Legislative Services Agency

# MINUTES

## Public Retirement Systems Interim Committee

October 14 and 15, 2003

### MEMBERS PRESENT:

Senator Mark Zieman, Cochairperson
Senator Michael Connolly
Senator John Kibbie
Senator Doug Shull
Senator Bryan Sievers

Representative Jeff Elgin, Cochairperson
Representative John Connors
Representative Ervin Dennis
Representative Jack Drake
Representative Marcella Frevert

## MEETING IN BRIEF

Organizational staffing provided by: Ed Cook, Senior Legal Counsel, (515) 281-3430

Minutes prepared by: Rick Nelson, Senior Legal Counsel, (515) 242-5822

I. Administrative Business.
II. Iowa Public Employees' Retirement System (IPERS).
III. Municipal Fire and Police Retirement System of Iowa (MFPRSI).
IV. Peace Officers' Retirement System.
V. Judicial Retirement System.
VI. Concluding Remarks.
VII. Written Materials Filed With the Legislative Services Agency.

# I. Administrative Business.

**Convening and Adjournment.** The meeting convened on Tuesday, October 14, 2003, at 10:15 a.m. in Room 116 of the State Capitol, and recessed at 3:45 p.m. On Wednesday, October 15, 2003, the Committee reconvened at 9:10 a.m., and adjourned at 2:25 p.m.

## A. Election and Approval.

Senator Zieman and Representative Elgin were elected cochairpersons at the beginning of Tuesday's meeting, and proposed rules were approved and adopted by the Committee.

## B. Opening Remarks.

Cochairperson Zieman stated at the outset of the meeting that the Committee members are all aware of issues relating to retirement systems, and that the Committee members should keep an open mind in relation to the testimony being received. Cochairperson Elgin added that the objective is to gain an increased understanding of the needs and issues facing each of the retirement systems organizations, and that he was confident the proposals will be interesting and informative.

Mr. Ed Cook, Senior Legal Counsel, Legal Services Division, Legislative Services Agency, summarized background information available both on the Iowa Legislature website and in his Pension Funding Basics Background Statement useful for Committee members in interpreting and understanding some of the principles and positions being discussed. Mr. Cook also provided information relating to the statutory basis for the formation of the Committee, the traditional approach of conducting interim meetings during the second year of the legislative biennium, and the preparation of technical or "cleanup" legislation. Mr. Cook requested that items for possible inclusion in potential legislation for the upcoming legislative session be forwarded to him as soon as possible.

# II. Iowa Public Employees' Retirement System (IPERS).

## A. IPERS Staff.

**Chief Executive Officer.** Ms. Donna Mueller, Chief Executive Officer, IPERS, provided an overview of the system, addressing the system's mission statement, governance and structure, demographic information related to active and retired members, and the various services IPERS provides. Ms. Mueller indicated that IPERS was established to supplement social security, not replace it, and includes contributions by both employers and employees. She distributed a report describing the function and membership of the system's Investment Board and Benefits Advisory Committee, and the partnership role played by the Legislature and the Governor regarding plan design, strategic planning, and administrative costs.

The report contained detailed information regarding the organizational structure of IPERS and a breakdown of membership classifications into active members, retired members, active vested members, and inactive vested members. Ms. Mueller indicated that overall, IPERS membership totals 337,397 persons and 2,400 participating employers, with employees of school districts and community colleges constituting approximately 50 percent of all active members. A variety of demographic information was presented relating to membership age, wage base, average years of service, protective service groups, and retiree monthly benefit and annual pension levels. Ms. Mueller further indicated that a variety of services for members and impending retirees are available, and stated that during the fiscal year ending June 30, 2003, approximately 74,000 retirement benefit estimates were prepared by IPERS staff.

**Chief Investment Officer.** Ms. Kathy Comito, Chief Investment Officer, IPERS, discussed IPERS investment performance from both a historical and current perspective. Ms. Comito referenced a chart depicting IPERS fiscal year investment returns over a 23-year period, and indicated that during that period the annualized return has outperformed actuarial assumptions. It was noted that the fiscal years ending June 30, 2001, and June 30, 2002, marked the first time that two consecutive years of negative investment returns were observed, but that IPERS investments returned to a positive 5.59 percent for the fiscal year ending June 30, 2003. Ms. Comito indicated that an analysis of where IPERS ranks in comparison to other large public pension fund groups revealed that IPERS' one-year, five-year, and 10-year returns have ranked in the top 15 percent, and that the fund is experiencing higher than average returns with lower than average risk.

Committee discussion points included noting a policy change during the 1980s which opened the fund up to some investments that were less conservative with potentially higher returns; whether other comparison factors beyond size of fund should or are being considered, such as comparing the fund to peers with very similar asset allocations and fixed to equity investment ratios; and a request that IPERS staff supply figures indicating the performance of Standard and Poor's Fortune 500 peer companies for the same period that IPERS investment results yielded a negative investment return. Regarding measures of cost- effectiveness of the plan, Ms. Comito stated that in an analysis of 20 public plans close to IPERS in size and composition, IPERS' total cost per active member and annuitant was found to be the third lowest of the peer group. It was additionally noted that contribution rates have been stable at 9.45 percent since 1979, which is below the median contribution rate level of 11 percent for other similar public pension plans.

**Chief Benefits Officer.** Mr. Greg Cusack, Chief Benefits Officer, IPERS, addressed whether benefits are competitive with other plans, and observed that IPERS average annual pension levels are relatively low. Mr. Cusack noted that prior to the 1990s, the system was noncompetitive, and that the system's policy of covering part-time individuals impacts the averages. The improvements in the system, he emphasized, have been made responsibly. In response to a request for further information resulting from review of a chart depicting contribution rates for neighboring states, Mr. Cusack indicated IPERS staff will supply employer and employee contribution rates for all 50 states. Ms. Mueller added that a useful website for obtaining this type of information is located at www.publicfundssurvey.org.

**Actuary.** Ms. Patrice Beckham, Consulting Actuary, Milliman and Robertson, discussed the results of an asset/liability study presented to the IPERS investment board. The study looked at asset allocation, benefit provisions, and contribution levels to assess possible solutions to the current financial situation facing IPERS regarding unfunded actuarial liability. In June 2002, the IPERS system's unfunded actuarial liability had been estimated to have reached $1.255 billion over 30 years, with resources to meet obligations estimated to last at least 20 years. The study indicated that asset allocation changes alone would be insufficient to improve IPERS funded status over time. Instead, the study looked at various contribution and benefit modification changes to try and reach a goal of having a 30-year amortization period of the system's unfunded liability by 2014.

The study provided several options for reaching the goal. If no benefit modifications are made, a total 13.25 percent contribution, up from the current 9.45 percent, would be recommended. Other options provide for a combination of benefit modifications and an increase of contributions to 12 percent. Some of the benefit modifications provide for reducing the percentage multiplier from 2 percent a year to 1.9 percent or 1.8 percent, eliminating the subsidy for member's early retirement, eliminating the rule of 88 for new hires, and using, for new hires, a member's high five years of salary, instead of three years, in calculating a retirement benefit.

**Benefits Advisory Committee.** Ms. Mueller discussed the reaction of the IPERS Benefits Advisory Committee (BAC) to the results of the asset/liability study, and its resulting recommendations. She indicated that IPERS' legal advisors regard any attempt to modify future benefit accruals to current members as problematic, and accordingly suggested that plan redesign elements would apply strictly to new IPERS members. The BAC recommended that beginning July 1, 2004, contribution rates would be raised to 13.45 percent (slightly higher than in the asset/liability study), but that the increase would be phased in over a four-year period at 1 percent per year. The current benefit structure would be maintained for current members and new hires, and the 60/40 employer-employee split regarding shared contribution rates would be maintained as well. Additionally, a provision would be inserted into the Iowa Code sections pertaining to IPERS permitting IPERS to adjust rates up or down in the future in the event that the consulting actuary indicates that such a change is necessary.

It was stated that the recommendation relating to rate adjustability would make IPERS consistent with some other similar systems, and would enhance the responsiveness of the system, given that currently contribution rate changes require legislative approval. Dr. Gene Gardner, Vice chairperson of the Committee, commented that IPERS distributes benefits to every corner of the state, that the benefits distributed boost the economy, and that the recipients of the benefits tend to stay in the state. He added that the community colleges are concerned about securing the revenue stream to fund an increased contribution rate, but respect the actuarial conclusions and recommendations.

**IPERS Recommendations.** Ms. Mueller also discussed several additional changes recommended by IPERS staff that could be pursued which, while relatively minor, could in combination achieve a significant impact, including proposed legislation dealing with antiwage manipulation of what is regarded as the final average salary, unpaid leaves of absence being counted, and referring fraud cases to a county attorney or state auditor for investigation and possible sanctions. Also, administrative expenses could be reduced through returning the investments of nonvested inactive members with fewer than four years of service, authorizing administrative fees for a wider array of services, requiring mandatory lump-sum payments for small retirement allowances rather than offering the payments as merely an option, and the requirement of mandatory cash-out provisions for small accounts. Further, clarification of what waiting period is required for reemployment after having previously taken a refund also needs to occur.

Ms. Mueller stated that the Governor agreed with the recommendations of the Benefits Advisory Committee regarding increasing contribution rates, but proposed delaying the implementation of the phased-in contribution rate increases until July 1, 2005, given the current state budgetary shortfall. She also indicated that the Governor supported, for new hires, ending the current early retirement subsidy and using a member's high five years, and not three, in calculating the retirement benefit.

## B. Organizations Primarily Concerned With IPERS:

**Iowa Association of School Boards.** Ms. Margaret Buckton, Government Relations Director, addressed the Committee regarding the association's position concerning the unfunded liability issues facing IPERS, and the recommendations of the Benefits Advisory Committee. Ms. Buckton indicated that the association recommends restricting the increase in total contributions to the retirement fund to the level recommended by the asset/liability study, 13.25 percent, rather than the 13.45 percent increase recommended by the Benefits Advisory Committee. Additionally, she indicated that the association feels that contribution costs to IPERS should be shared equally by the employer and the employee, or in the alternative, that the Legislature should provide that any increase in contributions above the current statutory rate be shared between employers and employees on a 50-50 basis. The association favors the phase-in of increased contributions over a number of years in order to lessen their impact, and with the phase-in starting no earlier than July 1, 2005.

She additionally indicated that the association supports legislation authorizing school districts to utilize alternative funding sources, including use of management levy funds, to fund IPERS costs does not support amending current Iowa Code statutory provisions to permit IPERS to automatically adjust contribution rates if a change occurs in IPERS normal cost in the future, and favors providing that any increase in contributions, and the school district cost of providing the increase, should be subtracted from new money considerations when employment contracts are negotiated. Ms. Buckton additionally commented that caution should be observed in implementing any remedies arrived at in order to avoid a sudden negative impact on school district budgets and their ability to meet their students' needs. Still, she noted that retirement benefits play a role in attracting and retaining quality teachers and administrators.

**Iowa State Sheriffs and Deputies Association.** Ms. Susan Cameron, lobbyist for the association, accompanied by sheriffs Bill Sage and Gary Anderson, of Butler and Appanoose Counties, respectively, addressed the Committee. Ms. Cameron related that the association proposes lowering the retirement age for sheriffs and deputies in IPERS special occupations from the current age 55 to age 50, citing in support of the proposal the difficult and potentially hazardous nature of the occupations necessitates employment of relatively young individuals. Ms. Cameron emphasized that both personal and public safety issues emerge when older individuals are faced with the rigorous demands of the profession, and that from a recruitment standpoint several other states have lower retirement ages. The sheriffs supplemented the discussion with a description of the physical and psychological ramifications of the profession. Mr. Cusack commented that IPERS actuaries have examined this proposal and are developing a cost estimate for this proposed benefit. Mr. Cusack cautioned the Committee that there are parity issues involved with other protected classifications within the system.

**IPERS Improvement Association.** Ms. Janie Garr, speaking on behalf of the association, explained that it consists of approximately 3,000 individuals covered by IPERS in various capacities. She indicated that the association's membership favors no increase in benefits for the general membership of IPERS, and supports taking whatever action might be necessary to protect the retirement fund. Members additionally support keeping all funds currently in the favorable experience dividend (FED) fund available for payment of dividends to those members who retired after July 1, 1990.

**Airport Firefighters.** Mr. Vern Schroder, lobbyist for the organization, briefly indicated that the fire fighters support whatever needs to be done to maintain and protect the retirement fund, and conveyed their appreciation for being made an IPERS protected classification.

## C. Committee Discussion.

**Financial Condition.** Discussion points included questions regarding whether the downward trend in IPERS' financial condition could have been anticipated sooner, and Ms. Beckham responded that four-year experience studies deal with constantly changing demographics, that fewer individuals are dying as the health of the aging population improves, and that recent investment losses were difficult to predict.

**Actuary History.** The history of the Milliman and Robertson Consulting firm's involvement with IPERS was reviewed, and it was noted that Ms. Beckham has personally been involved in a consulting capacity with IPERS for the previous 13 years.

**Change Options.** Ms. Beckham indicated that a variety of alternative scenarios might be considered for study, but Mr. Cusack commented that vested retirement benefits constitute a significant limiting factor regarding what measures might be employed, and that changes in the benefits formula or retirement subsidies would probably have the biggest potential impact.

**Additional Study of Options.** The observation was made that while the Benefits Advisory Committee favors strictly an increase in contributions, some of the comments from IPERS staff appeared to open the possibility of combining an increase with some form of benefits reduction, and that perhaps additional study is needed to determine the most appropriate course of action.

**Comparison to Private Plans.** It was also observed that actuarial unsoundness needs to be understood in perspective – not everyone will require or cash in benefits simultaneously. The relative freedom of private plans to decrease benefits was also discussed, and the applicability of ERISA to such plans, and the lack of court cases granting similar authority to public plans was mentioned.

**Favorable Experience Dividend Fund.** In response to questions concerning utilizing the favorable experience dividend fund, it was explained that the fund began in the late 1990s as a transfer from the general trust fund into a special fund providing a nonguaranteed postretirement benefit for individuals retiring after 1990, and currently totals approximately $400 million. Mr. Cusack indicated that utilizing this fund to reduce the system's unfunded liability would legally be permissible, but would probably be regarded as a broken agreement by retirees, and would not in and of itself have a large enough impact to solve the problems facing IPERS without a contribution increase.

**Bonding.** The concept of borrowing money through pension obligation bonds was also discussed, and the comment was made that several states are looking into the idea. Such bonds issued to pay off the unfunded actuarial liability, in the current low interest rate environment, could provide a lower cost of financing that liability than the 7.5 percent "interest" which would otherwise be accruing on the liability. Ms. Mueller indicated that the bonds would not be issued by the pension trust fund, would constitute a state obligation, and that there might be a reluctance to incur it. She also indicated that the over 2,400 employer groups involved with IPERS would be a complicating factor, with a determination needing to be made as to which employer or groups of employers would be issuing the bonds. The ultimate advantage of the bonding approach would hinge on whether IPERS earns an average annual investment return that exceeds the interest rate being paid on the bonds. If the return fell below that interest rate, additional unfunded actuarial liability is created and would have to be paid off.

## III. Municipal Fire and Police Retirement System of Iowa (MFPRSI).

**Executive Director.** Mr. Dennis Jacobs, Executive Director, provided background information concerning the retirement system, including information about the creation of the merged system in 1992, and the reasons for the merger, as well as some statistics concerning the operation of the system both before and after the merger. Mr. Jacobs outlined the five goals sought to be achieved through consolidation, and indicated that although all five have been met, the financial condition of the system was better in previous years.

He indicated that the establishment of a voluntary employee beneficiary association, which was originally authorized by legislation in 1996, has finally occurred and will be in place relatively soon. Mr. Jacobs noted that the delay since 1996 was primarily attributable to the failure of the Internal Revenue Service to approve the program until just recently.

Mr. Jacobs commented that members of the retirement system are not covered by social security, and accordingly have a maximum retirement formula with 30 or more years of service of 82 percent; however, they are covered by Medicare if their employment commenced on or after March 18, 1986. The member cities in the system were reviewed, with a total of 49 cities containing current and former police and fire personnel with populations in excess of 8,000. Mr. Jacobs indicated that there has been a decrease in the number of disability-related retirements, which has resulted in a savings to the system, and is attributable to a more systematic vs. locally implemented approach to processing and approving disability claims.

Mr. Jacobs reviewed several issues facing the system, including the additional financial stresses on the system due, largely, to recent market performance. Actuarial information relating to the system was provided, and the three funding sources for the system (member, city, and state) were reviewed. Based on the most recent actuarial valuation of the system for the fiscal year ending June 30, 2003, the funded status of the system is, using a market value of assets, 80 percent. In addition, based on this valuation, the required contribution rate from cities beginning July 1, 2004, will be 24.92 percent, up from 20.48 percent for the current fiscal year. Mr. Jacobs identified a lack of financial commitment to the plan from the state as originally proposed as an additional issue – funding was frozen in the early 1990s and payment by the state of the amount absorbed by the plan in the succeeding period would restore over $20 million in assets.

The additional cost impact of the reemployment of veterans was discussed, administration costs being comparable to other plans was explained, the prospects of buying back into the plan were addressed (not possible unless laid off due to a downsizing), and seven purely technical legislative changes requested by the system were identified (no benefit changes are proposed).

**Iowa League of Cities.** Ms. Lorelie Heisinger, lobbyist for the organization, identified the three sources of contributions into the league's fund as annual state general fund appropriations, member or employee contributions, and city or employer contributions, and indicated that the annual state appropriation is less than that originally committed. The state appropriation was switched from an original percentage amount commitment to a flat dollar amount, which is subject to across-the-board reductions ordered by the governor. She indicated that member and city contributions are established by statute, that member contributions of 9.35 percent have not changed since 1995, and that contributions by the cities will be increasing by 26 percent next year to 24.92 percent.

Ms. Heisinger offered four legislative proposals on behalf of the league: capping the city contribution rate at 20 percent, maintaining the state's commitment to funding, clarification of a rebuttable presumption relating to heart/lung disease, and eliminating interest charged on newly discovered transition liabilities. With respect to the heart/lung rebuttable presumption, Ms. Heisinger explained that Iowa Code section 411.6 indicates that heart or lung disease is presumed to be contracted while on duty, resulting in a higher benefit being paid out as an accidental vs. ordinary disability. She indicated that this is at present being treated as an irrebuttable presumption, and would like clarification that in fact the presumption could be rebutted, with the cities bearing the burden of proof. With respect to the transition liability issue, Ms. Heisinger indicated that a recently discovered transition liability dating back to 1978 will result in a significant amount of interest charged to the applicable city, and in this case the league would favor a waiver of the statutory interest requirement.

Committee discussion included inquiring as to the league's position regarding the IPERS recommendations (league not pleased with increase in contribution rates but feels a fairer framework could be achieved), whether additional costs could be absorbed through imposition of a supplemental levy (yes, but this would increase taxes), identification of Ft. Dodge as the city where the transition liability discovery took place, the necessity of informing the public as to whether costs triggered by homeland security measures have been borne primarily by the state, and a request to identify specific incidences where cities have attempted to rebut the heart/lung presumption.

**Iowa Association of Professional Firefighters.** Mr. Jack Reed, President of the Iowa Association of Professional Firefighters, and Mr. Tom Fey, association lobbyist, appeared. Mr. Reed identified five primary recommendations on behalf of the Association of Professional Firefighters. First, maintaining the current mechanism for establishing contribution amounts by employers and employees and recognizing that initial excess funding when the system was formed were retained strictly by employers with no utilization for the benefit of employees. Second, establishing that when funding becomes available, a maximum pension of 90 percent of final average pay would be implemented, which was identified as the association's top priority. Third, establishing a deferred retirement option plan for members, which exists in many other states, with the intention of having a plan proposal for consideration in 2004. Fourth, establishing 90 percent instead of 100 percent as "fully funded" for purposes of the retirement system, in recognition of the fact that there has been concern expressed about overfunding the system and a revision to 90 percent would still be higher than other state systems and provide adequate future funding. Finally, exempting pension income from the system from state tax, which would help to retain retirees as Iowa residents and prevent retirees in border cities from moving into an adjoining state. Mr. Reed also commented with regard to the heart/lung rebuttable presumption that it would appear inappropriate to subject an employee to lengthy and costly litigation to protect their pension and disability interests.

**Iowa State Police Association.** With regard to the Iowa State Police Association, Mr. Kevin Sink, President, stated that the two associations are in agreement with regard to the recommendations with the exception of the recommendation relating to the redefinition of "fully funding." He also stated that the association favors inclusion of up to $4,000 in overtime compensation per year in earnable compensation for base wage computation purposes.

## IV. Peace Officers' Retirement System.

**Director of Administrative Services.** Mr. Dave Heuton, Director of Administrative Services, indicated that recent market losses, a reduction in active members in the system due to recent budget constraints, and the payment of the minimum specified contribution level have placed significant financial stress on the system. Mr. Heuton reviewed the statute governing the setting of contribution rates above the statutory minimum and the controversy between the system and the members over the proper interpretation of the applicable statutory provision. The disagreement centers around interpretation of the phrase "the system shall increase the member's contribution rate as necessary to cover any increase in cost to the system resulting from statutory changes which are enacted by any session of the general assembly meeting after January 1, 1995." Member representatives contend that an increase in the required member contribution rate can only occur in a year the benefit enhancement becomes effective, whereas the state interprets the language to mean that any enhancement enacted after January 1, 1995, may result in an increase to the members' contribution rate in the future.

**Iowa State Troopers Association, Iowa State Patrol Supervisors Association, State Police Officers Council.** Ms. Diane Reid (troopers), Mr. Ron Reid (patrol supervisors), and Ms. Deanna McCallum (council) appeared before the Committee, advancing two primary recommendations. First, not to increase the employee contribution rate and provide, as is done under MFPRSI, that any actuarially required increase in the contribution rate is paid by the employer if no new benefit increases are enacted in the year in which a higher contribution rate is required. It was indicated that research into contribution rates in other states is currently being conducted. Second, when funds may be available, to provide a benefit equal to 3 percent of pay for up to 30 years of service for a maximum of 90 percent. The current maximum benefit after 32 years of service is 88 percent. Additionally, it was indicated that the groups oppose efforts to increase contribution levels.

## V. Judicial Retirement System.

**Judicial Branch Staff.** Mr. David Boyd, State Court Administrator, and Ms. Peggy Sullivan, Judicial Branch personnel, provided an overview of the system, reviewed financial information, and supplied information relating to a recent actuarial update of the system. Ms.

Sullivan indicated that the system is relatively small, with 194 active members and 139 retired members. The basic retirement benefit levels and eligibility criteria for retirement were reviewed, as were the state and employee contribution rates. The most recent results from an actuarial report indicate that as of July 1, 2003, the funded ratio of assets to liabilities of the system is now 75 percent. The funded ratio had been 90 percent as of July 1, 1999. It was noted that notwithstanding statutory language specifying a contribution rate of 23.7 percent, the state contribution level has been reduced, with a level for the current year of 9.71 percent. The current unfunded liability for the system was indicated to be $23.5 million, and the estimated state contribution level required to keep the system "on course" was indicated to be 21.3 percent.

**Iowa Judges Association.** Judge John A. Nahra, Chief Judge of the Seventh Judicial District and Cochair of the Legislative Policy Committee of the Iowa Judges Association, and Judge Annette Scieszinski, District Court Judge of the Eighth Judicial District and President-Elect of the Iowa Judges Association, provided remarks relating to their request for an update of the judicial retirement system as a recognition of the system's importance in judicial recruitment and retention.

Judge Nahra provided an overview of the history of the system, indicating the additions of district associate judges and associate juvenile judges and increases in the maximum pension benefits in 1998, 2000, and 2001. Both judges provided information relating to the changing nature of Iowa's judiciary, indicating that the average age of an entry-level judge has lowered, triggering a need to offer the most attractive salary and benefits package possible in order to recruit the most qualified candidates.

On behalf of the association, Judge Nahra requested an increase in the percentage multiplier for each year of service up to a maximum of 20 years of service from 3 percent to 3.5 percent, which would allow an individual with 20 years of service to accrue a pension benefit of 70 percent of covered salary. Additionally, the association seeks an additional 1 percent increase for each year of service over 20 years of service for up to five additional years of service. Combined, the two requests would provide for a maximum pension benefit of 75 percent of covered salary after 25 years of service. It was noted that the requests are consistent with the American Bar Association's recommendation regarding pension benefits, and also that four states contiguous to Iowa provide for a maximum pension benefit of 70 percent or higher upon retirement. Committee discussion included the observation that the fund's unfunded liability is increasing, and the possibility of an increase in employee contributions was raised.

## VI. Concluding Remarks.

The responsibility of Committee members to the members of the various funds and to the citizens of the state of Iowa was emphasized, the need to keep the Committee's work nonpartisan in nature was stated, and the Cochairpersons were requested to keep Committee members informed of developments as they arise.

The observation was made that perhaps the various systems could be streamlined or consolidated in some manner. A request for a pension benefit comparison grid was made, and Mr. Cook indicated that he would develop one. Additionally, it was requested that a listing of all the changes being sought by the respective groups be compiled, that copies of the IPERS actuarial update be distributed as soon as it is available, and that a comparison of the IPERS system to similar systems in other states be prepared.

In response to inquiries from the Committee, the Cochairpersons indicated that they anticipate holding another meeting of the Committee. A time frame with regard to conducting such a meeting was not advanced.

## VII. Written Materials Filed With the Legislative Services Agency.

The following is a list of documents distributed to the Pension Systems Interim Committee either prior to, or during, the October meetings. The committee's legislative website (www.legis.state.ia.us/GA/80GA/Interim/2003/comminfo/pubret03.htm) has documents that are noted.

### A. General Information.

1. Legislative guide – Iowa Public Retirement Systems (available on-line)
2. Background statement – Pension Funding Basics (available on-line)

### B. Iowa Public Employees' Retirement System (IPERS).

1. Memorandum and letter from Iowa Hospital Association (available on-line)
2. IPERS funding policy (adopted 1997)
3. IPERS 2003 Asset/Liability Study (executive summary) (available on-line)
4. IPERS – Spotlight on the Favorable Experience Dividend Program: Major Options (available on-line)
5. IPERS materials concerning termination of mandated studies on a deferred retirement option program (DROP) and on a new option for terminated vested members
6. IPERS pension interim committee presentation (available on-line)
7. Edward Moses document
8. Iowa Association of School Boards (available on-line)
9. Iowa County Attorneys Association
10. IPERS Improvement Association
11. Iowa State Sheriffs' and Deputies' Association: "50 Be Safe & Save"
12. IPERS contribution rate comparison chart (Sen. Sievers request)

### C. Municipal Fire and Police Retirement System of Iowa (MFPRSI).

1. MFPRSI Report to the Public Retirement Systems Interim Committee
2. MFPRSI document – contribution analysis by city (Sen. Connolly request)
3. Iowa State Police Association
4. Iowa Association of Professional Firefighters

5. Iowa League of Cities – "Recommendations for 2004 Legislative Session" (available on-line)

## D. Peace Officers' Retirement System (PORS).

1. Department of Public Safety PORS Issue Paper – Contribution Rates
2. Attorney General's Opinion 2/13/02 regarding member contribution rates
3. State Police Officers Council, Iowa State Troopers Association, Iowa State Patrol Supervisors' Association – Joint presentation document

## E. Judicial Retirement System.

1. Iowa Judicial Retirement System – Status of Judicial Retirement Fund
2. Iowa State Bar Association letter
3. Public Retirement Systems Committee Statement of the Iowa Judges Association

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