

# **IPERS Administration Budgets**

**This page left intentionally blank**

# IPERS Administration

## Mission Statement

Administer a cost-efficient retirement plan that provides lifetime pension payments to public employees and serves to attract and retain a quality workforce. IPERS is a sustainable and affordable retirement plan that is valued by all Iowans and provides members with secure income, supports self-sufficiency in retirement, and contributes to local economics.

## Description

IPERS is the largest public pension plan in Iowa with over 375,000 members, over 1,900 participating public employers, and a trust fund with a market value of over \$34 billion at the end of fiscal year 2020. Approximately 170,000 members are active members who are working for a public employer and contributing to IPERS. There are approximately 127,000 retired members. IPERS membership also includes inactive members who no longer pay into the system but still have money in the trust fund.

IPERS, an independent agency within the executive branch of state government, has provided a pension plan for Iowa's public employees for over 65 years. IPERS is a defined

benefit plan funded through member contributions, employer contributions, and investment income.

By law, most individuals become members of IPERS when they begin employment at any IPERS-covered public employer, which includes schools, cities, counties, state government, and other government agencies. IPERS members range in age from 16 to over 100. Members live in all 99 Iowa counties and most benefit recipients stay in Iowa when they retire.

On September 17, 2020, the IPERS Investment Board approved a recommendation to request a FY22/23 budget increase of 4.0 FTE and \$1.135 million for salary and benefits for four new positions and incentive pay for two of those positions. Per subsequent direction from leadership at the Iowa Department of Administrative Services, the IPERS FY22/23 budget request reflects a status quo budget request. However, IPERS remains interested in increasing the budget and FTE count to accommodate additional staff that would ultimately provide a cost savings for IPERS.

## Performance Measures

Measure	FY 2020	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023
	Actuals Achieved	Current Year Budget Estimate Target	Total Department Request Target	Total Governor's Recommended Target	Total Department Request Target	Total Governor's Recommended Target
Percent of Retirement Payments Made on Time	100	100	100	100	100	100
% of Services in Highest Quartile of Peers in Benchmarking	80	75	75	75	75	75
%IPERSInvestmentReturnonRolling30-yrBasisMeets7.0%AnnRofR	119	100	100	100	100	100
Percent Pension System Funded	83.96	87	88	88	89	89

## Financial Summary

Object Category	FY 2020	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
<b>Resources</b>						
State Appropriations	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	18,113,022
Taxes	1,168,205,746	1,080,000,000	1,300,000,000	1,300,000,000	1,300,000,000	1,300,000,000
Receipts from Other Entities	9,453	107,043	30,000	30,000	30,000	30,000
Interest, Dividends, Bonds & Loans	1,998,748,824	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Refunds & Reimbursements	159,987,512	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Miscellaneous	47,297	96,000	100,000	100,000	100,000	100,000
Beginning Balance and Adjustments	28,991,842,908	29,956,667,508	29,185,665,925	30,883,401,486	29,185,665,925	32,410,191,464
<b>Total Resources</b>	<b>32,336,830,305</b>	<b>34,254,983,573</b>	<b>33,703,908,947</b>	<b>35,401,644,508</b>	<b>33,703,908,947</b>	<b>36,928,434,486</b>
<b>Expenditures</b>						
Personal Services	8,982,811	10,300,355	10,387,639	10,387,639	10,387,639	10,387,639
Travel & Subsistence	143,665	163,400	201,100	201,100	201,100	201,100
Supplies & Materials	1,065,294	1,084,170	1,034,220	1,034,220	1,034,220	1,034,220
Contractual Services and Transfers	28,104,093	35,571,839	35,578,351	35,578,351	35,578,351	35,578,351
Equipment & Repairs	1,423,886	1,298,801	1,139,212	1,139,212	1,139,212	1,139,212
Claims & Miscellaneous	50,988	55,500	57,500	57,500	57,500	57,500
Licenses, Permits, Refunds & Other	0	1,000	1,000	1,000	1,000	1,000
State Aid & Credits	2,319,425,857	3,304,994,000	2,924,941,000	2,924,941,000	2,924,941,000	2,924,941,000
Appropriations	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	18,113,022
Reversions	2,977,636	0	0	0	0	0
Balance Carry Forward	29,956,667,508	30,883,401,486	30,712,455,903	32,410,191,464	30,712,455,903	33,936,981,442
<b>Total Expenditures</b>	<b>32,336,830,305</b>	<b>34,254,983,573</b>	<b>33,703,908,947</b>	<b>35,401,644,508</b>	<b>33,703,908,947</b>	<b>36,928,434,486</b>
Full Time Equivalents	80	89	88	88	88	88

## Appropriations from Other Funds

Appropriations	FY 2020	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
IPERS Administration	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	18,113,022
Total Iowa Public Employees' Retirement System Administration	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	18,113,022

## Appropriations Detail

170,000 active employees, approximately 127,000 retirees, and a payroll exceeding \$2 billion annually.

### IPERS Administration

#### IPERS Fund

#### Appropriation Description

To direct, in a prudent and cost-effective manner, the investment of the fund's assets to maximize return consistent with the fund's projected liabilities, cash flow requirements, and tolerance for risk. Trust fund size - over \$34 billion as of 6/30/20.

To maintain and enhance operational efficiency in administration of the pension program whereby, there are over

On September 17, 2020, the IPERS Investment Board approved a recommendation to request a FY22/23 budget increase of \$1.135 million for salary and benefits for four new positions and incentive pay for two of those positions. Per subsequent direction from leadership at the Iowa Department of Administrative Services, this proposal reflects a status quo budget. However, IPERS remains interested in increasing the budget to accommodate additional staff that would ultimately provide a cost savings for IPERS.

### IPERS Administration Financial Summary

Object Class	FY 2020 Actuals	FY 2021 Current Year Budget Estimate	FY 2022	FY 2022	FY 2023	FY 2023	
			Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended	
<b>Resources</b>							
Appropriation	17,988,567	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	
Salary Adjustment	0	124,455	0	0	0	0	
Reimbursement from Other Agencies	9,453	7,043	10,000	10,000	10,000	10,000	
Other	47,297	46,000	50,000	50,000	50,000	50,000	
<b>Total Resources</b>	<b>18,045,316</b>	<b>18,166,065</b>	<b>18,173,022</b>	<b>18,173,022</b>	<b>18,173,022</b>	<b>18,173,022</b>	
<b>Expenditures</b>							
Personal Services-Salaries	8,981,015	10,298,355	10,385,639	10,385,639	10,385,639	10,385,639	
Personal Travel In State	95,441	59,200	89,400	89,400	89,400	89,400	

## IPERS Administration Financial Summary (Continued)

Object Class	FY 2020 Actuals	FY 2021 Current Year Budget Estimate	FY 2022	FY 2022	FY 2023	FY 2023
			Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
State Vehicle Operation	105	200	200	200	200	200
Personal Travel Out of State	36,269	86,000	96,500	96,500	96,500	96,500
Office Supplies	97,041	124,700	124,750	124,750	124,750	124,750
Facility Maintenance Supplies	15,535	12,000	12,000	12,000	12,000	12,000
Printing & Binding	163,398	224,500	174,500	174,500	174,500	174,500
Postage	716,765	640,970	640,970	640,970	640,970	640,970
Communications	190,658	211,320	211,570	211,570	211,570	211,570
Rentals	2,109	2,200	2,200	2,200	2,200	2,200
Utilities	58,181	63,000	63,000	63,000	63,000	63,000
Professional & Scientific Services	431,897	980,907	1,058,500	1,058,500	1,058,500	1,058,500
Outside Services	227,646	218,300	232,200	232,200	232,200	232,200
Advertising & Publicity	3,420	4,000	4,000	4,000	4,000	4,000
Outside Repairs/Service	7,773	5,000	5,000	5,000	5,000	5,000
Auditor of State Reimbursements	160,611	157,700	187,700	187,700	187,700	187,700
Reimbursement to Other Agencies	60,803	73,172	66,345	66,345	66,345	66,345
ITS Reimbursements	568,121	635,531	602,431	602,431	602,431	602,431
IT Outside Services	1,791,664	3,041,359	3,046,055	3,046,055	3,046,055	3,046,055
Gov Fund Type Transfers - Attorney General Services	0	250	250	250	250	250
Gov Fund Type Transfers - Other Agencies Services	0	100	100	100	100	100
Office Equipment	0	5,000	5,000	5,000	5,000	5,000
Equipment - Non-Inventory	6,818	20,000	20,000	20,000	20,000	20,000
IT Equipment	1,417,067	1,261,801	1,102,212	1,102,212	1,102,212	1,102,212
Other Expense & Obligations	35,344	40,500	42,500	42,500	42,500	42,500
Reversions	2,977,636	0	0	0	0	0
<b>Total Expenditures</b>	<b>18,045,316</b>	<b>18,166,065</b>	<b>18,173,022</b>	<b>18,173,022</b>	<b>18,173,022</b>	<b>18,173,022</b>

## Fund Detail

### IPERS Administration Fund Detail

Funds	FY 2020	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
Iowa Public Employees' Retirement System Administration	32,318,784,989	34,236,817,508	33,685,735,925	35,383,471,486	33,685,735,925	36,910,261,464
IPERS Fund	32,318,784,989	34,236,817,508	33,685,735,925	35,383,471,486	33,685,735,925	36,910,261,464

## IPERS Fund

### Fund Description

This account pays all of the IPERS benefits.

### IPERS Fund Detail

Object Class	FY 2020	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
Resources						
Balance Brought Forward (Funds)	28,988,797,492	29,956,667,508	29,185,665,925	30,883,401,486	29,185,665,925	32,410,191,464
Adjustment to Balance Forward	67,779	0	0	0	0	0
Other Taxes	1,168,205,746	1,080,000,000	1,300,000,000	1,300,000,000	1,300,000,000	1,300,000,000
Intra State Receipts	0	100,000	20,000	20,000	20,000	20,000
Interest	1,998,748,824	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Reversions	2,977,636	0	0	0	0	0
Refunds & Reimbursements	159,987,512	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Other	0	50,000	50,000	50,000	50,000	50,000
Total IPERS Fund	32,318,784,989	34,236,817,508	33,685,735,925	35,383,471,486	33,685,735,925	36,910,261,464

## IPERS Fund Detail (Continued)

Object Class	FY 2020 Actuals	FY 2021 Current Year Budget Estimate	FY 2022	FY 2022	FY 2023	FY 2023
			Total Department Request	Total Governor's Recommended	Total Department Request	Total Governor's Recommended
Expenditures						
Personal Services-Salaries	1,797	2,000	2,000	2,000	2,000	2,000
Personal Travel In State	2,121	8,000	5,000	5,000	5,000	5,000
Personal Travel Out of State	9,730	10,000	10,000	10,000	10,000	10,000
Office Supplies	72,556	80,000	80,000	80,000	80,000	80,000
Printing & Binding	0	1,000	1,000	1,000	1,000	1,000
Postage	0	1,000	1,000	1,000	1,000	1,000
Communications	28,250	50,000	50,000	50,000	50,000	50,000
Rentals	0	1,000	1,000	1,000	1,000	1,000
Professional & Scientific Services	24,568,248	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Outside Services	3,313	8,000	8,000	8,000	8,000	8,000
Advertising & Publicity	1,400	1,000	1,000	1,000	1,000	1,000
Outside Repairs/Service	0	1,000	1,000	1,000	1,000	1,000
Reimbursement to Other Agencies	0	1,000	1,000	1,000	1,000	1,000
ITS Reimbursements	0	2,000	2,000	2,000	2,000	2,000
Office Equipment	0	1,000	1,000	1,000	1,000	1,000
Equipment - Non-Inventory	0	1,000	1,000	1,000	1,000	1,000
Other Expense & Obligations	15,644	15,000	15,000	15,000	15,000	15,000
Refunds-Other	0	1,000	1,000	1,000	1,000	1,000
Employment Benefits	2,319,425,857	3,304,994,000	2,924,941,000	2,924,941,000	2,924,941,000	2,924,941,000
Appropriation	17,988,567	18,113,022	18,113,022	18,113,022	18,113,022	18,113,022
Balance Carry Forward (Funds)	29,956,667,508	30,883,401,486	30,712,455,903	32,410,191,464	30,712,455,903	33,936,981,442
IT Outside Services	0	100,000	20,000	20,000	20,000	20,000
IT Equipment	0	10,000	10,000	10,000	10,000	10,000
Gov Fund Type Transfers - Other Agencies Services	0	15,000	15,000	15,000	15,000	15,000
<b>Total IPERS Fund</b>	<b>32,318,784,989</b>	<b>34,236,817,508</b>	<b>33,685,735,925</b>	<b>35,383,471,486</b>	<b>33,685,735,925</b>	<b>36,910,261,464</b>