



NEWS TO USE

A newsletter for PERSI employers

January 2009

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NEW LIMITS FOR CHOICE 401(k) PLAN

Each year the Internal Revenue Service sets the contribution limits for retirement savings plans. Beginning on January 1, 2009, the limit on elective deferrals to the Choice 401(k) Plan will be \$16,500. In the years 2010 and beyond, the 401(k) contribution limits and catch up amounts will be indexed for inflation, and can be increased in increments of \$500. The limit on catch-up contributions by members age 50 and above has risen to \$5,500. The total of employee and employer contributions is limited to the lesser of 100 percent of compensation or \$49,000 for 2009. The table below shows the 2008 and 2009 limits.

YEAR	CONTRIBUTION LIMIT	CATCH UP CONTRIBUTIONS*	TOTAL CONTRIBUTION LIMITS
2009	\$16,500	\$5,500	\$49,000
2008	\$15,500	\$5,000	\$46,000

* if age 50 or older

MISCELLANEOUS PERSI NEWS

- Effective January 1, 2009, the regular interest rate on Base Plan accounts will be 1 percent. The regular interest rate credited to member accounts is equal to the larger of PERSI's net investment return rate at the end of the previous fiscal year or 1 percent.
- Choice 401(k) Plan annual statements will be mailed to members in January; quarterly statements are posted online. Members who want a hard copy of the quarterly statement can either print it themselves or contact ACS HR Solutions at 1-866-437-3774 or PERSI at 208-334-3365 or toll-free at 1-800-451-8228 to have a copy mailed to them.
- PERSI's 2008 Annual Report is available on the Web site at www.persi.idaho.gov under the **Financial Reports** quick link on the Home page. Members can download it and print the desired pages, or call PERSI for a hard copy or CD.
- The Retirement Board approved a 1 percent cost of living adjustment for PERSI retirees.
- Because of the actuarial loss suffered by PERSI due to stock market volatility, next fall the Board will most likely discuss a contribution rate increase.
- The Choice 401(k) Plan will have a new look starting this year. The wizard is gone; the materials now have a more sophisticated look. A Web tour of the Choice Plan features can be viewed on the PERSI Web site at www.persi.idaho.gov.
- PERSI wants to remind employers to complete form RS132 (RS132a for some school retirees) when hiring a PERSI retiree. Both forms are available on the PERSI Web site in PDF format.

PLEASE RETURN YOUR EMPLOYER SURVEY

The 2008 Employer Survey was mailed the first week of December. A big **THANK YOU** to everyone who has responded. PERSI appreciates the input. Your feedback will help direct the activities of the Employer Service Center in 2009. If you haven't yet returned your survey, it's not too late. If you return it by January 5th, your responses will be included in the analysis. Thank you again for taking time to complete a survey. Results will be published in a future newsletter.

Notes

PERSI is pleased to announce that [William Oldham](#) has accepted the position of Deputy Director. He comes to PERSI from Analyze Soft, Inc., where he served as Vice President of Business Development for the past 2 years. Bill previously spent nearly 4 years working for the Idaho Department of Corrections as an Administrator for the Management Services Division and as the General Manager for Idaho Correctional Industries. He holds a master's degree in Business Administration from Alaska Pacific University. His 30 years of operations and management experience, along with existing relationships within Idaho state government, position him for success at PERSI.



Bill Oldham



Alan Winkle

PERSI bid farewell to Executive Director [Alan Winkle](#) on December 16th. A morning reception was held for people from outside PERSI following the December board meeting. The board presented Alan with a plaque in recognition of his service to PERSI. In the afternoon, Alan was given an emotional send off that included a trip down memory lane with the staff. Both receptions included cake, punch, and many testimonials about the wonderful job Alan has done for PERSI over the past 22 years.

CONGRATULATIONS! On December 16th, Retirement Specialist [Lisa Conn](#) and Employer Service Center Manager [Diane Kaiser](#) graduated from the Certified Public Manager program. The program is a nationally accredited training and development program for public sector managers and supervisors in Idaho. The program consists of 300 hours of study to be completed over 36 months.



Diane Kaiser



Lisa Conn

In mid-December, the PERSI retirement specialists spent two days going over a wide array of topics including divorce and how to segregate accounts; review of the new Choice 401(k) Plan collateral materials; discussion of eligibility issues, insurance and unused sick leave; review of possible 2009 legislation; and an update on the changes to the retirement workshops for '09. This meeting is part of PERSI's ongoing training effort to ensure that a high level of customer service is provided to members, retirees, and employers.