



IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Gregory S. Samorajski, CFA
Chief Executive Officer

Kim Reynolds
Governor

Adam Gregg
Lt. Governor

AGENDA

Monday, April 28, 2025

1:00 p.m.

BENEFITS ADVISORY COMMITTEE

Video / Telephonic Meeting

Conference Telephone #: 646-931-3860

Meeting ID: 834 5693 6246

- 1) Call to Order / 1:00 p.m.
 - a) Roll Call of Members
- 2) BAC Membership Elections
 - a) School Administrators of Iowa - Member Association
 - b) International Brotherhood of Teamsters - Member Association
 - c) AFSCME - Member Association
- 3) Approval of Previous Meeting Minutes - February 24, 2025
- 4) CEM Pension Administration Report - Christopher Doll
- 5) CEO Report - Greg Samorajski
- 6) 2025 Legislative Session - Shawna Lode
- 7) Staff Reports
 - a) Benefits Update - Steven Herbert
 - b) Investment Update - Sriram Lakshminarayanan
 - c) Appeals Report - Elizabeth Hennessey
- 8) Other Business
- 9) Public Comments
- 10) Future Meeting Dates
 - Investment Board Meeting - June 19, 2025
 - BAC Meeting - August 25, 2025



BENEFITS ADVISORY COMMITTEE
MEETING MINUTES
Virtual / Telephonic Meeting
February 24, 2025

The following people attended the IPERS Benefits Advisory Committee (BAC) meeting on Monday, February 24, 2025.

Members of the Benefits Advisory Committee - Present

| | |
|--------------------------|------------------|
| Lowell Dauenbaugh, Chair | Richard Hoffman |
| Matt Carver, Vice Chair | Steve Hoffman |
| Sue Cave | Brian McDonough |
| Len Cockman, | Erin Mullenix |
| Andrew Hennesy | Melissa Peterson |
| John Hieronymus | Adam Steen |

Members of the Benefits Advisory Committee - Absent

Todd Copley
Connie Kuennen

IPERS Administration and Staff

| | |
|--|---|
| Greg Samorajski, Chief Executive Officer | Elizabeth Hennessey, General Counsel |
| Melinda McElroy, Executive Assistant | Shawna Lode, Chief Strategy Officer |
| Sriram Lakshminarayanan, CIO | Rick Hindman, Deputy Executive Director |

Call to Order

Lowell Dauenbaugh, chair, called the meeting to order at 1:00 p.m.

Approval of Meeting Minutes

Matt Carver moved to approve the minutes from the October 28, 2024, BAC meeting. Len Cockman seconded. The motion carried by unanimous voice vote.

CEO Report – Greg Samorajski

Greg Samorajski shared IPERS' concerns with SSB1056, a bill relating to shareholder proxy voting. He noted the bill is unnecessary because IPERS' existing investment policy includes provisions that address the intent of the legislation. And the bill imposes new, onerous responsibilities on IPERS and its investment managers.

IPERS Chief Benefits Officer Finalist Introduction – Greg Samorajski

Three members of the BAC – Lowell Dauenbaugh, Matt Carver and Melissa Peterson, along with two IPERS staff members – Greg Samorajski and Jan Hawkins, conducted interviews for the Chief Benefits Officer position. The committee selected Steven Herbert as the finalist candidate. Greg introduced Steven and invited the BAC members to ask questions of him.

Investment Board Appointment (Active Non-Educational Member) – Greg Samorajski

The IPERS Investment Board includes three positions that must be filled by IPERS members. The BAC is responsible for submitting a slate of nominees for these positions to the Governor. Currently the active, non-educational seat is held by Kristine Rowley, whose term on the Investment Board expires on May 1, 2025, and has expressed her interest in being reappointed to the Board. Matt Carver moved that the BAC support Kristine Rowley's reappointment to the Investment Board. Len Cockman seconded. The motion was unanimously approved by roll call vote.

2025 Legislative Session – Shawna Lode

Shawna Lode shared the status of several bills that IPERS is monitoring during this legislative session. She noted progress on two bills that aim to enhance benefits for IPERS Special Service members. The first bill expands the definition of cancer, and the second bill enhances benefits for Protection Occupation members, aligning them with the benefits provided to Sheriffs and Deputy Sheriffs members.

Administrative Rules – Elizabeth Hennessey

Elizabeth Hennessey reviewed the proposed administrative rules package. Matt Carver moved to support the rules package as presented. Erin Mullenix seconded. The motion was unanimously approved by roll call vote.

Staff Reports

Benefits Update – Jan Hawkins reported the form factor tables needed to calculate retirement estimates for Sheriffs and Deputy Sheriffs members using the increased multiplier of 2.5% for years of service between 22 and 30 are now in production. Since July 1, 2024, 65 Sheriffs and Deputy Sheriffs members have retired and are eligible for the new COLA provision. She concluded her report by mentioning IPERS will offer education sessions specifically for educators on March 15 and 17, which is spring break in many districts.

Investment Update – Sriram Lakshminarayanan reported that the IPERS Trust Fund balance is \$45.646 billion and provided a general update on the investment market.

Appeals Update – Elizabeth Hennessey reviewed the Appeal Status report as of February 2025.

Other Business

None

Public Comments

None

Future Meeting Dates

The next scheduled BAC meeting is set for Monday, April 28, 2025. With no further business to come before the committee, Matt Carver moved to adjourn the meeting. Erin Mullenix seconded. The motion carried by unanimous voice vote. Meeting adjourned at 1:50 p.m.

Gregory S. Samorajski, CFA
Chief Executive Officer

Chris Cournoyer
Lt. Governor

April 24, 2025

TO: IPERS Benefits Advisory Committee Members

FR: Greg Samorajski, CEO

RE: Election of Three Employee Representative Voting Seats

The BAC has four employee representative voting positions. One of these four must be an organization that represents teachers. This position is currently filled by ISEA and does not expire until April 30, 2026.

The other three employee voting positions are open to any BAC member organization representing active and retired IPERS members. These three positions are currently filled by AFSCME, International Brotherhood of Teamsters and the School Administrators of Iowa. All three terms expire April 30, 2025. Therefore, the BAC must hold an election to fill these three positions. These representatives shall be elected by the full membership of the BAC.

The following employee member organizations are eligible for nomination:

- AFSCME
- International Brotherhood of Teamsters
- IPERS Improvement Association
- Iowa State Sheriffs and Deputies Association
- Retired School Personnel Association
- School Administrators of Iowa
- State Police Officers Council



Iowa PERS

CEM Pension Administration Benchmark Report - 2024

April 28, 2025

Key takeaways:

Cost

- Your total pension administration cost of \$51 per active member and annuitant was \$87 below the peer average of \$139.
- This is mainly because you had lower support costs per member.
- Your total pension administration costs per active member and annuitant increased by 15.6% in the year and decreased by 1.1% per annum over the last 8 year.
- For your peers the average cost increased by 6.3% in the year, and increased by 2.9% per annum over the past 8 years.

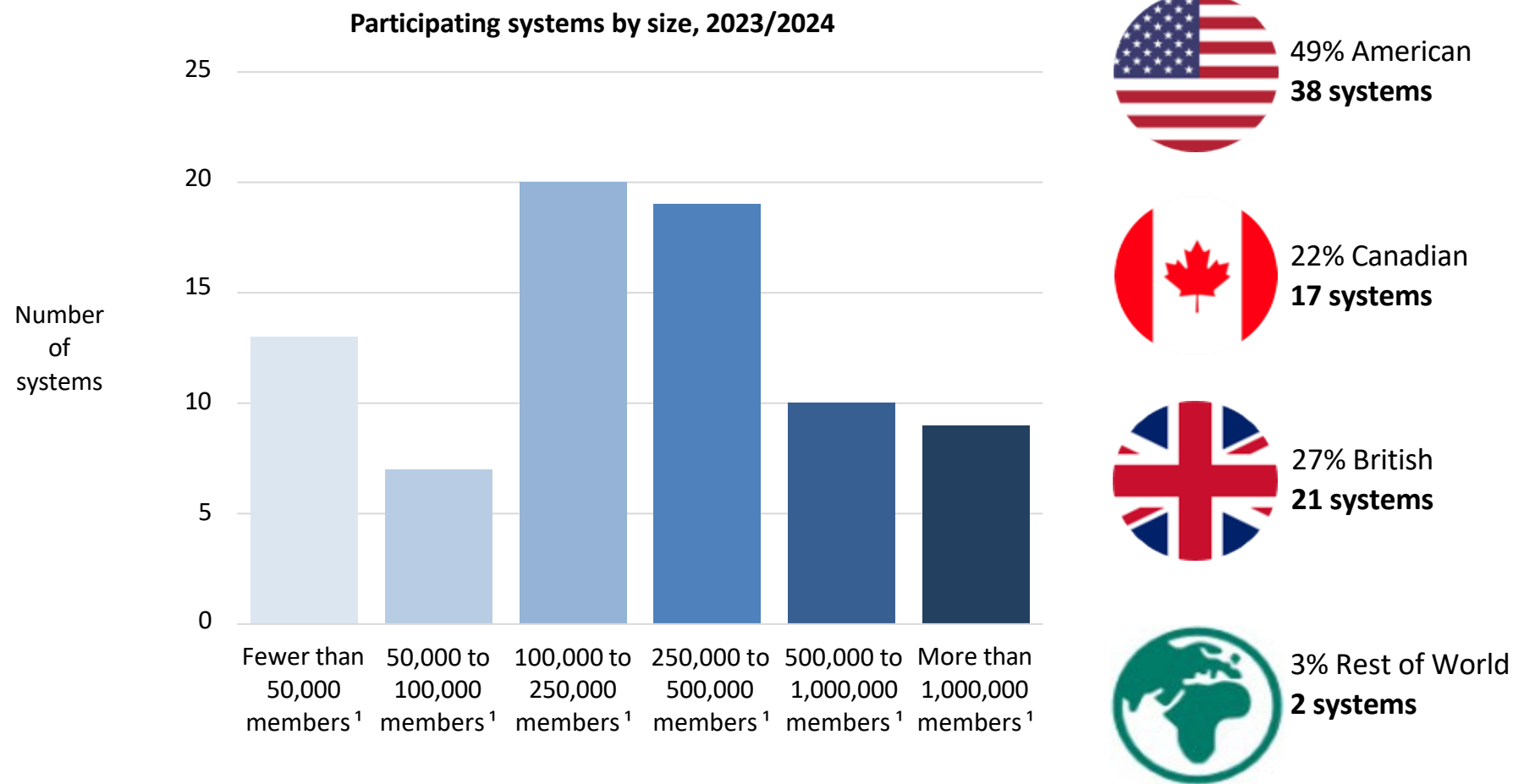
Service

- Your total service score was 73. This was below the peer median of 82.
- You scored well for service in these areas:
 - Feedback
 - Salary and credit information
 - Pension and disability inception
- You scored below your peers in these areas:
 - Contact center: accessibility, capability and call quality
 - Member presentations
- Your service score has increased from 65 to 73 between 2017 and 2024.

Cost effectiveness

- You were lower cost and lower service than the average participant in the CEM universe.

Insights are based on the 78 global pension systems that participate in the benchmarking subscription.



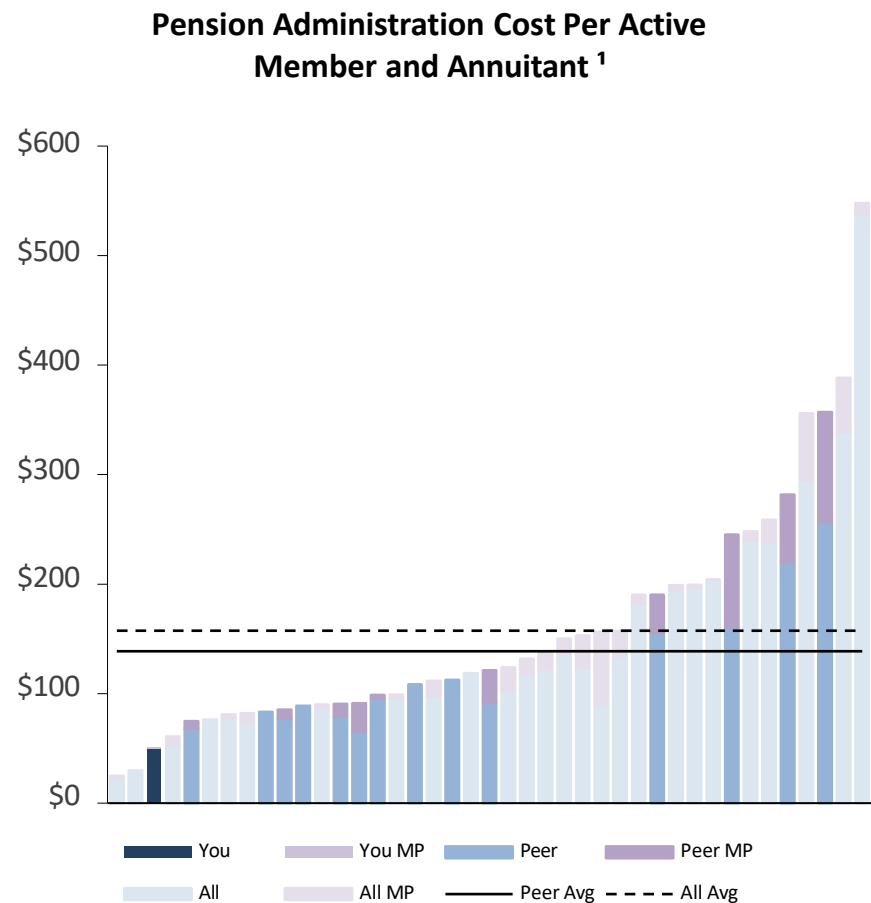
1. Members is equal to the number of active members and annuitants.
2. UK and Local Government systems complete a different benchmarking survey. Their data is not included in this report.

This report compares your pension administration costs and member service to a custom peer group.

| Custom Peer Group for Iowa PERS | | | | |
|---------------------------------|------------------------|-----------------------------|-------------|--------------------|
| # | System | Number of members (in 000s) | | |
| | | Active Members | Annuityants | Total ¹ |
| 1 | Washington State DRS | 363 | 233 | 595 |
| 2 | Indiana PRS | 253 | 177 | 430 |
| 3 | Arizona SRS | 221 | 175 | 396 |
| 4 | Colorado PERA | 245 | 137 | 382 |
| 5 | NYCERS | 186 | 179 | 365 |
| 6 | Oregon PERS | 192 | 168 | 359 |
| 7 | STRS Ohio | 192 | 157 | 349 |
| 8 | Illinois MRF | 181 | 153 | 334 |
| 9 | Iowa PERS | 183 | 136 | 319 |
| 10 | TRS Illinois | 172 | 133 | 305 |
| 11 | Kansas PERS | 152 | 113 | 265 |
| 12 | PSRS PEERS of Missouri | 132 | 110 | 242 |
| 13 | UCRP | 152 | 89 | 241 |
| 14 | NYC TRS | 128 | 93 | 221 |
| 15 | TRS Louisiana | 95 | 85 | 180 |
| | Median | 183 | 137 | 334 |
| | Average | 190 | 142 | 332 |

1. Inactive members are not considered when selecting peers because they are excluded when determining cost per member. They are excluded because they are less costly to administer than active members or annuityants.

Your total pension administration cost of \$51 per active member and annuitant was \$87 below the peer average of \$139.



1. Major project costs are denoted by the lighter shading on the bars. These one-off costs correspond to administration projects only.

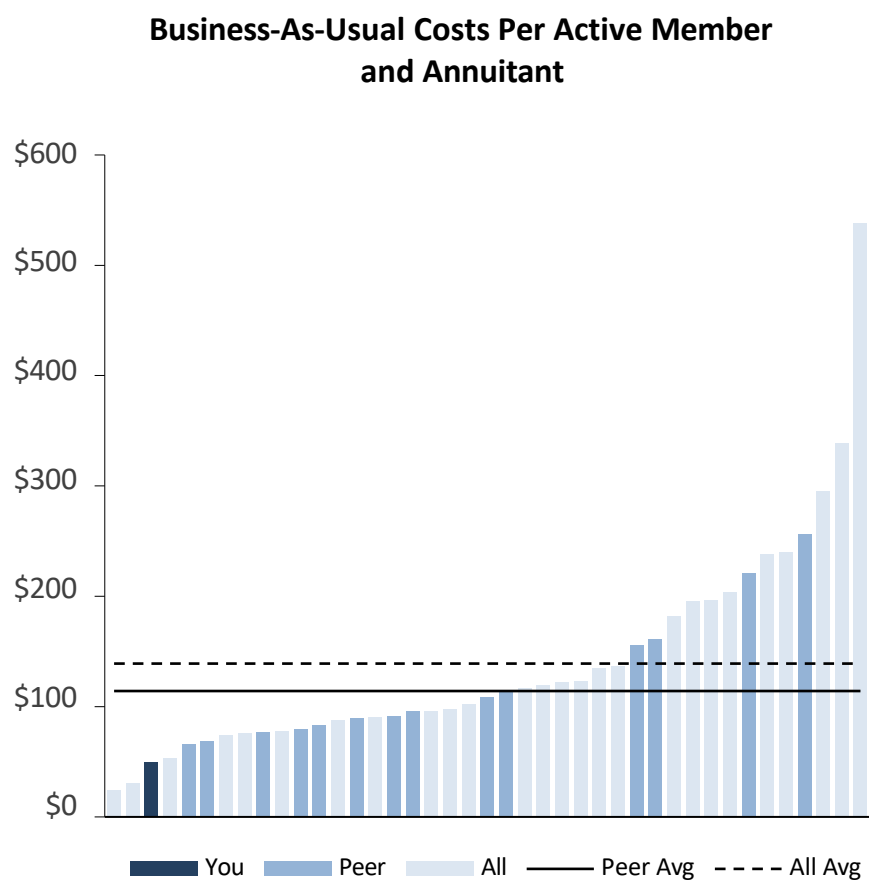
*The difference between two costs may not match the difference between their rounded values.

| Category | \$000s | \$ per Active Member and Annuitant | |
|----------------------------------|--------|------------------------------------|----------|
| | | You | Peer Avg |
| Business-As-Usual Costs | 15,863 | 50 | 114 |
| Major Project Costs ¹ | 529 | 2 | 25 |
| Total Pension Administration | 16,391 | 51 | 139 |

We include costs that are directly related to pension administration (e.g., staff costs or an third-party costs) plus attributions of governance, financial control, IT, building and utilities, HR, support services and other costs.

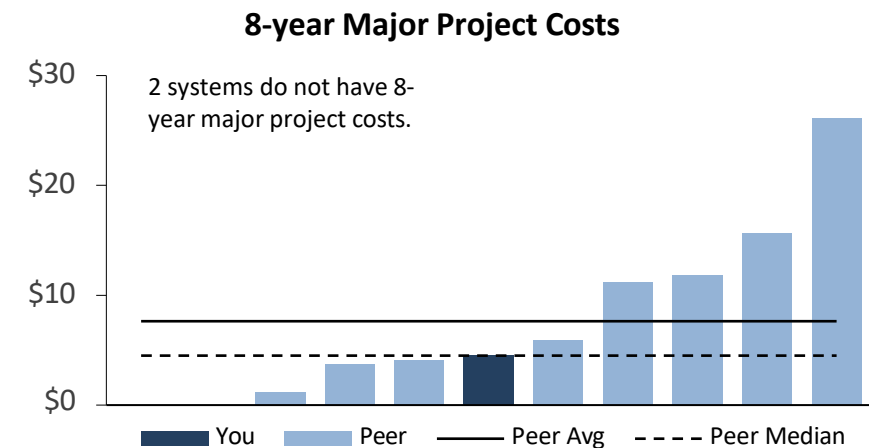
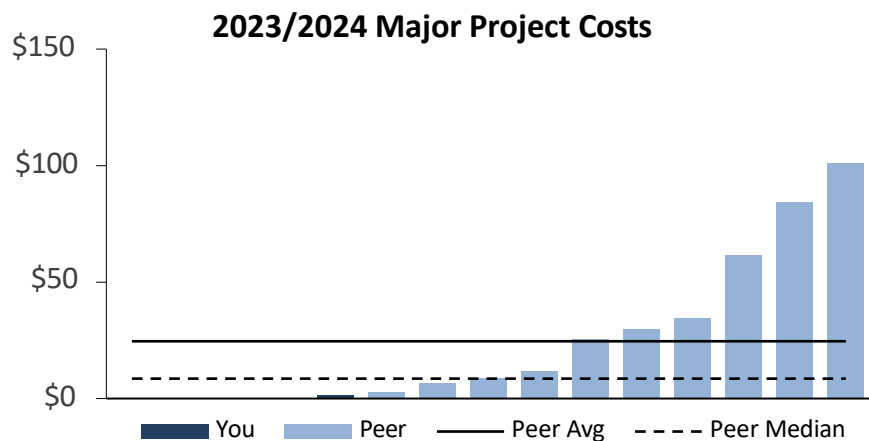
The costs associated with investment operations and investment management are specifically excluded.

Your Business-As-Usual (BAU) costs of \$50 per active member and annuitant was \$64 below the peer average of \$114.



| | | \$ per Active Member and Annuitant | |
|----------------------------------|---------------|------------------------------------|----------|
| Category | \$000s You | You | Peer Avg |
| <u>Front office</u> | | | |
| Member Transactions | 1,775 | 6 | 20 |
| Member Communication | 2,359 | 7 | 19 |
| Collections & Data Maintenance | 1,816 | 6 | 11 |
| <u>Governance and support</u> | | | |
| Governance and Financial Control | 1,499 | 5 | 12 |
| Information Technology | 4,744 | 15 | 29 |
| Building | 2,367 | 7 | 7 |
| HR | 149 | 0 | 3 |
| Actuarial | 213 | 1 | 2 |
| Legal | 509 | 2 | 4 |
| Audit | 319 | 1 | 3 |
| Pay-as-you-go Benefits | 18 | 0 | 1 |
| Other Support Services | 96 | 0 | 5 |
| Total Pension Administration | 15,863 | 50 | 114 |

Your Major Project costs of \$2 per active member and annuitant was \$23 below the peer average of \$25.



1. These costs are averaged over as many years as possible based on the system participation record, with a maximum of 8 years. Systems that have submitted less than 8 years of data are excluded.

| | Major Project Cost \$000s | \$ per Active Member and Annuitant | |
|---------------------------------|---------------------------|------------------------------------|----------|
| Category | You | You | Peer Avg |
| Single year 2023/2024 | 529 | 2 | 25 |
| Multi-year average ¹ | 1,439 | 5 | 8 |

What is included in major project costs:

- One-off costs that were not capitalized.
- Current year amortization on capitalized costs.
- Excluding attributed costs for healthcare, and optional and third-party administered benefits, if applicable.

Project costs reported this year by you:

- 2024 Amortization of costs

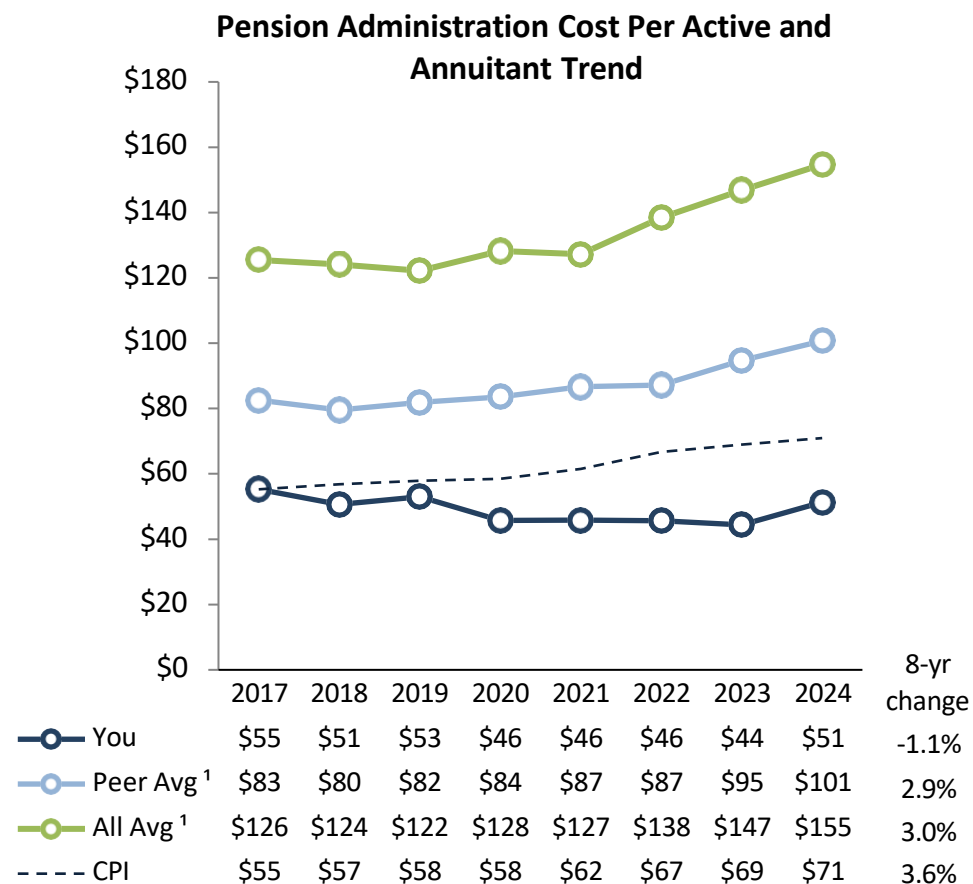
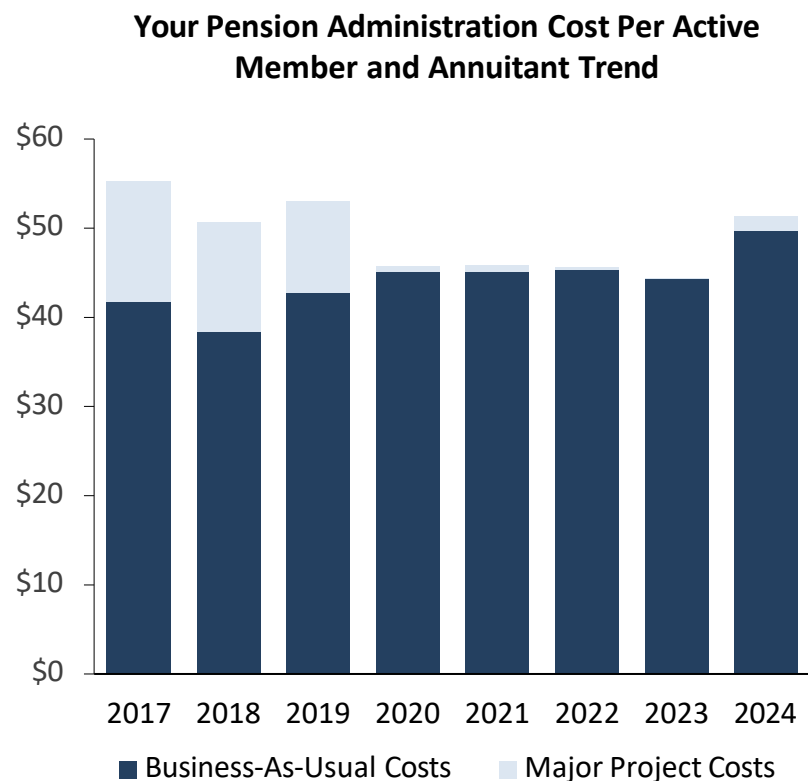
Reasons why your total cost per member was \$87 below the peer average:

| Reason | You | Peer Avg | Impact \$ per active member and annuitant |
|---|-----------------|-----------------|---|
| 1 Fewer front office FTE per 10,000 members | 1.3 FTE | 3.8 FTE | -\$42 |
| 2 Lower third party costs per member in the front office | \$4 | \$10 | -\$6 |
| 3 Higher costs per FTE | | | |
| Salaries and Benefits (incl. retiree benefits) ¹ | \$123,278 | \$120,625 | |
| Building and Utilities | \$38,207 | \$11,088 | |
| HR | \$2,408 | \$5,446 | |
| IT Desktop, Networks, Telecom | <u>\$11,737</u> | <u>\$15,287</u> | |
| Total | \$175,629 | \$152,446 | \$14 |
| 4 Lower support costs per member ² | | | |
| Governance and Financial Control | \$6 | \$13 | |
| Major Projects | \$2 | \$27 | |
| IT Strategy, Database, Applications | \$14 | \$20 | |
| IT Security | \$1 | \$4 | |
| Actuarial, Legal, Audit, Other | <u>\$4</u> | <u>\$16</u> | |
| Total | \$26 | \$79 | -\$53 |
| Total | | | -\$87 |

1. 42% of your total salaries and benefits relates to benefits. This compares to a peer average of 31%.

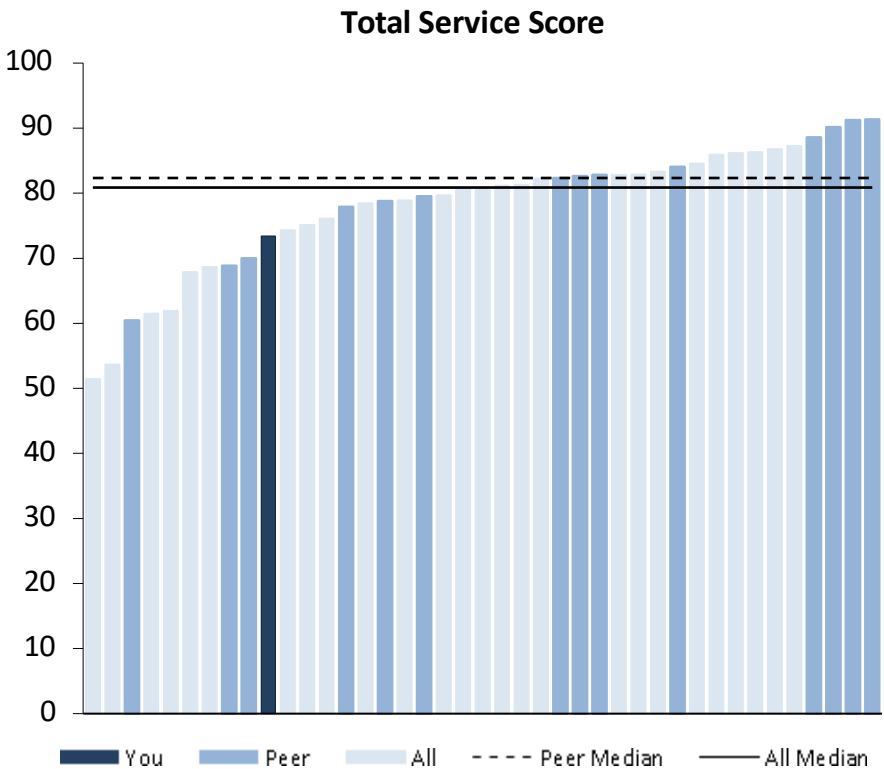
2. To avoid double counting, governance and support costs are adjusted for differences in cost per FTE.

Your total pension administration costs per active member and annuitant increased by 15.6% in the year and decreased by 1.1% per annum over the last 8 year.



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

Your total service score was 73. This was below the peer median of 82.



Looking at cost in isolation is unhelpful. Context is required, as is a means to measure value for money. CEM believes the right measure is member service, or the service score.

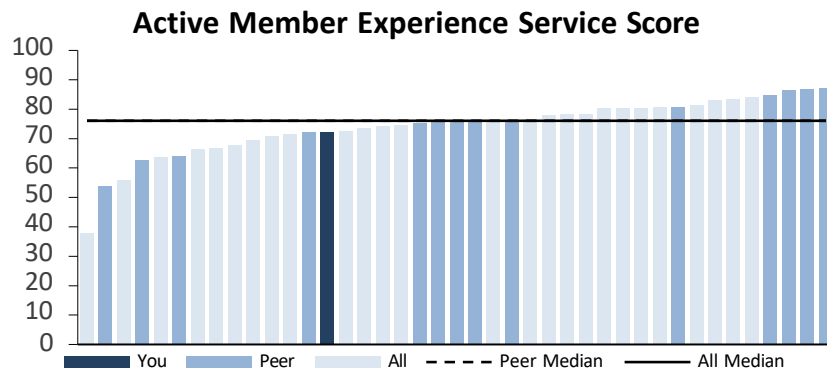
Service is defined from a member’s perspective. Higher service means more channels, faster turnaround times, more availability, more choice, better content and higher quality.

Higher service is not necessarily cost-effective. For example, the ability to answer the telephone 24 hours a day is higher service, but not cost effective.

Your total service score is the weighted average of the service scores for each of the four member journeys below.

| Service Scores by Journey | | | |
|----------------------------|--------|-----|-------------|
| Journey | Weight | You | Peer Median |
| Active member experience | 30% | 72 | 76 |
| Inactive member experience | 5% | 65 | 76 |
| Retiring experience | 35% | 72 | 80 |
| Annuitant experience | 30% | 78 | 88 |
| Total service score | 100% | 73 | 82 |

Your service score for the active member experience of 72 was below the peer median of 76.



| Activity | Weight | Peer | |
|--|--------|------|--------|
| | | You | Median |
| Targeted campaigns | 7.5% | 43 | 50 |
| Purchases and Transfers-in | 10.0% | 62 | 62 |
| Member statements | 12.5% | 86 | 60 |
| Personal information | 5.0% | 70 | 90 |
| Salary and service credit information | 5.0% | 100 | 100 |
| Secure website accessibility | 30.0% | 75 | 95 |
| Contact center: accessibility | 7.5% | 41 | 50 |
| Contact center: capability | 5.0% | 70 | 88 |
| Contact center: call quality | 5.0% | 70 | 83 |
| 1-on-1 counseling | 5.0% | 95 | 94 |
| Member presentations | 2.5% | 46 | 100 |
| Feedback | 5.0% | 100 | 80 |
| Active member experience service score | 100.0% | 72 | 76 |

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

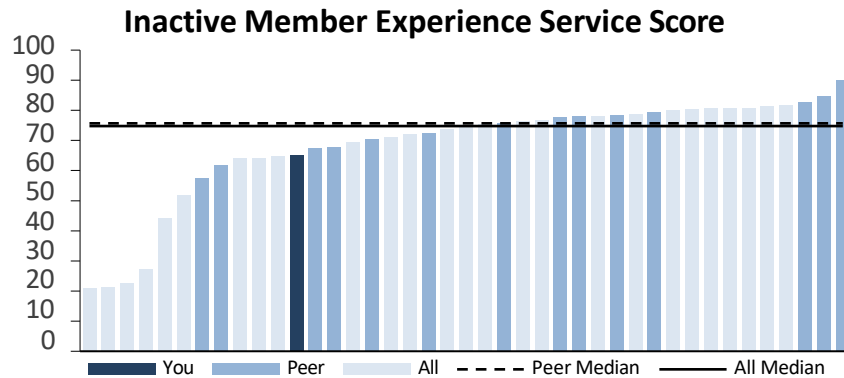
Your strengths

| Activity | Key drivers |
|----------------------------|---|
| Member statements | You provide comprehensive member statements and this is available in real time online (Peers: 20% also offer real-time updates). |
| Feedback | You have a robust VoC program surveying members at key touch points, such as, secure website (Peers: 57.1%). |
| Purchases and transfers-in | You provide a written estimate for service credit purchase in 5 days (Peers: 50 days). You also process transfers-ins faster: 1 month compared to a peer average of 2.3 months. |

Your opportunities

| Activity | Key drivers |
|-------------------------------|---|
| Secure website accessibility | Your active members access your secure site in lower numbers than your peers (You: 23%, Peers: 47%). Note: you were unable to provide the unique split, as such, CEM used our universe average to apply your split. |
| Contact center: accessibility | Your call wait time was 613 secs (Peers: 317 secs) and your undesired call outcome were 33% (Peers: 14%). 60% of your peers inform callers of the expected wait times. |
| Contact center: capability | 73% of your peers contact center staff have access to member's use of digital tools during telephone calls and offer features like co-browsing (Peers: 33%) to help serve member better. |
| Call quality | Your first contact resolution was 58.6% (Peers: 88%). |

Your service score for the inactive member experience of 65 was below the peer median of 76.



| Activity | Weight | You | Peer Median |
|--|--------|-----|-------------|
| Targeted campaigns | 10.0% | 15 | 15 |
| Tracking inactive members | 10.0% | 57 | 87 |
| Transfers-out | 5.0% | 80 | 80 |
| Personal information | 7.5% | 70 | 90 |
| Salary and service credit information | 5.0% | 100 | 100 |
| Secure website accessibility | 40.0% | 72 | 90 |
| Contact center: accessibility | 7.5% | 41 | 50 |
| Contact center: capability | 5.0% | 70 | 88 |
| Contact center: call quality | 5.0% | 70 | 83 |
| Feedback | 5.0% | 100 | 75 |
| Inactive member experience service score | 100.0% | 65 | 76 |

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

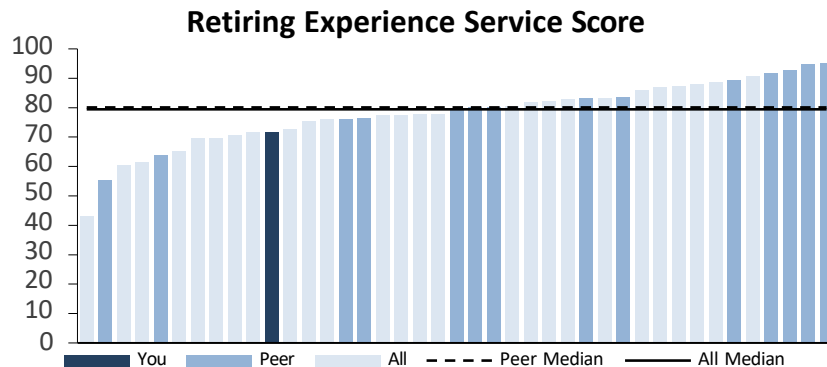
Your strengths

| Activity | Key drivers |
|---------------|---|
| Transfers-out | You provide members leaving the plan with their transfer value on a real-time basis over the phone (Peers: 80%) and transfers-out are completed in 2 days (Peers: 89 days). |

Your opportunities

| Activity | Key drivers |
|-------------------------------|--|
| Targeted campaigns | You have minimal communication with inactive members. 50% of your peers send newsletters to their inactive members and 47% of your peers send targeted communication to inactive members leaving the plan. |
| Tracking inactive members | You did not provide the number of inactive members that reached retirement age and did not receive benefits, most of your peers did. |
| Transfers-out | 50% of your peers allow members to apply for a transfer-out application online. |
| Personal information | Many of your peers offer online functionality, such as, members can upload documents (Peers: 73%) and change communication preferences (Peers: 40%). |
| Secure website: accessibility | Your inactive members access your secure site in lower numbers than your peers (You: 8%, Peers: 17%). Note: you were unable to provide the unique split, as such, CEM used our universe average to apply your split. |

Your service score for the retiring member experience of 72 was below the peer median of 80.



| Activity | Weight | Peer | |
|---------------------------------------|--------|------|--------|
| | | You | Median |
| Targeted campaigns | 7.5% | 10 | 88 |
| Pension estimates: self-service | 7.5% | 78 | 82 |
| Pension estimates: assisted service | 2.5% | 90 | 90 |
| Retirement applications | 7.5% | 30 | 75 |
| Pension inceptions | 10.0% | 99 | 94 |
| Disability inceptions | 5.0% | 100 | 90 |
| Personal information | 2.5% | 70 | 90 |
| Salary and service credit information | 2.5% | 100 | 100 |
| Secure website accessibility | 20.0% | 83 | 97 |
| Contact center: accessibility | 7.5% | 41 | 50 |
| Contact center: capability | 5.0% | 70 | 88 |
| Contact center: call quality | 5.0% | 70 | 83 |
| 1-on-1 counseling | 7.5% | 95 | 94 |
| Member presentations | 5.0% | 46 | 100 |
| Feedback | 5.0% | 100 | 70 |
| Retiring experience service score | 100.0% | 72 | 80 |

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

Your strengths

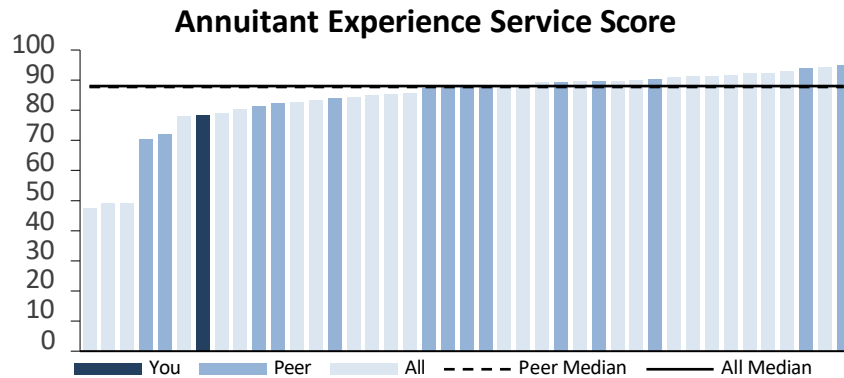
| Activity | Key drivers |
|---------------------------------------|--|
| Pension and disability inceptions | 100% of your member and survivors pensions were set up without cashflow interruption. (Peers: 85% for members, 63% for survivors). You process disability applications within 1 month (Peers: 3 months). |
| Salary and service credit information | You provide a complete history of salary and service credit (Peers: 67%) and it is current to the most recent period (Peers: 80%) online. |

| | |
|-------------------------------|--|
| Pension est: assisted service | Your turnaround time for processing written pension estimate is 0 days (Peers: 6.8 days). Your members can obtain a complete estimate over the phone and during 1on1 counseling sessions (Peers: 87%, 80% respectively). |
| Pension est: self-service | Your online pension estimate calculator has full capabilities allowing your members to model various retirement options. |

Your opportunities

| Activity | Key drivers |
|------------------------|---|
| Targeted campaigns | Your peers send targeted communication to active (Peers: 57%) and inactive members (Peers: 53%) to engage with them as they approach retirement. |
| Retirement application | 80% of your peers offer submission a retirement application online. You require a member's birth certificate before incepting a pension compared to 80% of your peers who do not. |
| Member presentations | 1.2% of your members attended presentations compared to 8% for your peers. |

Your service score for the annuitant experience of 78 was below the peer median of 88.



| Activity | Weight | You | Peer Median |
|------------------------------------|--------|-----|-------------|
| Targeted campaigns | 10.0% | 56 | 61 |
| Pension payments | 30.0% | 98 | 98 |
| Personal information | 5.0% | 70 | 90 |
| Secure website accessibility | 32.5% | 77 | 92 |
| Contact center: accessibility | 7.5% | 41 | 50 |
| Contact center: capability | 5.0% | 65 | 87 |
| Contact center: call quality | 5.0% | 70 | 83 |
| Feedback | 5.0% | 100 | 100 |
| Annuitant experience service score | 100.0% | 78 | 88 |

Green and red highlighting shows where your weighted score is 10% higher or 10% lower than the peer median.

Your strengths

Activity

Pension payments

Key drivers

Your annuitants have a full suite of tools to self service online, including, changing banking information (Peers:73%) and change withholding tax amounts (Peers: 80%).

Your opportunities

Activity

Targeted campaigns

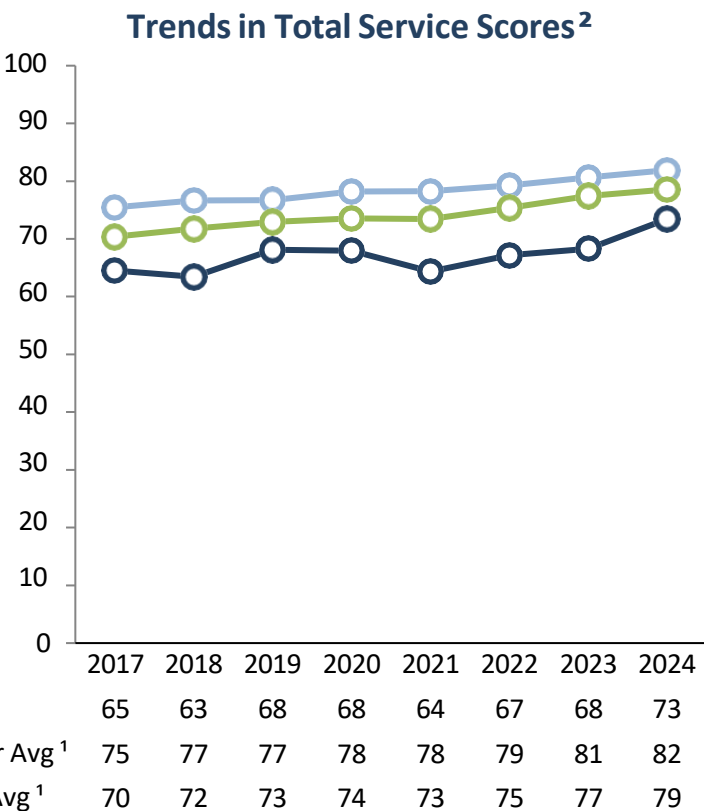
Key drivers

You have email addresses for 56% of your annuitants (Peers: 75%). Your peers send targeted communication to annuitants for missing beneficiaries (Peers: 27%), missing home and email addresses (Peers:7%).

Secure website: accessibility

Your annuitants access your secure site less than your peers (You: 18.5%, Peers: 33.2%). Note: you were unable to provide the unique split, as such, CEM used our universe average to apply your split.

Your service score has increased from 65 to 73 between 2017 and 2024.



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

2. Historic scores have been restated to reflect changes in methodology. Your historic service scores will differ from previous reports.

Changes that had a positive impact compared to last year

- You have expanded your VoC program to include surveying new, inactive and retiring members on their experience as well as secure website, telephone calls, 1on1 counseling.
- You started sending targeted communication to annuitants who are new to retirement.
- Annuitants are now able to change banking information and tax withholding amount online.

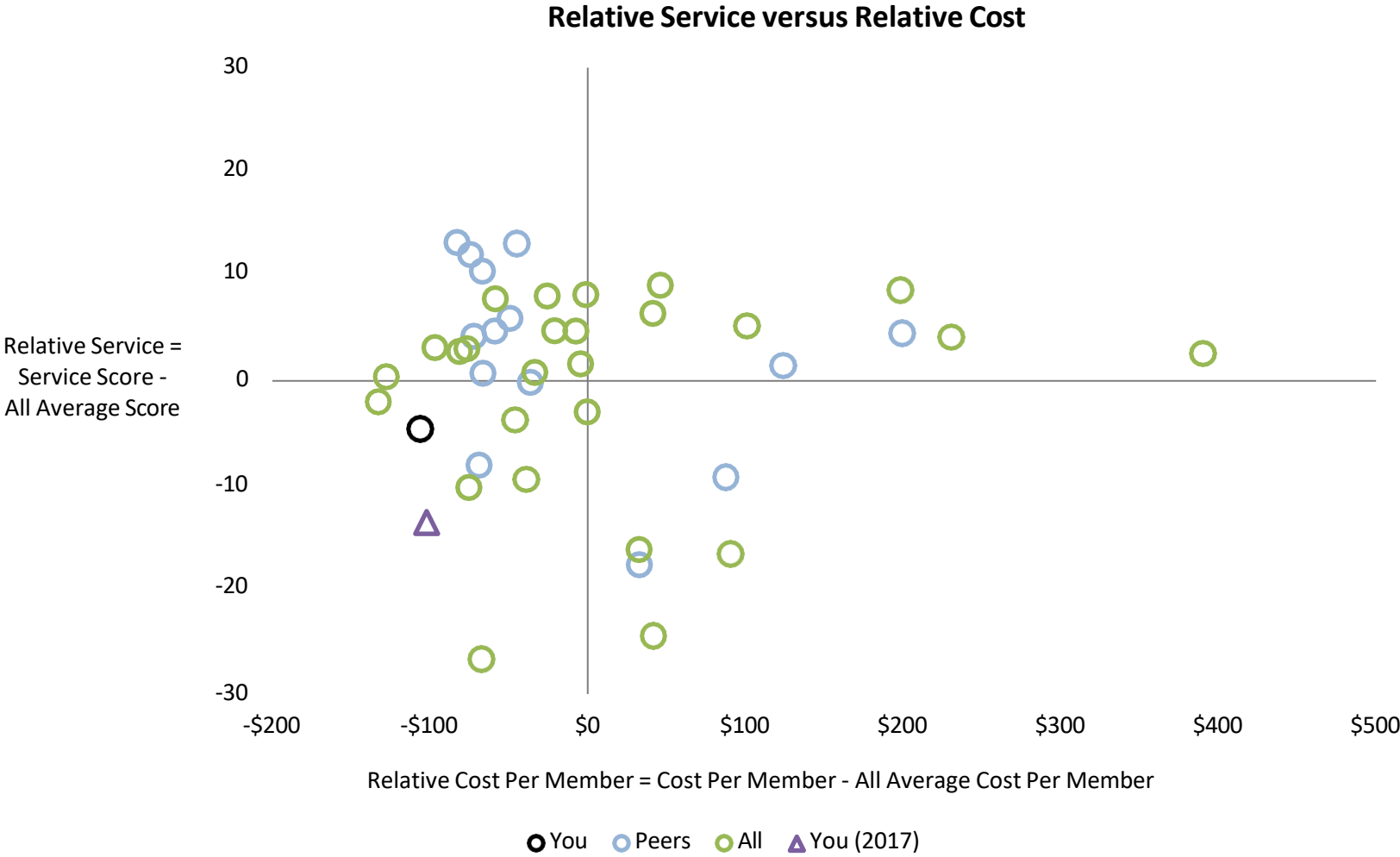
Changes that had a negative impact compared to last year

- Your first contact resolution fell from 81% in 2023 to 59% this year.
- You have stopped giving presentations targeted specifically to new members.

Longer term changes

- Contact center challenges post COVID remains, for example, call wait time. This is offset by 1on1 counseling and group presentation that is beginning to return to pre-pandemic levels.
- In 2023, you started to review your staff's responses in the contact center.
- You have had a steady increase in all your members using your secure website.

You were lower cost and lower service than the average participant in the CEM universe.



Key takeaways:

Cost

- Your total pension administration cost of \$51 per active member and annuitant was \$87 below the peer average of \$139.
- This is mainly because you had lower support costs per member.
- Your total pension administration costs per active member and annuitant increased by 15.6% in the year and decreased by 1.1% per annum over the last 8 year.
- For your peers the average cost increased by 6.3% in the year, and increased by 2.9% per annum over the past 8 years.

Service

- Your total service score was 73. This was below the peer median of 82.
- You scored well for service in these areas:
 - Feedback
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 - Pension and disability inception
- You scored below your peers in these areas:
 - Contact center: accessibility, capability and call quality
 - Member presentations
- Your service score has increased from 65 to 73 between 2017 and 2024.

Cost effectiveness

- You were lower cost and lower service than the average participant in the CEM universe.

Pension service organizations globally are experiencing significant changes.

Legacy system modernization AI
Service digitalization Cybersecurity
Data quality management Operational Excellence
Customer Experience Member engagement
Hybrid work Employee recruitment and retention
Regulatory change

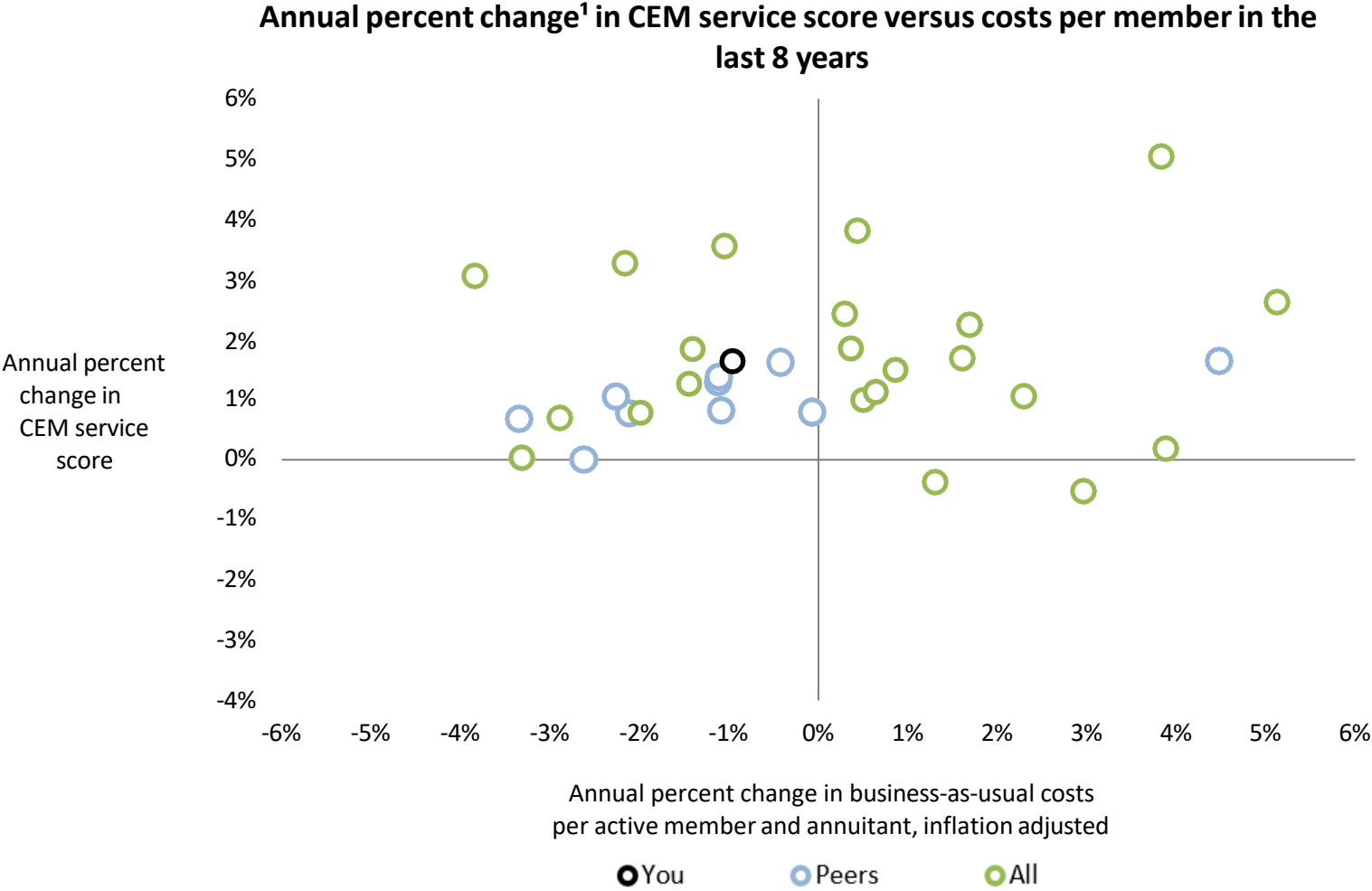
Digitalization

- Members have higher expectations based on their interactions with companies in other industries.
- Upgrading or replacing legacy systems is impacting the costs for most organizations.
- As digitalization increases, there is a growing concern about cybersecurity and data quality...
- ... and there are opportunities with robotic automation and AI.

Post-pandemic impacts

- More transactions are happening on secure websites.
- Organizations continue to adjust to hybrid work models.
- Employee recruitment and retention challenges are disrupting pension operations.
- There has been a substantial decrease in call service levels.

94% of plans with eight consecutive years of data improved their service score between 2017 and 2024. On average, the service improvement was 1.6% per year. 55% of plans improved their service score while decreasing their business-as-usual costs per member.



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

Your incoming volumes per year versus peers.

| Incoming volumes per year ¹ | You | Peer median | # | Low | Medium | High | Outlier |
|--|---------|-------------|----|-------------|-------------|-------------|-------------|
| Secure website visits, total | 174,794 | 954,856 | 15 | <div></div> | | | |
| Calls | 81,047 | 161,776 | 15 | <div></div> | | | |
| Emails | 16,617 | 19,173 | 15 | <div></div> | <div></div> | <div></div> | |
| Secure messages | - | 9,853 | 12 | <div></div> | | | |
| Letters | Unknown | 91,530 | 15 | | | | |
| 1-on-1 counseling sessions | 6,088 | 4,476 | 15 | <div></div> | <div></div> | <div></div> | <div></div> |
| Member presentations | 48 | 211 | 15 | <div></div> | | | |

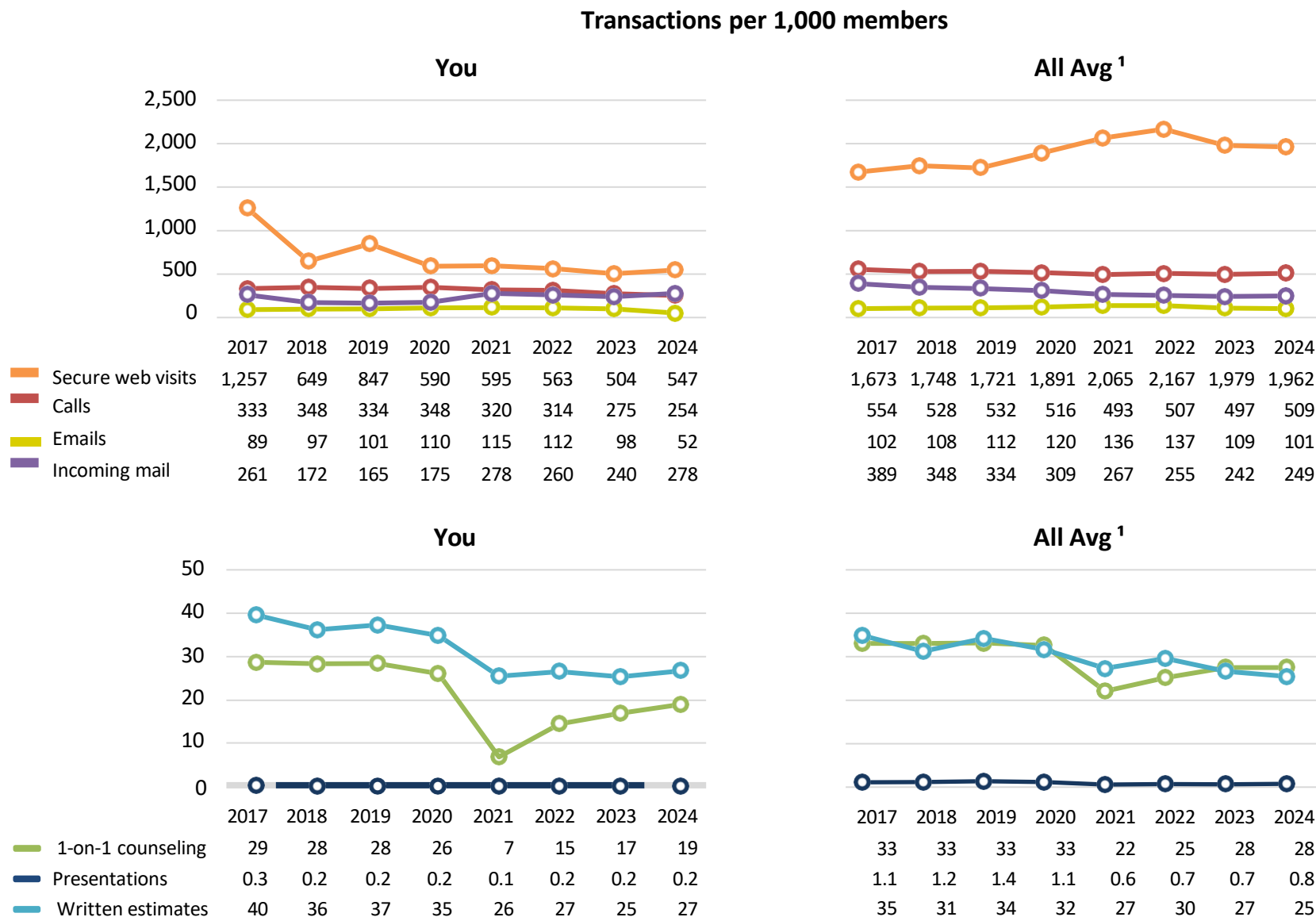
¹ All peers are assumed to have your number of active members and annuitants.

Your self-service and assisted service volumes per year versus peers.

| Transactions per year ¹ | You | Peer median | # | Low | Medium | High | Outlier |
|--|---------|-------------|----|-------------|-------------|-------------|-------------|
| Secure website visits, total | 174,794 | 954,856 | 15 | <div></div> | | | |
| Secure website visits, unique members | 75,287 | 143,728 | 15 | <div></div> | | | |
| Public website calculator use | n/a | 34,534 | 4 | | | | |
| Secure website calculator use | Unknown | 181,517 | 15 | | | | |
| Online retirement applications | n/a | 3,841 | 12 | | | | |
| Written pension estimates | 25,665 | 6,577 | 15 | <div></div> | <div></div> | <div></div> | <div></div> |
| Written estimates for refunds/ terminations/ transfer-outs | 8,700 | 807 | 11 | <div></div> | <div></div> | <div></div> | <div></div> |
| Written purchase, upgrade, or transfer-in estimates | 671 | 2,610 | 14 | <div></div> | | | |

¹ All peers are assumed to have your number of active members and annuitants.

Greater digitalization is the key driver for higher service scores.

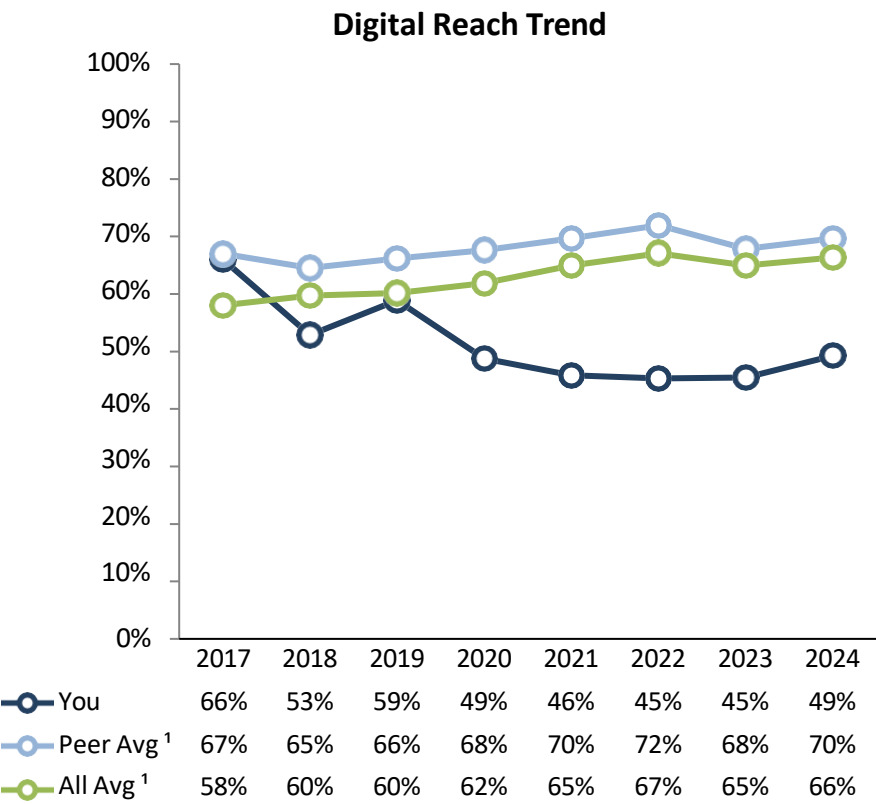


All Avg¹

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------|------|------|------|------|------|------|------|------|
| 1-on-1 counseling | 33 | 33 | 33 | 33 | 22 | 25 | 28 | 28 |
| Presentations | 1.1 | 1.2 | 1.4 | 1.1 | 0.6 | 0.7 | 0.7 | 0.8 |
| Written estimates | 35 | 31 | 34 | 32 | 27 | 30 | 27 | 25 |

1. Trend analysis is based on 33 systems that provided 8 consecutive years of data.

Between 2017 and 2024 your digital reach decreased -2.6% per year. The digital reach of peers with eight consecutive years of data increased by 0.1% per year in the same period.

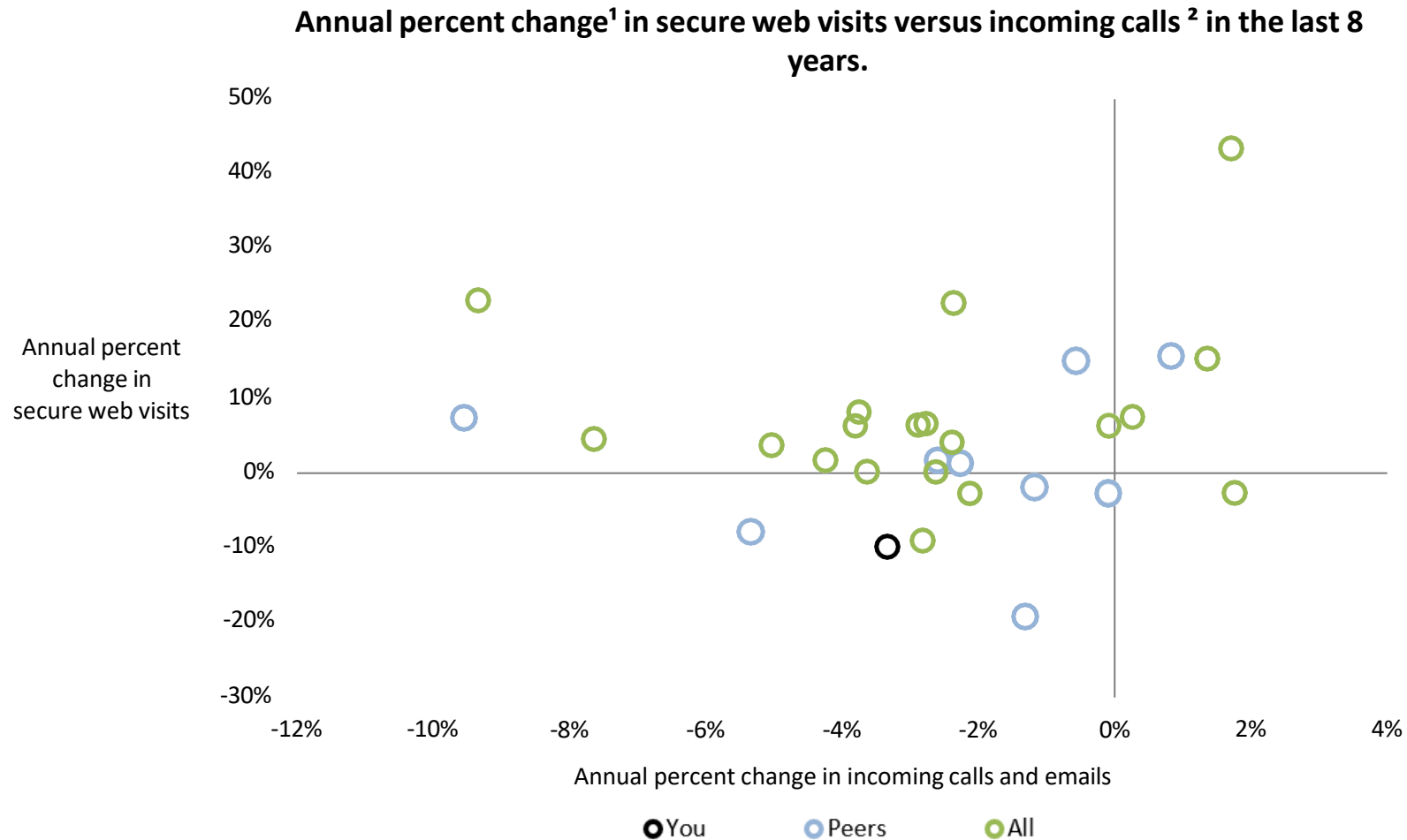


Digital reach measures the proportion of your self-service volumes versus self-service and assisted service transactions, as follows.

| Digital reach | |
|-------------------------------------|---------|
| Activity | Volume |
| Total secure website visits (A) | 174,794 |
| Incoming calls (B) | 74,497 |
| Incoming emails/secure messages (C) | 16,617 |
| Incoming letters (D) | 88,937 |
| Digital reach [A / (A + B + C + D)] | 49% |

1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

59% of plans with eight consecutive years of data have increased secure web visits while decreasing incoming call and email volumes.

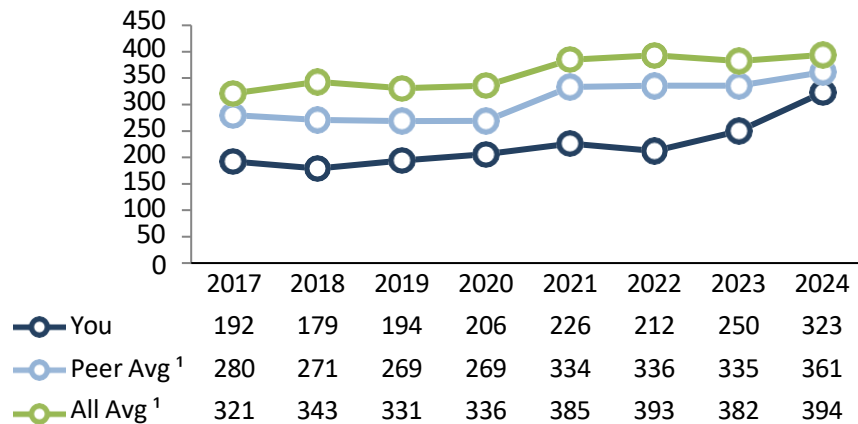


1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

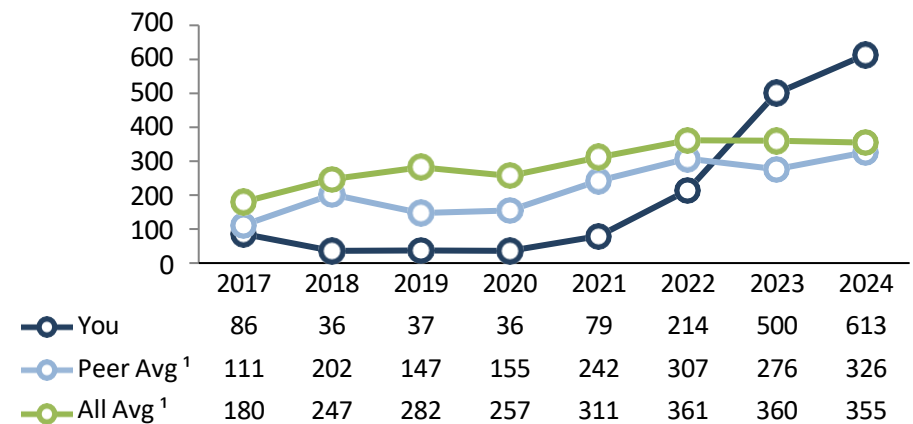
2. Volumes are calculated per 1,000 active members and annuitants.

The nature of member calls has changed in the last eight years.

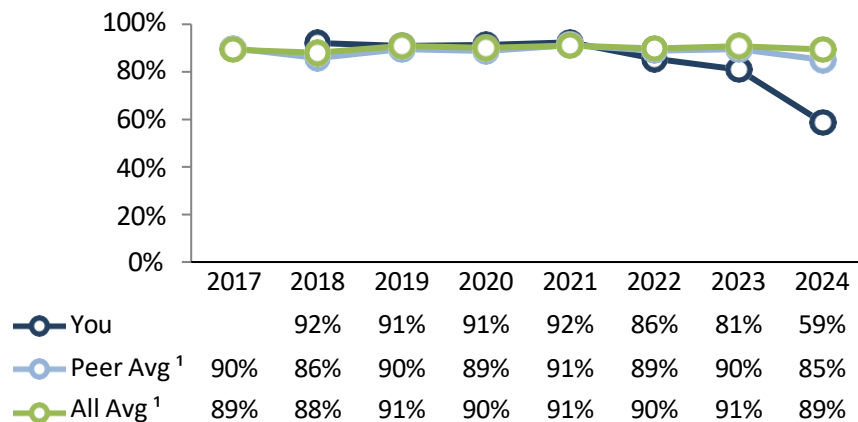
Time on Call, in Seconds



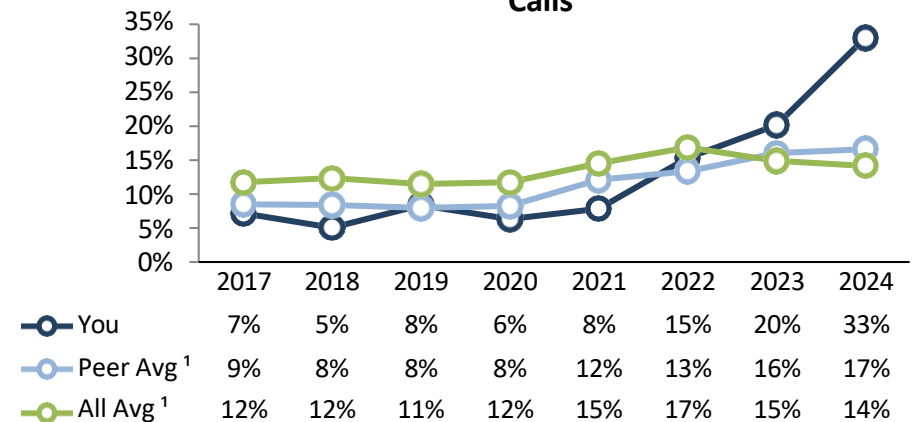
Call Wait Time, in Seconds



Percentage of calls satisfied by the first contact

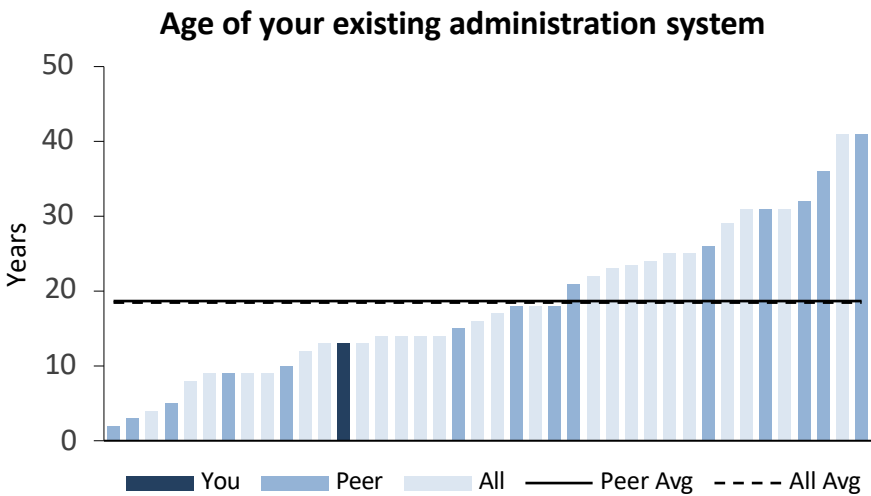


Undesired Call Outcomes as a Percent of Incoming Calls



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

You are not replacing your existing pension administration system. A total of 18 systems are replacing their administration system.

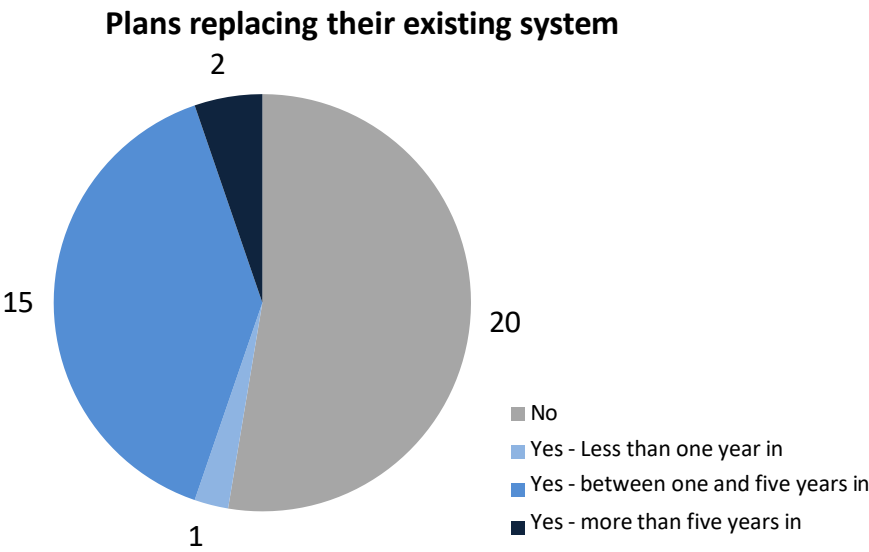


The core pension administration system:

- For 44% of plans, the current system was built in-house.
- For 39% of plans, the current system was built a third-party.
- For 15% of plans, their in-house solution was built by a third-party.

System customization:

- 30% of plans whose current system is third-party, required greater than 90% customization on the third-party solution.
- On average, 53% customization was required on third-party solutions.



Plans with cloud access are using AI to improve their operations. Most commonly, plans start with low-risk AI use cases in their contact centers to support their service agents.

Common use cases

Contact center

- Automatically create a call transcript and add the post-call summary to the Client Relationship Management (CRM) system.
- Perform call quality assurance and sentiment assessments.

Document management

- Aggregate internal documents into discrete repositories, with meta data, so staff can easily query these repositories for the data they need.

Automation

- Robotic automation of routine back-office tasks.

Proof-of-life verification

- Tracking/identifying members with facial recognition technology.

Less common or higher risk use cases

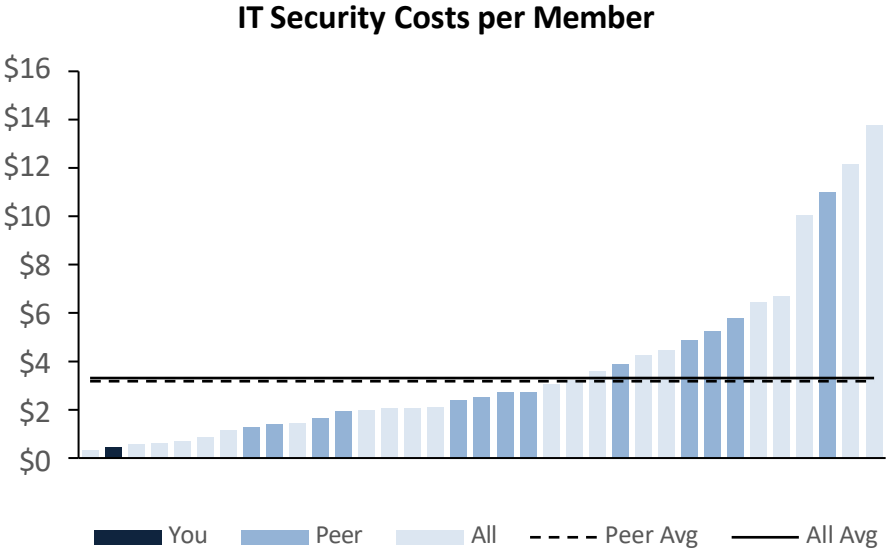
Contact center

- Redirect members to digital channels and guide workflow with an AI assistant that integrates CRM and browser-based solutions.
- Chatbots for processing member information and answering their questions.
- Predicting a member's next question real-time, on call.
- Real-time, on-call member satisfaction metrics based on voice recognition.

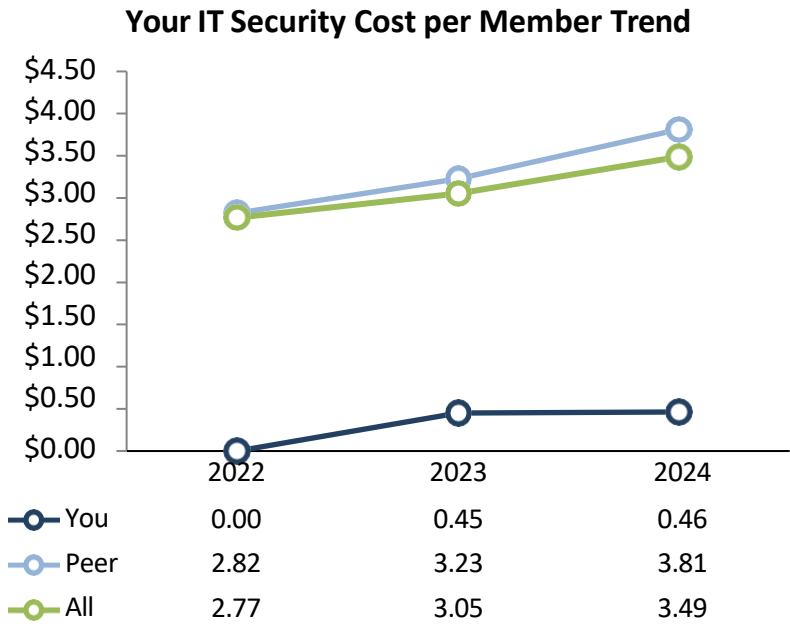
Data quality management

- Large-scale analysis and cleaning of member data.

IT security is an increasing concern for all systems. Your costs and staffing of IT security compare to your peers as follows:



Your IT security cost per member was \$0.46 versus a peer average of \$3.18.



1. Trend analysis is based on systems that have provided 8 consecutive years of data (11 of your 15 peers and 33 of the 41 systems in the universe).

Thank you



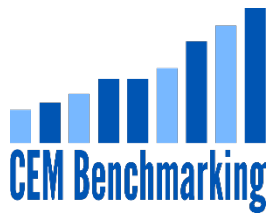
Christopher Doll

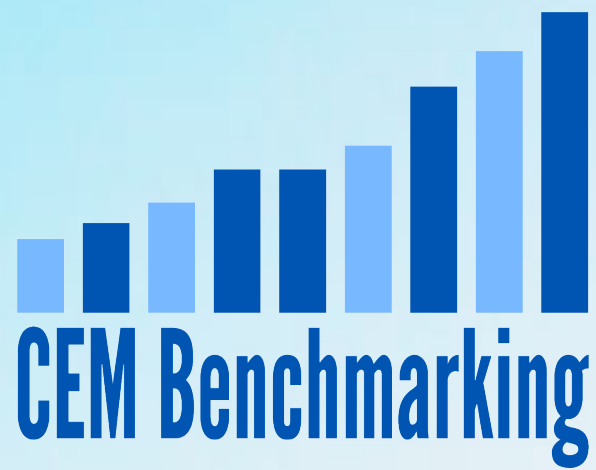
Director, Client Coverage

—

ChrisD@cembenchmarking.com

CEMbenchmarking.com





As of 10:00 a.m. 4-24-25

| | | Status | Declaration | Explanation |
|--|---|--|---------------------|---|
| Benefit-related bills that amend Chapter 97B | | | | |
| SF 162 | A bill for an act relating to the Iowa public employees’ retirement system’s notification requirements to members.(Formerly SSB 1033.) | Passed Senate 2-11-25, Passed House 3-4-25 | For | Amends chapter 97B to remove section 53A that requires IPERS to send a notice via first class mail to members who terminate public employment. |
| HF1023 | A bill for an act relating to benefits for members of the Iowa public employees’ retirement system who are employed in a protection occupation. (Formerly HSB 265) | On House debate calendar 4-24-25 | Undecided | Amends chapter 97B to make benefits for Protection Occupations members the same as benefits for Sheriff/Deputy Sheriff members. |
| SF 618 | An act relating to health care including a funding model for the rural health care system; the elimination of several health care-related award, grant, residency, and fellowship programs; establishment of a health care professional incentive program; Medicaid graduate medical education; the health facilities council; and the Iowa health information network, making appropriations, and including effective date provisions. | Passed Senate Appropriations Committee, 4-1-25; Attached to HF 972 | | Amends chapter 97B to remove members of the State Health Facilities Council as optional IPERS members. |
| HF 972 | An act relating to health care including a funding model for the rural health care system; the elimination of several health care-related award, grant, residency, and fellowship programs; establishment of a health care professional incentive program; Medicaid graduate medical education; the health facilities council; and the Iowa health information network, making appropriations, and including effective date provisions. | Passed House 3-26-25, Attached to SF 618 | | Amends chapter 97B to remove members of the State Health Facilities Council as optional IPERS members. |
| HF 969 | A bill for an act concerning retirement and employment benefits associated with cancer, and making appropriations. (Formerly HSB266) | Passed House 4-15-25; Passed Senate 4-9-25 | Undecided on HSB266 | Broadens the definition of cancer in chapter 411. Chapter 97B refers to the definition established in Chapter 411 for the purposes of determining disability benefits for Special Service members. Amended to impose an offset to ease potential increased medical costs for employers. |

| | | | |
|------------------------|--|---|---|
| HF1008 | A bill for an act relating to the creation of land redevelopment trusts. | Passed House 4-17-25 | Amends chapter 97B to establish a land redevelopment trust as an IPERS-covered employer and employees as mandatory IPERS members. |
| SF45 | A bill for an act relating to the creation of land redevelopment trusts. | Passed Senate Ways and Means subcommittee 3-27-25 | Amends chapter 97B to establish a land redevelopment trust as an IPERS-covered employer and employees as mandatory IPERS members. |

| | | | |
|------------------------|---|--|--|
| SF 620 | A bill for an act relating to matters under the purview of the department of health and human services, including administrative services organizations, child foster care, child and dependent adult abuse, internal audit and examination information, and the region incentive fund in the mental health and disability services regional service fund, and making an appropriation and including effective date provisions. | Passed Senate Appropriations Committee 4-23-25 | Amends Chapter 97B to exclude employees of an administrative services organization as an IPERS-covered employee. |
| HF 757 | A bill for an act relating to matters under the purview of the department of health and human services, including administrative services organizations, child foster care, child and dependent adult abuse, internal audit and examination information, and the region incentive fund in the mental health and disability services regional service fund, health maintenance organization’s premium tax, and making appropriations and including effective date and retroactive applicability provisions.(Formerly HSB 215.) | Passed House Appropriations Committee 4-17-25 | Amends Chapter 97B to exclude employees of an administrative services organization as an IPERS-covered employee. |

| | | | |
|------------------------|---|---|--|
| HF787 | A bill for an act relating to education, including by modifying provisions related to the calculation of the teacher salary supplement district cost per pupil, teacher preparation requirements, out-of-state placement of certain specified students requiring special education, the duties of the department of education, and minimum teacher salaries, and including effective date provisions. | Passed House 3-18-25; Attached to SF 442 3-19-25; Passed Senate 4-9-25 with amendment | Allows schoold districts to pay teachers with 12 years of experience and a BFR a minimum of \$50,000 rather than \$62,000. |
| SF 442 | A bill for an act relating to education, including by modifying provisions related to the calculation of the teacher salary supplement district cost per pupil, teacher preparation requirements, out-of-state placement of certain specified students requiring special education, the duties of the department of education, and minimum teacher salaries, and including effective date provisions.(Formerly SSB 1100.) | Withdrawn 4-9-25 | Allows schoold districts to pay teachers with 12 years of experience and a BFR a minimum of \$50,000 rather than \$62,000. |
| SF 603 | A bill for an act relating to workforce training, unemployment insurance, adult education, and other functions and programs of the department of workforce development, the workforce development board, and local workforce development boards, and making appropriations.(Formerly SSB 1068, SF 222.) | Signed by Governor 3-28-25 | Amends chapter 97B to remove members of the Iowa Conservation Corps as noncovered public employees. |

April 2025 Appeal Status Report for Benefits Advisory Committee

| # | ISSUE | STATUS |
|--------|--|--|
| 545-20 | POA of deceased Member disputes IPERS' attempts to collect overpayment and denies overpayment is a "result of wrong doing, negligence, misrepresentation, or omission of the recipient." | Initial appeal received 07/08/2020. Letter of receipt mailed to POA at home address, prison address, and attorney's office per POAs request, 07/13/2020. POA passed away in November 2020. Criminal case against POAs spouse is still ongoing. Criminal case against POAs spouse not being pursued by county attorney—advised IPERS to proceed in civil court. Outside counsel has been retained by IPERS to proceed in trying to collect overpayment from POAs spouse. Case filed in probate in Utah on 07/27/2021. Hearing is scheduled on 08/30/2021. Hearing is scheduled on 11/04/2021. Civil suit has been filed against the Estate and the POAs spouse. Mediation has been scheduled for August 24, 2022. Mediation was held—no resolution reached. Civil case was filed August 26, 2022. Trial currently scheduled for end of September 2023. Trial was continued, depositions scheduled for November 2023. Depositions completed. 02/06/2024 both cases will be combined and heard by the same judge. Trial scheduled for April 1-3, 2025. Trial rescheduled for October 2025. |
| 585-25 | Member appealing the amount of the monthly benefit. | Initial appeal received 1/17/2025. Appeal acknowledgement letter sent on 1/23/2025. FAD mailed on 01/29/2025 denying appeal. No appeal of FAD received. Letter re IPERS FAD is final and binding 03/10/2025. DONE. |
| 586-25 | Member appealing computed year salary | Initial appeal received 03/11/2025. Appeal acknowledgement letter sent on 03/13/2025. FAD issued 03/31/2025 denying appeal. |
| 587-25 | Member appealing terms of QDRO | Initial appeal received 04/21/2025. Appeal acknowledgement letter sent 04/22/2025 informing member that it is not an appealable issue with IPERS – authority lies with district court. DONE. |

IPERS' Appeal Process. An IPERS member or beneficiary can appeal a decision that impacts their rights. Typically, an **initial appeal** is filed after IPERS makes an "**initial agency decision**" on some matter. Pursuant to Iowa Code chapter 97B, each **initial appeal** is routed through an **internal review** process. During this **internal review**, IPERS' staff conduct a thorough review of the facts and law surrounding the **initial appeal**. Frequently, this review includes gathering additional information and may include further discussions with the appellant. Once the **initial review** is finished, a **Final Agency Determination (FAD)** is issued. The **FAD** can affirm, modify, or rescind the **initial agency decision**. The **FAD** is sent to the appellant who has the opportunity to appeal the **FAD**. If the **FAD** is appealed, IPERS transfers the case to the **Department of Inspections, Appeals, & Licensing** for assignment of an administrative law judge to hold a **contested case hearing**. After the **contested case hearing** is held and the administrative law judge issues a **proposed agency decision**, IPERS or the appellant can appeal the **proposed agency decision** to the **Employment Appeal Board (EAB)**. The **EAB** reviews the records and **proposed agency decision**. The **EAB** issues its own opinion that can affirm, deny, or modify the **proposed agency decision**. If IPERS or the appellant are unsatisfied with the **EAB's** decision, then a **Petition for Judicial Review** can be filed. Ultimately, IPERS or the appellant can appeal all the way to the **Iowa Supreme Court**.