

## Part I – Agency Profile

### Agency Overview

The Public Employee Retirement System of Idaho (PERSI) was created in 1963, and was funded by the Idaho Legislature in 1965. Since that time, PERSI has offered a defined benefit plan to provide a secure, long-term retirement benefit for career public service employees. The agency is directed by a five-member Retirement Board, each appointed by the Governor for 5-year terms. The Board has the duty to manage the system and maintains fiduciary responsibility for investment policy, asset allocation, the selection of individual investment managers, post-retirement increases (cost of living adjustments), and setting the contribution rates.

PERSI administers three defined benefit retirement plans - the PERSI Base Plan, the Firefighters' Retirement Fund (FRF), and the Judges' Retirement Fund (JRF), and a defined contribution plan - the PERSI Choice 401(k) Plan which has a 414(k) component (for gain-sharing contributions from the PERSI Base Plan). The Choice Plan 401(k) is somewhat unique to the public sector. PERSI obtained permission from the Internal Revenue Service to expand a grandfathered State 401(k) to all members statewide. PERSI also administers the Sick Leave Insurance Reserve Trust Fund.

PERSI employs 67 staff, working in three locations: Boise, Pocatello, and Coeur d'Alene. It is headquartered at 607 North 8<sup>th</sup> Street, Boise, Idaho, 83702. (208) 334-3365.

#### PERSI Fiduciary Duty of Loyalty:

The primary duty of the Retirement Board and PERSI staff, as fiduciaries, is that of loyalty, or acting with an "eye single" to the interests of the beneficiaries. PERSI is required by law to make all its decisions solely in the interest of the beneficiaries and to avoid, at all costs, serving the interests of any other party not a beneficiary of the system.

### Core Functions/Idaho Code

PERSI manages and administers retirement and disability benefits (including a 401(k) defined contribution plan) for public employees in the State of Idaho. Title 59, Chapter 13, Idaho Code. PERSI manages and administers retirement and disability benefits for the Judges' Retirement System in the State of Idaho. Title 1, Chapter 20, Idaho Code. PERSI manages and administers retirement and disability benefits for the Firefighters' Retirement Fund in the State of Idaho. Title 72, Chapter 14, Idaho Code. PERSI manages and administers the unused sick leave for public employees in the State of Idaho. Sections 33-1228, 33-2109A and 67-5339 Idaho Code.

### Revenue and Expenditures

Revenue	FY 2016	FY 2017	FY 2018	FY 2019
Retirement Administration	6,462,200	6,856,700	6,926,900	7,218,300
Portfolio Investment	<u>922,300</u>	<u>969,100</u>	<u>1,021,000</u>	<u>893,400</u>
<b>Total</b>	<b>\$7,384,500</b>	<b>\$7,825,800</b>	<b>\$7,947,900</b>	<b>8,111,700</b>
Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
Personnel Costs	4,064,865	4,545,000	4,827,672	4,863,271
Operating Expenditures	2,565,770	2,549,300	2,631,075	2,515,846
Capital Outlay	<u>269,155</u>	<u>231,200</u>	<u>173,046</u>	<u>84,199</u>
<b>Total</b>	<b>\$6,899,790</b>	<b>\$7,325,500</b>	<b>\$7,631,793</b>	<b>\$7,463,316</b>

### Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2016	FY 2017	FY 2018	FY 2019
<b>PERSI Statistics</b>				
Number of Active Members	68,654	70,215	71,302	72,706
Number of Retirees	44,637	46,692	48,130	48,014
Choice Plan Employee Contributors	13,178	13,336	14,897	14,228
Employer Units	776	784	796	809

Cases Managed and/or Key Services Provided	FY 2016	FY 2017	FY 2018	FY 2019
DB Plan Benefits Paid (millions)	\$850.5	\$884.6	\$928.6	\$938.5
DB Plan Assets (millions)	\$14,341.7	\$15,838.6	\$16,713.1	\$17,702.4
Return on Investments	1.9%	12.7%	8.7%	8.4%
<b>PERSI Services</b>				
Retirement Estimates Calculated	19,819	10,473	8,503	9,089
Separation Benefits Paid (Cashed Out)	3,280	2,294	2,142	2,144
Members Receiving Retirement Education	6,617	6,966	6,563	10,743
Retirement Applications Processed	2,773	2,189	2,639	2,626
Disability Applications Processed	163	112	130	118
Employer Payroll Reports Processed	17,006	20,116	17,280	17,894

### Red Tape Reduction Act

Each agency shall incorporate into its strategic plan a summary of how it will implement the Red Tape Reduction Act, including any associated goals, objectives, tasks, or performance targets. This information may be included as an addendum.

	As of July 1, 2019
Number of Chapters	9
Number of Words	35,010
Number of Restrictions	368

### Part II – Performance Measures

Performance Measure		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>Maintain an organizational structure that supports consistent, effective, and accountable operations.</b>						
1. Percent of retirees who receive their first annuity payment on their scheduled retirement date	actual	94.0%	94.0%	94.0%	94.0%	-----
	target	95%	95%	95%	95%	95%
2. Number of business days to produce a written benefit estimate after a request is received	actual	5	12.7	7.5	9.0	-----
	target	7	7	7	7	7
3. Number of days to produce a separations benefit after receipt of final salary via transmittal	actual	7	11.5	9.7	7.4	-----
	target	7	7	7	7	7
4. Average number of days after receipt to process employer transmittals	actual	3.0	2.1	1.9	2.1	-----
	target	3	3	3	3	3

**For More Information Contact**

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