



Boise | Coeur d'Alene | Pocatello

PERSpectives FOR RETIREES

Public Employee Retirement System of Idaho

Second Quarter 2020

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PERSI UPDATE AND MARKET VOLATILITY

WE ARE HERE TO HELP YOU!

Our staff continue to work and are available to assist you. We are committed to providing you the support and resources to navigate this challenging time. You may reach us on our website, by phone, fax, mail or by email.

Our call center is fully-staffed and ready to assist employers or members needing assistance. We encourage everyone to use the call center. To minimize the impact of COVID-19, the PERSI lobbies in Boise, Pocatello, and Coeur d'Alene are temporarily closed.



MEMBERS AND EMPLOYERS MAY REACH US THE FOLLOWING WAYS

PERSI Answer Center | 1-800-451-8228 or 208-334-3365 | Open 8:00 AM to 5:00 PM MT

PERSI Employer Service Center | 1-866-887-9525 or 208-287-9525 | Open 8:00 AM to 5:00 PM MT

You can also email us at frontdesk@persi.idaho.gov and your email will be directed to the appropriate department.

YOUR BENEFIT

The defined benefit members receive from the Base Plan is independent of, and does not depend on, market returns. Market volatility and day-to-day market swings do not affect retiree benefits.

Active/inactive members do not lose money in the Base Plan even if the market goes down or has a negative return.

The Base Plan is a professionally managed, diversified, long-term investment fund, and rated as one of the top state pension funds in the nation.

YOUR PERSI CHOICE 401(k) PLAN THROUGH EMPOWER RETIREMENT

Members that have a PERSI Choice 401(k) Plan* account have control over their asset allocation and investment options. They may choose from many different investment options located on the member or participant website.

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THE CARES ACT**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress allows for optional COVID-19 related distributions to qualified individuals.

The CARES Act also includes a suspension for Required Minimum Distribution (RMD) payments. Empower Retirement will process RMD payments for members who already have them in place, unless they elect to have them stopped. Members new to RMD payments will not have them processed in 2020.

Empower Retirement outlines the CARES Act, who it applies to, and its terms at <https://docs.empower-retirement.com/EE/IdahoWR/DOCS/PERSI-CARES-Act-FAQ.pdf>

REACH OUT TO EMPOWER RETIREMENT

If members would like to review their PERSI Choice 401(k) Plan investments, or learn more about the CARES Act, they may login to the website at <https://mypersi401k.empower-retirement.com/> or call the Plan recordkeeper, Empower Retirement.

Empower Retirement service center representatives are ready to assist you. You can reach a representative at 866-437-3774, Monday through Friday from 6:00 AM to 8:00 PM MT and Saturdays from 7:00 AM to 3:30 PM MT.

*The PERSI Choice 401(k) Plan is a defined contribution. It is separate from the PERSI Base Plan.

**The CARES Act does not apply to the Base Plan.

REMEMBERING RETIRED TRUSTEE J. KIRK SULLIVAN

We are saddened to share that retired PERSI Trustee J. Kirk Sullivan passed away this April. He was first appointed by Idaho Governor Phil Batt in 1996 and served a total of 22 years on the PERSI Retirement Board.

During his service, Trustee Sullivan guided PERSI through the booming market of the late 1990's, which led to the creation of the PERSI Choice 401(k) Plan for Idaho public employees. His steady influence also helped the Board navigate tougher times, including the "Great Recession" of 2008-2009, which decimated many public retirement systems nationwide, but from which PERSI was quick to recover.

"It was a distinct honor to work with Dr. Sullivan. He was an outstanding member of the PERSI board. The effort he put forth on behalf of the beneficiaries and members will be felt for decades." said Chairman of the Board, Jeff Cilek.

During Trustee Sullivan's twenty-two years of service, PERSI membership almost doubled, from 85,184 (FY96) to 160,489 (FY18), and the PERSI trust fund grew from \$4 billion in 1996 to \$17 billion at the time of his retirement.

Trustee Sullivan announced his retirement from the PERSI Retirement Board in December of 2018. He will be deeply missed by PERSI and its members.





OUTLIVING YOUR CONTINGENT ANNUITANT

When you retired, you were given four options for naming a contingent annuitant (CA) to receive a monthly lifetime PERSI benefit after you pass away. If you named a CA, your benefit is reduced during your lifetime based on the retirement option you chose, as well as the difference between your age and the age of your contingent annuitant.

WHAT IF YOUR CONTINGENT ANNUITANT PASSES AWAY BEFORE YOU DO?

Very few circumstances exist where the CA selection may be changed. One of those circumstances is after the death of a contingent annuitant. In that case, you may be eligible for a “Pop Up” Increase*, returning your monthly benefit to a larger amount. You may also name a new CA, but if you do, this time it is restricted to your spouse.

If your CA passes away, you must contact PERSI to determine your options. Failure to do so could mean leaving potential “Pop Up” money on the table. If you get married or remarry, and want to name your spouse as a replacement contingent annuitant, you have one (1) year from the date of marriage to complete the process of naming your spouse as contingent annuitant with PERSI.

****To be eligible for the Pop Up Increase, your date of last contribution must have occurred on or after 7/1/1992 AND your date of retirement must have been on or after 10/1/1992. For more information about the Pop Up Increase, visit the PERSI website (www.persi.idaho.gov).***

HOW TO SUBMIT A CHANGE

You may submit a CA change to PERSI by completing a new retirement application. You must indicate that you are naming your new spouse as your contingent annuitant — and you must provide a copy of his or her birth certificate and Social Security number, AND a copy of the marriage certificate. You must also select a contingent annuitant retirement option. You do not need to select the same option that was in place for your deceased CA. All signatures on the retirement application must be notarized. After PERSI receives the new retirement application, a 90-day waiting period is required before the change goes into effect.

CHANGES TO YOUR BENEFIT AMOUNT

If you named a contingent annuitant when you initially retired, your benefit was reduced so a benefit payment would continue going to your CA after your death. If your retirement date was October 1, 1992 or later, and your date of last contribution was July 1, 1992 or later, your benefit “Popped Up” to the regular retirement allowance when your CA predeceased you. The new amount was equal to what would have been in effect on the date of your CA’s death if you had not chosen to name a contingent annuitant when you retired. Your benefit will include all cost-of-living adjustments (COLAs) since your initial retirement date.

Your benefit will continue at the higher rate until the new CA becomes effective 90 days after PERSI receives your new retirement application. When the new spousal CA goes into effect, your benefit will be recalculated based on the retirement option you selected and the difference between your age and that of your new contingent annuitant.

If you have any questions about changing your contingent annuitant, contact PERSI at 1-800-451-8228 or 208-334-3365.



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PROTECT YOURSELF AND YOUR FAMILY

Educate and protect yourself and your family against scams, product recalls, and safety alerts through trusted national and state websites.



On the United States Consumer Product Safety Commission website, you may sign up for topic-specific newsletters, latest recalls, join the Neighborhood Safety Network (NSN), and much more. You may even download an app! Go to www.cpsc.gov to get started.

The State of Idaho's Attorney General website has a number of resources to learn about consumer alerts, fraud, or how to file a complaint.

There is also an extensive library of manuals discussing topics such as internet safety or landlord and tenant guidelines.

Get started at www.ag.idaho.gov/.

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www.persi.idaho.gov

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