

# FY2020

AN ANNUAL SUMMARY FOR THE FISCAL YEAR ENDED JUNE 30, 2020



## A LETTER FROM THE CHIEF EXECUTIVE OFFICER



Without a doubt, the latter half of FY2020 brought unprecedented challenges. Last spring IPERS overcame significant volatility in the investment markets and finished the fiscal year even stronger than we started it. Let me reassure you that IPERS has a diversified investment portfolio that is managed with a long-term outlook. This allows us to more easily weather turmoil in the markets.

I hope you'll take a moment to read this summary of our performance in FY2020. It includes plenty of good news that proves the stability of your retirement plan. Here are a few highlights from the past fiscal year:

- At the conclusion of FY2020, the value of the IPERS Trust Fund equaled \$34 billion, an increase of \$37 million from FY2019.
- According to IPERS' investment consultant, IPERS' FY2020 investment return of 3.39% was higher than the median of 2.95% for peers with assets valued at more than \$1 billion.
- According to CEM Benchmarking, Inc., for the 12th consecutive year, IPERS was lowest in cost compared to its peers.

The IPERS Trust Fund is strong, and we are poised to pay retirement benefits for years to come.

Sincerely,

A handwritten signature in black ink that reads "Gregory S. Samorajski". The signature is written in a cursive, flowing style.

**Gregory S. Samorajski**  
CEO



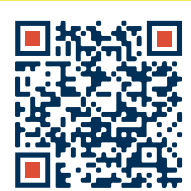
### LEARN MORE

Read the full FY2020 Comprehensive Annual Financial Report at [www.ipers.org](http://www.ipers.org)



### MEET THE NEW CEO, GREG SAMORAJSKI

Scan this QR code with your smartphone or visit our YouTube channel at [YouTube.com/IPERSinfo](https://www.youtube.com/IPERSinfo)



**IPERS understands that our members may be concerned about the stability of the IPERS Trust Fund, given the market's volatility in the last half of FY2020. IPERS' investment portfolio is diverse and is managed with a long-term outlook. The IPERS Trust Fund is strong and secure, and IPERS has the liquid assets necessary to pay monthly benefits for years to come.**

**TRUST FUND VALUE**

**\$34 billion**

**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.

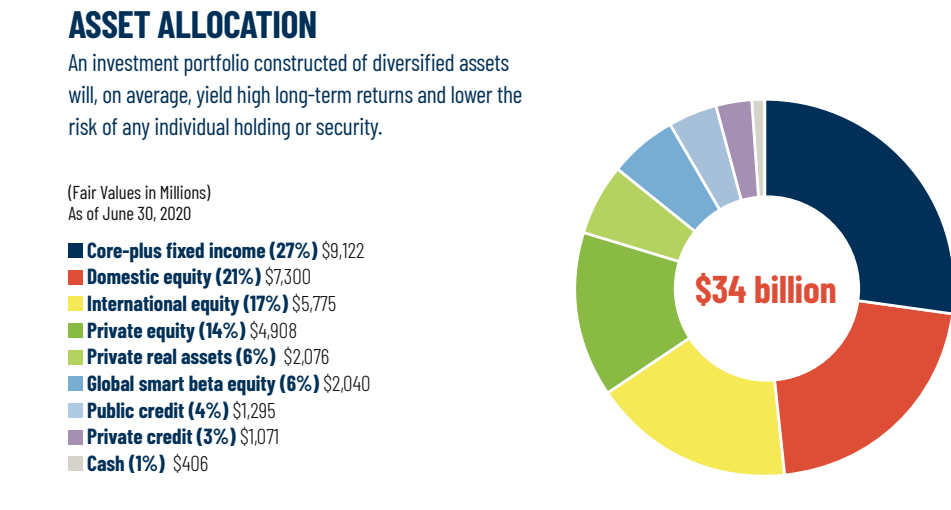
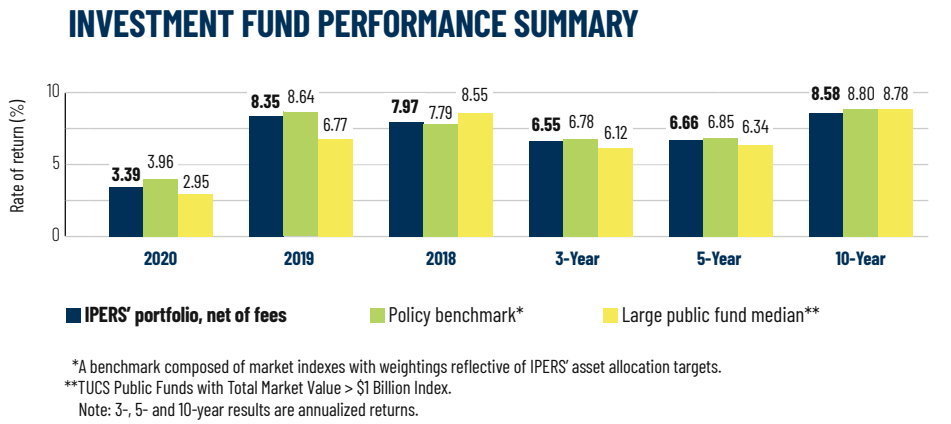
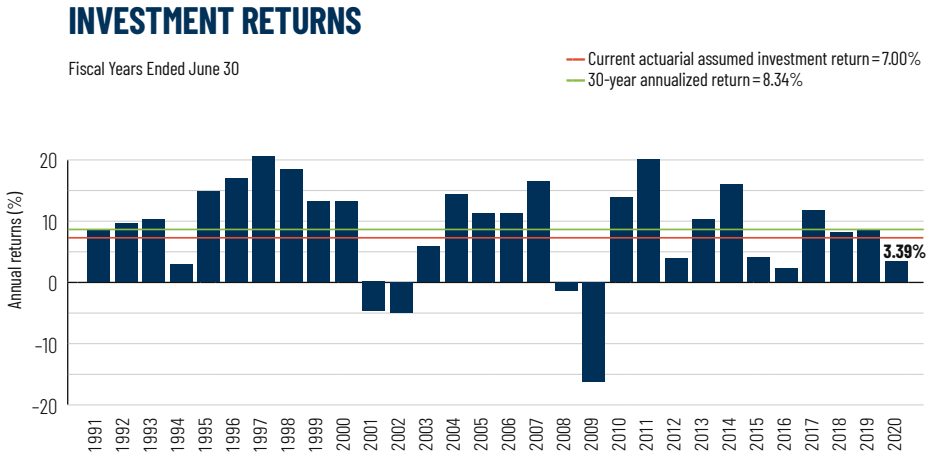
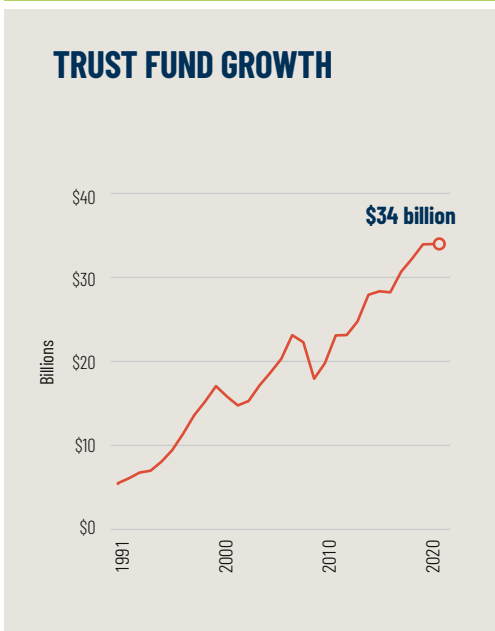
**3.39%** **7.00%**

FY2020 Investment Return      Long-Term Investment Assumption

**FUNDED RATIO**

A funded ratio equals the value of assets divided by pension obligation or liabilities. A ratio of 80% or greater is an indicator of a strong and secure pension fund.

**83.96%**



TOTAL BENEFITS PAID

\$2.3 billion

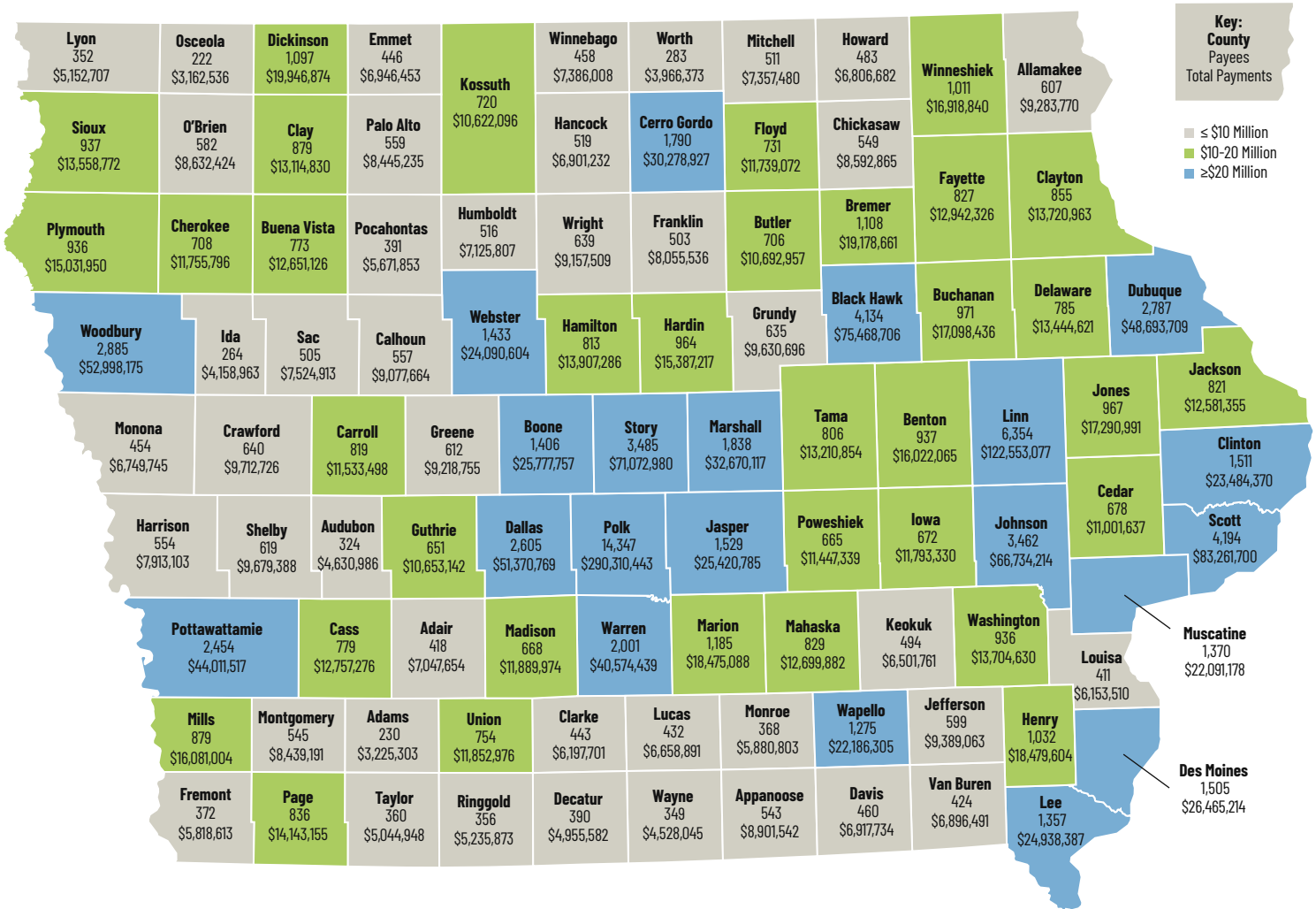


BENEFITS PAID TO RETIREES LIVING IN IOWA

\$2 billion



BENEFIT PAYEES AND PAYMENTS BY COUNTY



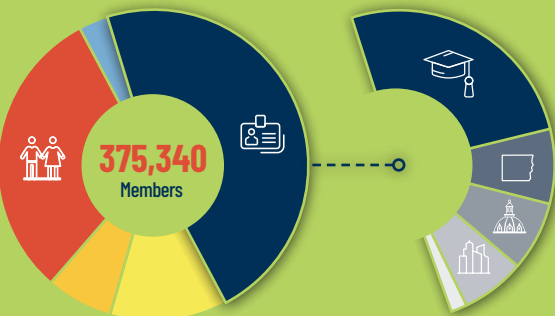
**Key:**  
County  
Payees  
Total Payments

- ≤ \$10 Million
- \$10-20 Million
- ≥ \$20 Million

MEMBERSHIP

All Members by Status

Active Members by Major Employer Type



THE AVERAGE IPERS RETIREE

**61**  
Retirement Age



**\$17,868**  
Annual Benefit



**23**  
Years of Service



ADMINISTRATION COST

IPERS' total pension administration cost per member is significantly less than its peers.



Source: CEM Benchmarking Inc. FY2019



Working Today for Your Tomorrow

Iowa Public Employees' Retirement System

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A LETTER FROM THE GOVERNOR AND LT. GOVERNOR

The past year has challenged Iowans in ways we could have never expected. But despite the hardships of FY2020, Iowans persevered and continue to do so.

We know that many of you are on the front lines of Iowa's response to the Coronavirus pandemic. And we want to take this opportunity to thank the first responders, public safety personnel and medical professionals who gave and continue to give selflessly in service to Iowans in need.

We want to thank the city, county and state workers who maintained vital public programs and services that are the backbone of Iowa's economic and social health. And we want to thank the many educators whose dedication to Iowa's children is steadfast. No matter your role in public service, the challenges of FY2020 tested you and proved your dedication to your fellow Iowans.

Your hard work deserves the reward of a well-managed and well-funded retirement benefit program. We are proud to represent you and to support IPERS' commitment to you. Iowa's best days lie ahead. Thank you for joining us on this journey.



Handwritten signature of Kim Reynolds

Kim Reynolds
Governor



Handwritten signature of Adam Gregg

Adam Gregg
Lieutenant Governor

FIDUCIARY NET POSITION

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

Table with 6 columns: Category, 2020, 2019, 2020/19 Percentage Change, 2018, 2019/18 Percentage Change. Rows include Cash and investments at fair value, Receivables, Capital assets, Other assets, Total assets, Deferred outflows of resources, Total liabilities, Deferred inflows of resources, and Total net position.

CHANGES IN FIDUCIARY NET POSITION

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

Table with 6 columns: Category, 2020, 2019, 2020/19 Percentage Change, 2018, 2019/18 Percentage Change. Rows include Additions (Contributions and service purchases, Net investment and securities lending income, Total additions) and Deductions (Benefits and refunds, Administrative expenses, Total deductions), and Increase in net position.

Total net position restricted for pensions increased from \$34.011 billion on June 30, 2019, to \$34.048 billion on June 30, 2020. These assets consist of capital assets owned by IPERS and investment portfolio assets.

In FY2020, employee and employer contributions, including service purchases, totaled \$1.328 billion, while total member benefits equaled \$2.319 billion. The resulting \$991 million contribution shortfall was funded with earnings and sales proceeds from the investment portfolio.