The following people attended the IPERS Benefits Advisory Committee (BAC) meeting held on Monday, January 28, 2019.

Members of the Benefits Advisory Committee – Present

Len Cockman, Chair  
Brad Hudson, Vice Chair  
Matt Carver  
Matt Cosgrove  
Lowell Dauenbaugh  
Steve Hoffman  
Andrew Hennesy  
Danny Homan  
Jon Thomas

Members of the Benefits Advisory Committee – Absent

Susanna Brown  
Erin Mullenix  
Janet Phipps  
Phil Tetzloff

IPERS Administration and Staff

Donna Mueller, Chief Executive Officer  
David Martin, Chief Benefits Officer  
Melinda McElroy Executive Assistant  
Karl Koch, Chief Investment Officer  
Gregg Schochenmaier, General Counsel  
Judy Akre, Director of Communications  
Luke Bailiff, Information Mgmt Division  
Tim Allen, Information Mgmt Division

Public Members

Jina Bresson, Treasurer’s Office  
Jennifer Acton, Legislative Service Agency  
Brad Baker, DNR  
Pat Deluhery
Call to Order

Brad Hudson, vice chairperson, called the meeting to order at 1:00 p.m. He announced that the Iowa League of Cities has named Erin Mullenix as their representative on the BAC and congratulated Sandy Tryon on her recent retirement from DMACC. The Iowa Association of Community College Trustees will name their replacement representative in the next few weeks.

Lowell Dauenbaugh made the motion to approve the minutes from the October 22, 2018, Benefits Advisory Committee meeting. Jon Thomas seconded, the motion carried by unanimous voice vote.

Iowa State Fair Police Request for Protection Occupation – Doug Mullenhauer

Doug Mullenhauer, chief of the Iowa State Fair police department summarized for the committee the number of full time and part time peace officers in his department as well as their qualifications, duties, and training. The officers are required to be certified law enforcement officers pursuant to Iowa Code 80B. Danny Homan made the motion that the BAC support the Iowa State Fair police department’s request for its certified law enforcement officers to be included in IPERS’ protection occupation group. Jon Thomas seconded, the motion carried by unanimous roll call vote.

911 Communication Specialists’ Request for Protection Occupation – Jon Thomas

Jon Thomas reported that the subcommittee assigned to further review the 911 communication specialists’ request for protection occupation membership met on December 17, 2018. The subcommittee determined that the group does not meet the BAC’s established guidelines for protection occupation membership and would likely conflict with public safety definitions under IRS statues of distribution of early retirement benefits. Jon Thomas stated that at this time, the 911 communication specialists would like to withdraw their request for inclusion in the protection occupation group.

CEO Report – Donna Mueller

2018 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, 2018.

November Dividend Adjustment – Cavanaugh Macdonald certified that an adjustment to the November dividend payment can be made in 2019. The amount of the adjustment (not to exceed 2.6%) will be determined when the change in the June CPI-U is announced.

Investment Board Appointment – The BAC must submit a slate of names to the governor for the IPERS Investment Board seat designated as an active member who is not an employee of a school district, area education agency, or merged area. Danny Homan made the motion that the BAC support the reappointment of Wayne Walter to the Investment Board. Matt Carver seconded, the motion carried by unanimous roll call vote.
NIRS Annual Membership Renewal – Danny Homan made the motion that the BAC authorize the expenditure of $6,200 from its budget to renew IPERS’ membership in the National Institute of Retirement Security. Lowell Dauenbaugh seconded, the motion carried by unanimous voice vote.

DMTRS Merger Update – The Des Moines Teacher Retirement System has withdrawn their merger request. The BAC asked staff to develop written standards for entities to review and accept prior to initiating a pension plan merger with IPERS.

Legislative Update – Judy Akre

Judy Akre reported that the governor and legislative leadership have announced that no legislative changes will happen to IPERS this session. If legislation affecting IPERS is filed, the bills will be posted on IPERS’ website.

Staff Reports

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

Investment Update – Karl Koch gave a general investment market update. He estimated IPERS’ fourth quarter investment returns to be around a -6 percent, a -2 percent for the calendar year, and possibly a -3 percent for the fiscal year. The Trust Fund market value is approximately $32.2 billion.

Appeals and Administrative Rules Updates – Gregg Schochenmaier reviewed the appeal status report as of January 2019. He next reported that IPERS’ Administrative Rules package was filed on December 20, 2018. There is a public hearing scheduled for February 5, 2019, and the adoption process begins on February 20, 2019.

Other Business

Brad Hudson stated that even though it appears no IPERS legislation will be considered this year, he felt it was important that the BAC and staff continue to pursue and educate legislators on the importance and cost saving measures of implementing internal investment management at IPERS.

Public Comments

None

Future Meeting Dates

The next BAC meeting is scheduled for Monday, February 25, 2019. With no further business to come before the committee, the meeting adjourned at 1:55 p.m.