



## **BENEFITS ADVISORY COMMITTEE MEETING MINUTES**

Virtual Video / Telephonic Meeting

June 28, 2021

The following people attended the IPERS Benefits Advisory Committee (BAC) meeting held virtually on Monday, June 28, 2021

### **Members of the Benefits Advisory Committee - Present**

Lowell Dauenbaugh, Vice Chair

Matt Carver

Susanna Cave

Matt Cosgrove

Steve Hoffman

Danny Homan

Erin Mullenix

Melissa Peterson

Phil Tetzloff

### **Members of the Benefits Advisory Committee - Absent**

Len Cockman

Andrew Hennesy

Connie Kuennen

Jim Romar

Adam Steen

### **IPERS Administration and Staff**

Greg Samorajski, Chief Executive Officer

David Martin, Chief Benefits Officer

Melinda McElroy, Executive Assistant

Elizabeth Hennessey, General Counsel

Shawna Lode, Communications Director

### **Cavanaugh Macdoland**

Patrice Beckham

Bryan Hoge

## **Call to Order**

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

## **Possible Plan Design Studies – David Martin**

David Martin reviewed with the Committee two possible plan design changes. The first proposal addresses when retired members return to IPERS-covered employment after satisfying the four-month bona-fide retirement period. When retired reemployed members terminate their reemployment, Iowa Code provides a lump-sum pay out of 100% of the employee and employer contributions, plus interest. The issue being if all the contributions are being paid out plus interest, no payment is being applied to paying down the unfunded actuarial liability (UAL).

The second proposal addresses employer contributions posted to member accounts. Regular members contribute 6.29% of pay and employers contribute 9.44% for a total contribution rate of 15.73%. This provides sufficient contributions to pay the normal cost rate of 10.50% and applies 5.23% to pay down the UAL. Currently the percentage earmarked to paydown the UAL is posted to member accounts making it available to members who apply for refunds and distorts some retirement benefit calculations.

The BAC agreed to study the actuarial losses to the System with retired reemployed members and limiting the posting of employer contributions to member accounts up to the normal cost of 10.50%.

Cavanaugh Macdonald estimated the cost for the two studies to be approximately \$6,000 to \$7,000. Matt Carver made the motion to approve proceeding with the cost studies and to pay for the studies from the BAC's budget, cost not to exceed \$7,000. Phil Tetzloff seconded; the motion carried by unanimous roll call vote.

## **Other Business**

None

## **Public Comments**

Former Senator Pat Deluhery commented that when plan design changes are being introduced to legislators and IPERS members to document how the proposed changes benefit the System, its membership and future retirees.

## **Future Meeting Dates**

The next scheduled BAC meeting is Monday, August 23, 2021. With no further business to come before the committee, Steve Hoffman made the motion to adjourn the meeting. Danny Homan seconded; the motion carried by unanimous voice vote. Meeting adjourned at 1:23 p.m.