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## FISCAL UPDATE Article

Fiscal Services Division

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### GOVERNOR'S BUDGET HEARING — IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

**Budget Discussion.** On November 15, 2018, Governor Kim Reynolds held a budget hearing for the Iowa Public Employees' Retirement System (IPERS). Chief Executive Officer Donna Mueller presented IPERS' FY 2020 budget request. While the official budget request is for a status quo budget, CEO Mueller asked the Governor to consider a \$498,000 increase compared to last year's \$18.0 million budget to create two additional full-time quantitative investment positions and to upgrade current retirement investment officer positions. The budget request requires no appropriation from the General Fund as the IPERS Trust Fund pays all administrative expenses.

**IPERS Updates.** CEO Mueller provided updates on the Office's programs and initiatives over the last year. Investment performance for FY 2018 exceeded the actuarial investment return assumption of 7.0% with a net return of 7.97%. Nearly 11,400 preretirement counseling sessions were completed in FY 2018. Additionally, over 6,300 new retirees were welcomed into the retirement system. CEO Mueller stated that IPERS paid a total of \$2.1 billion in benefits in FY 2018, with \$1.8 billion of these benefits paid directly to lowans.

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