



 **PERS**pectives

2026 // 1Q // ACTIVES



APRIL IS FINANCIAL LITERACY MONTH: BUILD A STRONG FINANCIAL FUTURE WITH PERSI

According to the U.S. Government, April is Financial Literacy Month – a great time to focus on the habits and decisions that shape your financial future. As an active PERSI Defined Benefit (DB) member, you already have a strong foundation: a pension designed to provide lifetime income.

Take a moment this month to [log into your myPERSI](#) account and review your service credit, beneficiary designations, and estimated retirement benefit. Keeping your information up to date today helps you plan with confidence for tomorrow.

Strong financial habits also play a key role in long-term success. Revisiting your budget, track your spending, and build an emergency fund to help out

in case of unexpected expenses. These simple steps create stability and help you stay on track if costs arise.

Remember, your PERSI pension is designed to cover a portion of your retirement income. The PERSI Choice 401(k) Plan can help fill the gap, giving you added flexibility for goals like travel, hobbies, and healthcare. Reducing high-interest debt can also free up more of your income for saving and investing.

Financial progress doesn't require big changes overnight. Start small, review your account, set a financial goal for the next 6–12 months, and take consistent steps forward.

With your PERSI pension as a foundation and a commitment to smart financial habits, you are well positioned for a secure and successful future. [Register for PERSI workshops](#) to continue building your knowledge and confidence.



NEW TO PUBLIC EMPLOYMENT IN IDAHO? REGISTER FOR THE PERSI NEW MEMBER ORIENTATION

PERSI is committed to helping new employees like you. We have designed a new member orientation experience called **“Welcome to PERSI”**, available to all PERSI members, but especially important for those new to public employment in Idaho.

The advantages of PERSI membership begin on day one, so we want you to know about your membership as early in your career as possible. In this new orientation, we highlight the features, advantages, and benefits of your membership and introduce you to the resources and tools we have available to you immediately.

“Welcome to PERSI” is a virtual workshop, conducted regularly – twice every Tuesday at 10AM and 2PM Mountain Daylight Time (MDT), and it usually lasts about 20 minutes.

Please sign up for the virtual **“Welcome to PERSI”**. Here is a [link to the registration page](#) on PERSI's website.

We are committed to providing you with the tools and resources you need to understand your benefits and successfully retire.



IMPORTANT UPDATE REGARDING RETURN-TO-WORK PROVISIONS

The 2026 legislative session has been busy. Two (2) bills have passed and been signed by the Governor. Each of these amendments will become effective July 1, 2026.

Senate Bill 1261 amends Idaho Code Section 59-1356(3) by expanding the provision to include individuals who are appointed to an elected office, allowing them to continue receiving their PERSI retirement benefit under the same conditions, as if they were elected to the office.

Senate Bill 1276 amends Idaho Code Section 59-1356(5) by removing the sunset provision that restricts retired employees from returning to work.

This means that retirees currently working under this provision may continue in their roles without interruption, and no action is required from them at this time.

PERSI will be sending letters directly to affected retirees confirming this update.

Additionally, the bill expands eligibility to include individuals who retired prior to January 1, 2026.

If you have questions, call the PERSI Answer Center at 1-800-451-8228 or at 208-334-3365.



ARE YOU CONSIDERING RETIREMENT?

If you are considering or preparing for retirement, PERSI requests that you complete and submit an [Application for Retirement](#) along with all required documents no earlier than six (6) months and no later than thirty (30) days prior to your retirement date.

Failure to submit a timely and complete Application for Retirement and all required documentation may result in your retirement benefit being delayed.

All retirement paperwork must be completed and returned to PERSI with supporting proofs of identity, such as a birth certificate, Social Security card, or other identification like the Star Card, no later than the 15th of the month prior to the date of retirement.

Your employer needs to provide PERSI with confirmation that you have or will be terminating employment. If we receive all proofs from you and the termination date from your employer by the 15th, we will have you on our payroll for the upcoming month.

If any required items are received after the 15th, your first check will be delayed until the month thereafter.

SEPTEMBER RETIREMENTS ARE POPULAR

Please keep in mind that September retirements are very popular! PERSI processes three times more applications for September retirements than in any other month.

PERSI is asking members who are planning an effective retirement date of September 1, 2026, to submit their application to PERSI on or before July 15, 2026. PERSI cannot guarantee a retirement application will be processed in time for a September benefit if the application is received after July 15th.

For members purchasing additional service, the first benefit payment may be delayed a month or two.

Members who have questions or would like more information can call the PERSI Answer Center at 1-800-451-8228 or 208-334-3365.



FUTURE CONTRIBUTION RATES FOR EMPLOYEES AND EMPLOYERS

The Board will discuss future contribution rate increases for class one, two, and three employers and employees at the May Board meeting. As of this newsletter, fiscal year 2028 (beginning July 1, 2027) rates are as follows:

FISCAL YEAR 2028					
CLASS ONE – GENERAL		CLASS TWO – PUBLIC SAFETY		CLASS THREE – SCHOOL	
Employer	Employee	Employer	Employee	Employer	Employee
13.53%	8.11%	15.44%	11.40%	15.04%	9.02%

The Board will review different rate scenarios and hear from PERSI's actuaries before deciding if they will take any action or leave proposed rates in place. More information about their decision will be discussed in future newsletters.



MILESTONE ACHIEVEMENT: PERSI CHOICE 401(k) PLAN HITS \$2 BILLION

This February, the **Public Employee Retirement System of Idaho (PERSI)** reached a historic landmark as the [Choice 401\(k\) Plan](#) officially eclipsed **\$2 billion in assets under management (AUM)** for the first time. The achievement coincides with the plan's **25th anniversary**, marking a quarter-century of helping Idaho's public employees build a more secure financial future.

A LEGACY OF GROWTH

Launched in 2001 to supplement the PERSI Base Plan, the Choice Plan has transformed from a modest supplemental offering into a cornerstone of retirement readiness for over 800 public employers. The climb to \$2 billion represents a massive leap in member participation and trust. For comparison, when current Choice Plan Manager Diane Kaiser

took the helm in 2004, the plan managed approximately \$140 million.

Reflecting on the plan's evolution over the last two decades, Diane shared her pride in the program's success:

"Reaching the \$2 billion mark during our 25th anniversary year is a testament to the dedication of our participants and the stability of the Choice Plan. Since 2004, I've watched this plan grow from \$140 million to where it is today, and it remains our mission to provide Idaho's public employees with the tools they need for a meaningful retirement."

ENHANCING YOUR RETIREMENT

The Choice Plan continues to evolve to meet member needs. Recent and upcoming enhancements include:

- **Roth Contributions:** As of late 2025, members can now make [Roth contributions](#) to their accounts, providing greater tax flexibility.
- **Expanded Eligibility:** Under new board policies, [part-time employees](#) are now eligible to enroll, opening the door for more public servants to save.
- **Modern Management:** The plan recently transitioned its recordkeeping to Empower, offering improved digital tools and counseling for participants.

Whether you are just starting your career or nearing retirement, the Choice Plan remains a "best of both worlds" benefit—combining the security of your pension with the growth potential of a flexible 401(k).



MARKET VOLATILITY: SHOULD RETIREMENT SAVERS WORRY?

News headlines often focus on market swings driven by elections, inflation, or global events. For retirement savers, it's natural to feel uneasy when account balances dip. The good news: Over the long term, short-term volatility may matter less than it feels in the moment.

Markets move for many reasons — economic reports, interest rate changes, company earnings, and even investor emotions. Political or global turmoil may cause sharp drops, but history shows that downturns are usually temporary. Over decades, markets have recovered from recessions and crises, making it normally better to stay invested rather than trying to jump in and out.

Retirement saving is normally about decades, not days. Major downturns like those in 2008 and early 2020 were followed by strong recoveries. Investors who stuck with their plans generally saw their portfolios rebound. The key is to focus on your time horizon and avoid making short-term decisions with long-term money.

Consider the following to help stay steady:

- **Stick to your plan.** A retirement strategy should be built assuming there will be market ups and downs. Selling when markets are down often turns temporary declines into permanent losses.
- **Diversify.** Holding a mix of stocks, bonds, and other assets spreads risk. When one area struggles, another may hold steady.
- **Rebalance regularly.** Market swings can throw your portfolio off target. Periodic rebalancing can help keep your risk level in line with your age and goals.
- **Match investments to your time frame.** If retirement is years away, you have time for markets to recover. Even near retirement, keeping some growth investments can help your savings last.

You don't have to navigate volatility alone. Meet with your local retirement plan counselor or log in at www.mypersi401k.com to review your investments and risk level. Market turbulence is normal. Staying diversified, disciplined, and focused on the long term can be a good defense against a bumpy market.