



## **◆ PERSI BENEFITS AT A GLANCE: OVERVIEW OF YOUR RETIREMENT BENEFITS**

### **PERSI RETIREMENT PLAN**

You become a PERSI member when you go to work in an eligible position with a PERSI employer. When you earn 60 months of service credit, you will be vested to receive a lifetime benefit at retirement. The 60-month vesting period (5 months for elected and some appointed officials) does not need to be with the same PERSI employer. Unless you leave public employment altogether, changing jobs should not affect your PERSI membership.

### **BASE PLAN BENEFITS**

Enrollment in the PERSI Base Plan (your pension) is automatic. Both you and your employer make contributions to PERSI. Your contributions are credited to a personal account that earns interest. The money in your account belongs to you...it is always yours no matter what! Employer contributions are pooled into a trust to cover future benefits for all members. When you retire as a vested member, PERSI will pay you a benefit every month for as long as you live — and, if you select a retirement option with a survivor benefit, your Contingent Annuitant will receive a lifetime benefit after your death.

### **VALUE**

The actual value of your benefit generally far exceeds your contributions. Within the first 3 - 5 years of retirement, most members have already received a return greater than all the money they contributed while working. For example, if your contributions to PERSI during your career totaled \$60,000, and your monthly retirement benefit is \$1,500, you would receive your \$60,000 in approximately three years. Although you would have exhausted everything you contributed, PERSI would continue to pay you \$1,500 a month for the rest of your life, plus annual cost of living adjustments (COLAs) if approved by the Idaho Legislature. If your retirement were to last another 20 years, you would receive \$360,000 in benefits from the PERSI trust.

### **DISABILITY BENEFITS**

In addition to your retirement benefit, your Base Plan

contributions provide for disability coverage. Should you become totally and permanently disabled while an active vested member, you may be eligible for a disability benefit. Disability for retirement purposes is considered to be a total and permanent physical or mental impairment that prevents you from earning a livelihood. If you perform any work for compensation, you will not be considered to be disabled.

### **TIME LIMIT**

PERSI members applying for disability benefits have a limited period in which to file an application. The law (effective July 1, 2006) requires inactive members applying for PERSI disability benefits to file their claim within one year from the date of their last contribution to PERSI. Members go from active to inactive status when they are no longer eligible to accrue service or make contributions.

### **RETURN TO WORK**

Effective July 1, 2010, per Idaho Statute 59-1354A, PERSI members on disability may attempt to return to work under certain conditions. If they are unsuccessful, the member may be able to resume PERSI disability retirement if approved by the Board and if certain requirements are met and the Board approves.

### **SURVIVOR BENEFITS**

The PERSI Base Plan offers financial security for your beneficiaries after you die. Whether an active or inactive member, if you die after becoming vested and had named your spouse as your sole beneficiary, PERSI will offer your spouse the choice of a lump sum payment of your remaining contributions, plus interest, or a monthly allowance payable for life. The lump sum death benefit for vested members is two times your account balance, including interest.\* If you die before becoming vested, your beneficiary will receive your account balance plus any interest accrued.

\* This only applies to members with a date of last contribution (DLC) of 7/1/99 or later.

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**If there is any discrepancy between this publication and the law, the provisions of the law will prevail.**



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### PORTABILITY OF FUNDS

Your Base Plan contributions are always yours. If you leave a PERSI employer, keep your Base Plan money in PERSI, and later work for another PERSI-covered employer, you retain the service credit earned in your previous job. All service credit earned while working for a PERSI employer is automatically combined into a single account for you.

If you leave PERSI-covered employment, you may withdraw your Base Plan money, plus any interest earned — although tax penalties and withholdings may apply. You may also roll your money and interest over to an Individual Retirement Account (IRA) or other qualified retirement plan, including the PERSI Choice 401(k) Plan, if you have an account.

### COST-OF-LIVING ADJUSTMENTS

The Retirement Board considers a cost-of-living adjustments (COLAs) to Base Plan retiree benefit payments each year. The amount of the COLA is tied to the Consumer Price Index (CPI-U) and subject to the growth or decline in retirement fund assets. If a COLA is awarded, it becomes effective March 1<sup>st</sup>.

### CHOICE 401(k) PLAN

The Choice 401(k) Plan is an optional defined contribution (DC) retirement savings plan available to active members. Unlike the Base Plan, participation in the Choice 401(k) Plan is completely voluntary. It allows you to contribute a portion of your salary on a tax-deferred basis via payroll deductions. This means your contributions come out of your paycheck before taxes, thereby reducing the amount of taxes you pay during the year.

### LOANS

The Choice 401(k) Plan includes a loan provision where a member may take a loan for any reason as long as they have a balance of \$2,000 or more in their account, excluding any gain sharing amounts.

### INVESTMENT OPTIONS

The Choice 401(k) Plan has several investment options. One of the most popular is the PERSI Total

Return Fund (TRF), which mirrors PERSI's Base Plan investments. The TRF is the default investment fund. Your contributions are automatically invested in the TRF unless you elect otherwise. Unlike the Base Plan, you are responsible for managing your Choice 401(k) Plan funds. In most cases, you may change your deferral amounts and investments at any time.

### ROLLOVERS

Money from other qualified retirement plans, such as a 401(a), 457, pre-tax IRA, 403(a), or 403(b) plan, or another 401(k) account, can be rolled over to the Choice 401(k) Plan at PERSI. After-tax contributions cannot be rolled into the Choice Plan.



### FOR MORE INFORMATION

To learn more about PERSI, or for detailed information about your retirement options and benefits, visit the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov) or contact the PERSI Answer Center toll free at 1-800-451-8228 or at 208-334-3365 from the Treasure Valley area. Your human resources and/or payroll personnel will gladly assist you as well.

### VIDEOS AND FREE WORKSHOPS

A number of helpful videos can be found on the Education pages of the PERSI website. In addition, PERSI offers three educational workshops about retirement at no cost to members or employers. To schedule a workshop at your location, have your employer contact the PERSI Education team at (208) 287-9291.

### BROCHURES

Several brochures with more information about your benefits are available on the PERSI website.

### NEWSLETTERS

Active members receive a quarterly newsletter called *PERSpectives*, which is filled with benefit, investment, legislative, and financial information.

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