

IDAPA 59 - PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO

59.01.03 - PERSI CONTRIBUTION RULES

DOCKET NO. 59-0103-1403

NOTICE OF RULEMAKING - ADOPTION OF TEMPORARY RULE

EFFECTIVE DATE: The effective date of the temporary rule is October 21, 2014.

AUTHORITY: In compliance with Sections 67-5226, Idaho Code, notice is hereby given this agency has adopted a temporary rule. The action is authorized pursuant to Sections 59-1314(1) and 72-1405, Idaho Code.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule:

To reduce the excess merger cost portion of the firefighter retirement fund employer rate. Also, revises description of total rate in Rule 27.

TEMPORARY RULE JUSTIFICATION: Pursuant to Section(s) 67-5226(1)(c), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

To reduce the excess merger cost portion of the firefighter retirement fund employer rate. Actuarial valuation of the firefighter retirement fund indicates it is appropriate to reduce the rate.

FEE SUMMARY: Pursuant to Section 67-5226(2), the Governor has found that the fee or charge being imposed or increased is justified and necessary to avoid immediate danger and the fee is described herein:

Not applicable.

ASSISTANCE ON TECHNICAL QUESTIONS: For assistance on technical questions concerning the temporary rule, contact Joanna L. Guilfooy, (208) 287-9271.

DATED this 21st Day of October, 2014.

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THE FOLLOWING IS THE TEXT OF THE TEMPORARY RULE FOR DOCKET NO. 59-0103-1403 (Only those Sections being amended are shown.)

027. FIREFIGHTER RETIREMENT FUND EMPLOYER RATE (RULE 27).

The Firefighter Retirement Fund employer rate shall be: (10-1-94)

01. Option I and II Firefighters. For option I and II firefighters hired before October 1, 1980, as follows:

Option I And II Firefighters	
PERSI Employer Contribution Rate:	Ten point eleven percent (10.11%) of payroll through June 30, 2004. Beginning July 1, 2004, the rate shall be ten point seventy-three percent (10.73%) of payroll through June 30, 2013. Beginning July 1, 2013, the rate shall be eleven point sixty-six percent (11.66%) of payroll through June 30, 2015. Beginning July 1, 2015, the rate shall be twelve point fifty-eight percent (12.58%) of payroll through June 30, 2016. Beginning July 1, 2016, the rate shall be thirteen point ninety-nine percent (13.99%) of payroll until next determined by the Board.
Additional Employer Rate:	One percent (1.00%)
Social Security Rate:	Seven point sixty-five percent (7.65%)
Excess Merger Costs <u>Rate</u> :	Seventeen point twenty-four percent (17.24%) <u>through December 31, 2014. Beginning January 1, 2015, five percent (5%)</u> until next determined by the Board.
TOTAL Contribution <u>Rate</u> :	Thirty six percent (36%) of payroll through June 30, 2004. Beginning July 1, 2004, the rate shall be thirty six point sixty two percent (36.62%) of payroll through June 30, 2013. Beginning July 1, 2013, the rate shall be thirty seven point fifty five percent (37.55%) of payroll through June 30, 2015. Beginning July 1, 2015, the rate shall be thirty eight point forty seven percent (38.47%) of payroll through June 30, 2016. Beginning July 1, 2016, the rate shall be thirty nine point eighty eight percent (39.88%) of payroll until next determined by the Board. <u>The total contribution rate is the sum of the PERSI employer contribution rate, the additional employer rate, the social security rate and the excess merger costs rate.</u>

~~(10-15-13)T~~(10-21-14)T

02. Class D Firefighters. For class D firefighters (firefighters employed on or after October 1, 1980, by a city or fire district that employs paid firefighters who are participating in the Firefighters' Retirement Fund), as follows:

Class D Firefighters	
PERSI Employer Contribution Rate:	Ten point eleven percent (10.11%) of payroll through June 30, 2004. Beginning July 1, 2004, the rate shall be ten point seventy-three percent (10.73%) of payroll through June 30, 2013. Beginning July 1, 2013, the rate shall be eleven point sixty-six percent (11.66%) of payroll through June 30, 2015. Beginning July 1, 2015, the rate shall be twelve point fifty-eight percent (12.58%) of payroll through June 30, 2016. Beginning July 1, 2016, the rate shall be thirteen point ninety-nine percent (13.99%) of payroll until next determined by the Board.
Excess Merger Costs <u>Rate</u> :	Seventeen point twenty-four percent (17.24%) <u>through December 31, 2014. Beginning January 1, 2015, five percent (5%)</u> until next determined by the Board.

Class D Firefighters	
TOTAL Contribution <u>Rate</u> :	Twenty seven point thirty five percent (27.35%) of payroll through June 30, 2004. Beginning July 1, 2004, the rate shall be twenty seven point ninety seven percent (27.97%) of payroll through June 30, 2013. Beginning July 1, 2013, the rate shall be twenty eight point nine percent (28.9%) of payroll through June 30, 2015. Beginning July 1, 2015, the rate shall be twenty nine point eighty two percent (29.82%) of payroll through June 30, 2016. Beginning July 1, 2016, the rate shall be thirty one point twenty three percent (31.23%) of payroll until next determined by the Board. <u>The total contribution rate is the sum of the PERSI employer contribution rate and the excess merger costs rate.</u>

Statutory References: Sections 59-1302(16), 59-1391, 59-1394, 59-1397, 72-1403, and 72-1434, Idaho Code. Cross References: (Amended 10-1-94) (Amended 10-1-97) (Amended 10-1-98) (Amended 10-1-99) (Amended 7-1-00) (Amended 3-30-01) (Amended 7-1-03) (Amended 3-20-04) ~~(10-15-13)T~~(10-21-14)T

03. Class E Members. For class E members (general members who meet the definition of paid firefighter under Section 59-1391(f), Idaho Code, but are not firefighters as defined in Section 59-1302(16), Idaho Code) the employer general member contribution rate as provided in Rule 26, plus the excess merger costs specified in Subsection 027.01. (3-20-04)