



BENEFITS ADVISORY COMMITTEE MEETING MINUTES
IPERS Board Room
7401 Register Drive, Des Moines, Iowa
January 27, 2020

The following people attended the IPERS Benefits Advisory Committee (BAC) meeting held on Monday, January 27, 2020.

Members of the Benefits Advisory Committee - Present

Len Cockman, Chair	Danny Homan
Lowell Dauenbaugh, Vice Chair	Connie Kuennen
Matt Carver	Jim Kurtenbach
Susanna Cave	Erin Mullenix
Matt Cosgrove	Jim Romar
Andrew Hennesy	Melissa Peterson
Steve Hoffman	Phil Tetzloff

Members of the Benefits Advisory Committee - Absent

None

IPERS Administration and Staff

Donna Mueller, Chief Executive Officer	Shawna Lode, Director of Communications
David Martin, Chief Benefits Officer	Darla Iverson, Chief Financial Officer
Melinda McElroy Executive Assistant	Rick Hindman, Chief Information Officer
Karl Koch, Chief Investment Officer	Cheryl Vander Hart, Paralegal

Public Members

Jina Bresson, Treasurer's Office
Brad Baker, DNR
Pat Deluhery

Call to Order

Len Cockman, chair, called the meeting to order at 1:00 p.m. He welcomed Melissa Peterson, ISEA's recently appointed representative, to the BAC.

Matt Carver nominated Lowell Dauenbaugh as vice chair of the Benefits Advisory Committee. Andrew Hennesy seconded, the motion carried by unanimous roll call vote.

Danny Homan made the motion to approve the minutes from the October 28, 2019, Benefits Advisory Committee meeting. Matt Carver seconded, the motion carried by unanimous voice vote.

CEO Search Committee Update – Len Cockman and Lowell Dauenbaugh

Len Cockman and Lowell Dauenbaugh reported the search committee reviewed candidate resumes, conducted initial round interviews and submitted finalists to Governor Reynolds for her consideration and selection.

CEO Report – Donna Mueller

2019 Actuarial Valuation Report – Donna Mueller asked the BAC if they had any questions on the annual report as presented by Cavanaugh Macdonald on December 6, 2019.

November Dividend Adjustment – Cavanaugh Macdonald certified that an adjustment to the November dividend payment can be made in 2020. The amount of the adjustment (not to exceed 2.6%) will be determined when the change in the June CPI-U is announced.

Award of Actuarial Audit RFP – Gabriel, Roeder, Smith & Company has been retained to conduct an actuarial audit and evaluation of actuarial services provided by IPERS' actuarial consulting firm.

Tribal Government as an IPERS Covered Employer – A legislative inquiry was received on whether tribal government employees could be covered under IPERS. IPERS outlined the required steps to be an IPERS-covered employer. Coverage would be limited to employees engaged in government functions such as police, fire and schools.

CBO Report - David Martin

SECURE Act – David Martin provided a newsletter written by Ice Miller, IPERS' tax counsel, highlighting recently enacted federal retirement legislation. The only provision that affects the IPERS plan is the required minimum distribution age was raised to age 72 from age 70½.

Trial Work Period for Disability Retirees – An eligibility prerequisite for IPERS regular disability retirement benefits is receipt of disability benefits under the federal Social Security Act or federal Railroad Retirement Act. The federal disability programs have instituted a trail work program encouraging recipients to return to the workforce. During the trail work period, recipient's federal disability benefit is not affected. However according to Iowa code, IPERS' disability benefits must be suspended if a member

returns to work with an IPERS-covered employer. The suspension does not apply to members returning to work in the private sector. IPERS is proposing an administrative rule change that would link the federal disability programs and IPERS regular disability program.

Legislative Update – Shawna Lode

Shawna Lode reported on the status of the one bill IPERS was able to file this session. An act relating to administrative appeals by employers under IPERS.

Bona Fide Retirement Period for Certain Educators – Matt Carver

Matt Carver reviewed with the BAC a legislative priority of the School Administrators of Iowa – a reduced IPERS bona fide retirement period for certain educators. After reviewing the concept of the proposal, the BAC established a subcommittee to further study and refine the provisions. Len Cockman, Matt Carver, Melissa Peterson and Phil Tetzloff volunteered to serve on the subcommittee.

Staff Reports

Benefits Update – David Martin reported on upcoming mailings to IPERS retirees and members.

Investment Update – Karl Koch estimated IPERS' fourth quarter investment returns to be 3.5-4% and 17.2% for the calendar year. The Trust Fund market value was approximately \$35.7 billion. He concluded his report by updating the BAC on the Investment Board's approved asset allocation changes and the RFP issued for open-ended infrastructure funds.

Appeals and Administrative Rules Updates – Donna Mueller reviewed the appeal status report as of January 2020.

Other Business

None

Public Comments

None

Future Meeting Dates

The next BAC meeting is scheduled for Monday, February 24, 2020. With no further business to come before the committee, Danny Homan made the motion to adjourn the meeting. Steve Hoffman seconded, the motion carried by unanimous voice vote. Meeting adjourned at 2:30 p.m.