

IPERS BENEFITS ADVISORY COMMITTEE
Monday, October 13, 2008
IPERS Board Room

The following people were in attendance at the IPERS Benefits Advisory Committee meeting that was held in the IPERS Board Room on Monday, October 13, 2008.

Members of the Benefits Advisory Committee

Len Cockman, Bill Sage, Jim Maloney, Alan Kemp, Walt Galvin, Diane Reid, Lewis Washington, Susanna Brown, Pat Lynch, Gaylord Tryon, and Janie Garr.

Absent: Brad Hudson, Ray Walton, and M.J. Dolan.

IPERS Administration and Staff

Donna Mueller, Chief Executive Officer; Melinda Prince, Executive Assistant; Julie Economaki, Public Information Officer; Leon Schwartz, Chief Operations Officer; Bob Sharp, Project Manager; and Kelly Lovell, General Counsel.

BAC Alternates or Representatives

Mathelle Carlson, IPERS Improvement Association; Matt Ballard, International Brotherhood of Teamsters; Jon Studer, Iowa State Education Association; Mark Johnson, Department of Administrative Services; Mark Tomb, Iowa League of Cities.

Public Members

Jennifer Acton and Ed Cook, Legislative Service Agency; Jenifer Parsons, Iowa House Democratic Caucus Staff; Doug Olson, Andrew Hennessy, and Mable Mantel, IPERS Improvement Association.

Call to Order

Meeting called to order at 1:01 p.m. by chair Len Cockman.

Lewis Washington made the motion to approve the minutes from the August 11, 2008, BAC meeting. Alan Kemp seconded, the motion carried unanimously by voice vote.

FED and COLA Payment

Leon Schwartz reviewed the November dividend and FED payment history. Preliminary FY2009 numbers show the Trust Fund will pay \$12,636,246 to 16,007 November dividend recipients and \$67,190,741 to 68,879 FED recipients. The actuary has certified that the statutory contribution rate for FY2009 is less than the actuarially required contribution rate; therefore no adjustment may be made to the November dividend. Likewise for the FED account since the Trust Fund is not fully funded no transfer will be made to the FED account.

Request for Protection Occupation

The Insurance Fraud Investigators and the Iowa Association of Code Enforcement have expressed interest in changing their IPERS membership status from regular membership to protection occupation. As of this meeting, IPERS had not received any formal notice from either group requesting to come before the BAC for consideration of their request. The BAC does have a standing Ad Hoc group that would meet if the groups wish to pursue their request.

IPERS Staff Report

FY2010 Budget – Leon Schwartz reviewed a draft of IPERS’ proposed FY2010 budget. IPERS will again maintain a status quo budget. He also reviewed IPERS’ historical Trust Fund assets and expenses.

Investment Division Update – Karl Koch reviewed IPERS’ total fund performance as of June 30, 2008. Third quarter returns should be available around the first of November. He estimated the returns could be as much as a negative 8 to 9 percent. He concluded by stating that he has been working to ensure that IPERS maintains enough liquidity (cash on hand) to meet our normal payments (including the upcoming November dividend and FED payments).

I-Que Project Update – Bob Sharp stated that Rollout 1 business processes are in production and since the August 18 “Go Live” date IPERS has received more than 3,875 help desk calls from employers. The vast majority of the calls involved helping with wage reporting, electronic fund transfers, and logging into the I-Que system. Approximately 92 percent of employers have reported wages for July and August and 82 percent have reported September wages. Rollout 2 focuses on member services; the design and software configuration will be from October 2008 through February 2009. Full I-Que deployment is currently scheduled for July 2009.

Administrative Rules – Kelly Lovell reviewed the recent addendum to IPERS Employer Bulletin 2008-2 sent to employers in May 2008. The bulletin notified them of reporting changes caused by new laws effective July 1, 2008. IPERS will formalize the information by adopting administrative rules, which give employers a formal way to comment.

Appeals Update – Kelly Lovell reviewed the October 2008 appeal status report.

Other Business

Walt Galvin thanked Donna Mueller for her recent presentation to the Iowa Retired School Personnel Association.

Public Comments

None

Future Meeting Dates

A proposed 2009 meeting calendar was distributed. Diane Reid made the motion to change the BAC meetings to be the first Monday of the month. Lewis Washington seconded, the motion carried by unanimous voice vote. With no further business to come before the committee, the meeting was adjourned.