



NEWS TO USE

A newsletter for PERSI employers

November, 2013

- Regular Interest Rate Announced
- PERSI Officer Featured in National Magazine
- IRIS Update



PERSI BOARD POSTPONES CONTRIBUTION RATE INCREASE

During the October 15th Board meeting, Trustees for the Public Employee Retirement System of Idaho (PERSI) voted to postpone for one year the 1.5% rate increase scheduled for July 1, 2014.

In making the decision, the Board considered PERSI's strong earnings performances and favorable funded ratio. As of October 14th, 2013, the return for the fiscal year to date was 6.1% with an estimated funding ratio of 88.9%. According to the PEW Center on the

States, a system funded at 80% or higher is a solid performer.

Unless the Board takes further action in the future, the rate increase will go into effect July 1, 2015. The increase will be split between employer and employee contributions.

General membership employers currently pay 11.32% of payroll to PERSI and general employees contribute 6.79% of their salary to fund future benefits.

Member Type	2014 Employee Contribution	2014 Employer Contribution
General Members	6.79%	11.32%
Public Safety Officers	8.36%	11.66%
Firefighters	8.36%	28.9%

REGULAR INTEREST FOR CALENDAR YEAR 2014

Also during the October Retirement Board meeting, it was announced that the regular interest rate members will earn on their personal Base Plan accounts starting January 1, 2014 will be 7.77%

As a reminder, contributions paid by employees go directly into individual accounts held just for them. The money in the individual Base Plan accounts plus any interest earned will always belong to the members and will never be lost due to market conditions.

Your employees can check their account balance by

logging into their account using the myPERSI button on the PERSI website.



Note: The interest rate employers will be charged on late payments to PERSI is the statutory rate of 12% effective January 1, 2014. Per Idaho Code 59-1325 (1), contributions paid later than 5 business days after pay date are delinquent and accrue interest at the greater rate in Idaho Code 28-22-104 (1) which is 12% or regular interest (7.77%). Please make sure your contribution payments are received within 5 business days of your payday and invoices are cleared within 90 days. Contact the Employer Service Center with questions at 1-866-877-9525 or 287-9525 from the Boise area.

PERSI OFFICER RANKS AMONG INVESTMENT ELITE



The Sovereign Wealth Fund Institute (SWF) has released its list of the 100 most important public investor executives in the world -- and PERSI Chief Investment Officer Bob Maynard comes in at number 30.

He is a member of the 300 Club, a group comprised of a dozen chief investment officers and other investment-related professionals from around the world, including three from U.S. pension funds, who apply knowledge and leadership to influence market policy.

Speaking of the group, Bob noted, "While organizations and people selling particular investment products are actually a valuable window on other approaches, even with the best of intentions there is a filter that colors the particular product being discussed. Personal interaction and discussion with other people in the industry on an informal or semiformal basis without that filter is particularly valuable."

Among other things, SWF brands Bob as "an early pension pioneer," recognizing his 20-plus years of service to the State of Idaho and his reputation as a sought after speaker and advisor on pension investing.

Elsewhere, *Pension and Investments Magazine* quotes Bob in an article appearing in the September issue.

The 300 Club met in late September to talk about ways to avoid the kind of collapse that occurred in 2008.

[Click here](#) to link to the entire *Pension and Investments* article.



Congratulations to the City of Meridian for being our first large employer to certify submitting their transmittal files to PERSI using the new IRIS reporting system.

The city's IT department and payroll staff worked with PERSI's IT department to implement the new reporting requirements.

On October 16th, the city

attended an IRIS training held at PERSI headquarters. The training was a big success with some very encouraging feedback; "This is pretty cool, I'm excited" and "that's pretty slick!"

The City of Meridian will begin reporting in the new system starting November 4th. Other large employers are not far behind and we look forward to certifying more employers, beginning training and establishing future go-live dates.

So far PERSI has received and reviewed more than 150 test files from employers currently in the process of certifying. If you submit payroll files electronically

to PERSI and wonder how far along your payroll software vendor is in the process of certifying, please give them a call.

Note: This is my first full month as PERSI Public Information Officer and editor of the *News to Use* monthly employer newsletter. I hope you will find the content as relevant, informative and engaging as ever. As we move forward together, please feel free to contact me with any comments, questions, and especially ideas of topics you'd like me to explore/address in future editions. Have a great November!

-- Editor, Kelly Cross