



# MFPRSI

## MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

### STAKEHOLDER UPDATE



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 2020, we continued to meet our goals of ensuring long-term, affordable, and comprehensive retirement and disability benefits for our 8,649 active police officers, firefighters, retirees, and beneficiaries.



For the fiscal year ending June 30, 2020, MFPRSI's investment portfolio returned 2.3 percent despite strong volatility in the marketplace due to the COVID-19 pandemic. Our rate of return since the inception of the 411 Plan more than 28 years ago remains at 7.5 percent, which is our target rate of return.

We are pleased that once again, due to the long-term funding strategy of the MFPRSI Board, the contribution rate for local municipalities has remained steady and consistent year-to-year. The current rate as of July 1, 2020, is 25.31 percent which is modestly up from 24.41 percent the year before. The yearly contribution rate has remained steady thanks to our Board of Trustees diligent long-term strategic plan to maintain the retirement system's comprehensiveness, efficiency, soundness, and sustainability. The crux of this plan is to compare measurable factors between MFPRSI and other similarly-sized plans in the U.S. Benefit structure, administrative costs, net investment returns and return volatility, and actuarial methods are reviewed in-depth each year.



The Board adopted a policy statement regarding mental injury factors after a thorough review of prior case law and appeals relating to mental injury disability awards. The policy delineates relevant factors used to determine whether a disability due to a mental injury qualifies for accidental or ordinary disability retirement.

In addition to our financial planning, each year MFPRSI strives to improve communication with our stakeholders and members.

Lastly, Terry Slattery, our executive director, has decided to retire effective December 31, 2020. He has been with the retirement system for nine years. Dan Cassidy, the deputy director, has been chosen to take Terry's place as our top executive. Additionally, BriAnna Nystrom has been promoted to Assistant Director/Chief Operating Officer and, after a thorough search, Carlton Chin has been hired as Deputy Chief Investment Officer.



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.

# MFPRSI PRIORITIES

**1**

To ensure we continue to meet our long-term funding goals through strategic planning.

**2**

To continue to enhance communication and outreach to our stakeholders, including members, legislators, and communities. This includes the implementation of online member access.

**3**

To continue to administer comprehensive, affordable retirement and disability benefits for Iowa police officers and firefighters.

## BENEFIT INFORMATION

- 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 Disabilities.
- Death benefits are available for the beneficiaries of active members, service retirees and disability retirees
- Traumatic Death Benefit: Beneficiaries of active members who die in the line of duty due to a traumatic injury are eligible for a \$100,000 lump-sum benefit in addition to the standard death benefit.

### MONTHLY BENEFITS

\$15 Million to  
4,500 Retirees  
& Beneficiaries

### BENEFIT VESTED

55 Years of Age  
or 4 Years of Service

## THE BENEFIT BREAKDOWN

### MEMBER SALARY

\$80,282  
Average Active  
Member Salary

### ACTIVE MEMBERS

4,084  
Average Age 40.8

### YEARS OF SERVICE

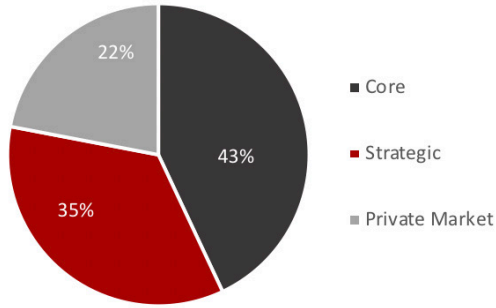
13.5 Average  
Years of Service

### RETIREMENT BENEFIT

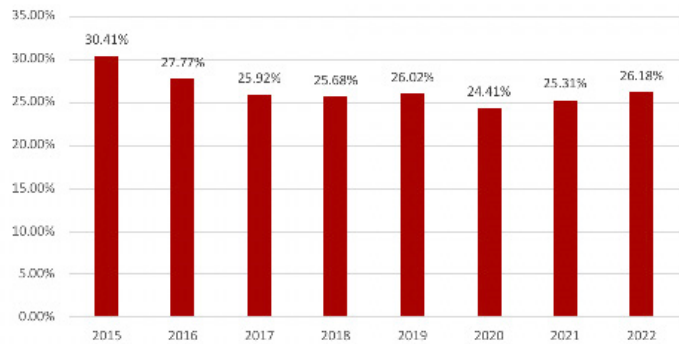
\$58,551 Average  
Annual Service  
Retirement Benefits

# ASSET MANAGEMENT AND CONTRIBUTION

Current Asset Allocation



Contribution Rate



## DID YOU KNOW?

- 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.
- FY20 funded status was 79.9 percent following FY19 in which it was 81.0 percent.
- 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 members.
- 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.

Approximately 85 percent of those 4,500 retirees and beneficiaries have remained in Iowa.

Since inception 28 years ago, our rate of return is 7.5 percent, equal to our actuarial target rate of return.

## PARTICIPATING 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

## STAFF MEMBERS

**Dan Cassady**  
Executive Director

**BriAnna Nystrom**  
Assistant Director/Chief  
Operating Officer

**Carlton Chin**  
Deputy Chief Investment  
Officer

**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 2023

**June Anne Gaeta**  
Firefighter – Muscatine  
Current Term Expires April 2022

**Nickolas Schaul**  
Director of Finance – Des Moines  
Current Term Expires April 2023

**Mary Bilden**  
Citizen Member – Boone  
Current Term Expires April 2022

**Laura Schaefer**  
City Clerk/Finance Officer – Carroll  
Current Term Expires April 2021

**Michelle Weidner**  
Chief Financial Officer – Waterloo  
Current Term Expires April 2024

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

**Frank Guihan**  
Retired Firefighter – Burlington  
Current Term Expires April 2024

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

## BOARD MEMBERS

Non-Voting  
Members\*

**Senator Jackie Smith**  
Current Term Expires  
January 2021

**Senator Waylon Brown**  
Current Term Expires  
January 2021

*\*The Iowa General Assembly will provide appointments in January 2021.*

## 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.

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