coming in third.







^{*}Multiple responses allowed.

DC Plan Participation

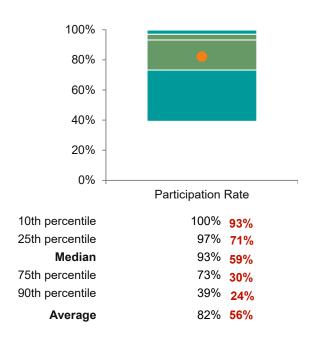
Government Plans shown in red font indicate participation rates tend to be lower than Corporate plans with an average rate of 56%. Public DC plans are viewed as a supplemental plan versus the Pension being the primary retirement income source

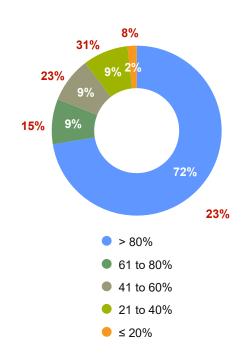
Broad Survey Responses:

86% of respondents monitored participation rate to measure the success of their DC plan.

DC plan participation rates among respondents were generally high, with a median participation rate of 93% and an average of 82%. Only 19% of respondents had a participation rate below 60%.

Participation rate in DC plan(s)





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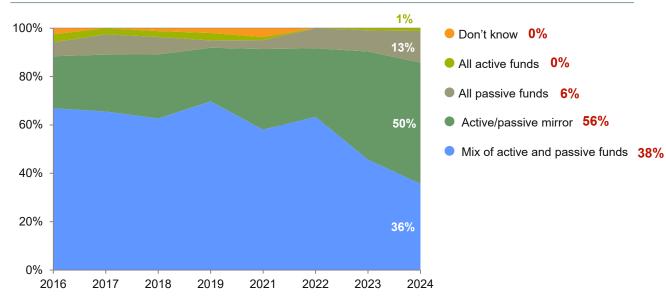
Investment Menu

There was a large increase in DC plans offering an active/passive mirror versus those offering a mix of active and passive funds, with a mirror coming in at an all-time high of 50%. A mirrored lineup is when virtually all core asset classes are represented by both active and passive options.

DC plans with a mix of active and passive investment funds (86%) were the most prevalent. Purely passive (13%) lineups remained a rarity, with a purely active menu being even more rare (1%).

In cases where there was a fund change, more than 6 in 10 respondents mapped assets, as needed, to "like" funds. 11% mapped to the default fund, and 27% used both the default fund and a like-to-like strategy based on the funds being changed.

Investment menu approach



Assets mapped from eliminated funds





Investment Types Within the Fund Lineup

Investment types within the fund lineup*

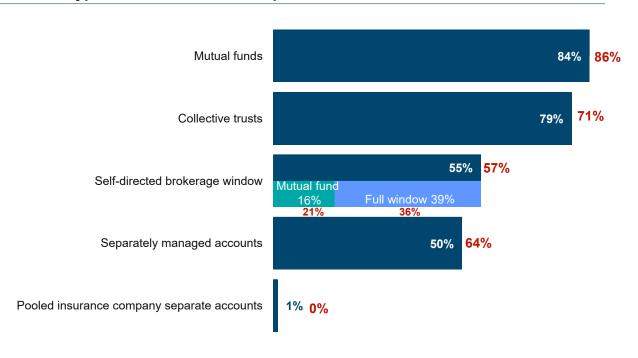
Mutual funds and collective investment trusts (CITs) continued to be the most prevalent investment vehicles.

Government Plans tended to have more separately managed accounts

Large plans were less likely to offer mutual funds in general.

More than half of plans offered a self-directed brokerage window. Of those, more offered a full brokerage window than a self-directed brokerage window limited to mutual funds only.

Only 1% of respondents offered pooled insurance company separate accounts.





^{*}Multiple responses allowed.

White Label Funds

Government Funds use more multi manager white label funds. Especially for US and Non US equity asset class options.

White label funds may have several benefits for a DC plan, such as simplified and more intuitive fund naming conventions for participants.

Additionally, white label funds with multiple underlying managers have the potential to enhance diversification relative to the underlying managers on a standalone basis.

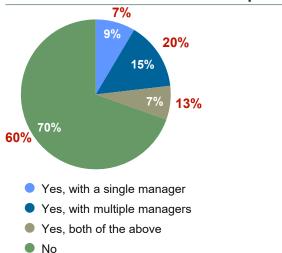
3 in 10 respondents offered white label funds in 2024, up from roughly a quarter in 2023. Only one plan with less than \$1 billion in plan assets reported offering white label funds.

Among those that offered white label funds, the most common party with discretionary control was the plan sponsor, followed by an investment manager or a consultant.

The most common asset classes for white label funds with multiple underlying managers were non-U.S. equity and U.S. smid cap equity.

For white label funds with a single underlying manager, the most common asset classes were fixed income, U.S. large cap equity, and non-U.S. equity.

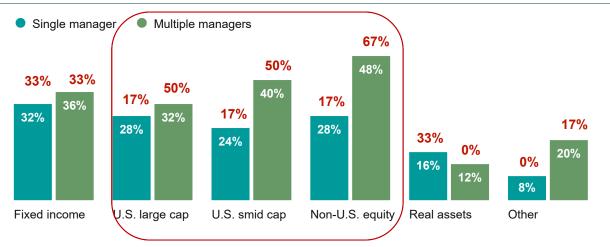
White label funds offered in DC plan



Discretionary control of white label multi-manager fund(s)*



Asset classes in which DC plan offered white label funds*



*Multiple responses allowed.



Fee Calculation and Benchmarking

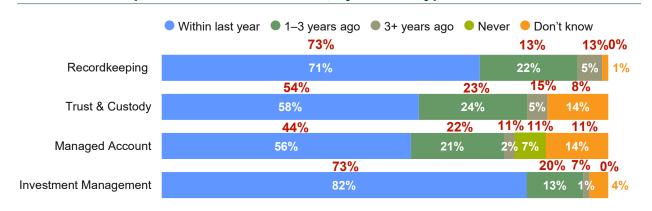
About 7 in 10 plan sponsors calculated their recordkeeping fees within the past 12 months. Another 22% did so in the past one to three years. Only 1% were unsure of the last time recordkeeping fees were calculated. Comparatively, 82% calculated investment management fees within the past 12 months—as a major target of litigation, reviewing the investment management fees regularly is broadly considered best practice.

Lower levels were seen for both trust and custody fees and managed account fees, with more respondents also unsure of the last time these fees were calculated.

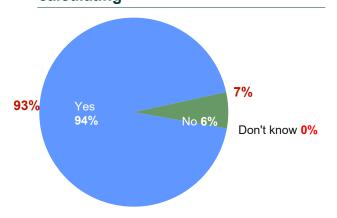
When calculating fees, 91% of respondents also benchmarked fees, and more than half evaluated sources of indirect revenue (e.g., revenue shared with the recordkeeper from managed accounts, brokerage windows, IRA rollovers, etc.).

Fewer plans did not evaluate indirect revenue (20%) or did not know whether their fee calculation involved an evaluation of indirect revenue (23%).

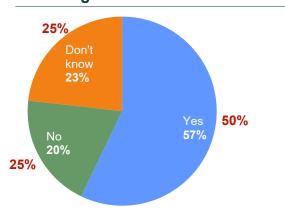
Last time all-in plan fees were calculated, by service type*



Fees were benchmarked when calculating



Evaluated indirect revenue when reviewing fees

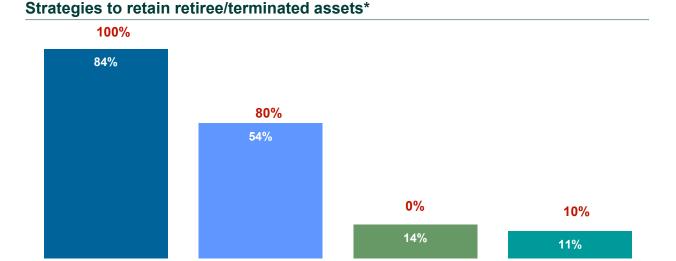


^{*}All-in fees include all applicable administration, recordkeeping, trust/custody, and investment management fees.



Post-Employment Assets

Government Plans have a strong effort to retain assets of retirees and terminated participants.



Do not seek to retain

assets of retirees

Broader Survey Responses: 49% of respondents indicated they had a strategy around retaining retiree and/or terminated participant assets.

Seek to retain assets of

retirees

Of those with a strategy, the majority (54%) sought to retain the assets of both retiree and terminated participants, a notable increase from 2015 (44%). More than 8 in 10 plans sought to retain retiree assets, while fewer sought to retain terminated participant assets (54%).

Seek to retain assets of

terminated participants

Various rationales can drive the decision to retain assets. For example, retirees often have higher account balances, which can lead to cost efficiencies for the plan. On the other hand, account balances of employees who terminate before retirement can vary widely, as can the length of time before retirement, making these accounts potentially less efficient to retain.

Plan sponsors should weigh cost efficiency benefits against the fiduciary responsibility of retaining assets for participants who are not actively employed with the plan sponsor (e.g., maintain contact information to provide notices, monitor investments).

*Percentages out of those with a stated intent in place. Multiple responses allowed.



Do not seek to retain

assets of terminated

participants

Default Investments

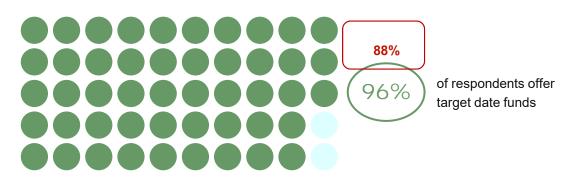
88% of Government Plans offer Target Date Funds and 80% use Target Date Fund as the Default Investment Alternative.

A key provision of the 2006 Pension Protection Act (PPA) provides relief to DC fiduciaries that default participant assets into qualified default investment alternatives (QDIAs) under regulation 404(c)(5). Plan sponsors complying with this provision are responsible for the prudent selection and monitoring of the plan's QDIA, but they are not liable for any loss incurred by participants defaulted into the QDIA.

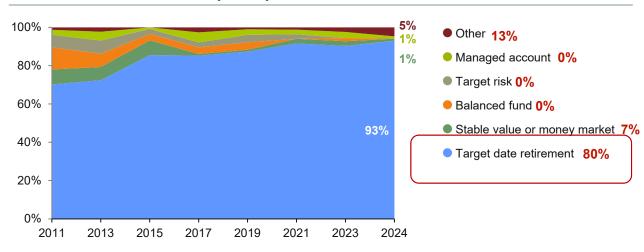
Before the PPA, target date fund (TDF) usage as a default investment alternative (DIA) was only 35% in 2006, with money market/stable value making up 30% and risk-based funds at 28%. The PPA paved the way for a major uptick in the adoption of target date funds as DIAs.

In 2024, 96% of respondents offered a target date fund suite and 93% of respondents used a TDF suite as their default for non-participant-directed monies. Of respondents offering a TDF suite as the default, 43% also offered managed accounts as an optional service. Only 1% of respondents included managed accounts as the DIA. Use of other DIA types remained low.

Plans offering target date funds



Default investment for non-participant-directed monies



Note: A qualified default investment alternative is applicable to plans covered by ERISA.



Alternative Investments in Target Date Funds

Government Plans are considering Private investment to be included in Target Date Funds. Private Credit appears to have the most interest.

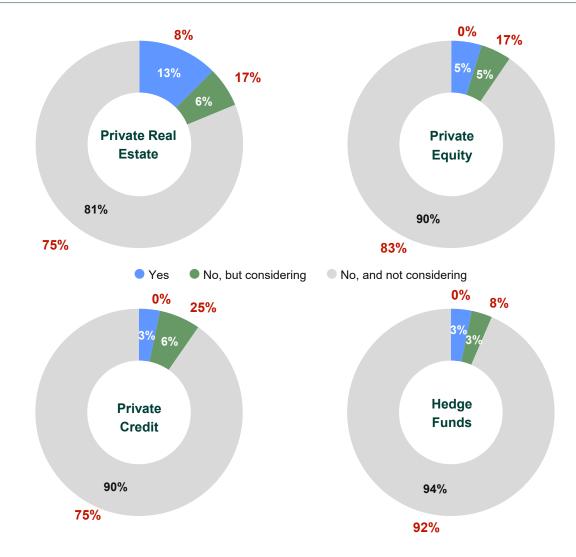
Institutional investors such as defined benefit plans, foundations, and endowments often allocate to alternative investments within the private markets to diversify their exposures to public markets investments.

Among DC plans, private markets investments have not traditionally been offered given factors such as liquidity, transparency, and fees. One notable exception is private real estate, which has played a role in both off-the-shelf and custom target date fund glidepaths for some time.

Recently, there has been an increased focus among off-the-shelf target date fund managers around the potential inclusion of other alternative investments—in particular, private equity and private credit—in TDF glidepaths.

In 2024, relatively few respondents reported they currently include or are considering the inclusion of other alternatives in their DC plan's TDFs.

Alternative investments included in DC plan's target date funds





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Choice 401(k) Plan Fees

Board Presentation August 26, 2025

PUBLIC EMLPOYEE RETIREMENT SYSTEM OF IDAHO

Our Purpose

To review the Choice Plan Administrative fees and the TRF investment fee.

Current Administrative Fee Structure as of June 30, 2025							
Tier Bracket	\$3K Expanded Free Tier Annual Fee	BP of Low Balance	BP of High Balance	Number of Participants per Tier	% of Participants		
\$0.01-\$3000	\$0.00	0.00	0.00	10,878	24.02%		
\$3,000.01-\$5,000	25.56	85.20	51.12	5,030	11.10%		
\$5,000.01-\$10,000	39.96	79.92	39.96	6,788	14.99%		
\$10,000-01-\$30,000	67.68	67.68	22.56	9,886	21.83%		
\$30,000-01-\$50,000	94.08	31.36	18.82	3,834	8.46%		
\$50,000.01-\$100,000	111.12	22.22	11.11	3,995	8.82%		
\$100,000.01-\$200,000	122.52	12.25	6.13	2,804	6.19%		
\$200,000.01-\$500,000	136.80	6.84	2.74	1,804	3.98%		
\$500,000.01 +	159.60	3.19		277	0.61%		
Annual Fees Collected:	2,407,145			45,296	100.00%		
Minus Annual Expenses:	(2,018,959)						
FY25 Reserve Increase:	388,186						

Historical Change Effective Feb 2023

- Expanded the free tier to 3,000.
- Added a 3,000-5,000 tier.
- Adjusted the annual fees for the 10K-30K tier from \$68.40 to \$67.68.
- Set the annual fee for the 5K-10K tier to 39.96, and the new 3K-5K tier to 25.56.

Result

Brought all administrative fees below 1% and still allows a 200K cushion for unexpected expenses each year. Reduced fees for 75.72% of all participants.

Annual additions to Reserve

FY23 = \$335,294

FY24 = \$314,188

FY25 = \$388,186

Participant Tier Migrations

Participant Tier counts

Tier Brackets	Monthly Charge	FY23	FY24	FY25
\$0.01-\$3000	\$0.00	11,568	11,279	10,878
\$3000.01-\$5,000	\$2.13	5,157	5,110	5,030
\$5,000.01-\$10,000	\$3.33	6,834	6,893	6,788
\$10,000-01-\$30,000	\$5.64	8,986	9,479	9,886
\$30,000-01-\$50,000	\$7.84	3,360	3,551	3,834
\$50,000.01-\$100,000	\$9.26	3,640	3,828	3,995
\$100,000.01-\$200,000	\$10.21	2,474	2,611	2,804
\$200,000.01-\$500,000	\$11.40	1,331	1,551	1,804
\$500,000.01+	\$13.30	160	221	277
	Total Participants:	43,510	44,523	45,296

Because of the continued growth of the reserve balance, we recommend another look at the admin fees.

Account balance as of 6/30/25 is \$3,113,355 Expenses totaled \$2,018,959

6/30/26
Estimated Balance \$3,762,608
Estimated Expenses \$1,978,455

Expenses include Empower, Counselors, Legal, Callan Quarterly Retainer, Eide Bailly and DC Department expenses.

Total Return Fund (TRF) Management Fee

PERSI offers a Defined Contribution (DC) plan to all employees of PERSI participating employers. The TRF is an option in the DC plan. The contributions to the TRF are commingled with the DB plan and invested together. The expenses associated with the DB plan are prudent and reasonable for administering the plan for all its members, and those that choose the TRF as an option in their DC plan share in those investment expenses.

The methodology for calculating the fees attributable to the TRF investment option in the Defined Contribution (DC) plan is to assign a pro rata portion of the DB investment expenses. All associated DB investment expenses, along with the Average quarterly market value of each investment manager are used to calculate the pro rata fee rate in basis points. Currently that equates to 27bp.

This calculation is revisited each year to ensure that an adequate fee is charged to cover the TRF portion of the investment expenses for the plan.

TRF Investment Fees

Investment fees continue to be at ~27 BPS

Average fund value for FY25 \$24,994,873,711 Total Expenses \$66,735,913.74

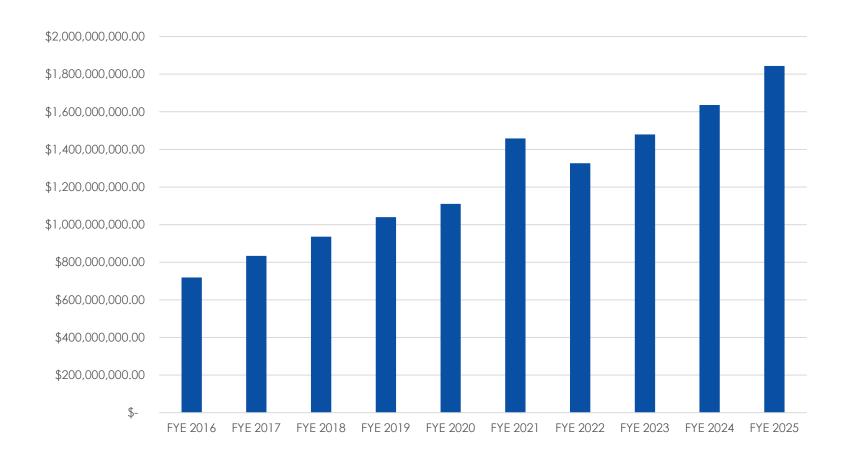
66,735,914/24,994,873,711 = 0.002670

Questions?

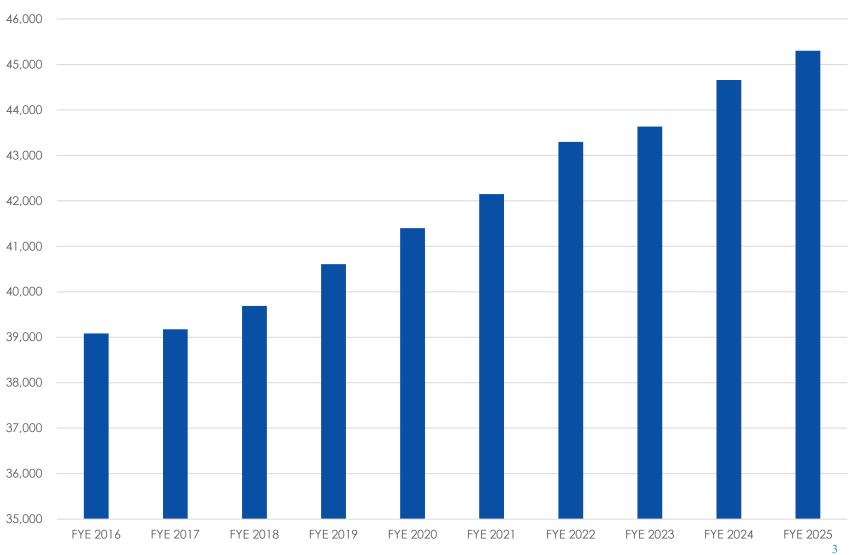


PERSI CHOICE 401 (k) PLAN AUGUST 26, 2025 WRAP-UP

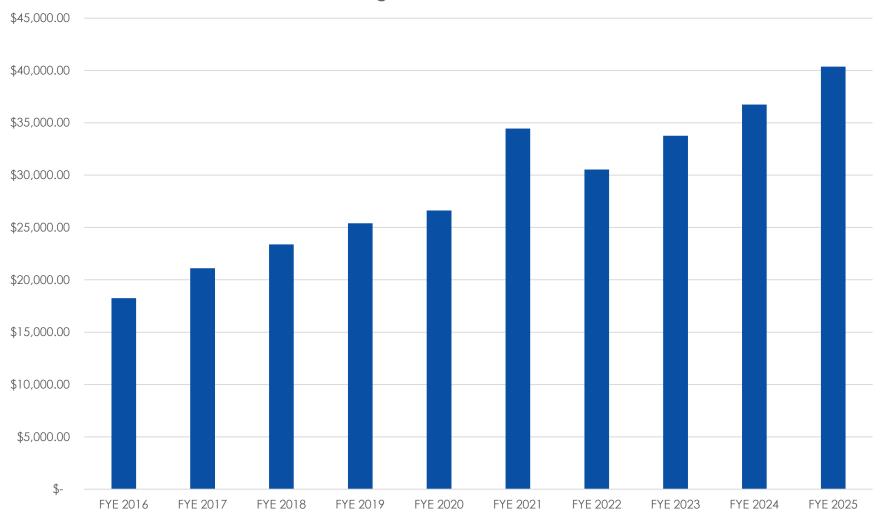
Fund Balance



Particiants With A Balance



Average Account Balance



QUESTIONS? COMMENTS?



THANK YOU!



Date: August 26, 2025

TO: PERSI Retirement Board

FROM: Mike Anderson

Financial Executive Officer

Governor Brad Little

SUBJECT: FISCAL UPDATE

Retirement Board
Jeff Cilek, Chairman
Joshua Whitworth
Lori Wolff
Park Price
Darin DeAngeli

Executive Director Michael L. Hampton

PHONES

Answer Center 208-334-3365 FAX 208-334-3805

Toll Free Answer Center 1-800-451-8228 Employer Line 1-866-887-9525

> MAILING ADDRESS P.O. Box 83720 Boise ID 83720-0078

BOISE
Office Location Address

607 North 8th Street Boise ID 83702-5518

POCATELLO Office Location Address 1246 Yellowstone Ave – Ste.A5 Pocatello ID 83201

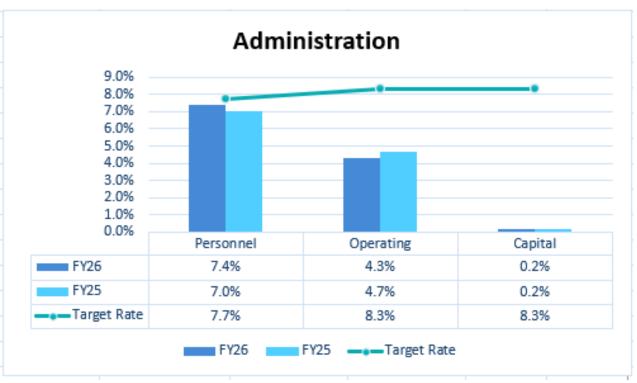
COEUR D'ALENE Office Location Address 2005 Ironwood Pkwy #226 Coeur d' Alene ID 83814-2680

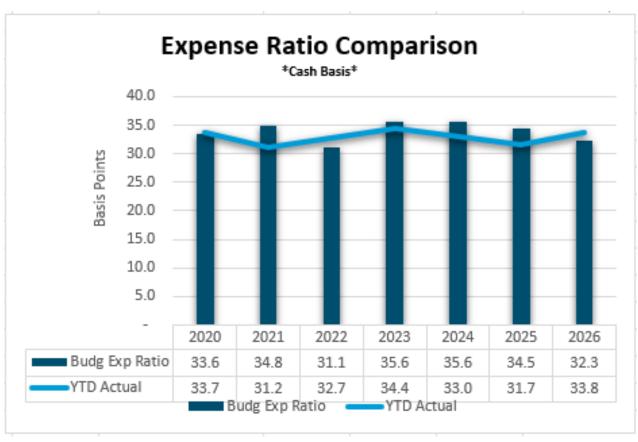
Choice Plan Recordkeeper 1-866-437-3774

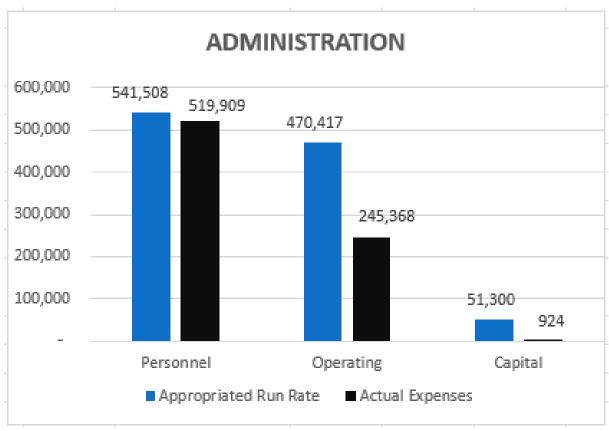
www.persi.idaho.gov

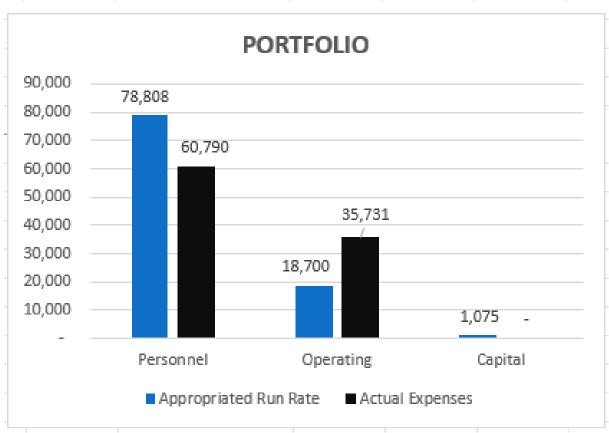
Equal Opportunity Employer

- **FY26 EXPENSE REPORTS:** PERSI's year-to-date expense reports for the Administrative and Portfolio funds are enclosed.
 - Administration: The report is for FY2026 expenditures as of the end of July. Personnel expenses are below the target rate of 7.7%.
 Operating and Capital Outlay expenses are both below the target rate of 8.3%.
 - O Portfolio: Our year-to-date expense ratio is 33.8 basis points of projected average net assets compared to the budgeted projection of 32.3 basis points. Both the budget and actual are below the 50-basis point target ratio. The total budgeted for FY 2026 assumed asset growth of 6.5% net. The reports are on a cash basis and, therefore, will vary from the expenses reported in the accrual-based financial statements.
- MONTHLY OUT OF STATE TRAVEL REPORT: The monthly travel report is included in the board report. Please let me know if you have any questions.
- **FINANCIAL STATEMENTS:** The FY 2025 unaudited financial statements are in your board packets. Please let me know if you have any questions.
- **2027 BUDGET REQUEST:** The FY 2027 preliminary appropriated budget is included in the board packet. I will present it in the meeting for discussion.









			PUBLIC EMPLO	YEE RETIREME	NT SYSTEM				
		FY	2026 CASH BASIS	ADMINISTRA	TION EXPENSE	S			
SUMMARY REPORT							TARGET:		8.3%
ADMINISTRATIVE BUD	OGET								
JULY 31, 2025									
							FY 2026	Current	Actual
	FY 2025	FY 2025	FY 2026	PRIOR			Total	Spending	as % of
	BUDGETED	ACTUAL	BUDGETED	MONTHS		JULY	Expenses	Balance	Budget
PERSONNEL	6,616,500	6,062,804	7,039,600	-	-	519,909	519,909	6,519,691	7.4%
OPERATING	5,628,600	5,607,235	5,645,000	-	-	245,368	245,368	5,399,632	4.3%
CAPITAL	345,700	343,421	615,600	-	-	924	924	614,676	0.2%
TOTAL	12,590,800	12,013,460	13,300,200	-	-	766,200	766,200	12,534,000	5.8%

SUMMARY REPORT - PORTFOLIO							TARGET:	8.3%
JULY 31, 2025								
DESCRIPTION	FY 2025	FY 2025	FY 2026	PRIOR			Total	as % of
	BUDGETED	ACTUAL	BUDGETED	MONTHS		JULY	Expenses	<u>Budget</u>
STAFF EXPENSE								
Personnel	1,003,200	771,064	1,024,500	-	-	60,790	60,790	5.9%
Operations	218,100	142,603	224,400	-	-	35,731	35,731	15.9%
Capital Outlay	18,900	1,620	12,900	-	-	-	-	0.0%

PUBLIC EMPLOYEE RETIREMENT SYSTEM FY 2026 CASH BASIS ADMINISTRATION EXPENSES

SUMMARY REPORT ADMINISTRATIVE BUDGET

JULY 31, 2025

	FY 2025 BUDGETED	FY 2025 ACTUAL	FY 2026 BUDGETED	PRIOR MONTHS		JULY	FY 2026 Total Expenses	Current Spending Balance	Actual as % of Budget
PERSONNEL	6,616,500	6,062,804	7,039,600	-	-	519,909	519,909	6,519,691	7.4%
OPERATING	5,628,600	5,607,235	5,645,000	-	-	245,368	245,368	5,399,632	4.3%
CAPITAL	345,700	343,421	615,600	-	-	924	924	614,676	0.2%
TOTAL	12,590,800	12,013,460	13,300,200			766,200	766,200	12,534,000	5.8%

ADMINISTRATIVE BUDGET By Cost Center and Account Category JULY 31, 2025

DESCRIPTION	FY 2025 BUDGETED	FY 2025 ACTUAL	FY 2026 BUDGETED	PRIOR MONTHS		JULY	FY 2026 Total Expenses	Current Spending Balance	Actual as % of Budget
ADMINISTRATION									
Personnel	759,100	641,230	790,000	-	-	64,939	64,939	725,061	8.2%
Operating	188,500	188,489	188,500	-	-	13,304	13,304	175,196	7.1%
Capital	75,000	71,928	-	-	-	-	-	-	0.0%
BOARD			_						
Personnel	11,300	3,448	11,300	-	-	-	-	11,300	0.0%
Operating	37,000	36,849	37,000	-	-	1,464	1,464	35,536	4.0%
Capital	-	-	-	-	-	-	-	-	0.0%
LEGAL			-						0.00/
Personnel Operating	- 137,000	- 135,818	- 137,000	-	-	- 4,700	- 4,700	- 132,300	0.0% 3.4%
Capital	137,000	-	-	-	-	-	-	132,300	0.0%
QUALITY ASSURANCE			_						
Personnel	518,400	503,053	548,000	-	-	49,296	49,296	498,704	9.0%
Operating	20,000	19,804	20,000	-	-	193	193	19,807	1.0%
Capital	24,000	23,420	-	-	-	-	-	-	0.0%
FISCAL ADMINISTRATION			-						
Personnel	950,300	930,147	980,000	-	-	82,981	82,981	897,019	8.5%
Operating Capital	105,000	98,356 -	105,000	-	-	33,097	33,097	71,903 -	31.5% 0.0%
EMPLOYER SERVICE CENTER	•		_						0.070
Personnel	305,600	277,454	330,000	_	_	22,073	22,073	307,927	6.7%
Operating	2,000	1,867	2,000	-	-	-	-	2,000	0.0%
Capital	-	-	-	-	-	-	-	-	0.0%
OVERHEAD									
Personnel	33,700	8,783	15,300	-	-	-	-	15,300	0.0%
Operating Capital	605,100	594,992 -	605,000	-	-	110,991 648	110,991 648	494,009 (648)	18.3% 0.0%
·						040	048	(048)	0.070
IT - ADMINISTRATION Personnel	948,000	942,548	1,050,000	_	_	72,829	72,829	977,171	6.9%
Operating	46,000	45,898	46,300	-	-	726	726	45,574	1.6%
Capital	-	-	-	-	-	-	-	-	0.0%
IT - SYSTEM MAINTENANCE									
Personnel	<u>-</u>	_	-	-	-	-		<u>-</u>	0.0%
Operating	947,000	946,030	963,100	-	-	32,134	32,134	930,966	3.3%
Capital	191,700	184,708	615,600	-	-	-	-	615,600	0.0%
IT - PROJECTS									
Personnel	-	- 2 002 200	- 2 000 000	-	-	-	-	2 000 000	0.0%
Operating Capital	3,000,000 -	3,003,368 -	3,000,000	-	-	-	-	3,000,000	0.0% 0.0%

TARGET: 8.3%

Operating Capital DISABILITY ASSESSMENT Personnel Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital IMAGING Personnel Operating Capital TRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital DC PLAN ADMINISTRATION	533,800 35,000 -	487,141 33,974		FY 2025 FY 2026 PRIOR ACTUAL BUDGETED MONTHS JUL			Total	Balance	Budget
Personnel Operating Capital DISABILITY ASSESSMENT Personnel Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital FORMAGING Personnel Operating Capital FORMAGING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital	•								
Capital DISABILITY ASSESSMENT Personnel Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital IMAGING Personnel Operating Capital TRAINING Personnel Operating Capital CAPITAL TRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital	35,000	33,974	570,000	-	-	39,920	39,920	530,080	7.0%
DISABILITY ASSESSMENT Personnel Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital Dealth	-		35,000	-	-	229	229	34,771	0.7%
Personnel Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating O	-	-		-	-	-	-	-	0.0%
Operating Capital FIELD SERVICES - CSO Personnel Operating Capital FIELD SERVICES - PSO Personnel Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital FORMAGING Personnel Operating Capital FORMAGING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Operating Capital COMMUNICATIONS Personnel Operating	-								
Capital FIELD SERVICES - CSO Personnel 13 Operating 3 Capital FIELD SERVICES - PSO Personnel 13 Operating 6 Capital PERSI RETIREMENT CENTER Personnel 043 Operating Capital PERSI ANSWER CENTER Personnel 15 Operating 16 Capital 5 PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital CAPITAL CAPITAL COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 11		-	-	-	-	-	-	-	0.0%
PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital IMAGING Personnel Operating Capital Capital Capital CAPITAL CAPITAL COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating	149,000	148,325	149,000	-	-	11,478	11,478	137,523	7.7%
Personnel Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating	-	-	-	-	-	-	-	-	0.0%
Operating Capital FIELD SERVICES - PSO Personnel Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital CAPITAL FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating									
Capital FIELD SERVICES - PSO Personnel 13 Operating 6 Capital PERSI RETIREMENT CENTER Personnel 43 Operating Capital PERSI ANSWER CENTER Personnel 38 Operating 1 Capital 5 PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital MAGING Personnel 7 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	135,100	139,071	160,000	-	-	11,949	11,949	148,051	7.5%
PERSI RETIREMENT CENTER Personnel Capital PERSI RETIREMENT CENTER Personnel Capital PERSI ANSWER CENTER Personnel Capital PERSI PROCESSING CENTER Personnel Operating Capital Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital	36,000	35,616	36,000	-	-	474	474	35,526	1.3%
Personnel 13 Operating 6 Capital PERSI RETIREMENT CENTER Personnel 43 Operating Capital PERSI ANSWER CENTER Personnel 38 Operating 1 Capital 5 PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital MAGING Personnel 7 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	-	-	-	-	-	-	-	-	0.0%
Operating Capital PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating									
Capital PERSI RETIREMENT CENTER Personnel Capital PERSI ANSWER CENTER Personnel Capital PERSI PROCESSING CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital IMAGING Personnel Operating Capital TRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating	137,200	124,045	150,000	-	-	11,696	11,696	138,304	7.8%
PERSI RETIREMENT CENTER Personnel Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating	67,000	66,151	67,000	-	-	19,541	19,541	47,459	29.2%
Personnel Operating Capital PERSI ANSWER CENTER Personnel 38 Operating 1 Capital 5 PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital 7 Operating 10 Operating 10 Operating 9 Capital 7 Operating 10 Operating 11	-	-	-	-	-	-	-	-	0.0%
Operating Capital PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating Operating Capital OC PLAN ADMINISTRATION Personnel Operating									
Capital PERSI ANSWER CENTER Personnel 38. Operating 1. Capital 5. PERSI PROCESSING CENTER Personnel 39. Operating 2 Capital MAGING Personnel 7. Operating Capital TRAINING Personnel 64. Operating 10 Capital COMMUNICATIONS Personnel 10. Operating 9 Capital COMMUNICATIONS Personnel 10. Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24. Operating 1	436,100	311,850	450,000	-	-	29,658	29,658	420,342	6.6%
PERSI ANSWER CENTER Personnel Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital COMMUNICATIONS Personnel Operating	3,500	3,409	3,600	-	-	280	280	3,320	7.8%
Personnel 38. Operating 1. Capital 5. PERSI PROCESSING CENTER Personnel 39. Operating 2. Capital MAGING Personnel 7. Operating Capital TRAINING Personnel 64. Operating 10. Capital COMMUNICATIONS Personnel 10. Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24. Operating 1	-	-	-	-	-	-	-	-	0.0%
Operating Capital PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Operating Capital OC PLAN ADMINISTRATION Personnel Operating 10 Operating 11 OC PLAN ADMINISTRATION Personnel 124 Operating 1									
Capital 5 PERSI PROCESSING CENTER Personnel 39 Operating 2 Capital MAGING Personnel 7 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	388,800	274,270	400,000	-	-	15,398	15,398	384,602	3.8%
PERSI PROCESSING CENTER Personnel Operating Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital OC PLAN ADMINISTRATION Personnel Operating	16,500	16,381	16,500	-	-	1,481	1,481	15,019	9.0%
Personnel 39 Operating 2 Capital MAGING Personnel 7 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	55,000	54,909	-	-	-	-	-	-	0.0%
Operating 2 Capital IMAGING Personnel 7 Operating Capital TRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital DC PLAN ADMINISTRATION Personnel 24 Operating 1									
Capital MAGING Personnel Operating Capital FRAINING Personnel Operating Capital COMMUNICATIONS Personnel Operating Operating Capital OC PLAN ADMINISTRATION Personnel Operating Operating 10 Operating 11 OC PLAN ADMINISTRATION Personnel Operating 1	393,400	378,840	420,000	-	-	37,207	37,207	382,793	8.9%
Personnel 70 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	22,000	21,050	22,000	-	-	316	316	21,685	1.4%
Personnel 76 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	-	-	-	-	-	-	-	-	0.0%
Personnel 76 Operating Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1									
Operating Capital TRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	70,200	69,840	90,000	-	-	5,794	5,794	84,206	6.4%
Capital FRAINING Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	2,000	1,942	2,000	_	_	-	_	2,000	0.0%
Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	-	-,512		_	_	_	_	-	0.0%
Personnel 64 Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1			-				_	_	0.070
Operating 10 Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1									
Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	643,400	627,070	670,000	-	-	52,199	52,199	617,801	7.8%
Capital COMMUNICATIONS Personnel 10 Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	102,000	101,596	102,000	-	-	7,641	7,641	94,359	7.5%
Personnel 10. Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	-	8,456	-	-	-	276	276	(276)	0.0%
Personnel 10- Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1		,						, ,,,	
Operating 9 Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1									
Capital OC PLAN ADMINISTRATION Personnel 24 Operating 1	104,600	99,644	130,000	-	-	8,137	8,137	121,863	6.3%
OC PLAN ADMINISTRATION Personnel 24 Operating 1	97,000	96,678	97,000	-	-	7,267	7,267	89,733	7.5%
Personnel 24 Operating 1	-	-	-	-	-	-	-	-	0.0%
Personnel 24 Operating 1									
Operating 1	247 500	244,370	275,000			15,832	15 022	250 160	5.8%
·	247,500			-	-		15,832	259,168	
	11,000	10,642	11,000	-	-	52	52	10,948	0.5%
Capital	-	-	-	-	-	-	-	-	0.0%
TOTAL									
	,616,500	6,062,804	7,039,600	-	_	519,909	519,909	6,519,691	7.4%
,	,628,600	5,607,235	5,645,000	_	_	245,368	245,368	5,399,632	4.3%
•				-	=	924	924		
	345,700 ,590,800	343,421 12,013,460	615,600 13,300,200	<u>-</u>	<u>-</u>	766,200	766,200	614,676 12,534,000	0.2% 5.8%

PUBLIC EMPLOYEE RETIREMENT SYSTEM FY 2026 CASH BASIS PORTFOLIO EXPENSES

SUMMARY REPORT - PORTFOLIO JULY 31, 2025							TARGET:	8.3%
INVESTMENTS	FY 2025 BUDGETED	FY 2025 ACTUAL	FY 2026 BUDGETED	PRIOR MONTHS		JULY	FY 2026 Total <u>Expenses</u>	Actual as % of <u>Budget</u>
MANAGEMENT FEES	68,558,103	63,755,621	67,899,737	-	-	9,206,507	9,206,507	13.6%
CONSULTANTS	1,500,000	1,230,018	1,500,000	-	-	185,466	185,466	12.4%
CUSTODIAL SERVICES	3,000,000	2,354,427	3,000,000	-	-	213,242	213,242	7.1%
REPORTING SERVICES 1. Investment Related 2. Non-Investment Related	240,000 710,000	137,897 592,947	200,000 760,000	-	- -	28,495 63,271	28,495 63,271	14.2% 8.3%
LEGAL	1,100,000	1,101,042	1,220,000	-	-	74,366	74,366	6.1%
STAFF EXPENSE	1,240,200	915,287	1,261,800	-	-	96,521	96,521	7.6%
ENCUMBRANCES*	-	-	-	-	-	-	-	
TOTAL EXPENDITURES*	76,348,303	70,087,239	75,841,537	-	-	9,867,867	9,867,867	13.0%
ADMINISTRATION	12,590,800	12,013,458	13,300,200	-	-	766,200	766,200	5.8%
YTD EXPENDITURES INCLUSIVE	88,939,103	82,100,697	89,141,737	-	-	10,634,067	10,634,067	11.9%
		FY 2025 Actual	FY 2026 Budgeted					
Investment Related Services Non-Investement Related Services Judges Retirement Fund PERSI Administration ¹		69,494,292 592,947 453,271 12,013,458	75,081,537 760,000 472,000 13,300,200					
1) TOTAL PERSI COSTS		82,553,968	89,613,737					
2) ESTIMATED NET AVERAGE ASSETS		26,032,790,430	27,724,921,808					
3) RATIO OF COSTS TO NET ASSETS		0.317%	0.323%					
Investment Expense Non-Investment Contracted Services Judges Retirement Fund PERSI Administration 4) BUDGETED EXPENSE RATIO		0.267% 0.002% 0.002% 0.046%	0.271% 0.003% 0.002% 0.048% 32.3					

33.8

5) ACTUAL EXPENSE RATIO²

TARGET:

8.3%

JULY 31, 2025

FY 2026 Actual **PRIOR DESCRIPTION** FY 2025 FY 2025 FY 2026 Total as % of **BUDGETED ACTUAL BUDGETED MONTHS** JULY **Expenses** <u>Budget</u> MANAGEMENT FEES Equity - Domestic 11,213,525 12,679,440 13,503,603 2,119,947 2,119,947 15.7% 8,155,000 8,935,504 9,516,312 1,026,093 1,026,093 **Equity - International** 10.8% 2,939,577 3,203,298 Fixed Income 3,007,792 293,612 293,612 9.2% Real Estate 17,250,000 13,803,639 14,700,876 570,593 570,593 3.9% 4,176,062 Idaho Mortgage Program 4,500,000 3,921,185 334,204 334,204 8.0% Equity Global 24,500,000 21,408,061 22,799,585 4,862,057 4,862,057 21.3% **CONSULTANTS** 760,000 **Investment Consultants** 624,809 760,000 136,441 136,441 18.0% 380,000 321,642 380,000 25,000 25,000 Advisors 6.6% Other Consultants 360,000 283,566 360,000 24,025 24,025 6.7% **CUSTODIAL SERVICES** Trust/Custody 3,000,000 3,000,000 2,155,687 213,242 213,242 7.1% 198,739 Clearwater Analytics, LLC REPORTING SERVICES 1. Auditors Fees a. Annual Audit 160,000 37,961 160,000 27,156 27,156 17.0% 2. Actuarial Fees Milliman USA 350,000 388,319 400,000 19,449 4.9% 19,449 Cavanaugh MacDonald 200,000 166,667 200,000 16,667 16,667 8.3% 3. Bloomberg LP & Other 240,000 137,897 200,000 28,495 28,495 14.2% LEGAL 1. Legal Fees 400,000 316,120 400,000 20,268 20,268 5.1% Legal Advice - Other Legal Advice - Priv Equity 600,000 667,899 680,000 47,741 47,741 7.0% Legal Advice - Fiduciary/Liability 100,000 117,023 140,000 6,357 6,357 4.5% STAFF EXPENSE Personnel 1,003,200 771,064 1,024,500 60,790 60,790 5.9% 218,100 224,400 Operations 142,603 35,731 35,731 15.9% 18,900 12,900 0.0% Capital Outlay 1,620 Encumbrances 0.0% 76,348,303 70,087,239 75,841,537 9,867,867 9,867,867 13.0% **Total Monthly Expenditures** JUDGES RETIREMENT FUND 330,000 330,466 330,000 46,966 46,966 14.2% Invest, Mgmt, Consulting, Custody, Reporting 15,000 8,377 15,000 4,806 4,806 32.0% Accounting, Auditing Other Professional Services 0.0% Actuary 40,000 31,690 40,000 0.0% Legal 4,000 5,393 4,000 363 363 9.1% Administration 78,100 83,000 6,395 7.7% 76,953 6,395 Admin Rule 392 0.0% 467,100 453,271 472,000 58,529 58,529 12.4%

Scheduled and Completed Out of State Travel - Staff

Traveler	Request Created	•	Description	Dates of Travel	Final Voucher Amount
Chris Brechbuhler	X	Park City, UT	Markets Group Institutional Summer Retreat	07/14/25-07/16/25	773.67
Richelle Sugiyama	X	Park City, UT	Markets Group Institutional Summer Retreat	07/13/25-07/16/25	678.91
Park Price		Salt Lake City, UT	2025 PPI Summer Roundtable	07/23/25-07/25/25	2,672.28
Elisa Magnuson		Denver, CO	NAPPA Conference	06/24/25-06/27/25	1,604.29
Richelle Sugiyama	X	Salt Lake City, UT	2025 PPI Board Retreat and Summer Roundtable	07/22/25-07/25/25	3,544.85

2027 Budget Request *Proposed*

ADMINISTRATION

Proposed Budget Request for FY 2027*

Proposed Budget Request for FY 2027			PEF	RSI Requeste	d Budget	
FY 2026 Maintenance Budget FY 2026 Enhancement Budget	Arrivos Upgrade (OE), Capital Needs (CO)	FTP 77.0	<u>PC</u> 7,121,600	<u>OE</u> 2,646,000 3,000,000	<u>CO</u> 615,600	Total 9,767,600 3,615,600
Less Adjustments:	Arrivos Upgrade, IT Replacements			(3,000,000)	(615,600)	(3,615,600)
2027 Base Budget		77.0	7,121,600	2,646,000	-	9,767,600
Adjustments: Estimate CEC per budget book Change in Health Benefits Change in Variable Benefits	1.0%		58,153 280,280 13,063			58,153 280,280 13,063
Total Adjustments			351,496	-	-	351,496
Replacements Items Connectrix Fiber Switches Meraki Network Security/Firewall Appliance PowerEdge Immutable Backup Server for DR Site Storage Flash Array Standard Ultra-thin Laptop Computers High-end Laptop Computer Flat Panel Monitors	Unit <u>Cost</u> <u>Quantity</u> \$42,000 2 \$7,500 1 \$29,000 1 \$200,000 1 \$1,360 15 \$3,130 1 \$300 32	<u>(</u>			84,000 7,500 29,000 200,000 20,400 3,130 9,600	84,000 7,500 29,000 200,000 20,400 3,130 9,600
Total Replacement Capital Outlay				-	- 353,630	- 353,630
Proposed 2027 Budget		77.0	7,473,096	2,646,000	353,630	10,472,726
Line Items (Enhancements):		FTP	PC	OE	СО	Total
Upgrade Arrivos to 2.0 (4 yr plan) Year 4.5 Information Management Specialist III COOP/DR Program Manager	L N	1.0 1.0	96,034 119,963	2,000,000		2,000,000 96,034 119,963
Total Line Items (Enhancements)		2.0	215,997	2,000,000	-	2,215,997
Proposed FY 2027 Budget Request*		79.0	7,689,093	4,646,000	353,630	12,688,723
	FY 2026 Budget	77.0	7,121,600	5,646,000	615,600	13,383,200
	FY 2027 Total % Change from FY2026	2.6%	8.0%	-17.7%	-42.6%	-5.2%
Notes:						

Notes:

^{*} The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.

2027 Budget Request

Proposed PORTFOLIO

Proposed Budget Request for FY 2027*

			PERS	ed Budget	lget	
FY 2026 Maintenance Budget FY 2026 Enhancement Budget	Ongoing (OE) and One-Time Capital Needs (CC	FTP 4.0	<u>PC</u> 1,024,500	<u>OE</u> 211,900 12,500	CO 12,900	<u>Total</u> 1,236,400 25,400
Less Adjustments:	IT Replacements				(12,900)	(12,900)
2027 Base Budget	<u></u>	4.0	1,024,500	224,400	-	1,248,900
Adjustments: Estimate CEC per budget book Change in Health Benefits Change in Variable Benefits	1.0%		8,366 14,560 1,879			8,366 14,560 1,879
Total Adjustments	<u> </u>		24,805	-	-	24,805
Replacements Items Standard Desktop PC's High-end Ultra-thin Laptop Computers Flat panel monitors Conference Room Camera and Microphone Printer / Copier Tough-book Semi-rugged Tablet	Unit <u>Cost</u> <u>Quant</u> \$1,230 2 \$3,130 1 \$300 4 \$2,100 1 \$7,000 1 \$2,640 1	<u>ity</u>			2,460 3,130 1,200 2,100 7,000 2,640	2,460 3,130 1,200 2,100 7,000 2,640
Total Replacement Capital Outlay	<u> </u>			-	18,530	18,530
Proposed 2027 Budget		4.0	1,049,305	224,400	18,530	1,292,235
Line Items (Enhancements):		FTP	PC	OE	CO	Total - -
Total Line Items (Enhancements)		-	-	-	-	-
Proposed FY 2027 Budget Request*		4.0	1,049,305	224,400	18,530	1,292,235
	FY 2026 Budget	4.0	1,024,500	224,400	12,900	1,261,800
	FY 2027 Total % Change from FY2026	0.0%	2.4%	0.0%	43.6%	2.4%

Notes:

^{*} The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.

UNAUDITED

Date

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO

FINANCIAL STATEMENTS
FOR THE YEAR TO DATE
JUNE 30, 2025 AND 2024

Prepared by: Kelly Schlangen

Kelly Schlangen, Senior Financial Specialist

Date

Reviewed by: Parisa Gorgi
Parisa Gorji, Accounting Manager

Date

Reviewed by: Michael Anderson

8/11/2025

Mike Anderson, Financial Executive Officer

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO FINANCIAL STATEMENTS FOR JUNE 30, 2025

CONTENTS

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Combining Statement of Plan Net Position	3
Statement of Changes in Plan Net Position	4
Notes to the Financial Statements	5 - 6

UNAUDITED

	PERSI Pens	sion Funds					То	Page 3
	Base Plan	Judges' Retirement Fund	Choice Plan 401(k)	Choice Plan 414(k)	Sick Leave Insurance Reserve Trust Fund - State	Sick Leave Insurance Reserve Trust Fund - Schools	Current Year-To- Date	Prior Year-To- Date
CASH AND CASH EQUIVALENTS (Note 1)	\$ 47,776,896	\$ 252,702	\$ 3,070,394	\$ 134,324	\$ 474,310	\$ 1,128,705	\$ 52,837,331	\$ 40,699,259
INVESTMENTS, at fair value (Note 2)								
Fixed Income Investments Domestic International	5,617,262,397	29,053,978			151,704,837	210,736,396	6,008,757,608	6,112,788,514 9,450,433
Idaho Mortgages	848,038,771	4,386,283					852,425,054	778,688,639
Short-Term Investments	425,976,668	2,203,265	890,892				429,070,825	266,190,994
Real Estate Equities (Note 3) Equity Securities	1,011,076,132	5,229,555					1,016,305,687	1,025,950,062
Domestic	11,849,901,831	61,290,851			123,582,662	170,301,228	12,205,076,571	10,804,918,098
International	2,873,174,799	14,860,826			34,145,396	47,719,668	2,969,900,689	2,539,660,222
Private Equity Mutual, Collective, Unitized Funds	1,887,734,842	9,763,868	1,779,528,379	59,457,361			1,897,498,710 1,838,985,740	1,734,311,131 1,643,494,666
Total Investments	24,513,165,440	126,788,626	1,780,419,271	59,457,361	309,432,895	428,757,292	27,218,020,884	24,915,452,760
RECEIVABLES								
Investments Sold (Note 2)	54,537,797	282,084					54,819,881	90,075,542
Contributions	20,764,037	594,240	644,570	0.400			22,002,847	29,437,610
Administrative Fee Interest and Dividends	87,744,168	453,836	192,322 4,830,853	8,103 146,119			200,425 93,174,976	193,300 85,617,923
Total Receivables	163,046,001	1,330,161	5,667,745	154,222	-	-	170,198,129	205,324,375
ASSETS USED IN PLAN OPERATIONS (Note 4)	7,288,011						7,288,011	5,250,221
PREPAID EXPENDITURES (Note 5)	107,408,023						107,408,023	103,212,426
TOTAL ASSETS	24,838,684,370	128,371,488	1,789,157,411	59,745,907	309,907,205	429,885,997	27,555,752,378	25,269,939,041
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Investments Purchased (Note 2)	140,007,527	724,156	077 704	0.500	004 504	004.050	140,731,683	163,140,579
Accrued Liabilities (Note 6) Benefits and Refunds Payable	20,160,094 1,610,077	182,709	677,761	6,560	281,564	981,853	22,290,542 1,610,077	17,864,260 570,485
Total Liabilities	161,777,699	906,865	677,761	6,560	281,564	981,853	164,632,303	181,575,324
NET POSITION RESTRICTED FOR	4 04 070 000:	A 407 404	A 4 3 00 4 3 0 5 15				A 07 004 400	A 05 000 000 5:-
PENSIONS AND AMOUNTS HELD IN TRUST	\$ 24,676,906,671	\$ 127,464,623	\$ 1,788,479,649	\$ 59,739,346	\$ 309,625,641	\$ 428,904,144	\$ 27,391,120,075	\$ 25,088,363,716

See notes to financial statements

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO COMBINING STATEMENT OF CHANGES IN PLAN POSITION - PENSION TRUST AND OTHER TRUST FUNDS FOR THE YEAR TO DATE 06/30/2025 WITH COMPARATIVE TOTALS FOR PRIOR YEAR TO DATE

UNAUDITED Page 4

	PER	SI Pens	ion Funds	i						To	tals
	Base F	Plan	Judg Retiremer		Choice Pla 401(k)	n (Choice Plan 414(k)	Sick Leave Insurance Reserve Trus Fund - State	Sick Leave Insurance t Reserve Trust Fund - Schools	Current Year-To- Date	Prior Year-To- Date
ADDITIONS: Contributions											
Members	\$ 399.5	78,459	\$ 99	3,064	\$ 88,277,9	16				\$ 488,849,439	\$ 443,872,965
Employers		74,089		00,355	11,849,8			97	1 5,358	. , ,	574,987,380
Rollovers In	020,0	1 1,000	0,00	,000	16,191,6			0.	. 0,000	16,191,646	13,856,579
	1,025,9	52,547	6,79	3,419	116,319,4		-	97	1 5,358		1,032,716,924
Investment Income											
Net Appreciation/(Depreciation) in Fair Value of Investments	2,023,3	86,869	10,42	23,393	151,572,5	80	5,892,718	31,318,24	5 43,602,223	2,266,196,027	1,682,984,229
Interest, Dividends and Other Investment Income	466,4	12,660	2,4	18,060	30,262,0	00	201,684			499,294,404	474,863,632
Less: Investment Expenses	(66,3	63,551)	(34	1,680)	(3,810,2	07)	(9,056)	(109,99	2) (135,250	(70,769,736)	(65, 397, 495)
Net Investment Income	2,423,4	35,978	12,49	9,774	178,024,3	72	6,085,345	31,208,25	3 43,466,97	2,694,720,696	2,092,450,365
Other Revenue, Net	1,5	00,409	2	24,945				6,18	8 15,10	1,546,646	1,370,009
Total Additions	3,450,8	88,935	19,31	18,137	294,343,8	31	6,085,345	31,215,41	2 43,487,430	3,845,339,097	3,126,537,297
DEDUCTIONS:											
Benefits and Refunds Paid to Plan Members and Beneficiaries (Note 7) 1,394,5	91,775	9,52	29,321	99,911,4	49	4,602,557	5,500,16	2 14,502,092	1,528,637,355	1,430,315,242
Administrative Expenses	11,0	23,775	11	19,171	2,431,0	71	227,177	60,06	1 84,128	13,945,383	13,423,413
Total Deductions	1,405,6	15,551	9,64	18,492	102,342,5	20	4,829,734	5,560,22	3 14,586,219	1,542,582,738	1,443,738,656
INCREASE (DECREASE) IN NET POSITION	2,045,2	73,384	9,66	89,645	192,001,3	11	1,255,611	25,655,18	9 28,901,21	2,302,756,359	1,682,798,642
NET POSITION, BEGINNING OF YEAR	22,631,6	33,287	117,79	94,978	1,596,478,3	37	58,483,735	283,970,45	2 400,002,92	25,088,363,716	23,405,565,074
NET POSITION, YEAR-TO-DATE	\$ 24,676,9	06,671	\$ 127,46	64,623	\$1,788,479,6	49 \$	59,739,346	\$ 309,625,64	1 \$ 428,904,14	\$27,391,120,075	\$25,088,363,716

See notes to financial statements

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO DATE June 30, 2025

NOTE 1 Cash and Cash Equivalents

Cash held in banking institutions

STO accounts (DB, JRF, State & Schools)	48,698,654
Empower Bank Account	63,732
Cushman & Wakefield Building Account	29,438
US Bank Account	306,771
US Bank RMD Account	116,646
Wells Fargo (DB & DC)	483,287
Mellon 8804 & 8805 Accounts	3,138,803
Total Cash and Cash Equivalents	52,837,331

NOTE 2 Portfolio Assets

Portfolio assets are reported at fair value. Investments Sold and Investments Purchased consist of foreign exchange contracts and security purchases and sales that have not yet settled.

NOTE 3 Real Estate Holdings

The amount reported for real estate investments does not reflect some publicly-traded REIT securities that Bank of New York (BNY) classifies as equity securities. Approximately \$784,731,384 of such securities are classified as equity securities as of June 30, 2025.

NOTE 4 Assets Used in Plan Operations

These assets represent computer software development costs and equipment used by PERSI. PERSI adheres to GASB Statement No.67, which requires reporting of operating assets at historical cost net of accumulated depreciation. PERSI also follows GASB Statement No. 51, which requires the capitalization of certain software development costs. Depreciation and amortization are recorded using the straight-line method over the estimated useful lives of the assets. The estimated useful life is 30-50 years for the buildings, 10-15 years for the software development costs, and 3-5 years for the equipment.

Assets Used in Plan Operations at June 30, 2025, consist of the following:

Computer Software - Arrivos Less: Accumulated Amortization - Arrivos	\$18,083,135 (\$11,024,716)
Net Software Development	\$7,058,419
Equipment	\$597,494
Less: Accumulated Depreciation	(\$367,902)
Net Equipment	\$229,592
Assets Used in Plan Operations, Net	\$7,288,011

Amortization expense for Arrivos for the year to date is \$1,191,245. Depreciation expense on all equipment for the year to date is \$91,832.

PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO DATE June 30, 2025

NOTE 5 Prepaid Expenditures

Retiree payroll calculated in the current month,
but not paid until the following month
Total Prepaid Expenditures

\$107,408,023 \$107,408,023

NOTE 6 Accrued Liabilities

Accrued Expenses consist of the following:

Administrative Expenses (DB, DC & JRF Admin Exp Payable)	\$1,842,047
Stale Dated Checks Payable (DC checks over 4 months old)	\$522,054
RMD Payable	\$2,466,646
Investment Management Sick Leave - State	\$281,564
Investment Management Sick Leave - School	\$981,854
Investment Management (DB & JRF)	\$16,101,400
	\$22,195,565

NOTE 7 Benefits and Refunds Paid

Total Accrued Liabilities

Benefits and Refunds Paid to Plan Members and Beneficiaries:

Payments to Retirees (DB & JRF)	\$1,329,238,201
Separation Benefits (DB)	\$59,307,695
Death Benefits (DB)	\$15,575,199
Benefits Paid (DC)	\$104,514,006
Medical Insurance Premiums (State & Schools)	\$20,002,254
	\$1,528,637,355

NOTE 8 Estimates

PERSI may use certain estimates in interim financial statements when it is more cost effective or timely than computing actual amounts and the difference between the estimates and actuals will not materially impact the financial statements as a whole.



Meeting of the PERSI Retirement Board September 16, 2025 | 8:30 A.M. - 12:20 P.M.

PERSI Office - 607 N. 8th St. Boise, ID 83702

AGENDA

AGENDA			
Tuesday, Septemb	oer 16	6	
8:30 AM		Call to Order Welcome	Park Price
	I.	Approval of Minutes	Park Price
		A. Draft of August 26, 2025 Minutes *	
8:35 AM	II.	Investments Portfolio	Richelle Sugiyama
		A. Monthly Portfolio Update	Richelle Sugiyama, Chris Brechbuhler
		B. PE Manager*	TBD
9:35 AM		Break	
9:45 AM	III.	Operations Administration	Mike Hampton
		A. Operations Administration Update	Mike Hampton, Alex Simpson
		B. Actuarial Valuation Draft - Milliman	Robert Schmidt, Ryan Cook
		C. Contribution Rate Discussion - Milliman	Robert Schmidt, Mike Hampton
11:05 AM	IV.	Fiscal Budget	Mike Anderson
		A. Fiscal Update/Travel/Expense Report	Mike Anderson
11:15 AM	V.	Board	Park Price
		A. Board meeting dates for 2026	
		B. Trustee Call for Future Agenda Items *	
11:25 AM	**	Executive Session - Idaho Code § 74-206 (1)(a)(b)(f)*	Park Price

12:20 PM

Adjournment