

FY2022

ANNUAL SUMMARY

For the Fiscal Year Ended June 30, 2022



A LETTER FROM THE CHIEF EXECUTIVE OFFICER

Read the news on any given day, and it's hard to avoid stories of economic hardships. In FY2022, IPERS also felt the strain of growing inflation, ongoing unrest in Europe, rising interest rates and the sharp decline in some investment markets.

Nonetheless, I'm proud to deliver IPERS' FY2022 Summary Annual Financial Report that includes plenty of reasons to feel good about your IPERS membership.

- IPERS' investment return in FY2022 was -3.9%. In the last 30 years, this is only the fifth year IPERS experienced negative returns. IPERS knows that down-markets are inevitable and has crafted a long-term investment strategy designed to tolerate market fluctuations.
- Buoyed by record-high investment returns in FY2021, IPERS' funded ratio grew to 89.5% in FY2022.
- Despite losses overall, some investment markets, including private equity, private credit and real estate, produced better-than-expected returns.
- The value of the IPERS Trust Fund continues to hover around \$40 billion. IPERS is poised to pay benefits for years to come.
- IPERS paid a record \$2.5 billion in benefits in FY2022. The great majority of this money stays in Iowa and supports local communities.

IPERS remains a strong and trusted retirement plan that reliably provides lifetime monthly benefits to more than 130,000 retirees. Even in difficult economic times, you can count on IPERS.

I hope you will continue to feel pride in your IPERS membership and will trust that our team of nearly 80 professionals works diligently every day to administer one of the strongest pension systems in the country. We are committed to you and the security of your retirement. Thank you for the privilege of serving you.



Sincerely,

Gregory S. Samorajski
CEO

Scan this QR code to read the FY2022 Annual Comprehensive Financial Report or visit our website at www.ipers.org.



BY THE NUMBERS

All data is as of June 30, 2022, unless noted otherwise.

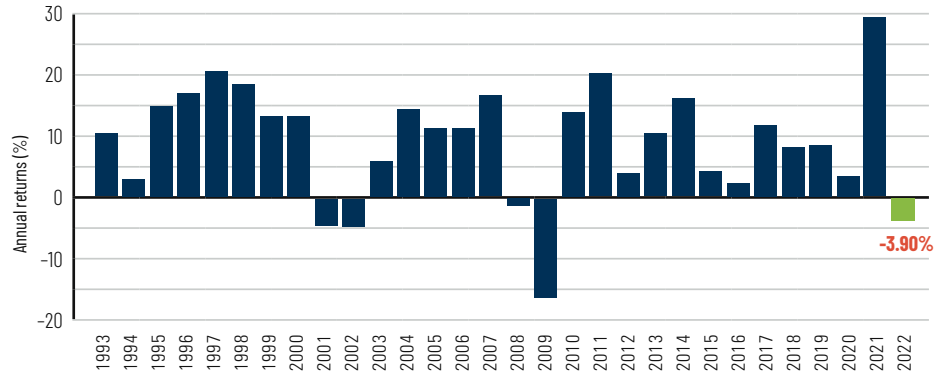


FUNDED RATIO

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

89.50%

INVESTMENT RETURNS



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.

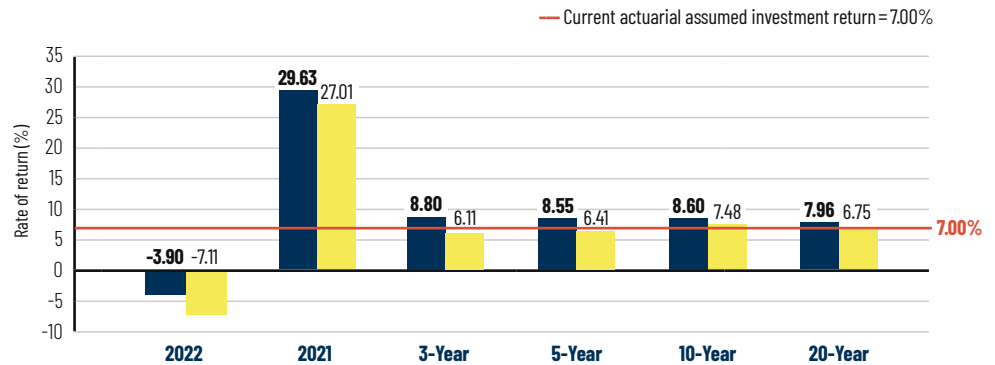
-3.90%

FY2022
Investment
Return

7.00%

Long-Term
Investment
Assumption

INVESTMENT PERFORMANCE SUMMARY



■ IPERS' portfolio, net of fees

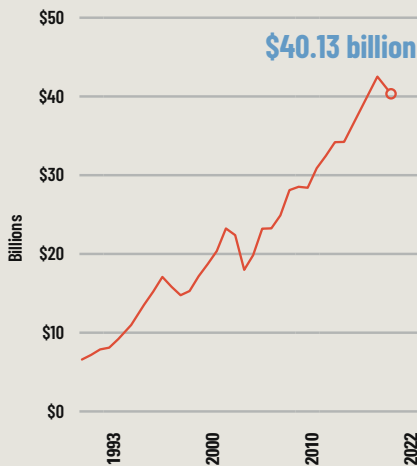
■ Large public fund median*

*Investment Metrics' Universe of All Public Funds > \$1 Billion Index.

Note: 3-, 5-, 10- and 20-year results are annualized returns.

IPERS TRUST FUND

In FY2022, the value of the IPERS Trust Fund equaled more than \$40 billion.



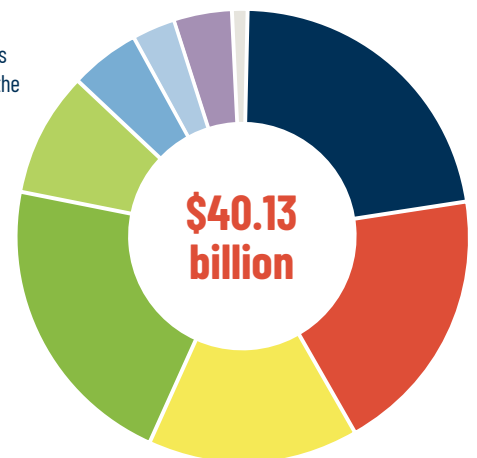
ASSET ALLOCATION

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-plus fixed income (22%) \$8,880
- Domestic equity (19%) \$7,645
- International equity (15%) \$6,157
- Private equity (21%) \$8,441
- Private real assets (9%) \$3,555
- Global smart beta equity (5%) \$2,060
- Public credit (3%) \$1,404
- Private credit (4%) \$1,668
- Cash (1%) \$324

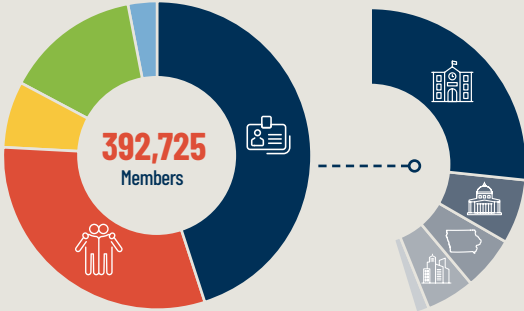
*Due to rounding, this chart does not equal 100%.



MEMBERSHIP

ALL MEMBERS
by Status

ACTIVE MEMBERS
by Major Employer Type



Active (45%)	176,186	Education (52%)	91,719
Retired (31%)	123,164	County (16%)	27,916
Inactive vested (7%)	26,256	State (15%)	26,420
Inactive nonvested (15%)	58,579	City (14%)	24,325
Retired reemployed (2%)	8,540	Other (3%)	5,807

NEW IPERS RETIREES



6,262
Number of retirees



\$2,041
Average monthly benefit



22.2
Average years of service

ADMINISTRATION COST

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

\$99



Peer average cost

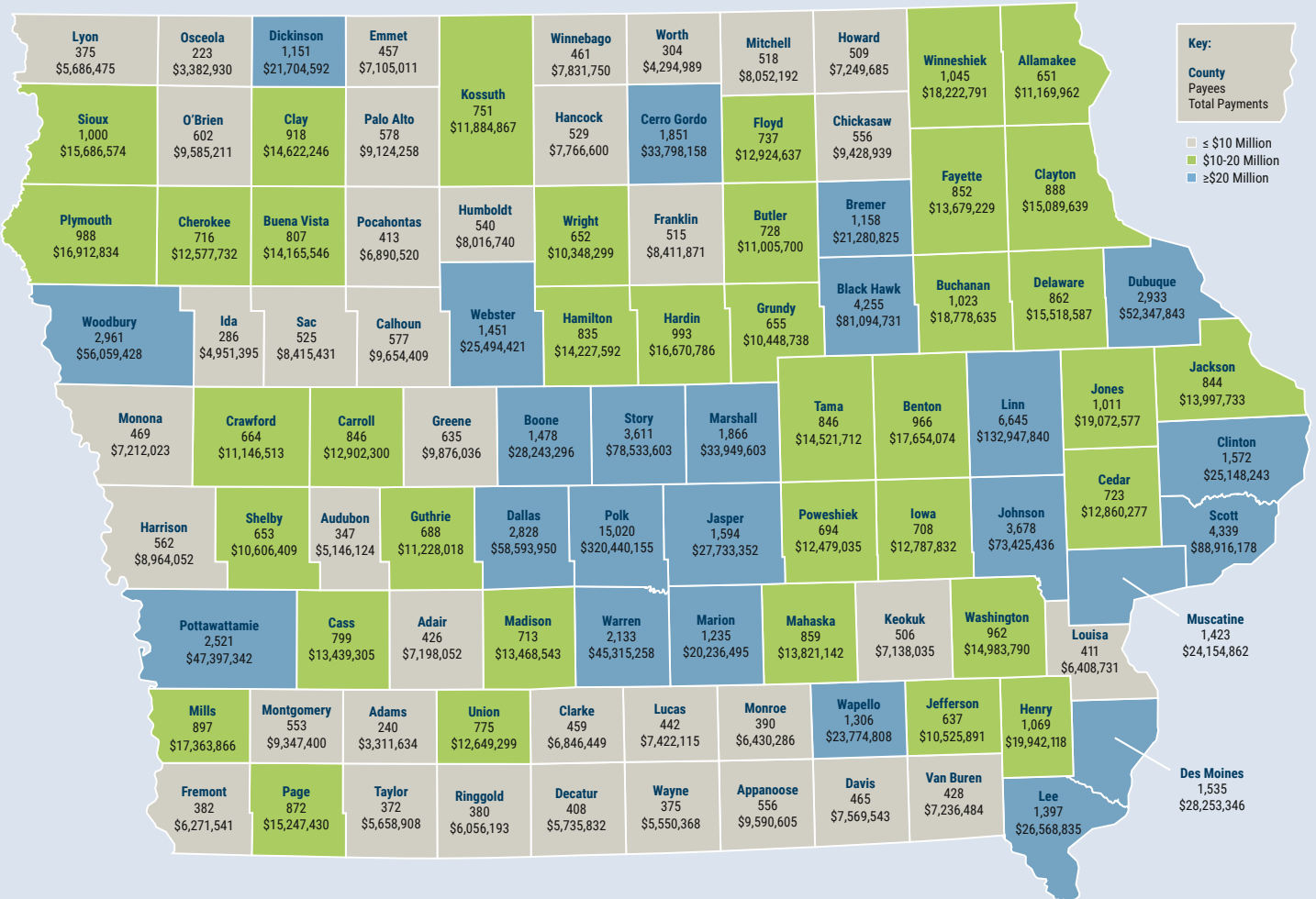
\$46



IPERS' cost

Source: CEM Benchmarking Inc., FY2021

BENEFIT PAYEES AND PAYMENTS BY COUNTY



\$2.5 billion

TOTAL BENEFITS PAID

\$2.2 billion

BENEFITS PAID TO RETIREES LIVING IN IOWA



Working Today for Your Tomorrow

Iowa Public Employees' Retirement System

P.O. Box 9117
7401 Register Drive
Des Moines, Iowa 50306-9117

QUESTIONS? CONTACT US.

515-281-0020 or 800-622-3849

Monday-Friday 7:30 a.m.-5 p.m. Central Time
info@ipers.org

www.ipers.org |

PRSR STD
U.S. POSTAGE
PAID
DES MOINES, IOWA
PERMIT NO. 5819



**A LETTER FROM THE GOVERNOR
AND LT. GOVERNOR**

Iowa's economy is growing, our communities are flourishing and our national reputation is rising. While our state's economic profile is diverse, IPERS' impact is notable.

In FY2022, IPERS paid a record \$2.5 billion in benefits, including \$2.2 billion to IPERS members living in Iowa. Iowans reinvest that money in their local economy, making purchases that support small businesses and generate jobs.

What's more, IPERS' guarantee of lifelong retirement benefits attracts workers to our communities who are seeking a reliable retirement savings plan and the satisfaction that comes from serving Iowans. For nearly 70 years, IPERS has helped propel economic security for Iowans and fulfilled its important mission of attracting and retaining a quality public workforce. Beginning in 2023, retirement income — including IPERS benefits — are exempt from state taxes, making participation in IPERS even more appealing.

We are committed to continued economic growth, and we recognize IPERS' part in the financial prosperity of our state. We value your role as an IPERS member, and we thank you for your service to Iowans.



Kim Reynolds
Governor



Adam Gregg
Lt. Governor

FIDUCIARY NET POSITION

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

	2022	2021	2022/2021 Percentage Change	2020	2021/2020 Percentage Change
Cash and investments at fair value	\$41,283,686	\$43,661,649	(5.4)	\$35,334,054	23.6
Receivables	1,123,264	1,213,789	(7.5)	777,650	56.1
Capital assets	11,848	13,127	(9.7)	14,167	(7.3)
Other assets	1,071	628	70.5	530	18.5
Total assets	42,419,869	44,889,193	(5.5)	36,126,401	24.3
Deferred outflows of resources	322	99	225.3	83	19.3
Total liabilities	2,228,280	1,999,337	11.5	2,078,741	(3.8)
Deferred inflows of resources	344	79	335.4	51	54.9
Total net position	\$40,191,566	\$42,889,876	(6.3)	\$34,047,692	26.0

CHANGES IN FIDUCIARY NET POSITION

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

	2022	2021	2022/2021 Percentage Change	2020	2021/2020 Percentage Change
Additions					
Contributions and service purchases	\$1,430,839	\$1,371,873	4.3	\$1,327,865	3.3
Net investment and securities lending income/(loss)	(1,583,546)	9,895,374	(116.0)	1,041,873	849.8
Total additions	(152,707)	11,267,247	(101.4)	2,369,738	375.5
Deductions					
Benefits and refunds	2,532,040	2,418,811	4.7	2,319,143	4.3
Administrative expenses	13,563	13,852	(2.1)	13,584	2.0
Total deductions	2,545,603	2,432,663	4.6	2,332,727	4.3
Extraordinary item*	-	7,600	-	-	-
Increase/(decrease) in net position	(\$2,698,309)	\$8,842,184	(130.5)	\$37,011	23,790.7

*IPERS received the final settlement payment from the Westridge Capital fraud case, CFTC v. Walsh / SEC v. WG. This payment resulted in an extraordinary item during FY2021.

Total net position restricted for pensions decreased from \$42.890 billion on June 30, 2021, to \$40.192 billion on June 30, 2022. These assets consist of capital assets owned by IPERS and net investment portfolio assets.

In FY2022, employee and employer contributions, including service purchases, totaled \$1.431 billion, while total member benefits equaled \$2.532 billion (monthly benefits, lump-sum retirement benefits, death benefits, refunds and dividend payments). The resulting \$1.101 billion contribution shortfall was funded with earnings and sales proceeds from the investment portfolio.