

FY2024

ANNUAL SUMMARY

FOR THE FISCAL YEAR ENDED JUNE 30, 2024



A LETTER FROM THE CHIEF EXECUTIVE OFFICER

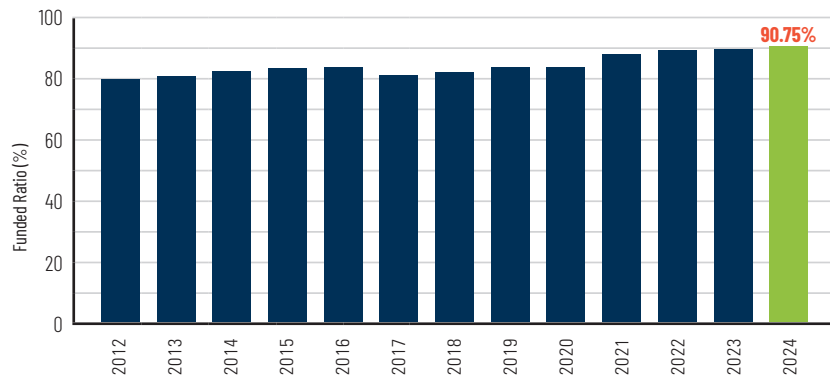
One of the most important measures of a public pension system's financial health is its funded ratio. This is the system's assets — primarily its investments — compared to its liabilities, the value of benefits owed to current and future retirees. Ideally, the funded ratio will exceed 100%, meaning enough money is available now to pay current and future benefits, and to have some surplus.

For many years, the amount members contributed to IPERS was established in law and was too low to fully fund IPERS. In 2012, IPERS enacted reforms that gave it the ability to set annual contribution rates, and it sought to become 100% funded by 2045. Since then, because of superior management of its investment portfolio and sufficient contribution rates, IPERS is reaching its goal more quickly. If income from investments and contributions continue as projected, IPERS could reach a 100% funded ratio around 2037.

IPERS' funded ratio at the conclusion of FY2024 was 90.75%, its highest ratio since FY2002. IPERS ranks among the best-funded systems in the nation. IPERS has achieved this milestone without any public subsidies from the legislature. IPERS members should feel assured that IPERS is financially sound and that current and future benefits are secure.

This summary annual financial report includes information about IPERS' funded ratio and much more. As you read it, I hope you will share my enthusiasm for the future.

FUNDED RATIO



Sincerely,

Gregory S. Samorajski
CEO

Scan this QR code to read the FY2024 Annual Comprehensive Financial Report or visit our website at www.ipers.org.

SCAN ME



BY THE NUMBERS

All data is as of June 30, 2024, unless noted otherwise.



FUNDED RATIO

A funded ratio equals the value of assets divided by pension obligations or liabilities.

→ **90.75%**

INVESTMENT PERFORMANCE

IPERS' investment policy goal is to maximize the total rate of return on investments with prudent risk parameters. Solid performance over time is important.

9.07%

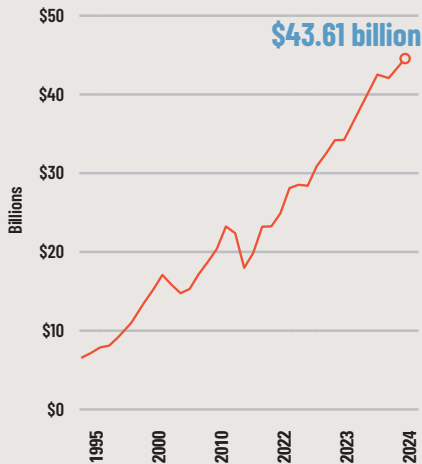
FY2024
Investment
Return

7.00%

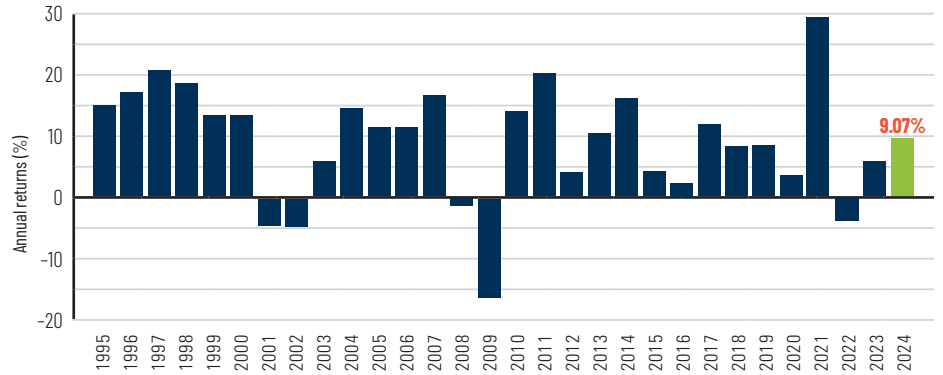
Long-Term
Investment
Assumption

IPERS TRUST FUND

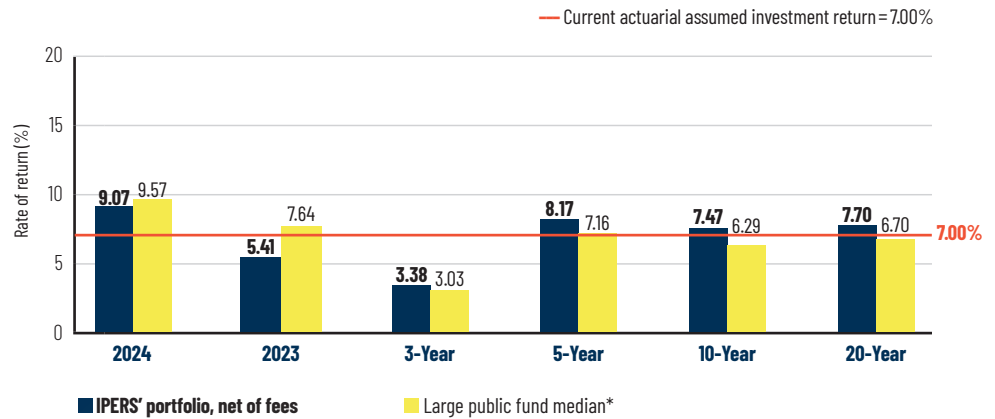
At the end of FY2024, the value of the IPERS Trust Fund equaled more than \$43 billion.



INVESTMENT RETURNS



INVESTMENT PERFORMANCE SUMMARY



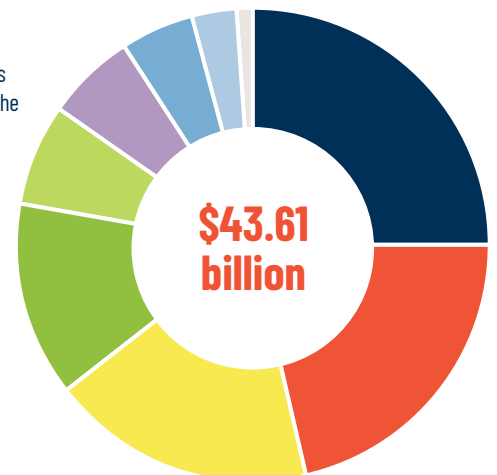
*Investment Metrics' Universe of All Public Funds > \$1 Billion Index.
Note: 3-, 5-, 10- and 20-year results are annualized returns.

ASSET ALLOCATION

An investment portfolio constructed of diversified assets will, on average, yield high long-term returns and lower the risk of any individual holding or security.

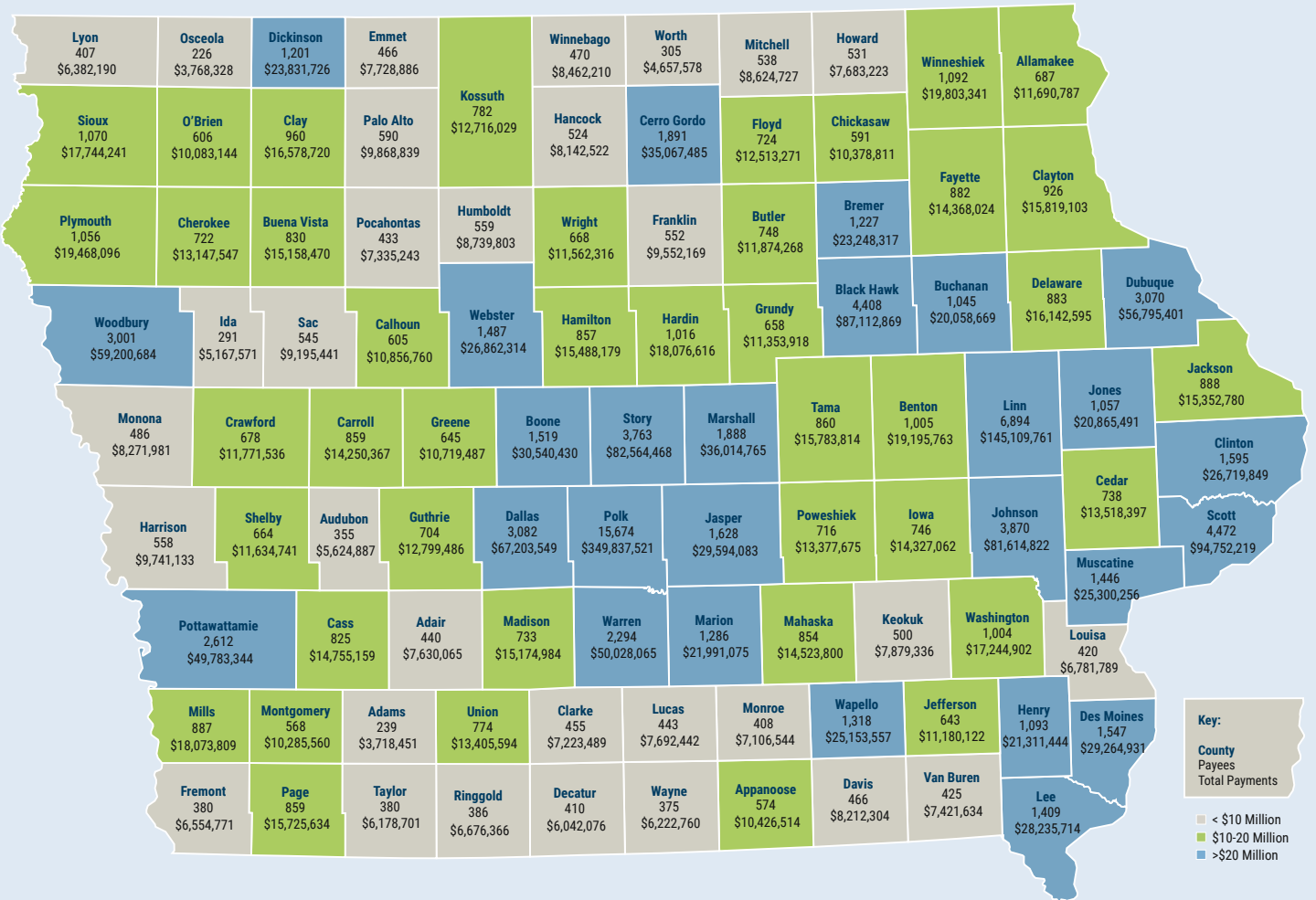
(Fair Values in Millions)

- Core fixed income (25%) \$11,015
- Domestic equity (21%) \$9,258
- Private equity (18%) \$8,015
- International equity (13%) \$5,680
- Private real assets (7%) \$3,085
- Private credit (6%) \$2,587
- Global smart beta equity (5%) \$2,147
- Public credit (3%) \$1,311
- Cash (1%) \$515



Note: Due to rounding, chart may not equal 100%.

BENEFIT PAYEES AND PAYMENTS BY COUNTY

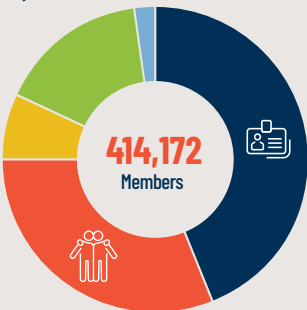


\$2.7 billion
TOTAL BENEFITS PAID

\$2.4 billion
BENEFITS PAID TO RETIREES LIVING IN IOWA

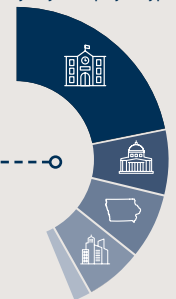
MEMBERSHIP

ALL MEMBERS
by Status



- Active (44%) 183,389
- Retired (31%) 127,472
- Inactive vested (7%) 27,133
- Inactive nonvested (16%) 67,590
- Retired reemployed (2%) 8,588

ACTIVE MEMBERS
by Major Employer Type



- Education (51%) 94,014
- County (16%) 28,932
- State (16%) 29,069
- City (14%) 25,325
- Other (3%) 6,049

NEW IPERS RETIREES IN FY2024



5,821
Number of retirees



\$2,125
Average monthly benefit

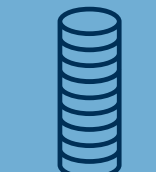


21.94
Average years of service

ADMINISTRATION COST

IPERS' pension administration costs per active member and payees are significantly lower than those of its peers.

\$115



Peer average cost

\$44



IPERS' cost

Source: CEM Benchmarking Inc., FY2023



A LETTER FROM GOVERNOR REYNOLDS

As Governor, I'm committed to the prudent management of our financial resources. When I took office in 2018, Iowa had an 8.98% income tax rate — the sixth highest in the country. Since then, we've cut taxes five times in six years, and starting on January 1, 2025, Iowans will pay a flat income tax rate of 3.8%. Our administration has also eliminated taxes on retirement income and inheritance—all while being recognized as the most fiscally responsible state in the nation three years in a row.

This fiscal responsibility extends to IPERS. Like you, I'm an IPERS member, and I count on the program's successful financial performance to safeguard the payment of retirement benefits now and in the future. In other words, this is as personal to me as it is to so many others.

That's why I'm so grateful for the critical role IPERS plays, alongside all our agencies, to create an economic climate that makes Iowa the best state in the nation in which to live, work, and retire.



Kim Reynolds

Kim Reynolds
Governor of the State of Iowa



FIDUCIARY NET POSITION

(Dollar Values Expressed in Thousands)
Fiscal Years Ended June 30

	2024	2023	2024/2023 Percentage Change	2022	2023/2022 Percentage Change
Cash and investments at fair value	\$43,937,030	\$41,275,627	6.4	\$41,283,685	(0.02)
Receivables	2,420,119	454,280	432.7	1,123,264	(59.6)
Capital assets	14,324	14,103	1.6	15,305	(7.9)
Other assets	731	1,282	(43.0)	1,071	19.7
Total assets	46,372,204	41,745,292	11.1	42,423,325	(1.6)
Deferred outflows of resources	347	264	31.4	322	(18.0)
Total liabilities	2,710,841	538,760	403.2	2,231,761	(75.9)
Deferred inflows of resources	587	483	21.5	344	40.4
Total net position	\$43,661,123	\$41,206,314	6.0	\$40,191,542	2.5

CHANGES IN FIDUCIARY NET POSITION

(Dollar Values Expressed in Thousands)
Fiscal Years Ended June 30

	2024	2023	2024/2023 Percentage Change	2022 Restated	2023/2022 Percentage Change
Additions					
Contributions and service purchases	\$1,578,350	\$1,511,423	4.4	\$1,430,839	5.6
Net investment and securities lending income/(loss)	3,632,025	2,151,173	68.8	(1,583,546)	(235.8)
Total additions	5,210,375	3,662,596	42.3	(152,707)	(2,498.4)
Deductions					
Benefits and refunds	2,739,174	2,633,902	4.0	2,532,040	4.0
Administrative expenses	16,391	13,922	17.7	13,587	2.5
Total deductions	2,755,565	2,647,824	4.1	2,545,627	4.0
Increase/(decrease) in net position	\$2,454,810	\$1,014,772	141.9	(\$2,698,334)	(137.6)

Total net position restricted for pensions increased from \$41.206 billion on June 30, 2023, to \$43.661 billion on June 30, 2024. These assets consist of capital assets owned by IPERS and net investment portfolio assets.

In FY2024, employee and employer contributions, including service purchases, totaled \$1.578 billion, while total member benefits equaled \$2.739 billion (monthly benefits, lump-sum retirement benefits, death benefits, refunds and dividend payments). The resulting \$1.161 billion contribution shortfall was funded with earnings and sales proceeds from the investment portfolio.