

STAFF MEMBERS

Terry Slattery
Executive Director

Dan Cassidy
Deputy Director

BriAnna Nystrom
Executive Administrator

Jill Hagge
Senior Pension Officer

Angie Conner
Senior Pension Officer

Kathy Fraise
Senior Pension Officer

Cody Jans
Investment /
Communications Officer

James Bybee
Accountant / Investment
Officer

Blake Jeffrey
Accountant / Investment
Officer

BOARD MEMBERS

Voting Members

Marty Pottebaum - Chairperson
Retired Police Officer – Sioux City
Current Term Expires April 2019

June Anne Gaeta
Firefighter – Muscatine
Current Term Expires April 2022

Bob Fagen
Director of Finance – Des Moines
Current Term Expires April 2019

Mary Bilden
Citizen Member – Boone
Current Term Expires April 2022

P. Kay Cmelik
City Clerk/Finance Officer – Grinnell
Current Term Expires April 2021

Michelle Weidner
Chief Financial Officer – Waterloo
Current Term Expires April 2020

Duane Pitcher
Director of Finance – Ames
Current Term Expires April 2022

Frank Guihan
Retired Firefighter – Burlington
Current Term Expires April 2020

Eric Hartman
Police Officer – Des Moines
Current Term Expires April 2021

BOARD MEMBERS

Non-Voting Members*

Senator Wally E. Horn
Current Term Expires
December 2018

Senator Jim Carlin
Current Term Expires
December 2018

Representative Scott Ourth
Current Term Expires
December 2018

Representative Dawn Pettengill
Current Term Expires
December 2018

*Board appointments will be provided in January 2019 by the Iowa General Assembly.

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MFPRSI

MUNICIPAL FIRE & POLICE
RETIREMENT SYSTEM OF IOWA



PRIORITIES IN 2019

- To continue to administer comprehensive, affordable retirement and disability benefits for Iowa police officers and firefighters.
- To ensure we continue to meet our long-term funding goals through strategic planning.
- To continue to enhance communication and outreach to our stakeholders, including members, legislators, and communities. This includes the implementation of online member access.

ABOUT US

The Municipal Fire & Police Retirement System of Iowa (MFPRSI) provides a comprehensive set of retirement and disability benefits to eligible local police officers and firefighters in a sound, sustainable, and efficient manner, in accordance with the requirements of the program's governing statute.

LETTER TO STAKEHOLDERS

At the Municipal Fire & Police Retirement System of Iowa, we are grateful for another year being able to serve the thousands of men and women who dedicate their careers to protecting our communities in the great state of Iowa.

MFPRSI prides itself on the responsible stewardship of member funds, and continually looks for ways to improve the financial position of the entire retirement system. In 2018, we continued to meet our goals of ensuring long-term, affordable, and comprehensive retirement and disability benefits for our 8,477 active police officers, firefighters, retirees, and beneficiaries.

For the fiscal year ending June 30, 2018, MFPRSI's investment portfolio returned 7.58 percent due to solid global economic expansion that was offset by market volatility due to tension from trade tariffs. In fact, our rate of return since the inception of the 411 Plan more than 26 years ago remains at 7.72 percent, above our target rate of 7.5 percent.

We are pleased that once again, due to the long-term funding strategy of the MFPRSI Board, we continued the trend of reduced contribution rates for local municipalities – from 26.02 percent to 24.41 percent for the fiscal year beginning July 1, 2019. Several factors played a role in allowing for decreased city contribution rates, including our regular review of actuarial assumptions and our actual experience.

The Board adopted a new mortality table in 2018, RP-2014 Blue Collar Healthy Annuitant, with generational projection for future mortality improvement to more closely match MFPRSI's actual experience, as well as anticipate future changes in mortality rates. This change, along with favorable demographic experience – a combination of multiple factors, such as rate of salary increases, number of retirements, number of deaths, and more – and the solid performance of our investment portfolio were factors that enabled us to lower the cities' contribution rate.

In addition to our financial planning, each year MFPRSI strives to improve communication with our stakeholders and members. This year, we are pleased to announce the implementation of an online member portal that will allow MFPRSI members to stay connected, easily access documents, and better plan for their retirement.

As always, we want to thank you for your support of MFPRSI and the work we do to secure a stable retirement for Iowa's police officers and firefighters, and our efforts to ensure an affordable system for the municipalities and taxpayers we serve.

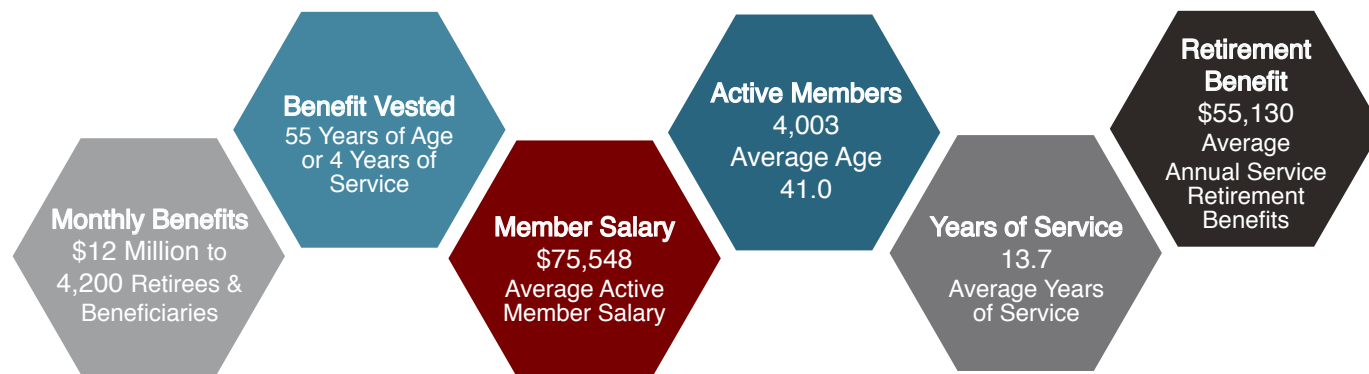
Terry Slattery, Executive Director



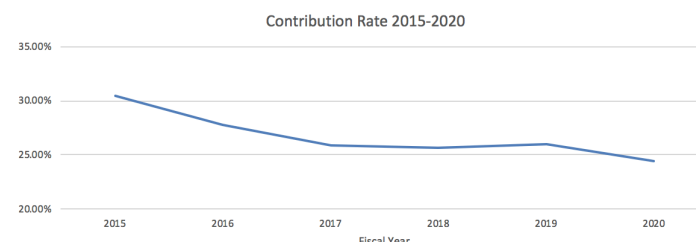
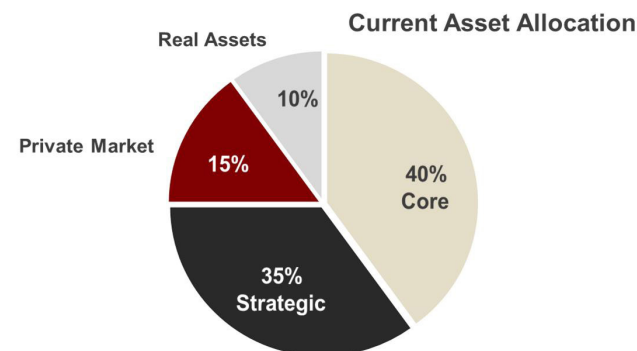
BENEFITS

- Benefits are determined by a defined formula using a pension factor, average final compensation, and years of service.
- Benefits are payable upon retirement.
- Members must be vested to be eligible to receive a service retirement.
- Vesting is achieved by reaching age 55, while working or completing four years of service as a participant.
- Disability Benefits: MFPRSI processes Accidental and Ordinary Disability.
- Death Benefits:
 - Accidental Death Benefits [in the line of service]: Spouse would receive a monthly benefit for a lifetime. Dependent children would receive a monthly pension until age 18, or 22 if a full-time student. A lump-sum payout is available if the passing is considered traumatic.
 - Ordinary Death Benefits: The spouse has a choice of either a lump-sum payment or an annuity. The dependent's children's benefit is the same.

THE BENEFIT BREAKDOWN



ASSET MANAGEMENT AND GROWTH



DID YOU KNOW?

- MFPRSI administers \$12 million to 4,200 retirees and beneficiaries on a monthly basis. Approximately 86 percent of those 4,200 retirees and beneficiaries have remained in Iowa.
- MFPRSI was established in 1990 by the Iowa General Assembly to consolidate 87 separate police and fire retirement systems into a statewide system.
- The organization, which began formal operations on January 1, 1992, administers a retirement plan that makes pension payments to its members who have retired from public service as a police officer or firefighter in 49 employing cities in the state of Iowa.
- Since inception 26 years ago, our rate of return is 7.72 percent. This is more than our actuarial target rate of 7.5 percent.
- FY18 funded status reached 82.0 percent, up from 81.4 percent the year before.
- MFPRSI's Board worked with experts, including its actuary and investment consultant, to develop a long-term funding strategy that will bring the system to a 100 percent funded level. This funding strategy takes into account market highs and lows, and positions MFPRSI for sustained financial stability and success.
- The 411 Plan is a smart investment for governments, employees, and taxpayers. It allows for the administration of benefits for a large number of employees at a very low cost, so more of the money goes where it belongs: the employees.
- The market downturns in 2007 and 2008 significantly impacted retirement funds nationwide. Since then, the investment portfolio recouped all of its previous losses and hit an all-time high. Our system remains extremely strong financially, as we continue to work to reduce employer contribution rates.
- MFPRSI also administers a comprehensive disability program for its membership.

49 CITIES

Ames	Cedar Falls	Creston	Evansdale*	Keokuk	Muscatine	Spencer
Ankeny	Cedar Rapids	Davenport	Fairfield	Knoxville*	Newton	Storm Lake
Bettendorf	Centerville	Decorah	Fort Dodge	Le Mars*	Oelwein	Urbandale
Boone	Charles City	Des Moines	Fort Madison	Maquoketa*	Oskaloosa	Waterloo
Burlington	Clinton	DeWitt*	Grinnell	Marion	Ottumwa	Waverly*
Camanche	Clive*	Dubuque	Indianola*	Marshalltown	Pella*	Webster City
Carroll*	Council Bluffs	Estherville*	Iowa City	Mason City	Sioux City	West Des Moines

*Police Department Only