



Public Employee Retirement System of Idaho (PERSI)

Base Review

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Budget and Policy Analyst

January 29, 2026

PERSI

The mission of the Public Employee Retirement System of Idaho (PERSI) is to provide members and their beneficiaries with reliable, secure, long-term retirement, survivor, and disability benefits as specified by law, and to assist members in planning a secure retirement by providing high quality service, retirement education, and information [Statutory Authority: Title 59, Chapter 13 Idaho Code].

Organizational Structure

Public Employee Retirement System of Idaho
Board of Trustees

Retirement Administration
Michael Hampton, Director
77.00 FTP

Administration
Finance
Education

Portfolio Investment
Richelle Sugiyama, Chief Investment Officer
4.00 FTP

Asset Management

81.00 FTP

*3.00 Vacant
as of 11/26/2025

Five-year Averages

Authorized FTP: **76.20**

Filled FTP Percentage: **87.91%**

Personnel Cost Appropriated: **\$6,719,920**

Percent of PC Spent on PC: **87.38%**

LSO

Legislative Services Office



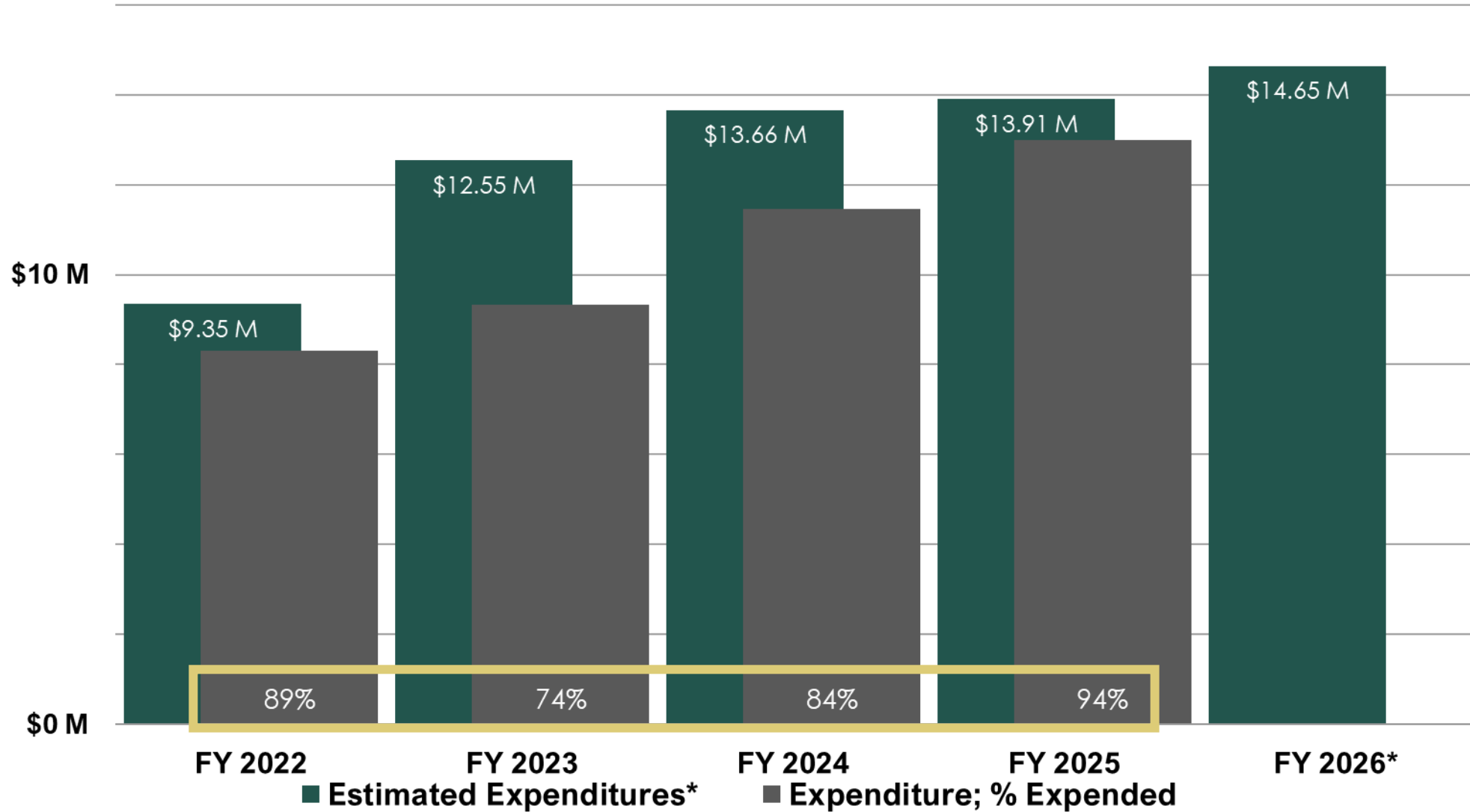
Consolidated Fund Analysis

Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Estimate	FY 2027 Estimate
A Beginning Free Fund Balance	\$18,435,100	\$10,583,500	\$35,446,700	\$47,133,800	\$51,868,100
B Receipts and Transfers	\$219,629,800	\$267,133,100	\$272,819,800	\$278,649,000	\$285,164,600
C Cash Expenditures*	\$227,481,400	\$242,269,900	\$261,132,700	\$273,914,700	\$283,504,500
Ending Free Fund Balance (A + B - C)	\$10,583,500	\$35,446,700	\$47,133,800	\$51,868,100	\$53,528,200

By Fund

A PERSI Administrative	\$174,900	\$805,000	\$680,900	\$6,700	\$650,300
B Special Fund Portfolio (approp & continu	\$10,282,500	\$34,592,500	\$46,200,000	\$51,068,200	\$51,246,400
C Judges Retirement	\$126,100	\$49,200	\$252,900	\$793,200	\$1,631,500
Ending Free Fund Balance	\$10,583,500	\$35,446,700	\$47,133,800	\$51,868,100	\$53,528,200

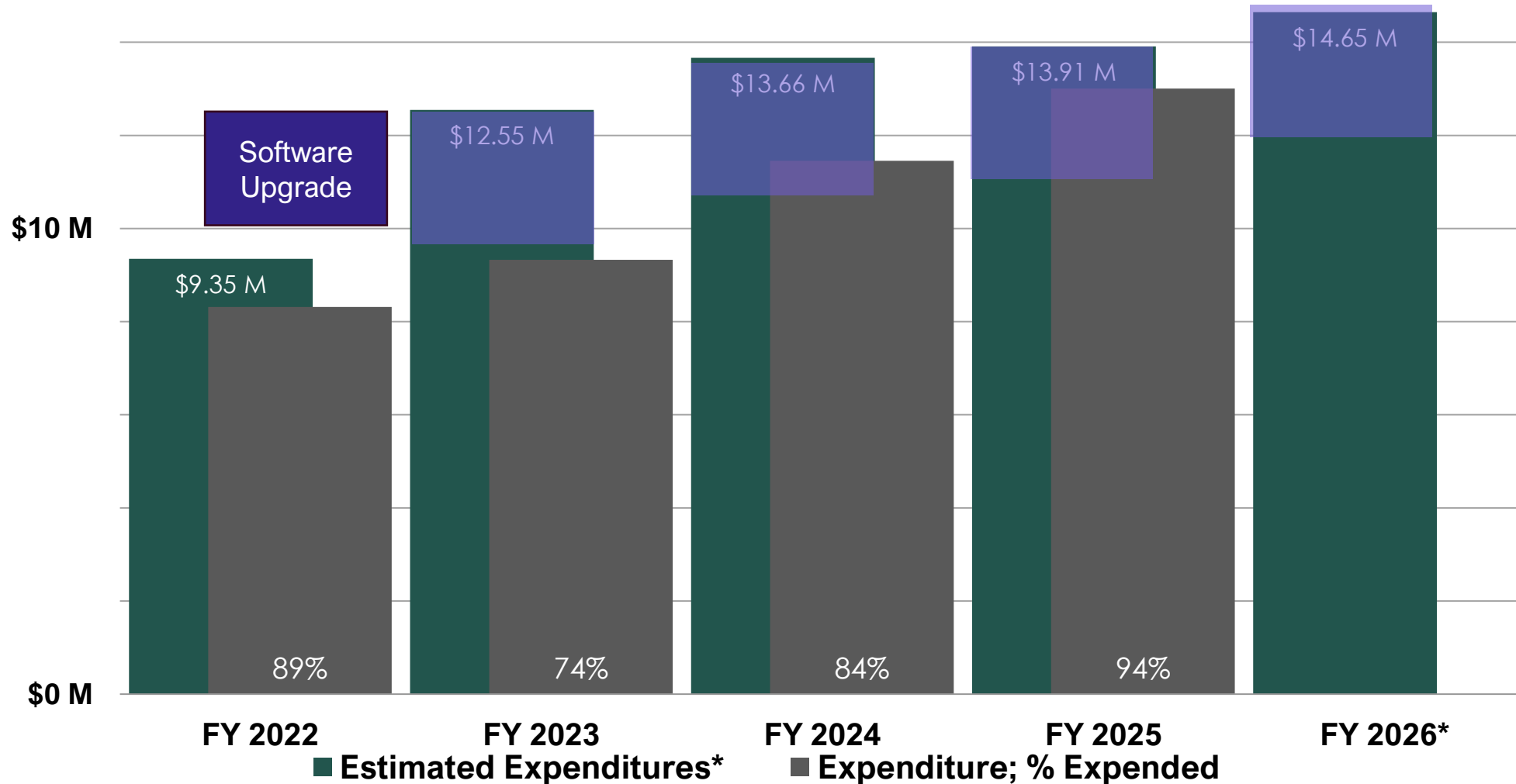
Five-Year Appropriations and Expenditures



*FY 2026 is Original Appropriation

Five-Year Appropriations and Expenditures

Estimated Expenditures and Actual Expenditures



2025 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
2% Change in Employee Compensation	Enhancement	\$124,400
Total Ongoing Base Change from Enhancements		\$124,400

2026 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Board Travel	Enhancement	\$12,500
Total Ongoing Base Change from Enhancements		\$12,500

Agency Submitted Outcomes:

Board Travel	Staff can perform necessary due diligence and travel while the board can do the same.
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Complete PERSI strategic plan available at <https://dfm.idaho.gov/about-budget/budget-reference-library/strategic-plan/>
under General Government

2027 Budget Request & Recommendation

FY 2027

Onetime Enhancement Name	Type	Amount
Pension Software Upgrade - Year 5	Enhancement	\$2,000,000
Disaster Recovery Plan	Enhancement	\$227,300
Replacement Items	Enhancement	\$372,100
Total Onetime Change from Enhancements		\$2,599,400

Agency Submitted Outcomes:

1. Pension Software Upgrade	Funding this request will allow PERSI to complete its pension software upgrade, thereby improving accessibility and functionality for PERSI members. Completing the upgrade will also avoid the loss of access to support and security updates for the existing Oracle database.
2. Disaster Recovery Plan	Funding this request will provide a continuity of operations plan and records retention policies to ensure organizational preparedness.

2027 Budget Request & Recommendation

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Public Employee Retirement System Comparative Summary

Analyst: Lippitt

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2026 Original Appropriation	81.00	0	14,645,000	81.00	0	14,645,000
Unallocated CEC - S1110	0.00	0	(83,400)	0.00	0	(83,400)
FY 2026 Estimated Expenditures	81.00	0	14,561,600	81.00	0	14,561,600
Removal of Onetime Expenditures	0.00	0	(3,628,500)	0.00	0	(3,628,500)
Base Adjustments	0.00	0	0	0.00	0	0
Restore Rescissions/Gov Holdback	0.00	0	83,400	0.00	0	83,400
FY 2027 Base	81.00	0	11,016,500	81.00	0	11,016,500
Personnel Benefit Costs	0.00	0	287,900	0.00	0	161,500
Statewide Cost Allocation	0.00	0	(101,700)	0.00	0	(101,700)
Change in Employee Compensation	0.00	0	68,800	0.00	0	0
FY 2027 Program Maintenance	81.00	0	11,271,500	81.00	0	11,076,300
1. Upgrade Pension Software - Yr. 5	0.00	0	2,000,000	0.00	0	2,000,000
2. Disaster Recovery	0.00	0	227,300	0.00	0	227,300
Replacement Items	0.00	0	372,100	0.00	0	372,100
FY 2027 Total	81.00	0	13,870,900	81.00	0	13,675,700
Change from Original Appropriation	0.00	0	(774,100)	0.00	0	(969,300)
% Change from Original Appropriation			(5.3%)			(6.6%)

Please feel free to contact me with
any questions at (208)334 – 4745 or
flippitt@lso.idaho.gov

Performance Report

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2022	FY 2023	FY 2024	FY 2025
PERSI Statistics				
Number of Active Members	74,617	76,896	78,735	79,052
Number of Retirees	52,474	53,934	55,060	57,473
Choice Plan Employee Contributors	17,077	17,585	17,792	17,963
Employer Units	840	850	863	865
DB Plan Benefits Paid (millions)	\$1,177	\$1,269	\$1,310	\$1,395
DB Plan Assets (millions)	\$19,812	\$21,181	\$22,632	\$24,677
Return on Investments	-9.46%	9.58%	9.16%	11.11%.
PERSI Services				
Retirement Estimates Calculated	10,181	9,699	10,509	8,479 [^]
Separation Benefits Paid (Cashed Out)	2,208	2,510	2,779	3,178
Members Receiving Retirement Education	7,705	6,127 ^{**}	10,306	13,418
Retirement Applications Processed	2,991	2,821	2,679	2,739
Disability Applications Processed	44	83	84	37
Employer Payroll Reports Processed	18,420	18,576	18,307	18,954

^{**}Note: Decrease due to understaffing

[^]Note: Decrease due to self-service options available through member portal

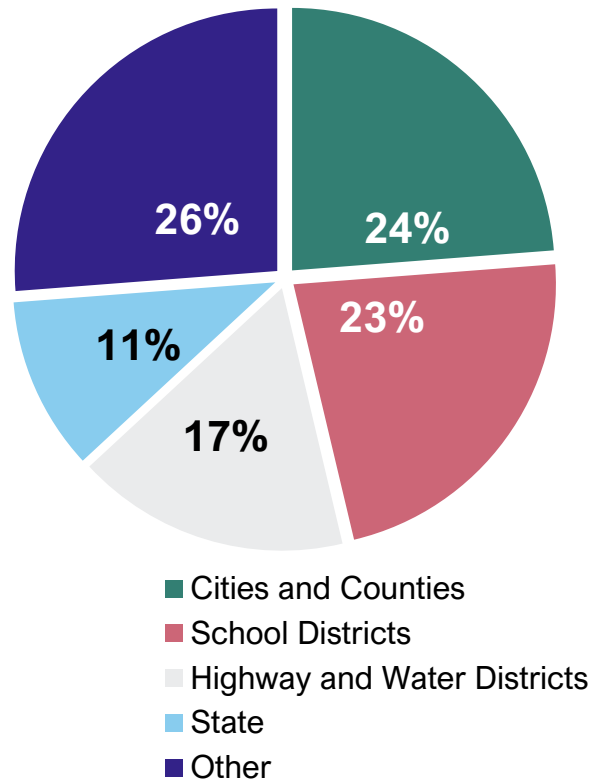
Performance Report

Part II – Performance Measures

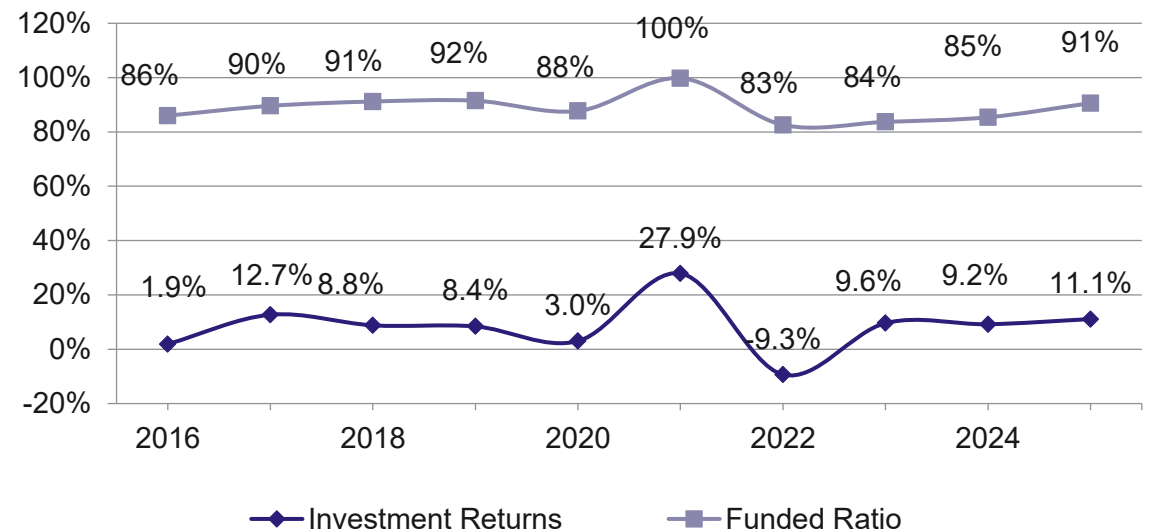
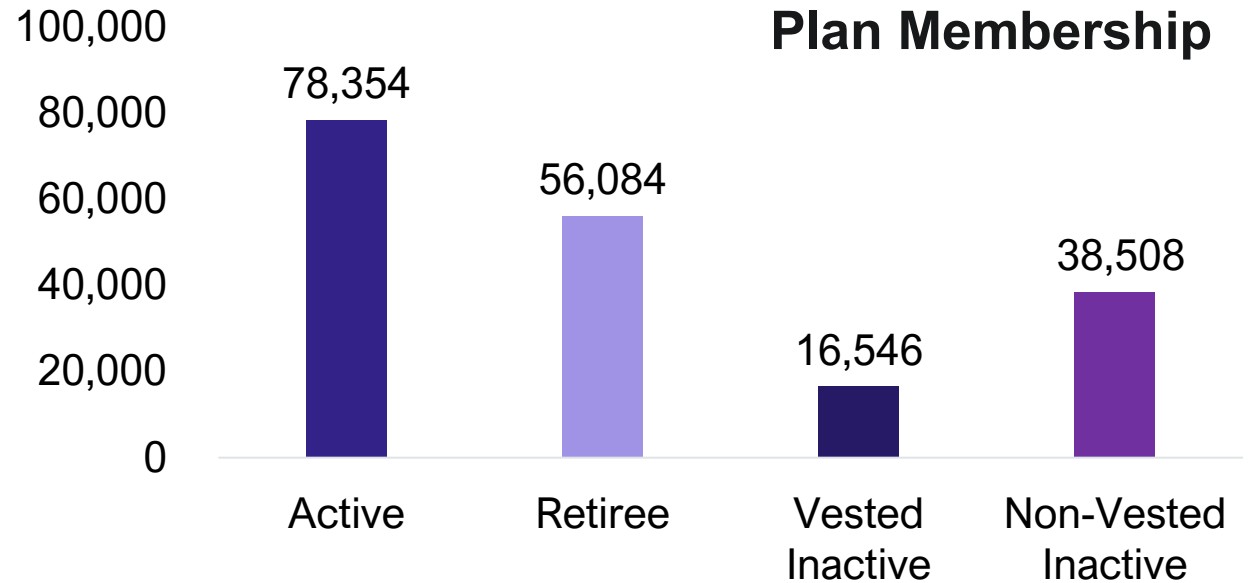
Performance Measure		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Maintain an organizational structure that supports consistent, effective, and accountable operations.						
1. Percent of retirees who receive their first annuity payment on their scheduled retirement date	actual	95%	95%	95%	95%	
	target	95%	95%	95%	95%	95%
2. Number of business days to produce a written benefit estimate after a request is received	actual	6.3	5.6	7.4	9.4	
	target	7	7	7	7	7
3. Number of days to produce a separations benefit after receipt of final salary via transmittal	actual	6.9	7.6	8.9	6.9	
	target	7	7	7	7	7
4. Average number of days after receipt to process employer transmittals—	actual	1.50	1.9	2.07	2.52	
	target	3	3	3	3	3

Key Indicators: Employers, Members & Funded Status

Employer Types

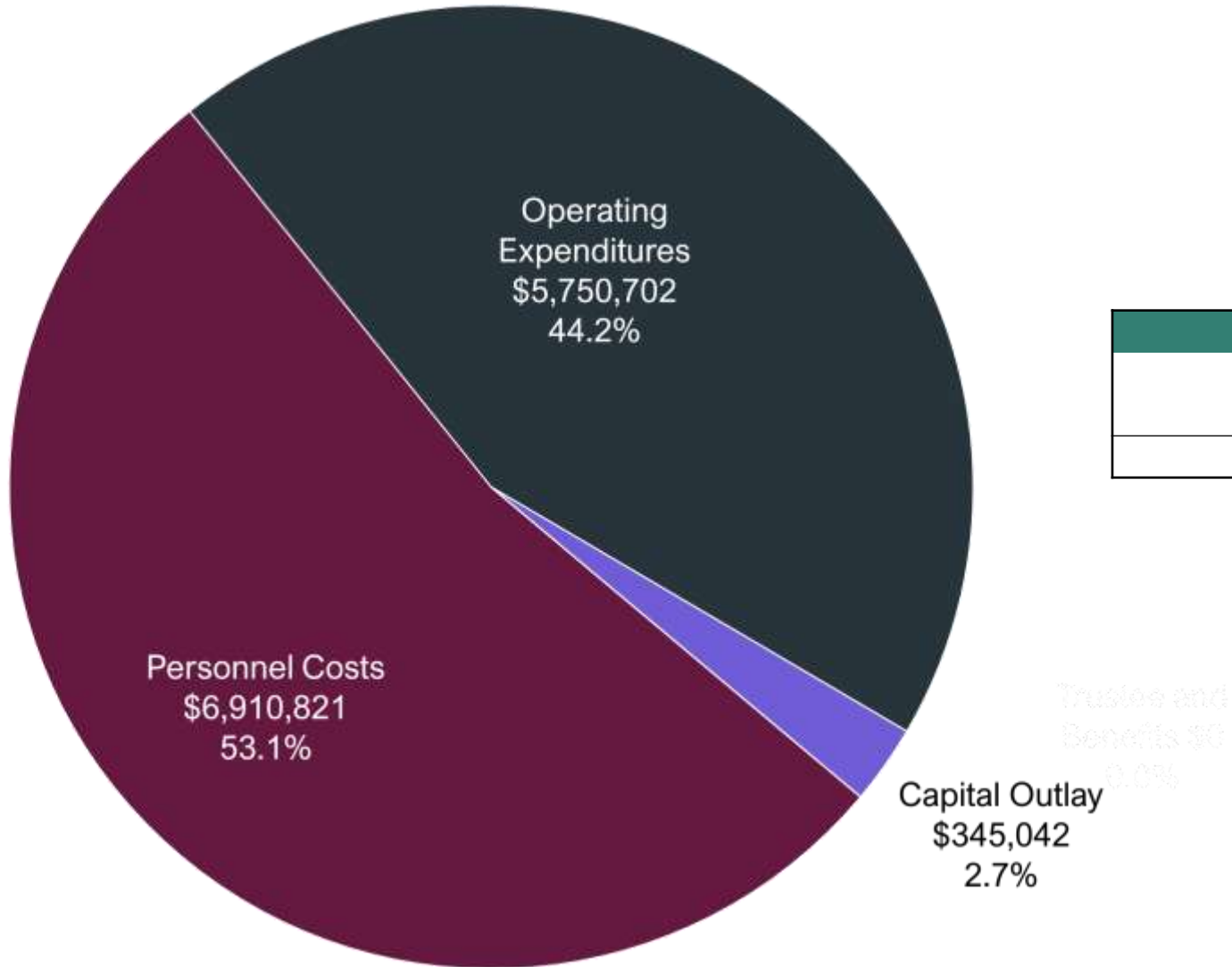


Plan Membership



FY 2025 Expenditures

<i>Appropriated</i>	
	Total \$13,006,564



<i>Continuously Appropriated</i>	
Professional Services	\$284,145
Pension Payments	\$268,225,298
Total	\$268,509,442

Five-Year Base Snapshot

Fiscal Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026*
1. Total FTP	73.00	73.00	81.00	81.00	81.00
2. Current Year Base	8,731,400	8,850,900	9,288,400	10,409,600	10,544,500
3. Benefits Costs	20,100	42,100	55,800	(20,200)	92,600
4. Inflationary Adjustments			12,900		
5. Statewide Cost Allocation	(6,900)	(24,300)	23,600	(30,800)	10,200
6. CEC	106,300	383,200	221,300	61,500	356,700
7. Total Ongoing Maintenance Change	119,500	401,000	313,600	10,500	459,500
8. <i>% Chg from Current Year Base (line 7 / 2)</i>	<i>1.4%</i>	<i>4.5%</i>	<i>3.4%</i>	<i>0.1%</i>	<i>4.4%</i>
9. Ongoing Enhancements		36,500	807,600	124,400	12,500
10. Total Ongoing Enhancements Change	0	36,500	807,600	124,400	12,500
11. <i>% Chg from Current Year Base (line 10 / 2)</i>	<i>0.0%</i>	<i>0.4%</i>	<i>8.7%</i>	<i>1.2%</i>	<i>0.1%</i>
12. Next Year Base (line 2 + 7 + 10)	8,850,900	9,288,400	10,409,600	10,544,500	11,016,500*
13. Total Base Change (line 12 - 2)	119,500	437,500	1,121,200	134,900	472,000
14. <i>% Chg from Current Year Base (line 13 / 2)</i>	<i>1.4%</i>	<i>4.9%</i>	<i>12.1%</i>	<i>1.3%</i>	<i>4.5%</i>

*Next Year Base not set. Ongoing Original Appropriation used instead.

FY 2025 Expenditures – Personnel Costs

53.1% of Appropriated Expenditures

Gross Salary and Wages: \$4,898,114

Employees	\$4,890,176
Temporary Employees	\$7,938



Employee Benefits: \$2,012,707

Other Employee Benefits	\$992,882
Employer Retirement Contribution	\$580,352
Social Security and Medicare	\$344,977
DHR	\$87,614
Workers Compensation	\$6,882

PERSI expended a total of \$6,910,821 on personnel costs.

FY 2025 Expenditures - Operating Expenditures

44.2% of Appropriated Expenditures

Expenditure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	% of Total
Computer Services	\$15,844	\$74,132	\$964,351	\$2,333,769	\$3,354,948	55.6%
Repair & Maintenance Services	\$729,489	\$675,903	\$699,335	\$743,196	\$593,790	9.8%
Rentals & Operating Leases	\$501,670	\$446,703	\$452,922	\$340,971	\$465,815	7.7%
Communication Costs	\$303,033	\$292,160	\$342,726	\$381,697	\$379,138	6.3%
Professional Services	\$1,045,501	\$904,026	\$725,936	\$501,107	\$566,375	9.4%
Employee Travel Costs	\$46,400	\$130,201	\$156,854	\$229,347	\$215,614	3.6%
Miscellaneous Expenditures	\$62,788	\$68,521	\$59,141	\$226,697	\$170,745	2.8%
Employee Development Costs	\$73,655	\$80,185	\$116,472	\$145,865	\$102,502	1.7%
Administrative Services	\$56,674	\$48,556	\$37,317	\$51,914	\$84,179	1.4%
Administrative Supplies	\$21,790	\$33,343	\$46,459	\$52,924	\$36,504	0.6%
Computer Supplies	\$58,842	\$161,206	\$99,067	\$56,352	\$20,026	0.3%
Insurance	\$17,144	\$16,679	\$1,381	\$11,763	\$17,447	0.3%
General Services	\$2,500	\$24,867	\$15,403	\$4,388	\$16,325	0.3%
Repair & Maintenance Supplies	\$1,201	\$1,996	\$1,999	\$2,287	\$7,847	0.1%
Utility Charges				\$3,425	\$3,202	0.1%
Specific Use Supplies	\$2,140	\$484	\$899	\$1,312	\$389	0.0%
Fuel & Lubricant Costs			\$218			-
Institutional & Residential Supplies	2800	\$93				-
Total	\$2,941,472	\$2,959,056	\$3,720,480	\$5,087,013	\$6,034,847	-

Table includes both appropriated and continuously appropriated funds.

FY 2025 Expenditures – Trustee & Benefit Payments

95.3% of Total Expenditures

Expenditure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	% of Total
Pension Payments	\$216,931,147	\$235,361,731	\$244,958,470	\$245,913,442	\$268,225,298	100.0%
Total	\$216,931,147	\$235,361,731	\$244,958,470	\$245,913,442	\$268,225,298	-

2021 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Internal Actuary	Enhancement	\$180,100
Retirement Specialist Reclassification	Enhancement	\$142,100
Additional Retirement Specialist	Enhancement	\$64,700
Increased Software License Costs	Enhancement	\$7,000
OITS 1 - Operating Costs	Enhancement	\$1,000
Total Ongoing Base Change from Enhancements		\$394,900

2022 Budget Enhancements

No Ongoing Enhancements

2023 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Increase Personnel Costs for Actuary	Enhancement	\$36,500
Total Ongoing Base Change from Enhancements		\$36,500

Onetime Enhancement Name	Type	Amount
Pension Software Upgrade	Enhancement	\$3,000,000
Total Onetime Base Change from Enhancements		\$3,000,000

2024 Budget Enhancements

Ongoing Enhancement Name	Type	Amount
Salary Adjustment for Invest. Officer	Enhancement	\$71,700
DHR Consolidation	Enhancement	(\$25,200)
Travel Expenses for Member Education	Enhancement	\$27,500
Salary Increase for Entry Level Positions	Enhancement	\$100,000
New Positions	Enhancement	\$633,600
Total Ongoing Base Change from Enhancements		\$807,600

Onetime Enhancement Name	Type	Amount
Pension Software Upgrade	Enhancement	\$3,000,000
Total Onetime Base Change from Enhancements		\$3,000,000

Agency Funds – Sources and Uses

Fund: PERSI Administrative

Sources: Public employees and employers make contributions to PERSI. In order to maximize the return on investment of these contributions, only a minimum amount of money is kept on deposit at the State Treasurer's Office. The total source of funds held by the PERSI trust at the master custodian bank is made up of contributions and investment earnings.

Uses: Money is wired from PERSI's master custodian bank only when funds are needed to pay administrative expenses or other authorized expenses for agency personnel costs and operating expenditures. All moneys transferred to the Administrative Fund are available to the board for the payment of administrative expenses only to the extent so appropriated by the Legislature.

Agency Funds – Sources and Uses

Fund: PERSI Special

Sources: Public employees and employers make contributions to PERSI. In order to maximize the return on investment of these contributions, only a minimum amount of money is kept on deposit at the State Treasurer's Office. The total source of funds held by the PERSI trust at the master custodian bank is made up of contributions and investment earnings.

Uses: Portfolio staff salaries, related travel expenses, and operating expenses are paid through this fund. Money is wired in from PERSI's master custodian bank only when funds are needed to pay administrative expenses, benefits, or other authorized expenses. Although Section 59-1311, Idaho Code, provides that all moneys in this fund are perpetually appropriated, pursuant to Section 67-3514, Idaho Code, the Joint Finance-Appropriations Committee appropriates certain administrative expenses and portfolio related administrative expenses. All other funds are perpetually appropriated as directed by the PERSI Board. Expenses that qualify as portfolio expenses include but are not limited to: reporting services, investment advisory services, funding agent fees, money management fees, and investment staff expenses, including hiring of investment management personnel (§59-1311). The majority of portfolio related expenses (custody fees, advisory and reporting services, and money manager fees) are paid through the system's master custodian bank. Separation benefits, death benefits, and a portion of retiree payroll benefits (other than direct deposit) are also paid through this fund in the form of a state warrant. Direct deposit retiree benefits are paid through a local bank with funds wired in from the master custodian bank.

Agency Funds – Sources and Uses

Fund: Judges' Retirement

Sources: Judges and the Courts make contributions to PERSI.

Uses: All money in the Judges Retirement Fund (JRF) is perpetually appropriated to pay retired justices and judges and the allowances to surviving spouses (Section 1-2002, Idaho Code). The JRF was moved into PERSI beginning in FY 2015; previous administration of the fund was under the Judicial Branch. Currently, the JRF has approximately 150 active and retired members.

Agency Funds – Sources and Uses

Fund: PERSI - Retiree Medical Insurance

Sources: This fund is commonly referred to as the Sick Leave Insurance Reserve Fund. Each employer in state government and employing school district contributes to a Sick Leave Fund maintained by PERSI exclusively for the purpose of the provisions of Section 67-5333, Idaho Code, and Section 33-1228, Idaho Code, for state employees and school district employees respectively. The rate of contributions will consist of a percentage of employees' salaries as determined by the PERSI Board. Any excess balance in the Sick Leave Fund will be invested, and the earnings will accrue to the Sick Leave Fund, except the amount required by the board to defray administrative expenses. All moneys payable to the Sick Leave Fund are perpetually appropriated to the board, and will not be included in its departmental budget. A voluntary unused sick leave pool was authorized July 1, 2000 (Section 59-1365, Idaho Code) for PERSI employer units not eligible to participate in those established for state government and school districts by Section 67-5339, Idaho Code, and Section 33-1228, Idaho Code.

Uses: Upon separation from an eligible employer, by an eligible PERSI member, the unused portion of the employee's accumulated sick leave will be subject to calculation to determine the monetary value of the leave. Such sums will be used by the PERSI Board to continue to pay premiums for the employee's group health, dental, vision, long-term care, and prescription drug insurance programs as may be maintained by the employer for retirees, to the extent of the funds credited to the employee's account. Currently, the state or school employer must report to PERSI the employee's rate of pay and unused sick leave balance at retirement. The amount of unused sick leave that may be available to pay premiums is limited by the total amount of unused sick leave the employee can accrue and is also limited by the required statutory conversion formula: For school district employees, the calculation is made using the following formula: $(\text{days of unused sick leave} / 2) * (\text{daily rate of pay at time of retirement})$. Different school districts have different maximums on sick leave accrual. There are also statutory limitations on transfer of sick leave. Where the daily rate is affected by changes in the work week such as adoption of a four day work week or similar event, adjustments shall be made to maintain equity within the pool. For employees of state agencies, colleges and universities, and community colleges, the calculation is made using the following formula: $(\text{hours of unused sick leave} / 2) * (\text{hourly rate of pay at time of retirement})$. Section 67- 5333, Idaho Code, limits the number of hours that can be converted based on the amount of state service or a ceiling of 600 hours. Upon an employee's death, any unexpended sums remaining in the fund will revert to the Sick Leave Fund.

Agency Funds – Sources and Uses

Fund: Retirement Medical Insurance State

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Agency Funds – Sources and Uses

Fund: Retirement Medical Insurance Schools

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