MFPRSI

2020 ANNUAL REPORT

A report of the pension trust for municipal firefighters and police officers in the State of Iowa.

MFPRSI 2020 Annual Report

MFPRSI MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

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inside front cover

MISSION AND VISION STATEMENTS

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.

Comprehensive

Retirement and disability benefits will be adequate in order to attract and retain top quality police officers and firefighters, and provide for them and their families when they are no longer working or able to do so. Retirement and disability benefits should be competitive with comparable police and fire systems.

Efficient

The retirement system and the investment portfolio will be managed in a timely, professional, cost effective, and customer-oriented manner. Top quality management services will be obtained for a cost that is mid-range for comparable systems. The investment portfolio should provide net returns in the top quartile for similarly-sized plans. On a risk-adjusted basis, the portfolio's returns should be no less than the median for public plans.

Sound

Retirement benefits will be stable and secure and the funding policy will be based upon fiduciary principles, appropriate risk management policies, and independent governance. Funding should be based upon actuarially determined contribution rates and intergenerational equity, and a disciplined, accountable, and transparent funding policy. Investment practices should be cognizant of unexpected volatility.

Sustainable

The retirement system shall be economically and politically durable. Economically, the retirement system should sustain progress toward 100 percent funded status while maintaining employer contributions on a consistent basis at 30 percent or less of covered payroll. Significant year-to-year variability in funding requirements should be avoided for both members and cities. Once a fully-funded status is achieved, benefit or contribution changes should take into consideration necessary buffers against inevitable financial market downturns.

FY 2020 MFPRSI HIGHLIGHTS

Membership
4,084 active members[1]
4,565 inactive members[1]

Investing
$2.6 billion, market value of portfolio[3]
2.3% fiscal year return[3]

Funding
79.9% funded ratio* [1]
*Based on the ratio of the actuarial value of assets to the actuarial accrued liability

Contributions
$29.8 million from members[2]
$77.6 million from employers[2]
$0 from the State of Iowa[2]

Distributions
$184.6 million in benefits paid[2]
$1.3 million in refund of contributions paid[2]

Actuarial
$2.7 billion in actuarial value of plan assets[1]
$680.3 million of unfunded actuarial accrued liability[1]
$3.4 billion of total actuarial accrued liability[1]

Information provided by:
1 - SilverStone Group   2 - Eide Bailly LLP   3 - Marquette Associates

MFP RSI

AMES
ANKENY
BETTENDORF
BOONE
BURLINGTON
CAMANCHE
CARROLL*
CEDAR_FALLS
CEDAR_RAPIDS
CENTERVILLE
CHARLES_CITY
CLINTON
CLIVE*
COUNCIL_BLUFFS
CRESTON
DAVENPORT
DECORAH
DES_MOINES
DEWITT*
DUBUQUE
ESTHERVILLE*
EVANSDALE*
FAIRFIELD
FORT_DODGE
FORT_MADISON
GRINNELL
INDIANOLA*
IOWA_CITY
KEOKUK
KNOXVILLE*
LE_MARS*
MAQUOKETA*
MARION
MARSHALLTOWN
MASON_CITY
MUSCATINE
NEWTON
OELWEIN
OSKALOOSA
OTTUMWA
PELLA*
SIOUX_CITY
SPENCER
STORM_LAKE
URBANDALE
WATERLOO
WAVERLY*
WEBSTER_CITY
WEST_DES_MOINES

*POLICE DEPARTMENT ONLY

2020

ANNUAL REPORT FY_2020

The system 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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CHAIRPERSON'S LETTER

To our Members, City Representatives, and Stakeholders,

MARTY POTTEBAUM
BOARD CHAIR

As I wrote this letter for last year's annual report, there was no way to know what awaited us in 2020. The COVID-19 pandemic has impacted all of us in one way or another as the virus continues to spread, the economy was temporarily shut down and investment markets experienced extreme volatility.

Uncertainty has been the prevailing sentiment in our country which is not a welcome feeling when talking about your retirement. While this year has presented challenges to our retirement system that we have never before experienced, our emphasis on the core principles of MFPRSI allowed us to successfully deliver benefits to our members on time throughout the pandemic.

We may not have surpassed our investment goal for this fiscal year, but our vision has always been long-term in nature. We work hard to make sure our investment portfolio is diversified across multiple asset classes and geographical regions, continuing to keep our system financially sound and sustainable for our members.

We have been able to provide continuous service to our members during the pandemic through a well-devised plan that put the safety of our members and employees first. Some of our staff worked remotely while some worked in the office. We made sure there was always a person available to answer phones and emails, and our benefit payrolls went uninterrupted.

Even though uncertainty may be with us for the foreseeable future, for our part, MFPRSI is dedicated to providing financial security to help make our members' lives better in retirement.

On the following pages, you will find the stories of two different families in our system who have made the commitment as police officers and firefighters to provide safety and security to the citizens of Iowa. It is an extraordinary sacrifice to serve and protect, and therefore it is truly exceptional to have multiple members within the same family dedicate their careers to policing and firefighting.

While not all of us come from "cop" or "firefighter" families, we all understand what it means to dedicate our lives to a greater cause. For our members, family often includes more than just blood and DNA; family can be anyone with shared values, beliefs, and traditions. Police officers and firefighters are just that: a group of people with the shared vision to make their communities better.

I want to let you know about one more change at MFPRSI, thankfully not due to COVID-19. Executive Director Terry Slattery announced his retirement effective at the end of this calendar year. Terry dedicated nine years to MFPRSI and has provided a steady hand as the head of our organization. We are deeply grateful for all he has done and accomplished and wish him the very best in retirement.

Our new Executive Director will be Dan Cassady. Currently our Deputy Director, Dan has been with MFPRSI for 21 years and he knows how important this retirement system is to its members and to Iowans. He will continue the work and goals established by the Board of Trustees as we maintain our long-term outlook and provide financial security to our members.

As we navigate these challenging times together, one thing is certain. MFPRSI will continue to operate in the best interest and consideration of our members, by their side for the long term.

Marty Pottebaum
June 30, 2020

Three Decades, Three Men, One Career Path: A Firefighting Family Legacy

Anyone who has worked in a fire station knows that your co-workers often become your second family. But when you combine that family with your actual blood relatives, the work becomes even more rewarding.

Natives of Norwalk, brothers Tom and Tim Patava, as well as Tom's son Joe, all serve the Des Moines Fire Department in various roles. Tim was the first family member to join the department in 1987.

"A friend's dad was a firefighter, and I visited the old Fire Station 1 where he worked," Tim said. "He told me what it was all about and what a good group of people he worked with. It inspired me to join the fire department right out of high school."

Pictured L-R: Tim Patava, Joe Patava, Tom Patava

"When I heard Tim talking about what a cool job it was, it got me thinking that I might want to try it," said older brother Tom. "At the time, I had a job that paid the bills, but I wanted something that had purpose."

Tom began as a volunteer firefighter in Norwalk and was hired by Des Moines in 1991.

After his high school graduation in 2008, Joe took fire science classes at DMACC and received his National Paramedic certification in 2011 from Mercy College of Health Sciences. His first experience in a fire department was when he volunteered at the Norwalk Fire Department with his dad. His career choice was, undoubtedly he shares, influenced by his uncle and father.

“They definitely got me interested in the work with all their stories,” Joe said. “I was hired at Des Moines and I’ve been here over four years now. I really enjoy coming to work every day.”

Each of the Patavas have different roles in the department, which is comprised of 10 stations in Des Moines. Tim, a 33-year veteran, is Captain at Station 7 and Tom, with the department for 29 years, is Assistant Chief in Charge of Fire Operations. Joe currently works as a Fire Medic at Station 4 which is significant because Tom and Tim also worked at that station during their careers.

“Tim and I were both captains at Station 4 and Joe is currently a medic at that station – and we were all members of the technical rescue team when we worked there,” Tom said. “We’ve followed similar paths, and we all agree that we enjoy the challenges of working at a busy fire station and Station 4 is one of the busiest stations in the city.”

While each of their experiences have been different, there is a common theme that comes through clearly when they talk about their work.

“Every day is a different day,” Tim said. “You don’t know what’s going to happen but knowing you’ve made a difference in someone’s life that day is just so rewarding.”

Tom recalls a time when he was a medic where the patient needed to be defibrillated. Several days later, the man walked into the station with a manila envelope and handed it to Tom.

“He’d written a poem about me helping him through his cardiac arrest event and the title was “The Zapper Man,” Tom said. “When you have something like that happen, you know you’ve made a difference in somebody’s life and that’s why, even after all these years, it’s still such a rewarding job.”

Last year, the Des Moines Fire Department had over 26,000 calls. Of those calls, 70 percent were medical-related, which mirrors the national average. The department receives about 150 to 200 structure fires each year which means rushing to a scene and having to make quick decisions.

“When you’re in a stressful situation, you rely on your training, your previous experience and your officer’s discretion,” Joe said. “You’re not really thinking about being afraid when you’re potentially trying to save a life.”

Stress and danger are a way of life when you’re a firefighter. As you move through the department, that intensity takes different forms.

The role of Assistant Chief allows Tom to manage six district chiefs in charge of the fire stations in Des Moines.

"I've got an awesome job but it's a tremendous responsibility," Tom said. "My stress is hearing a fire call and hoping the right decisions are being made so that everyone goes home at the end of their shift."

Being in the business of protecting others makes the Patava family appreciate the security that MFPRSI provides to its members.

"The pension is invaluable. Knowing that money would be there for me at the end of my career allowed me to use my earnings to help my kids through college," Tom said. "It is certainly one of important benefits of being in the fire service."

Joe agrees. Being at the beginning of his career, he can see how the pension benefits his dad and uncle.

"I know on my 55th birthday, I'll have 30 years in, and I can walk out the door and not have to worry about money in retirement," Joe said. "That's a pretty big deal."

Each of the Patavas is grateful for being in a career they love alongside people they love.

"I'd like to think I had something to do with both of them getting into this career," Tim said. "Just to work with both of them, you couldn't ask for anything better."

Joe hopes to continue the family tradition.

"I hope in 20 years, my son can get on here," Joe said. "It's a rewarding job, and I can tell him that being able to do it with family makes it even more enjoyable."

Marriage in the Line of Duty

Dustin and Kelli Yates

Every married couple knows it takes patience, time and intention for the marriage to thrive. Under the best circumstances, it can be challenging.

When you add to it the fact that both partners are police officers working different shifts, it can take that challenge to a new level.

Kelli and Dustin Yates exemplify successfully balancing their careers and personal life in order to get the best out of both.

"We've been married for six years but have been together for 14 years," said Kelli, a lieutenant with the Cedar Falls Police Department.

"I had some hesitations before marrying another police officer because police officers don't have the greatest statistics for a lot of things, divorce being high on that list," said Dustin, a patrol officer with the Waterloo Police Department. "Yet, strangely enough, look what happened."

Their very different paths converged after each was already in law enforcement. Kelli graduated with a journalism degree and was working at a television station in Waterloo but decided that her true calling was to become a police officer. She did a ride along with a friend who worked for the Waterloo Police Department and was hooked.

"Not too long after that, I came home and there was an application under my door," Kelli said. "I applied and accepted a position with the Cedar Falls Police Department. That was 18 years ago." Dustin, on the other hand, was the kid that rode his Big Wheel around the neighborhood making siren noises.

"I have always wanted to be a police officer," Dustin said. "I don't know where it came from because I don't have any police officers in my family, but I knew that's what I wanted to do. I've always had an itch for it."

He worked at the Blackhawk County Sheriff's Office for two years, then joined the Waterloo Police Department in 2004.

When Kelli and Dustin married in 2014, they knew there would be challenges to navigate with both being in law enforcement, but decided the pros outweighed the cons.

One of the benefits is simply understanding the demands of the job.

Lieutenant Kelli Yates

"People who aren't in law enforcement or shift work don't know what it's like to work third shift," Kelli said. "Dustin worked third shift for 14 years, and I understood that he couldn't get up and do everything I wanted him to do during the day. It's things like that that we just 'get'."

Another benefit is having a sounding board who can relate to your on-the-job experiences.

"While we have to manage how much we talk shop when we're off work, it's good to be able to vent to someone and have them understand where you're coming from," Dustin said.

Currently, Dustin and Kelli work six days on and three days off, providing two of the three days off together. The rest of the week, they essentially don't see each other. Once, they went for an entire year where they did not share any days off.

"The vast majority of the time we've been together, Kelli's been on the second shift and I've been on third, so we don't see a lot of each other," Dustin said.

That will change in January when Kelli will be moving to third shift. With Dustin on first shift where he's been for the past two years, the change will allow them to be home together every evening.

Smiling, they look at each other and both say, "That will be different!"

Balancing careers as police officers with a quality home life isn't easy but Kelli and Dustin are making it work. The job brings with it a lot of stress, especially in today's environment, and they have found ways to deal with it. One of the things that helps them is regular exercise.

"Kelli exercises a lot and over the years, she has encouraged me to get off the couch and try it," Dustin said. "Since I started working out, I just feel better."

Physical exercise helps them mentally and physically have a productive way to relieve stress and find perspective.

"For me, it's like therapy. If I am consistent with it, it makes dealing with the bad stuff a lot easier," Kelli said.

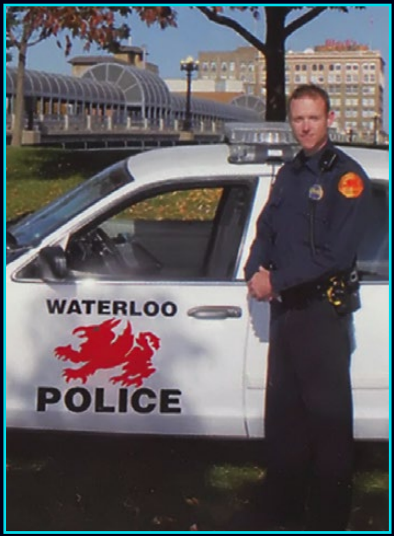
Both Kelli and Dustin recognize their careers are unpredictable, stressful and dangerous. That is why they are grateful for the guaranteed pension plan from MFPRSI.

"Because we have put in a lot of years of bad calls, night shifts and working holidays and weekends, we're excited that because our pension is so good, it will give us an opportunity to really enjoy retirement when we turn 55," Kelli said.

Dustin agrees.

"From day one on the job, it's pretty much known that our retirement plan is excellent," he said. "I know it helps me when I get frustrated to know that it will all be worth it."

In a changing profession often in the spotlight, what keeps Kelli and Dustin engaged is the same as it has always been – the ability to help people.



Officer Dustin Yates

"The job is tough, but I get a lot of satisfaction out of helping people and being that voice between civilians and our justice system," Dustin said.

"When I was hired, I said I want to help the community, and I still have that desire," Kelli said. "There are people I arrested early on in my career that weren't too happy with me. Now, I'm the first person they call when they need help. Earning that respect is very rewarding."

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INTRODUCTION

RETIREMENT SYSTEM OVERVIEW
ACCOMPLISHMENTS
BOARD OF TRUSTEES
STAFF

Retirement System Overview

MFPRSI was created by the Iowa General Assembly in 1990 to establish a statewide retirement system for fire and police personnel covered by the provisions of Iowa Code Chapter 411. Upon its establishment, MFPRSI consolidated 87 local fire and police retirement systems formerly administered by 49 of Iowa's largest cities. The retirement system initiated its formal operations on January 1, 1992, to administer the retirement benefits for fire and police personnel in Iowa's participating cities.

The mission of MFPRSI is to provide 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. The programs of the retirement system include the payment of pension benefits for service retirement, ordinary disability retirement, accidental disability retirement, survivors of deceased members (e.g., spouse and dependent benefits), and the refund of contributions upon withdrawal by a terminated member.

In its effort to accomplish its goals, MFPRSI administers a contributory defined benefit plan for firefighters and police officers as established in Iowa Code Chapter 411. The benefits available through the retirement system are based on a formula using service years, the average of the highest three years of earned wages as a member, and a multiplier based on years of membership service.

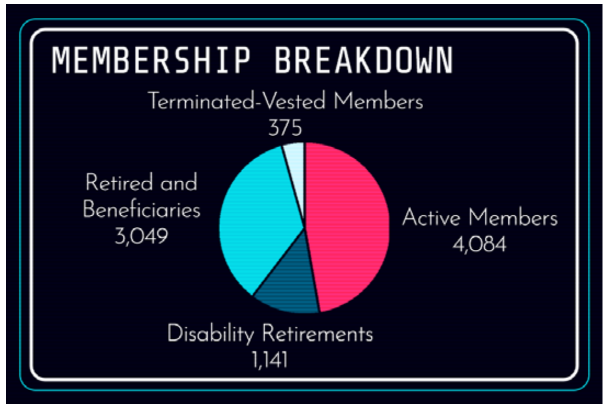
In addition to service retirement benefits, MFPRSI offers a comprehensive disability program that includes establishing standards for entrance physical examinations, guidelines for ongoing fitness and wellness, and post-disability retirement compliance requirements.

Permanent full-time firefighters and police officers in the participating cities are granted membership by Iowa Code Chapter 411. Participants are vested upon attaining four years of membership service. Vested status may also be achieved by actively earning service credit at age 55 or older.

The Board of Trustees ("Board") represents the police officer and firefighter memberships, cities, and citizens of Iowa, while the Iowa General Assembly provides the retirement system with direction and oversight. Iowa Code also includes specific authorization to administer each of the following: actuarial services, medical board, legal services, and organization and staff. The individuals comprising the administrative staff are available to assist members, city officials, and interested parties with any questions or concerns about the retirement program.

Membership

MFPRSI had 8,649 members at the end of fiscal year 2020, with 4,084 active members employed by the 49 participating cities. Of the remainder, 1,141 receive benefits due to disability, 3,049 are either retired or a beneficiary, and 375 are terminated-vested members. MFPRSI made over 52,000 accurate and timely benefit payments over the course of the fiscal year. Approximately 99 percent of those payments were made via electronic funds transfer.



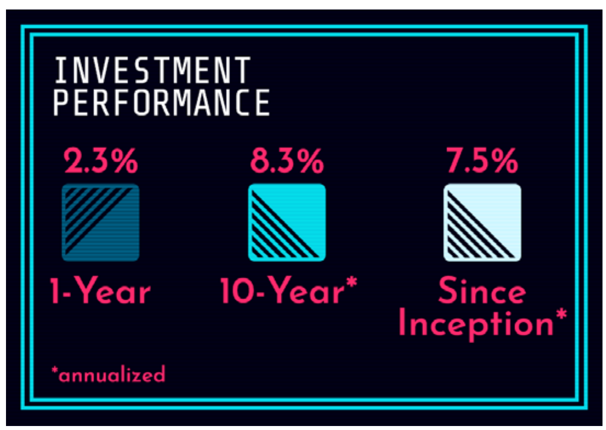
During the year, active members received annual statements summarizing their contributions as well as two newsletters highlighting news, statistics, and announcements.

Investments

Member benefits are made available through employee contributions, employer contributions, and investment earnings. Of those three sources, the investment portfolio provides the greatest percentage of income. MFPRSI manages an investment portfolio that is well diversified with a long-term investment horizon. The portfolio is designed to capture positive investment returns in public equity, fixed income, real assets, and private markets when the markets are up, while minimizing losses during negative investment periods.

The fund is monitored by a staff of investment officers at MFPRSI under the direction of the Executive Director who acts as the Chief Investment Officer. Investment recommendations are made by the Executive Director; Deputy Director; Marquette Associates ("Marquette"), MFPRSI's investment consultant; and, investment officers. In turn, the Board uses the information provided by those parties to make final decisions on asset allocation. On an annual basis (and more frequently as necessary) the Board reviews and revises the investment policy.

MFPRSI's investment portfolio returned 2.3 percent in fiscal year 2020. The ten-year annualized return for the period ending June 30, 2020, was 8.3 percent. The long-term target rate of return, as determined by the Board, is 7.5 percent. The target rate is adopted by the Board as the assumed rate of return the investment portfolio can return while taking an acceptable amount of risk. The investment portfolio's annualized performance since inception in 1992 is 7.5 percent.



Accomplishments

Over the course of fiscal year 2020 (July 1, 2019 to June 30, 2020), MFPRSI engaged in a number of activities pertaining to both the retirement system's active and retired memberships as well as to the financial management of its investment assets. The projects described below were intended to enhance the services provided to the membership and cities or to augment the investment portfolio.

Administration

The administration and trustees reviewed the retirement system's Strategic Plan which is a review of the system's comprehensiveness, efficiency, soundness, and sustainability. The crux of the Strategic Plan is to compare measurable factors between MFPRSI with other similarly sized plans in the U.S. Included in the review are benefit structure, administrative costs, net investment returns, investment return standard deviation, and analysis of actuarial methods employed by the retirement system. The retirement system was found to be in-line with its peers on all of these measurable data points.

Terry Slattery, Executive Director, announced his retirement effective December 31, 2020. The Board of Trustees reviewed the Executive Director position and appointed Dan Cassady as Executive Director effective January 1, 2021. Dan Cassady currently holds the position of Deputy Director.

In addition to naming a new executive director, the Board with the help of legal counsel, utilized a plan of succession to provide a road map for the future administration of the retirement system. As part of this plan, a new organization chart was adopted for the administration and BriAnna Nystrom was promoted to Assistant Director/Chief Operating Officer. Also, a search for a Chief Investment Officer will be pursued in fiscal year 2021.

The administration created a plan to take into account the safety and precautions needed to operate during the Covid-19 pandemic, while protecting the health and safety of the retirement system's members and staff. The plan included a variety of measures, including remote working, closing the office to external visitors, and temporarily ending in-person outreach counseling in favor of phone and video conferencing. As a result of the plan, the administration was able to maintain its normal hours of operations and provide uninterrupted service to its members throughout the pandemic.

MFPRSI's administration conducted a survey of all 49 participating cities to determine how each city reports earnable compensation as part of their wage reporting. The survey concluded that all cities were reporting earnable compensation in a uniform manner.

Brown Winick, the retirement system's legal counsel, provided education on the current landscape of investment contract negotiations and how they focus on providing the retirement system with the appropriate level of contractual protections from firms that invest the retirement system's funds.

The administration continued its diligence toward providing membership with online account access. A vendor was selected to build the online portal which will be rolled out to membership in fiscal year 2021.

The Board analyzed its relationship with Eide Bailly, LLC, and retained the firm as the retirement system's financial and operational auditor for three additional years.

Additionally, the Board renewed the custodial banking services of Wells Fargo for an additional three years after issuing a request for proposal (RFP) and undergoing an extensive review.

Financial and Investments

After a review of the overall investment portfolio, the Board modified the portfolio's target allocation to 43 percent Core, 35 percent Strategic, and 22 percent Private Markets.

A $40 million allocation was made to the retirement system's domestic fixed income portfolio managed by Dodge & Cox.

As part of its annual review of its overall governance of the investment portfolio, the Board adopted its investment policy for the fiscal year.

After a review of the portfolio led by Marquette Associates, Inc., the retirement system's investment consultant, the Board decided to transition the portfolio from its position in Master Limited Partnerships (MLPs) into infrastructure and private credit. MLPs made up five percent of the overall allocation which was distributed into infrastructure (three percent of the total allocation) and private credit (two percent of the total allocation).

The Board allocated $30 million to the Siguler Guff Hawkeye Opportunities Fund, a private markets separate account already in place in the portfolio.

Marquette Associates, Inc., provided an educational session on investing in private credit assets. The Board subsequently decided to move two percent of overall plan assets to two private credit investments. Golub Capital, LLC, was awarded half of that commitment with the other half being allocated in fiscal year 2021.

Marquette Associates, Inc., also provided insight and guidance to weather the sharp downturn and subsequent upswing of the financial markets due to the COVID-19 pandemic.

A decision was made by the Board to allocate $130 million over three years to a U.S. Middle Market and International Buyout portfolio with Adams Street Partners.

Benefit Plan

The Board approved the city contribution rate at 25.31 percent, effective July 1, 2020.

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. The pertinent factors include, but are not limited to:

- Whether the incident(s) resulting in the mental injury is something for which the applicant has received training;
- Whether, with respect to the incident(s) resulting in the mental injury, the applicant's department or supervisor followed or deviated from standard protocol(s) in the profession (whether at the time of or following the incident(s));
- The applicant's degree of familiarity with a victim prior to an incident;
- The culpability or innocence of the victim(s);
- Whether the incident occurred in temporal proximity to other stressful incidents.

While the review of any disability application remains subject to the consideration of all relevant facts and circumstances, the MFPRSI Board of Trustees has concluded the factors listed above are generally key to any consideration of the type of disability to be awarded where the disability arises from a mental injury.

Board Re-Elections

Frank Guihan, retired firefighter, and Michelle Weidner, city representative from Waterloo, IA, were both reappointed to four-year terms.

Laura Schaefer, city representative from Carroll, IA, replaced P. Kay Cmelik on the Board. Schaefer is the City Clerk/Finance Director for the City of Carroll and she will fulfill the remainder of Cmelik's term.

Nickolas Schaul, Acting Director of Finance for the City of Des Moines, IA, was selected to replace Bob Fagen as a city representative on the Board. Schaul will finish the term originally granted to Fagen.

Board of Trustees

The activities of MFPRSI are under the direction of its Board which has nine voting members and four non-voting, legislative representatives. The voting coalition of the Board is comprised of four representatives of the active and retired fire and police memberships, four representatives of the cities, and one private citizen. Individuals are appointed to four-year terms by the fire and police associations and by the Iowa League of Cities. The eight voting members select a private citizen to serve as the ninth voting member. Non-voting members are chosen by the leadership of the Iowa Senate and Iowa House of Representatives and serve two-year terms.

Staff

The day-to-day management of MFPRSI is delegated to an Executive Director who is appointed by the Board and serves at its discretion. The Executive Director, Deputy Director, and administrative staff are responsible for the administration of the retirement system.

Staff Responsibilities

The Executive Director and Deputy Director act as advisors to the Board on all issues relevant to MFPRSI, establish contracts for professional services, and employ the remaining staff needed to maintain the retirement system. The Executive Administrator develops research information, acts as the human resources director, and maintains contracts with external vendors.

The Senior Pension Officers administer payrolls, and establish and maintain the membership records of the retirement system. Additionally, they communicate with members regarding benefit and membership status.

The Accountant/Investment Officers perform accounting, auditing, and control functions of the retirement system. They also provide analysis for the investment portfolio. The Investment/Communications Officer creates visual/print materials and provides analysis for the investment portfolio.

FINANCIAL STATEMENTS

Independent Auditor's Report
Management's Discussion and Analysis
Statement of Fiduciary Net Position
as of June 30, 2020 and 2019
Statement of Changes in Fiduciary Net Position
for the Years Ended June 30, 2020
and 2019
Notes to Financial Statements as of and for
the Years Ended June 30, 2020 and 2019

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the Municipal Fire and Police Retirement System of Iowa (MFPRSI), which comprise the statements of fiduciary net position as of June 30, 2020 and 2019, and the related statements of changes in fiduciary net position, for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management (MFPRSI) is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective statements of fiduciary net position of the Municipal Fire and Police Retirement System of Iowa, as of June 30, 2020 and 2019, and the respective changes in fiduciary net position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 2 and 4 to the financial statements, total MFPRSI investments include investments valued at $855.0 million (32.5% of total assets) as of June 30, 2020, whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or the general partners. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 26-31 and 55-61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2020, on our consideration of MFPRSI's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MFPRSI's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MFPRSI's internal control over financial reporting and compliance.

Management's Discussion and Analysis

The following discussion and analysis of the Municipal Fire and Police Retirement System of Iowa's (MFPRSI or retirement system) financial performance provides an overview of the retirement system's financial activities for the fiscal years ended June 30, 2020 and 2019. Please read in conjunction with the basic financial statements, which follow this discussion. These statements represent the current condition from an accounting perspective, but do not reflect MFPRSI's actuarial status. Refer to MFPRSI's actuarial valuation for its funding status regarding long term benefit obligations.

Financial Highlights

- Retirement system assets exceeded its financial liabilities at the close of the fiscal years 2020 and 2019 by $2,592,748,429 and $2,613,125,249 (reported as plan net position restricted for pension benefits), respectively. Net position restricted for pension benefits is held in trust to meet future benefit payments.
- Additions for the year ended June 30, 2020, were $167,611,458, which is comprised of contributions of $107,360,296, net investment income of $60,250,246, and other income of $916. Additions for the year ended June 30, 2019, were $243,961,377, which is comprised of contributions of $107,238,646, net investment income of $136,635,233, and other income of $87,498.
- Benefit payments were $184,646,312 and $177,077,100 for the years ended June 30, 2020, and 2019, respectively, a 4.3 percent increase from year to year.

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position

This annual financial report consists of two financial statements, the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. These financial statements report information about the financial condition of the retirement system, as a whole, and should help answer the question: Is MFPRSI, as a whole, better off or worse off as a result of this fiscal year's experience? These financial statements include all assets and liabilities using the accrual basis of accounting. Under the accrual basis of accounting, all revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Fiduciary Net Position presents all of MFPRSI's assets and liabilities, with the difference between assets and liabilities reported as plan net position restricted for pension benefits. Over time, increases and decreases in plan net position restricted for pension benefits is one method of measuring whether the retirement system's financial position is improving or deteriorating. The Statement of Changes in Fiduciary Net Position presents the changes in plan net assets during the respective fiscal year.

Financial Analysis

MFPRSI's assets as of June 30, 2020, and 2019 were approximately $2.63 billion and $2.63 billion, respectively, and were primarily comprised of investments, cash, receivables from brokers, and contributions due from employers. The $5,773,998, or 0.2 percent, decrease in assets from June 30, 2019, to June 30, 2020, was primarily due to the withdrawal of assets for benefit payments.

As discussed in Notes 2 and 4 to the financial statements, total retirement system investments include investments valued at $855.0 million (32.5 percent of total assets) and $840.1 million (31.9 percent of total assets) as of June 30, 2020, and 2019, respectively, whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or the general partners.

Total liabilities as of June 30, 2020, and 2019 were $34,997,842 and $20,478,179, respectively, and were primarily comprised of obligations under benefits and refunds payable, as well as payable to brokers for unsettled trades. The $14,519,179, or 70.9 percent, increase in liabilities from June 30, 2019, to June 30, 2020, was due to an increase in payables to brokers for unsettled trades and benefits payable.

During the year ended June 30, 2020, plan net position restricted for pension benefits decreased $20,376,820, or 0.8 percent, from the previous fiscal year, primarily due to the withdrawal of assets for benefit payments. This is in comparison to the previous fiscal year, when net position increased by $63,497,262, or 2.5 percent, from the prior year.

Condensed Statement of Fiduciary Net Position (In Thousands of $)

	2020	2019	2020/2019 Inc/(Dec)	2018	2019/2018 Inc/(Dec)
Assets:					
Cash	$17,274	$280	6,069.3%	$57,798	(99.5%)
Investments	2,584,510	2,626,183	(1.6%)	2,504,248	4.9%
Receivables	25,848	6,901	274.6%	5,651	22.1%
Other Assets	72	114	(36.8%)	115	(0.9%)
Total Assets	$2,627,704	$2,633,478	(0.2%)	$2,567,812	2.6%
Pension Related Deferred Outflows	172	198	(13.1%)	241	(17.8%)
Liabilities:					
Benefits and Refunds Payable	$17,407	$15,609	11.5%	$14,543	7.3%
Investment Management Expenses Payable	2,143	2,025	5.8%	2,584	(21.6%)
Administrative Expenses Payable	441	419	5.3%	403	4.0%
Net Pension Liability Attributed to IPERS	699	751	(6.9%)	820	(8.4%)
Payable to Brokers for Unsettled Trades	14,308	1,674	754.7%	46	3,539.1%
Total Liabilities	$34,998	$20,478	70.9%	$18,396	11.3%
Pension Related Deferred Inflows	130	73	78.1%	29	151.7%
Net Position Restricted for Pension Benefits	$2,592,748	$2,613,125	(0.8%)	$2,549,628	2.5%

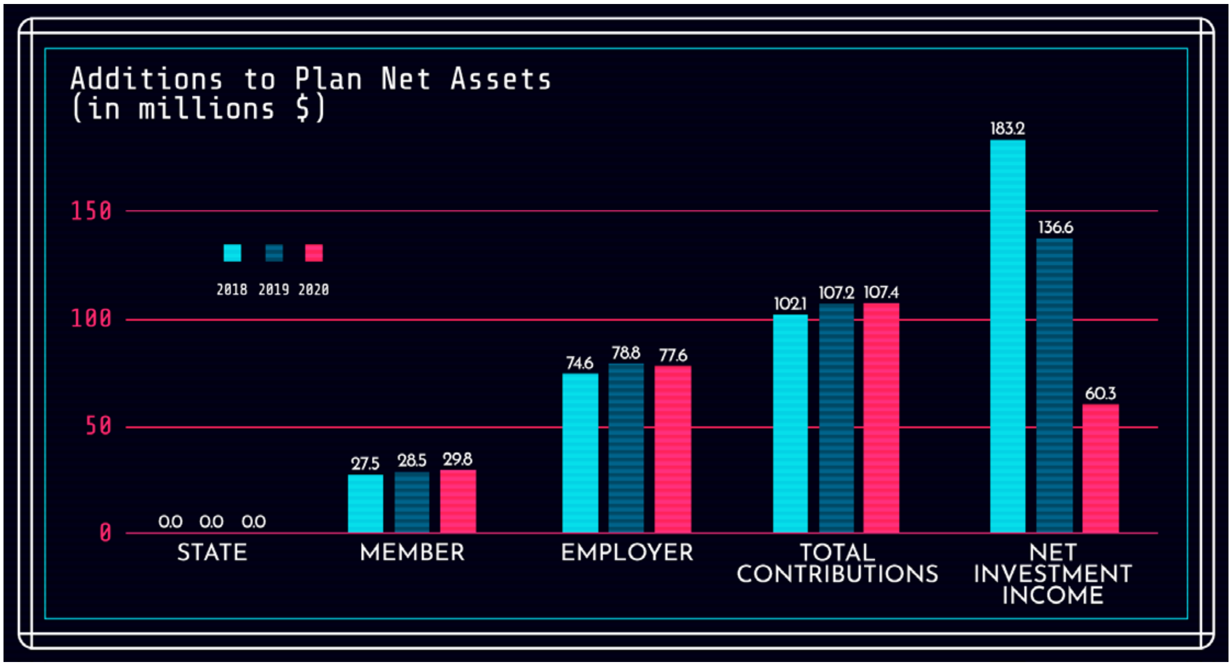
Condensed Statement of Changes in Fiduciary Net Position (In Thousands of $)

	2020	2019	2020/2019 Inc/(Dec)	2018	2019/2018 Inc/(Dec)
Additions:					
Contributions	$107,360	$107,239	0.1%	$102,135	5.0%
Net Investment Income	60,250	136,635	(55.9%)	183,182	(25.4%)
Other Income	1	87	(98.9%)	12	625.0%
Total Additions	167,611	243,961	(31.3%)	285,329	(14.5%)
Deductions:					
Benefits and Refund Payments	185,942	178,458	4.2%	170,664	4.6%
Administrative Expenses	2,046	2,006	2.0%	1,933	3.8%
Total Deductions	187,988	180,464	4.2%	172,597	4.6%
Net Increase	(20,377)	63,497	(132.1%)	112,732	(43.7%)
Plan Net Position Restricted for Pension Benefits:					
Beginning of Year	2,613,125	2,549,628	2.5%	2,436,896	4.6%
End of Year	$2,592,748	$2,613,125	(0.8%)	$2,549,628	2.5%

Revenues - Additions to Fiduciary Net Position

Reserves needed to finance retirement benefits are accumulated through the collection of contributions and earnings on investments. Contributions and net investment income for the fiscal year 2020 totaled $167,611,458.

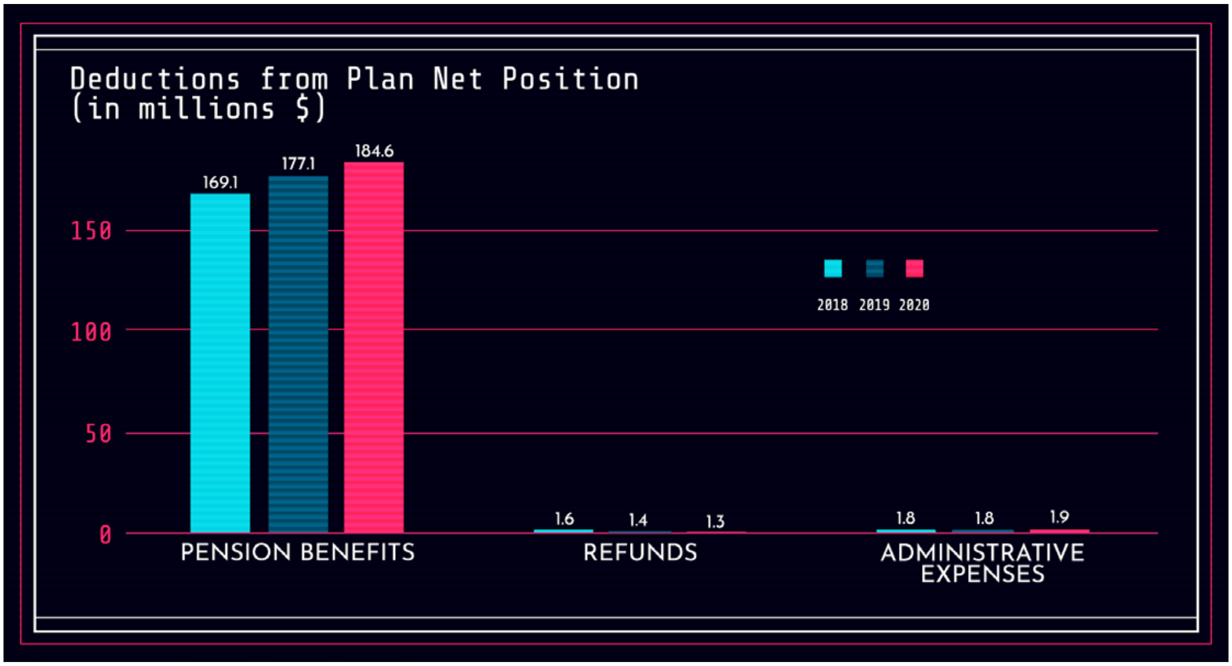
Contributions increased from the previous year by $121,650. This increase is primarily due to an increase in the earnable compensation of members and a reduction in the employer contribution rate. Net investment income decreased from the previous year by $76,384,987. This change is primarily due to a lower return on invested assets.



Expenses - Deductions from Fiduciary Net Position

MFPRSI's principal expenses include the payment of pension benefits to retired members and beneficiaries, refund of contributions to former members, and the cost of administering the retirement system. Total deductions for the fiscal year 2020 were $187,988,278, an increase of 4.2 percent over fiscal year 2019 deductions.

Pension benefit payments increased by $7,569,212, or 4.3 percent, from the previous year. Refund of contributions decreased by $84,718, or 6.1 percent. These changes are primarily due to the annual escalator applied to benefit payments and a decrease in number of applications for refunds in 2020.



The Retirement System as a Whole

It is important to note the financial obligations established by the Iowa legislature in Iowa Code Chapter 411 are committed benefits, which are to be funded through the contributions made by the employers and the membership, in concert with the long-term return on investments. The "public policy" within Iowa has always been to meet the benefit commitments of the pension plans. The history of the plan benefits under Chapter 411 traces to 1934. The funding methods established by the legislature in the Iowa Code, whereby contributions are made from the individual employers and members, coupled with the "prudent person" concept for investment policy, provides the financial foundation for this public policy.

Contacting MFPRSI

This financial report is designed to provide MFPRSI's Board of Trustees, membership, and cities a general overview of the retirement system's finances and to demonstrate accountability for assets. Questions and additional financial information can be found by contacting MFPRSI's office in writing at 7155 Lake Drive, Suite 201, West Des Moines, IA 50266.

Statement of Fiduciary Net Position as of June 30, 2020 and 2019

Assets:	2020	2019
Cash	$17,273,543	$279,711
Investments, at fair value:		
U.S. government obligations	132,118,993	72,903,384
U.S. corporate fixed income	140,316,010	69,432,607
U.S. equity securities	381,502,090	471,394,215
Foreign equity securities	371,491,471	397,534,033
Commingled fixed income	57,068,930	62,293,383
Multi-strategy commingled fund	44,605,551	48,308,077
Short-term investments and currency positions	35,944,906	76,012,736
Real estate	286,294,556	281,287,673
Private equity	524,098,871	510,544,521
Fund of funds commingled investment	611,068,918	636,472,789
Total investments - at fair value	2,584,510,296	2,626,183,418
Receivables:		
Contributions	3,873,111	3,946,947
Investment income	38,250	123,792
Receivable from brokers for unsettled trades, net	21,936,433	2,830,229
Total receivables	25,847,794	6,900,968
Other assets	72,799	114,333
Total assets	2,627,704,432	2,633,478,430
Pension related deferred outflows	171,882	197,996
Liabilities:		
Benefits & refunds payable	17,407,415	15,608,723
Investment management expenses payable	2,142,527	2,025,432
Administrative expenses payable	441,367	418,877
Net pension liability attributed to IPERS	699,044	751,182
Payable to brokers for unsettled trades, net	14,307,489	1,673,965
Total liabilities	34,997,842	20,478,179
Pension related deferred inflows	130,043	72,998
Plan net position restricted for pension benefits	$2,592,748,429	$2,613,125,249

See notes to financial statements.

Statement of Changes in Fiduciary Net Position for the Years Ended June 30, 2020 and 2019

Additions:	**2020**	**2019**
Contributions:		
Member	$29,808,835	$28,472,627
Employer	77,551,461	78,766,019
State appropriations	-	-
Total contributions	107,360,296	107,238,646
Investment income:		
Interest	8,171,698	7,013,554
Dividends	19,463,182	18,843,070
Net appreciation in fair value of investments	44,110,075	128,734,834
Net investment income from investment activity	71,744,955	154,591,458
Less investment expenses:		
Management fees and other	11,494,709	17,956,225
Net investment income	60,250,246	136,635,233
Other income:	916	87,498
Total additions	167,611,458	243,961,377
Deductions:		
Benefit payments	184,646,312	177,077,100
Refund payments	1,295,801	1,380,519
Administrative expenses	1,890,765	1,806,950
Disability expenses	155,400	199,546
Total deductions	187,988,278	180,464,115
Net (decrease) increase	(20,376,820)	63,497,262
Plan net position restricted for pension benefits:		
Net position - Beginning	2,613,125,249	2,549,627,987
Net position - Ending	$2,592,748,429	$2,613,125,249

See notes to financial statements.

Notes to Financial Statements as of and for the Years Ended June 30, 2020 and 2019

1. Plan Description

General

MFPRSI was created under Chapter 411.35 of the Code of Iowa to replace 87 separate fire and police retirement systems from 49 cities and one county in Iowa (a collection of "separate systems"). Effective January 1, 1992, the separate systems were terminated, and the respective entities were required to transfer assets to MFPRSI equal to their respective accrued liabilities (as measured by MFPRSI's actuary). Upon transfer of the assets, MFPRSI assumed all membership, benefits rights, and financial obligations of the separate systems.

MFPRSI is the administrator of a multi-employer, cost sharing, defined-benefit pension plan for the exclusive benefit of eligible employees of participating cities (substantially all full-time employees of the respective cities' fire and police departments). It is governed by a nine-member Board of Trustees (Board) who are appointed by police and fire associations and by the Iowa League of Cities. The eight voting members select a private citizen to serve as the ninth voting member. The Board is authorized by the state legislature to make investments, pay benefits, set contributions rates, hire staff and consultants, and perform all necessary functions to carry out the provisions of the Code of Iowa. MFPRSI is separate and apart from state government and is not included in the state's financial statements.

At June 30, 2020, MFPRSI was comprised of 49 cities covering 4,084 active members; 375 terminated members entitled to benefits; and 4,190 retired firefighters, police officers, bailiffs, and eligible beneficiaries across Iowa.

Funding

Member - Member contribution rates are set by state statute. In accordance with Iowa Code Chapter 411 as modified by act of the 1994 General Assembly, to establish compliance with the Federal Older Workers Benefit Protections Act, the contribution rate was 9.40 percent of earnable compensation for the years ended June 30, 2020, and 2019.

Employer - Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by one percent of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa the employer's contribution rate cannot be less than 17.00 percent of earnable compensation. The contribution rate was 24.41 percent and 26.02 percent for the years ended June 30, 2020, and 2019, respectively.

State Appropriations - State appropriations are approved by the state legislature and may further reduce the employer's contribution rate, but not below the minimum statutory contribution rate of 17.00 percent of earnable compensation. The State therefore is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans, (GASB 67). There were no State appropriations for the years ended June 30, 2020, and 2019.

Benefits Provided

Participating members are entitled to the benefit provisions in effect on the member's date of termination. The following is a summary of MFPRSI's benefit provisions for the years ended June 30, 2020, and 2019:

Retirement - Members with four or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with four to 22 years of service based on the ratio of years completed to years required (22 years). Members with less than four years of service are entitled to a refund of their contribution only, with interest for the period of employment.

Benefits are calculated based upon the member's highest three years of compensation. The average of these three years becomes the member's average final compensation. The base benefit is 66 percent of the member's average final compensation. Additional benefits are available to members who perform more than 22 years of service (two percent for each additional year of service, up to a maximum of eight years). Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50 percent surviving spouse benefit.

Disability and Death - Disability coverage is broken down into two types, accidental and ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60 percent of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50 percent of the member's average final compensation, for those with five or more years of service, or the member's service retirement benefit calculation amount, and 25 percent of average final compensation for those with less than five years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50 percent of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40 percent of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50 percent of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased ("escalated") annually in accordance with Iowa Code Chapter 411.6 which states a standard formula for the increases.

Traumatic Personal Injury - The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a $100,000 lump-sum payment.

Deferred Retirement Option Program (DROP) - Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue working. A member can elect a three-, four-, or five-year DROP period. By electing to participate in DROP the member is signing a contract indicating the member will retire at the end of the selected DROP period. During the DROP period the member's retirement benefit is frozen and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52 percent of the member's retirement benefit at the member's earliest date eligible and 100 percent if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan. The balance of the amounts held by the retirement system pursuant to the DROP is $15,901,000 as of June 30, 2020, and $15,522,000 as of June 30, 2019.

Net Pension Liability of the Retirement System – The components of MFPRSI's net pension liability at June 30, 2020, and 2019 were as follows:

	2020	**2019**
Total pension liability	$3,390,348,728	$3,269,051,818
Plan fiduciary net position	(2,592,748,429)	(2,613,125,249)
MFPRSI's net pension liability	$797,600,299	$655,926,569
Plan fiduciary net position as a percentage of the total pension liability	76.47%	79.94%

Actuarial Assumptions – The total pension liability was determined by an actuarial valuation as of June 30, 2020 and 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.75% to 15.11% including inflation
Investment rate of return	7.5%, net of investment expense

Mortality rates as of June 30, 2020, and 2019 were based on RP 2014 Blue Collar Healthy Annuitant table with males set-forward zero years, females set-forward two years, and disabled set-forward three years (male only rates) with generational projection of future mortality improvement with 50 percent of Scale BB beginning in 2017.

The actuarial assumptions used in the June 30, 2020, and 2019 valuations were based on the results of an actuarial experience study for the period of July 1, 2007, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2018, (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	**Long-Term Expected Real Rate of Return**
Large cap	7.4%
Small cap	8.1%
International large cap	7.2%
Emerging markets	7.9%
Global infrastructure	7.5%
Private non-core real estate	11.5%
Private credit	6.4%
Private equity	10.8%
Core plus fixed income	4.0%
Private core real estate	7.2%

Discount rate – The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that city employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents MFPRSI's net pension liability calculated using the discount rate of 7.5 percent, as well as what the retirement system's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5 percent) or one percentage point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	**Current Discount Rate (7.5%)**	**1% Increase (8.5%)**
MFPRSI's net pension liability	$1,223,363,637	$797,600,299	$444,932,929

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

MFPRSI prepared its financial statements using the accrual basis of accounting. It recognizes member and employer contributions as revenues in the month member earnings are paid. Benefits and refunds are recognized as expenses when payable. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements. MFPRSI's estimates are primarily related to the valuation of various investment instruments, including real estate, private equity, and the multi-strategy commingled fund, as well as the total pension liability. Actual results could differ from those estimates.

Investments

MFPRSI's securities are reported at fair value. Where appropriate, the fair value includes estimated disposition costs. Certificates of deposit are recorded at amortized cost which approximates fair value. Interest income is recognized when earned. Dividend income is recognized on the ex-dividend date. Gains or losses on stocks and bonds are recognized on an average cost basis calculated separately for each investment manager. Other gains and losses are recognized on an identified cost basis. Gains and losses on sales and exchanges are recognized on the trade date. The fair values of marketable securities held at June 30 are determined by using the closing price listed on national securities exchanges and quoted market prices are provided by independent pricing services. For commingled funds, the net asset value is determined and certified by the commingled fund manager. Investments in real estate, private equities, and the multi-strategy commingled fund which invest in both publicly and privately owned securities are valued based on estimates and assumptions of general partners, partnership valuation committees, or third party appraisal firms in the absence of readily determined market values. Such valuations generally reflect cash flows, discounts for illiquidity and consider variables such as financial performance of investments, recent sales prices of investments, and other pertinent information.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2020:

Asset Class	Target Allocation
Core investments	43%
Strategic investments	35%
Private markets	22%
Total	100%

Rate of Return

For the years ended June 30, 2020, and 2019, the annual money-weighted rate of return on pension plan investments net of pension plan investment expense was 2.35 percent and 5.32 percent, respectively. The money-weighted rate of return, calculated arithmetically, expresses investment performance net of investment expense adjusted for the changing amounts actually invested.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of fiduciary net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. MFPRSI has only one item related to pensions which qualifies for reporting in this category. See note 6 for additional details.

In addition to liabilities, the statement of fiduciary net position will sometimes report a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an acquisition of net position that applies to future periods, so will not be recognized as an inflow of resources (revenue) until that time. MFPRSI has only one item related to pensions which qualifies for reporting in this category. See note 6 for additional details.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to / deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

3. Cash

For cash deposits, custodial credit risk is the risk that in the event of a bank failure, MFPRSI's deposits may not be returned. The table below presents a summary of cash balances of the retirement system at June 30, 2020 and 2019:

	2020	2019
Insured	$250,000	$250,000
Uninsured and uncollateralized	17,988,309	55,184,959
Bank balance - June 30	$18,238,309	$55,434,959
Less:		
Pending bank transactions	964,766	876,613
Included short term investments	-	54,278,635
Cash - Statement of Fiduciary Net Position	$17,273,543	$279,711

4. Investments

Investment Policy

The investment authority, as prescribed by the Code of Iowa, is governed by the "prudent person rule." This rule requires that an investment be made with the care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an entity of a like character with like aims. Within the prudent person framework the Board has adopted investment guidelines for the retirement system's investment program.

Due to state statute, MFPRSI is prohibited from holding direct investments in the Sudan, Iran, and companies that boycott Israel.

The following investment vehicles are permitted by MFPRSI's investment policy and may be considered for the retirement system's funds:

Stocks and Bonds (Domestic, International & Emerging Markets):

- Securities issued by and the obligations of or guaranteed by the United States of America or U.S. government sponsored enterprises or by the Dominion of Canada or any province thereof, financial futures and options;
- Bonds issued by the State of Iowa or its political subdivisions;
- Common stock, American depository receipts, corporate bonds or other evidences of indebtedness issued under the laws of the Dominion of Canada or any province thereof;
- Common stock, bonds or other evidences of indebtedness issued under the laws of selected foreign countries or their political subdivisions;
- Debt instruments issued by multinational organizations, on behalf of selected nations or groups of nations, such as Brady bonds, whether in U.S. dollars or foreign currencies;
- Mutual funds, commingled funds, or private equity which are, comprised of stocks, equity and or debt instruments, including those which hold positions in emerging markets, whether in U.S. dollars or foreign currencies;
- Derivative instruments, such as futures and options, can be utilized as an alternative to a stock or bond position, as specified.

Other Asset Classes

MFPRSI's currency positions include the currency of a group of selected nations, which have well established and stable economic and political structures. Currency positions are only taken in countries or in multinational currencies (for example, euros) in which MFPRSI has determined to invest its assets. MFPRSI's currency assets are represented within the individual portfolios of the investment managers, which have mandates, and may include international bonds or stocks. The benchmark against which these managers compare their portfolios includes a zero percent hedged position to the U.S. dollar for the international portions of the mandate.

Derivative Instruments

Derivative instruments, such as futures and options, may be utilized in selected portfolios for the following purposes:

1. As an alternative to maintaining a selected asset position,
2. To maintain the duration of securities in a portfolio,
3. To gain exposure in a time of dollar strength to a foreign bond market with minimal exposure to the currency of the country,
4. To hedge or otherwise protect existing or anticipated portfolio positions,
5. To establish and maintain the currency positions for the currency overlay portfolio and for the individual currency activities of the individual portfolios, and
6. Not to speculate or leverage (i.e., "gear-up") the portfolio.

Derivative instruments are generally defined as contracts whose value depends on ("derives" from) the value of an underlying asset, reference rate, or index. Derivative instruments include both of the following:

a. "Over the counter" (OTC) derivatives: privately negotiated contracts provided directly by dealers to end-users. This includes swaps, futures and options based upon interest rates, currencies, equities, and commodities;

   and,

b. Standardized contracts sold on exchanges: futures and options.

Real Estate

The real estate positions of the retirement system may include domestic or international real estate investments in individual properties or groups of properties, through one or more of the following: direct purchase or mortgage of individual properties, participation in a commingled fund (open-ended or closed-ended) or in a trust or a partnership, which has positions in one or more properties.

MFPRSI's real estate positions may include investment in securitized real estate via publicly-traded or privately-held real estate investment trusts (REITs).

Fund of Funds Commingled Investments

As of June 30, 2020 and 2019, MFPRSI was invested in fund of funds commingled investments, which can be broken down into the following asset classes:

	2020	2019
Investments - At fair value:		
U.S. equity securities	$250,253,257	$220,423,005
Foreign equity securities	159,750,893	152,060,564
Fixed income	179,844,141	229,215,126
Alternative investments	17,264,041	24,840,357
Short-term investments and currency positions	3,956,586	9,933,737
Total fund of funds commingled investments	$611,068,918	$636,472,789

Investment Risk Disclosure: Credit Risk

The quality ratings of investments in fixed income securities as described by nationally recognized statistical rating organizations as of June 30, 2020 and 2019 are as follows:

2020

Quality Rating	Fair Value	Percentage of Portfolio
AAA	$3,595,389	1.09%
AA	176,465,999	53.56%
A	41,507,848	12.60%
BBB	72,079,868	21.88%
BB	35,722,989	10.84%
B	131,840	0.04%
Total fixed income securities	$329,503,933	100.00%

2019

Quality Rating	Fair Value	Percentage of Portfolio
AA	$119,487,647	58.39%
A	22,562,996	11.03%
BBB	44,481,803	21.74%
BB	18,096,928	8.84%
Total fixed income securities	$204,629,374	100.00%

MFPRSI does not have a formal policy that limits the quality grade in which it may invest.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, MFPRSI will not be able to recover the value or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the retirement system, and are held by either the counterparty or the counterparty's trust department or agent but not in MFPRSI's name.

Iowa Code 411.7 establishes the secretary of the Board as the custodian of the fund and provides for MFPRSI to select master custodian banks to provide custody of its assets. MFPRSI has arranged for Wells Fargo Bank to act as the master custodian bank. The master custodian bank may hold MFPRSI's property in the name of its nominee, bearer form, or in book entry form so long as the custodian's records clearly indicate that such property is held as part of the retirement system's account.

Concentration of Credit Risk

MFPRSI is guided by statute and policy in the selection of security investments. No investments in any one organization represent five percent or more of plan assets.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. The following table discloses the fair value and average duration of fixed income investments as of June 30, 2020.

	Fair Value	Duration
Investment type:		
Short-term	$18,655,898	0.0075
Fixed income	272,435,003	5.2567
Commingled	57,068,930	5.0960
Total fair value	$348,159,831	
Portfolio modified duration		4.9490

Duration is a measure of interest rate risk. The greater the duration of a bond, or portfolio of bonds, the greater its price volatility will be in response to a change in interest rates and vice-versa. Duration is the measure of a bond price's sensitivity to a 100-basis point (or, one percent) change in interest rates. A duration of eight would mean that, given a 100-basis point change up/down in rates, a bond's price would move up/down by 8 percent.

Commitments

MFPRSI is committed, as of June 30, 2020, to invest approximately $436,000,000 in certain private equity, private credit, real estate partnerships, real estate commingled funds, and infrastructure funds.

Fair Value Measurements

MFPRSI categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. MFPRSI's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Investments Measured at Fair Value on a Recurring Basis

		Fair Value Measurement Using*		
Investments by fair value level:	**Balance at June 30, 2020**	**Level 1***	**Level 2***	**Level 3***
Debt securities:				
U.S. Treasury securities	$36,253,610	$36,253,610	$-	$-
Mortgage-related securities	88,350,584	-	88,350,584	-
Government-related securities	7,514,799	-	7,514,799	-
Corporate securities	140,316,010	-	140,316,010	-
Total debt securities	272,435,003	36,253,610	236,181,393	-
Equity securities:				
MLPs	6,843	6,843	-	-
Preferred stock	2,309,343	2,309,343	-	-
Total equity securities	2,316,186	2,316,186	-	-
Total investments by fair value level	274,751,189	$38,569,796	$236,181,393	$-
Investments measured at the NAV:				
Domestic equity funds	370,131,433			
International equity funds	365,738,681			
Global equity funds	14,807,262			
Global bond funds	57,068,930			
Real estate funds	280,847,836			
Private equity funds	524,098,871			
Multi-strategy commingled funds	44,605,551			
Fund of funds commingled investments	611,068,918			
Real estate held as investment	5,446,719			
Total investments measured at the NAV	2,273,814,201			
Total investments measured at fair value	$2,548,565,390			

*Key:

Level 1 - Quoted Prices in Active Markets for Identical Assets

Level 2 - Significant Other Observable Inputs

Level 3 - Significant Unobservable Inputs

Debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities.

The fair value of mortgage-related securities, corporate securities and government-related securities at June 30, 2020, was determined primarily based on level 2 inputs. Wells Fargo estimates the fair value of these investments using other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Investments in Entities that Calculate Net Asset Value per Share

MFPRSI holds shares or interest in investment companies where the fair value of the investments are measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At year end, the fair value, unfunded commitments, and redemption rules of those investments is as follows:

Investments measured at the NAV ($ in millions)

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Domestic equity funds	$370		Daily	1-5 Days
International equity funds	366		Daily, Monthly	1 week/15th
Global equity funds	15		Daily	2 Days
Global bond funds	57		Daily	1 Day
Emerging debt funds	0		Monthly	3 Days
Real estate funds	281	$58	N/A	N/A
Private equity funds	524	$273	N/A	N/A
Multi-strategy hedge funds	45		Monthly	2 Weeks
Fund of funds commingled investments	611		Daily	1 Day
Real estate held as investment	5		N/A	N/A
Total investments measured at the NAV	$2,274			

MFPRSI does not anticipate restrictions, other than those outlined in the table, on the ability to sell individual investments at the measurement date. Additionally, MFPRSI does not anticipate that NAV driven investments will become redeemable at valuations materially different from the corresponding NAV listed above. On average, distributions received through the liquidation of underlying investments/assets can occur over the span of 8-15 years. MFPRSI has no prescribed time frame to liquidate the investments.

The multi-strategy hedge funds class invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The underlying portfolios hold both long and short positions in various asset classes and may also employ leverage. The investments of the underlying portfolios will likely include, but will not be limited to, common stocks, depository receipts, bank loans, bonds (including sovereign debt of emerging market countries), notes, commodities, currencies, forwards, futures, options and swap agreements.

5. Derivatives

MFPRSI's investment managers may invest in derivative securities as permitted by their contracts. A derivative security is an investment whose payoff depends upon the value of an underlying asset such as bond and stock prices or a market index. All derivatives are considered investments. The fair values of all derivative financial instruments are reported in the Statement of Fiduciary Net Position as 'Short-term investments and currency positions.' Changes in the values of derivative financial instruments are reported in the Statement of Changes in Fiduciary Net Position as 'Net appreciation in fair value of investments.' Derivative financial instruments involve, to varying degrees, credit risk and market risk. At June 30, 2020, and 2019, the retirement system had no derivative financial instruments.

Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. To limit credit risk, each investment manager screens potential counter-parties and establishes and maintains an approved list of acceptable firms which meet a high level of credit-worthiness.

Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle. The market risk associated with derivatives, the prices of which are constantly fluctuating, is managed by imposing contractual requirements on the investment managers as to the types, amounts and degree of risk they may undertake. Investment managers' derivative activities are reviewed on a periodic basis by MFPRSI as well as the Board to monitor compliance with the contracts. The retirement system does not purchase derivatives with borrowed funds and does not allow the leveraging of the portfolios.

MFPRSI's derivative investments may include foreign currency forward contracts, options, futures, and collateralized mortgage obligations. Derivative securities may also be used to improve yield, adjust the duration of the fixed income portfolio, or to hedge changes in interest rates.

6. Iowa Public Employees Pension System (IPERS)

IPERS Plan Description

IPERS membership is mandatory for employees of MFPRSI. Pensions are provided to employees of MFPRSI through a cost-sharing, multiple employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive, P.O. Box 9117, Des Moines, Iowa 50306-9117 and at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. The plan documents contain more information.

IPERS Pension Benefits

A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first (these qualifications must be met on the member's first month of entitlement to benefits). Members cannot begin receiving retirement benefits before age 55.

The formula used to calculate a Regular member's monthly IPERS benefit includes:

- A multiplier (based on years of service).
- The member's highest five-year average salary (For members with service before June 30, 2012, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.)

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

IPERS Disability and Death Benefits

A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

IPERS Contributions

As a result of a 2010 law change effective July 1, 2012, the contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to one percentage point.

IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by IPERS' Investment Board.

In fiscal year 2020, pursuant to the required rate, Regular members contributed 6.29 percent of pay and MFPRSI contributed 9.44 percent for a total rate of 15.73 percent.

MFPRSI's total contributions to IPERS for the years ended June 30, 2020 and 2019, were $89,556 and $86,727, respectively.

IPERS Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, MFPRSI reported a liability of $699,044 for its proportionate share of the IPERS net pension liability. The IPERS net pension liability was measured as of June 30, 2019, and the IPERS total pension liability used to calculate the IPERS net pension liability was determined by an actuarial valuation as of that date. The MFPRSI's proportion of the IPERS net pension liability was based on the MFPRSI's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2019, the MFPRSI's proportion was 0.011991 percent, which was an increase from 0.0118703, its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, MFPRSI recognized pension expense of $120,578. At June 30, 2020, MFPRSI reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$1,938	$25,134
Changes of Assumptions	74,878	-
Net difference between projected and actual earnings on pension plan investments	-	78,774
Changes in proportion and differences between MFPRSI contributions and proportionate share of contributions	5,510	26,135
MFPRSI contributions subsequent to the measurement date of June 30, 2019	89,556	-
Total	$171,882	$130,043

Deferred outflows of resources related to pensions resulting from MFPRSI contributions of $89,556 reported subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2021	$7,331
2022	(24,481)
2023	(16,968)
2024	(12,770)
2025	(829)
Thereafter	-

There were no non-employer contributing entities at IPERS.

IPERS Actuarial assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (Effective June 30, 2017)	2.60% per annum.
Rates of salary increases (Effective June 30, 2017)	3.25% to 16.25%, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (Effective June 30, 2017)	7.00%, compounded annually, net of investment expense, including inflation.

The IPERS actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

Mortality rates were based on the RP-2014 Generational Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Projection Scale MP-2017.Different adjustments apply to preretirement, post-retirement, and post-disability mortality tables.

The demographic actuarial assumptions used in the valuation are based on the results of the actuarial experience study, dated June 28, 2018, which covered the four-year period ending June 30, 2017. At the IPERS Investment Board's direction, the experience study of IPERS's economic assumptions, including the long-term rate of return, was accelerated a year resulting in a full review of the economic assumptions in early 2017. The findings of the experience study on economic assumptions, along with the resulting recommendations, are included in the report dated March 24, 2017.

Several factors are considered in evaluating the actuarial assumed investment return including long-term historical data, estimates inherent in current market data, along with estimates of variability and correlations for each asset class, and in analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) were developed by IPERS's investment consultant. These ranges were combined to develop the actuarial assumed investment return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The actuarial assumed investment return reflects the anticipated returns on current and future plan assets, and provides a discount rate to determine the present value of future benefit payments.

The estimates of arithmetic real rates of return for each major asset class included in IPERS' target asset allocation as of June 30, 2019 are shown in the following table.

Asset Class	IPERS Target Allocation	IPERS Long-Term Expected Real Rate of Return
Domestic equity	22%	5.60%
International equity	15	6.08
Global smart beta equity	3	5.82
Core-plus fixed income	27	1.71
Public credit	3.5	3.32
Public real assets	7	2.81
Cash	1	(0.21)
Private equity	11	10.13
Private real assets	7.5	4.76
Private credit	3	3.01
Total	100%	

IPERS - Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from MFPRSI will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of MFPRSI's proportionate share of the IPERS net pension liability to changes in the discount rate. The following presents MFPRSI's proportionate share of the IPERS net pension liability calculated using the discount rate of 7.0 percent, as well as what MFPRSI's proportionate share of the IPERS net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.0 percent) or one-percentage-point higher (8.0 percent) than the current rate.

	1% Decrease 6.0%	**Current Discount Rate 7.0%**	**1% Increase 8.0%**
MFPRSI's proportionate share of the IPERS net pension liability	$1,241,276	$699,044	$244,225

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to IPERS

At June 30, 2020, MFPRSI reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

At June 30, 2019, MFPRSI reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Required Supplementary Information

Schedule of Changes in MFPRSI's Net Pension Liability
Last 9 Fiscal Years

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	$55,133,707	$53,017,674	$56,128,110	$53,423,772	$51,366,130
Interest	242,467,141	233,282,508	224,678,250	213,069,288	205,836,959
Difference between expected and actual experience	9,638,175	16,177,781	(9,748,387)	12,891,275	7,643,609
Changes of assumptions	-	-	21,266,192	39,751,096	(10,467,574)
Benefit payments, including refunds	(185,942,113)	(178,457,619)	(170,663,862)	(163,571,586)	(156,566,482)
Net change in total pension liability	121,296,910	124,020,344	121,660,303	155,563,845	97,812,642
Total pension liability - beginning	3,269,051,818	3,145,031,474	3,023,371,171	2,867,807,326	2,769,994,684
Total pension liability - ending	3,390,348,728	3,269,051,818	3,145,031,474	3,023,371,171	2,867,807,326
Plan fiduciary net position					
Contributions - employer	77,551,461	78,766,019	74,641,639	73,411,163	75,254,727
Contributions - member	29,808,835	28,472,627	27,493,680	26,625,022	25,455,597
Net investment income	60,250,246	136,635,233	183,182,098	259,812,040	164,100
Benefit payments, including refunds	(185,942,113)	(178,457,619)	(170,663,862)	(163,571,586)	(156,566,482)
Administrative expense	(1,887,579)	(1,797,284)	(1,781,886)	(1,767,657)	(1,728,951)
Other	(157,670)	(121,714)	(139,793)	(159,263)	(212,954)
Net change in plan fiduciary net position	(20,376,820)	63,497,262	112,731,876	194,349,719	(57,633,963)
Plan fiduciary net position - beginning	2,613,125,249	2,549,627,987	2,436,896,111	2,242,546,392	2,300,180,355
Plan fiduciary net position - ending	$2,592,748,429	$2,613,125,249	$2,549,627,987	$2,436,896,111	$2,242,546,392
MFPRSI's net pension liability - ending	$797,600,299	$655,926,569	$595,403,487	$586,475,060	$625,260,934

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of Changes in MFPRSI's Net Pension Liability
Last 9 Fiscal Years (continuation from previous page)

	2015	2014	2013	2012
Total pension liability				
Service cost	$49,893,939	$48,020,046	$47,487,380	$45,660,053
Interest	196,289,405	187,172,397	185,532,855	177,678,499
Difference between expected and actual experience	15,374,059	(1,248,941)	(22,020,082)	14,628,549
Changes of assumptions	17,508,411	32,616,664	(49,002,711)	-
Benefit payments, including refunds	(150,026,306)	(143,833,568)	(137,617,880)	(132,611,997)
Net change in total pension liability	129,039,508	122,726,598	24,379,562	105,355,104
Total pension liability - beginning	2,640,955,176	2,518,228,578	2,493,849,016	2,388,493,912
Total pension liability - ending	2,769,994,684	2,640,955,176	2,518,228,578	2,493,849,016
Plan fiduciary net position				
Contributions - employer	79,748,943	76,917,460	65,327,766	62,661,684
Contributions - member	24,622,310	24,054,541	23,358,844	23,419,864
Net investment income	69,833,569	358,680,682	229,592,075	4,057,940
Benefit payments, including refunds	(150,026,306)	(143,833,568)	(137,617,880)	(132,611,997)
Administrative expense	(1,680,944)	(1,553,740)	(1,523,477)	(1,606,072)
Other	(774,140)	(75,070)	(99,223)	(98,573)
Net change in plan fiduciary net position	21,723,432	314,190,305	179,038,105	(44,177,154)
Plan fiduciary net position - beginning	2,278,456,923	1,964,266,618	1,785,228,513	1,829,405,667
Plan fiduciary net position - ending	$2,300,180,355	$2,278,456,923	$1,964,266,618	$1,785,228,513
MFPRSI's net pension liability - ending	$469,814,329	$362,498,253	$553,961,960	$708,620,503

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of MFPRSI's Net Pension Liability
Last 9 Fiscal Years

	2020	2019	2018	2017	2016
Total pension liability	$3,390,348,728	$3,269,051,818	$3,145,031,474	$3,023,371,171	$2,867,807,326
Plan fiduciary net position	2,592,748,429	2,613,125,249	2,549,627,987	2,436,896,111	2,242,546,392
MFPRSI's net pension liability	$797,600,299	$655,926,569	$595,403,487	$586,475,060	$625,260,934
Plan fiduciary net position as a percentage of the total pension liability	76.47%	79.94%	81.07%	80.60%	78.20%
Actuarial projected covered payroll	$317,709,825	$302,713,506	$290,660,576	$283,222,057	$270,986,891
MFPRSI's net pension liability as a percentage of covered payroll	251.05%	216.68%	204.84%	207.07%	230.73%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of MFPRSI's Net Pension Liability
Last 9 Fiscal Years (continuation of table above)

	2015	2014	2013	2012
Total pension liability	$2,769,994,684	$2,640,955,176	$2,518,228,578	$2,493,849,016
Plan fiduciary net position	2,300,180,355	2,278,456,923	1,964,266,618	1,785,228,513
MFPRSI's net pension liability	$469,814,329	$362,498,253	$553,961,960	$708,620,503
Plan fiduciary net position as a percentage of the total pension liability	83.04%	86.27%	78.00%	71.59%
Actuarial projected covered payroll	$262,260,060	$255,370,044	$250,107,112	$250,047,187
MFPRSI's net pension liability as a percentage of covered payroll	179.14%	141.95%	221.49%	283.39%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of MFPRSI's Contributions
Last 9 Fiscal Years

	2020	2019	2018	2017	2016
Actuarially determined contribution	$77,551,461	$78,766,019	$74,641,639	$73,411,163	$75,254,727
Contributions in relation to the actuarially determined contribution	77,551,461	78,766,019	74,641,639	73,411,163	75,254,727
Contribution deficiency (excess)	$-	$-	$-	$-	$-
Reported covered payroll	$317,709,825	$302,713,506	$290,660,576	$283,222,057	$270,986,891
Contributions as a percentage of covered payroll	24.41%	26.02%	25.68%	25.92%	27.77%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of MFPRSI's Contributions
Last 9 Fiscal Years (continuation of table above)

	2015	2014	2013	2012
Actuarially determined contribution	$79,748,943	$76,917,460	$65,327,766	$61,911,684
Contributions in relation to the actuarially determined contribution	79,748,943	76,917,460	65,327,766	61,911,684
Contribution deficiency (excess)	$-	$-	$-	$-
Reported covered payroll	$262,260,060	$255,370,044	$250,107,112	$250,047,187
Contributions as a percentage of covered payroll	30.41%	30.12%	26.12%	24.76%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of Investment Returns
Last 10 Fiscal Years

Fiscal Year	Annual money-weighted rate of return, net of investment expenses	Fiscal Year	Annual money-weighted rate of return, net of investment expenses
2020	2.35%	2015	3.02%
2019	5.32%	2014	17.97%
2018	7.59%	2013	13.10%
2017	11.72%	2012	(0.27%)
2016	0.02%	2011	23.34%

Schedule of MFPRSI Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System
Last 6 Fiscal Years

	2019	2018	2017	2016	2015	2014
MFPRSI's proportion of the net pension liability (asset)	0.011991%	0.011874%	0.012415%	0.012738%	0.012726%	0.012759%
MFPRSI's proportionate share of the net pension liability (asset)	$699,044	$751,182	$819,626	$794,389	$632,688	$516,371
MFPRSI's covered payroll	$948,686	$892,161	$988,443	$902,363	$877,346	$851,989
MFPRSI's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	73.69%	84.20%	82.92%	88.03%	72.11%	60.61%
Plan fiduciary net position as a percentage of the total net pension liability	85.45%	83.62%	82.21%	81.82%	84.19%	56.84%

The amounts presented for each fiscal year were determined as of June 30.

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, MFPRSI will present information for those years for which information is available.

Schedule of MFPRSI's Contributions

Iowa Public Employees' Retirement System
Last 7 Fiscal Years

	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$89,556	$86,727	$79,670	$88,268	$80,581	$78,347	$76,083
Contributions in relation to the actuarially determined contribution	(89,556)	(86,727)	(79,670)	(88,268)	(80,581)	(78,347)	(76,083)
Contribution deficiency (excess)	$-	$-	$-	$-	$-	$-	$-
Reported covered payroll	$948,686	$918,718	$892,161	$988,443	$902,363	$877,346	$851,989
Contributions as a percentage of covered payroll	9.44%	9.44%	8.93%	8.93%	8.93%	8.93%	8.93%

* GASB Statement No. 68 requires to present 10 years of information. However, until a 10-year trend is compiled, MFPRSI will present information for those years in which information is available.

Notes to Required Supplementary Information

Methods and Assumptions used in calculations of Actuarially Determined Contributions. The actuarially determined contribution rates in the schedule of MFPRSI's contributions are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Valuation date	July 1, 2020
Actuarial cost method	Entry age normal
Amortization method	Level Dollar, Closed, Layered
Remaining amortization period	25 Years
Asset valuation method	5 year smoothed market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	3.75% to 15.11%
Post-retirement mortality table:	
Ordinary	RP 2014 Blue Collar Healthy Annuitant table with males set-forward zero years, females set-forward two years, with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.
Disabled	RP 2014 Blue Collar Healthy Annuitant Mortality Table - Male, set-forward three years, with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

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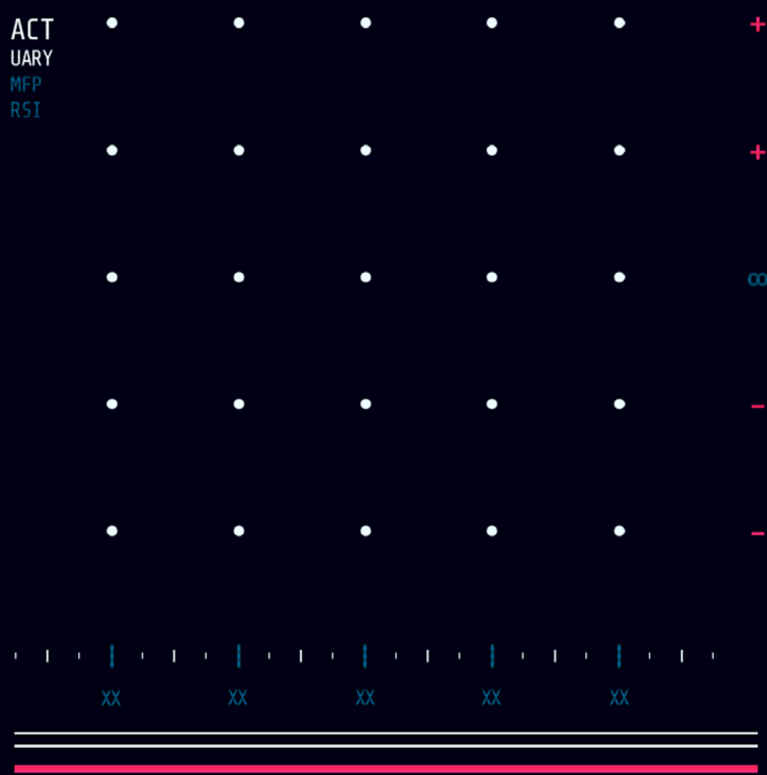
ACTUARY

ACTUARIAL VALUATION'S PURPOSE
CITIES' RECOMMENDED CONTRIBUTION RATE
CONTRIBUTION RATE HISTORY
ACTUARIAL REPORT HIGHLIGHTS



Actuarial Valuation's Purpose

Provided by SilverStone Group

The actuarial data in this section was determined by MFPRSI's actuarial services provider, SilverStone Group ("SilverStone"). The information in this section presents a portion of the annual actuarial valuation, which was determined in accordance with Iowa Code Chapter 411. The complete actuarial valuation report as of July 1, 2020, can be accessed on the retirement system's website, www.mfprsi.org.

The costs developed and presented in this section are based on asset values as of June 30, 2020, member census data as of July 1, 2020, and current retirement system provisions, all of which were supplied by MFPRSI.

The purposes of the actuarial valuation are the following:

1. To determine the normal contribution rate that is payable by the cities under Chapter 411 of the Code of Iowa;
2. To determine the funded status of the retirement system; and
3. To provide information relating to the disclosure requirements of the Governmental Accounting Standards Board (GASB) Statement No. 67 – Financial Reporting for Defined Benefit Pension Plans (an amendment of GASB Statement No. 25).

All costs and liabilities were determined in accordance with generally accepted actuarial principles and procedures and are based on the actuarial assumptions and methods prescribed by the Board in accordance with Iowa Code Section 411.5.10-11. The information supplied in this section is accurate and the assumptions are reasonably related to both MFPRSI's experience and its reasonable expectations under the retirement system in the opinion of SilverStone.

Cities' Recommended Contribution Rate

The cities' contribution rate is established by Iowa Code Chapter 411. The rate specified for employees is set by the statute, currently at 9.40 percent of earnable compensation. The rate for employers is adopted each year by the Board following the completion of the annual actuarial valuation. The required contribution rate as reported by MFPRSI's actuary is developed in the chart below and is effective July 1, 2021.

Annual Contributions and Contribution Rate Formula
Data as of July 1, 2020
Effective July 1, 2021

Preliminary total contribution		
1.	Annual normal cost	$56,807,678
2.	Estimated member contributions	30,819,788
3.	Unfunded actuarial accrued liability amortization payment	59,851,487
4.	Total (cities + state) contributions = [(1) - (2) + (3)]	85,839,377
Cities' contribution		
5.	Preliminary total contribution = (4)	85,839,377
6.	Estimated state contribution	0
7.	Preliminary cities' contribution = (5) - (6)	85,839,377
8.	Covered payroll	327,870,085
9.	Cities' contribution as a percent of payroll = (7) / (8)	26.18%
10.	Minimum required contribution rate for cities	17.00%
11.	Cities' contribution = [Greater of (9) or (10)] x (8)	85,836,388

The minimum required contribution rate for cities is 17.00%.

Starting with the normal contribution rate approved in 2019 of 25.31 percent and ending with the normal contribution rate approved in 2020 of 26.18 percent, explanations for the year-over-year changes are discussed below.

Year-over-year changes to the participating cities' contribution rate

July 1, 2019, normal contribution rate effective July 1, 2020	25.31%
Effect of different State of Iowa contribution	0.00%
Effect of cities' contribution different that actuarially determined	0.07%
MFPRSI experience less favorable than assumed:	
Salary increases more than assumed	0.01%
Investment experience less favorable than assumed	1.38%
Effect of new members	(0.55%)
Effect of DROP experience	0.00%
Other population changes	(0.04%)
Changes in MFPRSI's provisions	0.00%
Changes in actuarial assumptions	0.00%
Changes in actuarial methods	0.00%
Preliminary normal contribution rate	26.18%
Increase to meet minimum required contribution rate of 17.00%	0.00%
July 1, 2020, normal contribution rate effective July 1, 2021	26.18%

Effect of Different State of Iowa Contribution 0.00%

The contribution provided by the State of Iowa remained unchanged at $0 for 2019 and $0 for 2020.

Effect of Cities' Contribution Different than Actuarially Determined 0.07%

The cities' actual contribution rate as a percent of covered payroll was 24.41 percent for the period ended June 30, 2020. The actuarially determined rate for the same period was 25.31 percent of covered payroll. This had the effect of producing smaller contributions than expected and increased the cities' contribution rate by 0.07 percent.

Salary Increases More than Assumed 0.01%

The actual weighted average salary increase for active members included in the valuation was 5.79 percent compared to an expected weighted average increase of 5.01 percent. Actual salaries paid in the prior plan year ended June 30, 2020 were reported for the July 1, 2020 valuation. This had the effect of increasing the cities' contribution rate by 0.01 percent.

Investment Experience Less Favorable than Assumed 1.38%

The actuarial value of assets realized a return of 5.42 percent compared to the assumed investment return of 7.50 percent. This had the effect of increasing the cities' contribution rate by 1.38 percent.

Effect of New Members (0.55%)

New members are generally younger and lower-paid than the ongoing members. Thus, these new members require a lower contribution rate from the cities due to the longer period of time over which to fund their benefits. This had the effect of decreasing the cities' contribution rate by 0.55 percent.

Effect of DROP Experience 0.00%

The expected number of active members who choose to participate, the age at which the members chose to participate, the duration of the DROP period selected, and the number of members who prematurely withdraw from DROP do not exactly match the actual incidences. In addition, the investment earnings on the DROP accounts differ from that assumed. These variances in participation rates, age at participation, duration of participation, premature withdrawals and investment earnings caused no material actuarial gain or loss, and no material change in the cities' contribution rate.

Other Population Changes (0.04%)

The expected rates of disability, death, retirement and withdrawal do not exactly match the actual incidences. These variances will cause a gain or loss each year. For example, there were fewer active members' deaths (2) than assumed (3) during the period ended June 30, 2020. In addition, there were fewer service retirements (38) than assumed (45) and more withdrawals (97) than assumed (93) during the period ended June 30, 2020. Finally, there were more disability retirements (43) than assumed (34) and more inactive member deaths (158) than assumed (146) during the period ended June 30, 2020. These variances in active member deaths, service retirements, disability retirements, and inactive member deaths caused an actuarial gain which decreased the cities' contribution rate by 0.04 percent.

Changes in MFPRSI's Provisions 0.00%

There were no changes in MFPRSI's benefit provisions from the prior year valuation

Changes in Actuarial Assumptions 0.00%

There were no changes in actuarial assumptions from the prior year valuation. In accordance with Iowa State Code Section 411.5.10-11, the Board prescribes the actuarial assumptions used in the actuarial valuation. Per the Code Section, the retirement system's actuary conducts a formal investigation, or experience study, of the primary assumptions every five years. The most recent investigation was completed in the spring of 2018 for the 10-year period ending June 30, 2017.

Changes in Actuarial Methods 0.00%

There were no changes in actuarial methods from the prior year valuation.

Contribution Rate History

Contribution Rate 1993* - 2022

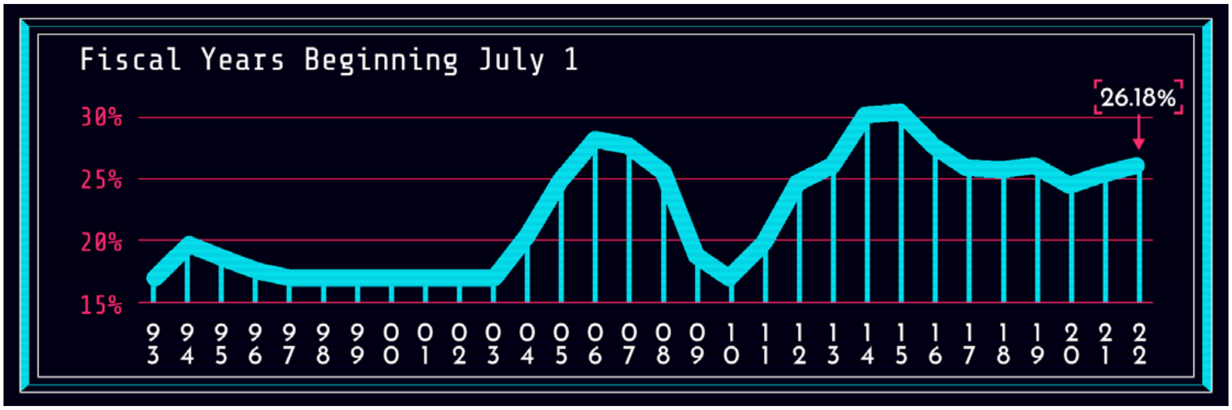
Fiscal year	Rate	Fiscal year	Rate
1993*	17.00%	2008	25.48%
1994	19.66%	2009	18.75%
1995	18.71%	2010#	17.00%
1996	17.66%	2011	19.90%
1997#	17.00%	2012	24.76%
1998#	17.00%	2013	26.12%
1999#	17.00%	2014	30.12%
2000#	17.00%	2015	30.41%
2001#	17.00%	2016	27.77%
2002#	17.00%	2017	25.92%
2003#	17.00%	2018	25.68%
2004	20.48%	2019	26.02%
2005	24.92%	2020	24.41%
2006	28.21%	2021	25.31%
2007	27.75%	2022	26.18%

*MFPRSI's first fiscal year operated January 1, 1992, to June 30, 1993. In all subsequent years the fiscal year began July 1.

#Rate certified at 17.00%, the minimum as required by statute.

MFPRSI's fiscal year runs July 1 to June 30. The fiscal year name coincides with the year as of June 30 (i.e., "fiscal year 2022" covers July 1, 2021, to June 30, 2022).

Contribution Rate History



Actuarial Report Highlights

As of July 1,	2020	2019	2018
Cities' recommended contribution	$85,836,388	$79,963,755	$73,820,798
Normal contribution rate	26.18%	25.31%	24.41%
Plan assets			
Market value	2,592,748,429	2,613,125,249	2,549,627,987
Actuarial value	2,710,027,554	2,649,186,492	2,578,863,993
Prior year investment return			
Market value	2.34%	5.44%	7.63%
Actuarial value	5.42%	5.65%	7.75%
Actuarial accrued liability	3,390,348,728	3,269,051,818	3,145,031,474
Funded ratio*	79.93%	81.04%	82.00%
Annual participating payroll	327,870,085	315,937,395	302,420,313
Annual normal cost	56,807,678	55,133,707	53,017,674
Percent of payroll	17.33%	17.45%	17.53%
Annual pension benefits			
Service retirement	99,536,112	95,066,664	91,350,744
Disabled retirement	52,745,112	50,710,716	48,742,116
Vested retirement	8,418,288	7,771,656	7,194,492
Beneficiaries	21,803,760	21,062,616	20,299,872
Total	182,503,272	174,611,652	167,587,224
Number of members			
Active	4,084	4,086	4,003
Disabled	1,141	1,134	1,130
Retirees and beneficiaries	3,049	3,014	2,977
Vested terminated	375	374	367
Total	8,649	8,608	8,477

*Based on the ratio of the Actuarial Value of Assets to Actuarial Accrued Liability.

Actuarial Value of Assets - Year Ending June 30, 2020

1.	Actuarial value of assets at July 1, 2019	$2,649,186,492
2.	Contributions for 2019 plan year (members, cities, and state)	107,360,296
3.	Benefit distributions and refunds for 2019 plan year	(185,942,113)
4.	Non-investment expenses	
	a. Administrative expenses	(1,887,579)
	b. Disability expenses	(155,400)
	c. Other expenses	(3,186)
	d. Total	(2,046,165)
5.	Expected return on market value of assets for year at 7.5%	193,015,505
6.	Asset gains/(losses) for prior five plan years	

	(I) Asset gain or (loss)	Years recognized	Years remaining	(II) Recognition percentage	(I) x (II) Recognized amount
a. 2019	$(132,764,343)	1	4	20.000%	(26,552,869)
b. 2018	(51,803,053)	2	3	20.000	(10,360,611)
c. 2017	3,020,970	3	2	20.000	604,194
d. 2016	94,033,500	4	1	20.000	18,806,700
e. 2015	(170,219,375)	5	0	20.000	(34,043,875)
f. Total					(51,546,461)

7.	Asset gains/(losses) to be recognized = (6f)	(51,546,461)
8.	Actuarial value of assets at July 1, 2020 = (1) + (2) + (3) + (4d) + (5) + (7)	2,710,027,554
9.	Market value of assets at July 1, 2020	2,592,748,429
10.	Ratio of actuarial value to market value at July 1, 2020 = (8) / (9)	104.52%

Unfundeded Actuarial Accrued Liability

As of July 1,	2020	2019
1. Actuarial accrued liability before changes		
a. Active members		
Service retirements/DROP	$1,145,608,199	$1,112,858,671
Ordinary disability	22,763,552	22,258,099
Accidental disability	116,556,431	113,998,932
Ordinary death	3,153,524	3,084,442
Accidental death	6,088,108	5,986,459
Withdrawal	38,045,907	36,703,000
Total active	1,332,215,721	1,294,889,603
b. Inactive members		
Members receiving benefits	2,008,736,264	1,929,129,169
Deferred vested terminations	48,909,558	44,591,271
Refund of member contributions due	487,185	441,775
Total inactive	2,058,133,007	1,974,162,215
c. Total actuarial accrued liability	3,390,348,728	3,269,051,818
2. Actuarial value of plan assets	2,710,027,554	2,649,186,492
3. Unfunded actuarial accrued liability before changes = [Excess of (1) over (2)]	680,321,174	619,865,326
4. Change in unfunded actuarial accrued liability		
a. Change in MFPRSI's provisions	0	0
b. Change in actuarial assumptions	0	0
5. Unfunded actuarial accrued liability after changes	680,321,174	619,865,326

The unfunded actuarial accrued liability is the amount the actuarial accrued liability exceeds the actuarial value of plan assets determined as of the actuarial valuation date. The unfunded actuarial accrued liability is reduced during a year when retirement system funding exceeds the annual normal cost and interest accrued on the prior year unfunded accrued liability.

The unfunded actuarial accrued liability is also reduced (increased) when the investment return on MFPRSI's assets exceeds (is less than) the assumed investment return.

The actuarial accrued liability is increased if there are amendments that revise benefits payable from MFPRSI. The actuarial accrued liability may be increased or decreased as the result of retirement system experience or if there are changes in the actuarial assumptions used to determine annual contributions

Unfunded Accrued Liability Payments

Amortization base	Date established	Source of base
$657,280,700	July 1, 2013	Initial unfunded
(101,748,328)	July 1, 2014	Actuarial gain
32,616,664	July 1, 2014	Assumption change
(64,447,420)	July 1, 2015	Actuarial gain
17,508,411	July 1, 2015	Assumption change
21,275,521	July 1, 2016	Actuarial loss
(10,467,574)	July 1, 2016	Assumption change
(7,154,241)	July 1, 2017	Actuarial gain
39,751,096	July 1, 2017	Assumption change
(15,920,159)	July 1, 2018	Actuarial gain
21,266,192	July 1, 2018	Assumption change
63,348,299	July 1, 2019	Actuarial loss
63,889,229	July 1, 2020	Actuarial loss

Charge Bases

Initial amortization base	Initial term - years	Remaining term on valuation date		Amortization payment
$657,280,700	25	18		$54,851,250
32,616,664	25	19		2,721,919
17,508,411	25	20		1,461,108
21,275,521	25	21		1,775,480
39,751,096	25	22		3,317,300
21,266,192	25	23		1,774,702
63,348,299	25	24		5,286,529
63,889,229	25	25		5,331,670
			Total	76,519,958

Credit Bases

Initial amortization base	Initial term - years	Remaining term on valuation date		Amortization payment
$101,748,328	25	19		$8,491,080
64,447,420	25	20		5,378,253
10,467,521	25	21		873,538
7,154,241	25	22		597,034
15,920,159	25	23		1,328,566
			Total	16,668,471

Net Amortization Payment $59,851,487

One of the components included to determine the recommended contribution is the unfunded accrued liability payment. The unfunded accrued liability payment is an annual amount that will amortize over 25 years on a closed, layered level dollar basis:

- The initial unfunded accrued liability was established as of July 1, 2013.
- An increase in unfunded accrued liability may occur if benefits are improved through amendments.
- An increase or decrease in the unfunded accrued liability is associated with a change in actuarial assumptions.
- An increase or decrease in the unfunded accrued liability resulting from actuarial gains or losses due to MFPRSI's experience more or less favorable than expected.

Change in Actuarial Present Value of Accrued Benefits

The change in actuarial present value of accrued benefits due to various factors including benefits accumulated, the passage of time, benefits paid, changes in assumptions, and changes in MFPRSI's provisions is displayed below.

Actuarial present value of accrued benefits on July 1, 2019	$3,010,497,570
Change in present value of accrued benefits from July 1, 2019, to July 1, 2020, due to:	
Additional benefits accumulated	$82,760,671
Interest due to passage of time	218,940,545
Benefits paid	(185,942,113)
Change in assumptions	0
Change in MFPRSI's provisions	0
Actuarial present value of accrued benefits on July 1, 2020	$3,126,256,673

Actuarial Present Value of Accrued Benefits

As of July 1,	2020	2019
1. Present value of vested accrued benefits		
a. Present value of vested accrued benefits for active members	$1,030,296,090	$999,633,561
b. Present value of benefits for terminated members	49,396,743	45,033,046
c. Present value of benefits for service retirees, beneficiaries, and disabled retirees	2,008,736,264	1,929,129,169
Total	$3,088,429,097	$2,973,795,776
2. Present value of accrued non-vested benefits	37,827,576	36,701,794
3. Present value of all accrued benefits = (1) + (2)	$3,126,256,673	$3,010,497,570
4. Market value of assets	$2,592,748,429	$2,613,125,249
5. Ratio of market value of assets to the present value of all accrued benefits = (4) / (3)	82.93%	86.80%
6. Ratio of market value of assets to the present value of vested accrued benefits = (4) / (1)	83.95%	87.87%

Actuarial Gain / (Loss)

Expected unfunded actuarial accrued liability	
1. Expected actuarial accrued liability	
Actuarial accrued liability on July 1, 2019	$3,269,051,818
Normal cost	55,133,707
Benefit distributions	(185,942,113)
Interest on above at 7.50% to June 30, 2020	242,467,141
Total	3,380,710,553
2. Expected assets	
Actuarial value of assets on July 1, 2019	2,649,186,492
Contributions	107,360,296
Benefit distributions and non-investment expenses	(187,988,278)
Interest on above at 7.50% to June 30, 2020	195,720,098
Total	2,764,278,608
3. Expected unfunded actuarial accrued liability on June 30, 2020 = (1) - (2)	616,431,945
Actual unfunded actuarial accrued liability	
1. Actuarial accrued liability before changes	3,390,348,728
2. Actuarial value of assets	2,710,027,554
3. Actual unfunded actuarial accrued liability on July 1, 2020 = (1) - (2)	680,321,174
Actuarial gain or (loss)	
1. Expected unfunded actuarial accrued liability	616,431,945
2. Actual unfunded actuarial accrued liability	680,321,174
3. Actuarial gain or (loss) for 2020 fiscal year = (1) - (2)	(63,889,229)

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INVESTMENTS

INVESTMENT CONSULTANT'S REPORT
PERFORMANCE
OVERVIEW

Investment Consultant's Report

Provided by Doug Oest, CAIA, Managing Partner and
David H. Smith, CFA, Managing Director
Marquette Associates

Doug Oest, CAIA
Managing Partner
Marquette Associates

David H. Smith, CFA
Managing Director
Marquette Associates

As of June 30, 2020, MFPRSI's portfolio totaled $2.6 billion and earned 2.3 percent investment return, net of fees, for the fiscal year. At the end of calendar year 2019, unemployment in the United States was 3.5 percent, matching the lowest jobless rate since 1969 and the economy was growing at a steady 2.1 percent. However, on March 11, 2020, the longest bull market in U.S. history ended abruptly after 11 years. U.S. stocks, as measured by the S&P 500, dropped by almost 34 percent in twenty-three trading days following a COVID-19 fueled sell-off. Markets bottomed on March 23rd and rallied by almost 39 percent after central banks and governments world-wide reacted with unprecedented levels of monetary and fiscal stimulus.

COVID-19 has proven to be a potentially long-lasting concern as it remains to be seen whether we are in for a V-shaped or U-shaped recovery. Economic data has improved slowly, though markets have seemed to shrug off some of the negative news as the S&P 500 moved into positive territory over the one-year period. Global stocks, as measured by the MSCI World Index returned 2.8 percent. Lastly, 2020 is a presidential election year and uncertainty surrounding the election will undoubtedly have an impact on forward-looking expectations.

Despite a steep equity market sell-off in the first three months of 2020, the U.S. equity market still returned 7.5 percent for the trailing twelve-month period ending June 30, 2020 due to a strong second half of 2019 and a staggering recovery in the second quarter of 2020. U.S. equity markets actually fell into bear market territory in the first quarter only to rebound sharply in the second quarter. As Congress announced a massive fiscal policy and the U.S. Federal Reserve Board (the "Fed") dusted off its 2008 playbook, a new bull market took hold despite record high unemployment, cratering industrial activity, and free-falling corporate earnings. The S&P 500 closed the second quarter up 20.5 percent, gaining 38.6 percent from the market trough on March 23rd and was down just 3.1 percent year-to-date as of June 30, 2020.

This rally from the depth of a bear market has become the best rally in U.S. history, topping the 35.1 percent return in 1982 and the 34.8 percent return in 2009, all while over $4 trillion sits in money market funds. Seemingly, equity returns could be even higher if more investors entered the market. Investors may be cautious of the rebound since we have not seen the usual series of bear market rallies that typically accompany bear markets. Lastly, investors are also worried that we have not seen a meaningful change in market leadership (i.e., large-cap versus small-cap, growth style versus value style) or sustained and wide market breadth, which typically occurs after the dust settles.

Both developed and emerging markets struggled during the last year, returning negative 5.1 percent and negative 3.4 percent, respectively. However, despite a continuation of pandemic-induced market volatility, international equities experienced a sharp rebound in the second quarter of 2020 as signs of slowing COVID-19 cases in Europe and China, advances in vaccine developments and trials, and a tempered but gradual economic reopening buoyed the market.

Accommodative central banks have bolstered the market from immediate pandemic effects and we are still seeing new market-friendly fiscal packages and rate cuts, which should continue to provide a level of business stability in the coming months. However, relative to U.S. equities, non-U.S. equities are generally more cyclical and reliant on global economic growth. A continued global economic slowdown is likely to disproportionately impact non-U.S. equities.

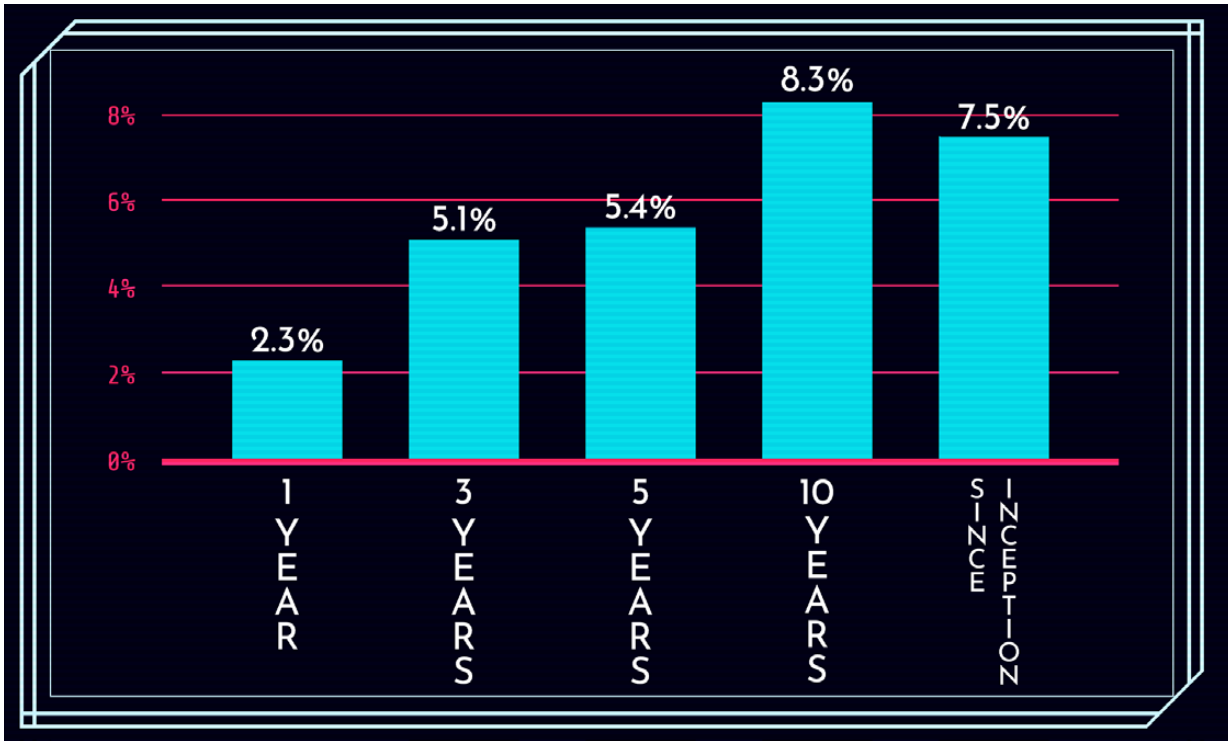
Falling interest rates boosted core bond prices and, accordingly, the Bloomberg BarCap U.S. Aggregate Bond Index returned 8.7 percent for the trailing twelve-month period ending June 30, 2020. Beginning in mid-2019, the Fed lowered rates for the first time since 2008. By March 2020, the Fed had completely reversed the nine interest rate increases dating from December 2015.

A second wave of COVID-19 would likely widen spreads and drive rates lower; negative rates in the U.S. are not completely out of the question but at this point remain a remote possibility. Jerome Powell, Chair of the Fed, is extremely averse to negative rates and will fight negative rates with any means necessary. Overall expectations for fixed income portfolios are that they continue to provide diversification, principal protection, and liquidity for investors.

In this environment, a hypothetical portfolio of 60 percent global stocks and 40 percent domestic bonds (a "60/40" allocation) would have earned a 5.7 percent return for the year, outperforming MFPRSI's investment return goal by 3.4 percent. MFPRSI's investment portfolio is significantly more diverse than a traditional 60/40 allocation. This diversification has led to a 10-year annualized net-of-fees return of 8.3 percent, outperforming the traditional 60/40 allocation's return of 7.7 percent. Lower allocations to public U.S. equity and U.S. fixed income relative to the total fund benchmark were a drag on fiscal year performance. The MFPRSI portfolio is well positioned across multiple asset classes to protect against market volatility. The portfolio offers compelling yield and is well-positioned for asset growth over the long-term.

Performance

as of June 30, 2020



Inception date is January 1, 1992. The 3-years, 5-years, 10-years, and since inception returns are annualized. It is important to note that historical performance is not a guarantee of future performance of the portfolio due to the cyclical nature of markets and the individual components thereof.

Overview

In order to maximize the important role that investment returns play in the funded status of MFPRSI's investment portfolio, the Board has adopted its *Investment Policy* as its investment guidelines. This document is designed to provide the framework necessary to guide the investment portfolio toward the retirement system's ongoing requirements of the benefit plan. The complete *Investment Policy* is available on MFPRSI's website, www.mfprsi.org.

MFPRSI's overall investment performance goal is to exceed an annualized actuarial assumed rate of return of 7.5 percent over a long-term time horizon. The actuarial assumed rate of return is the rate of return which will meet or exceed the benefits and administrative funding requirements of the retirement system. While the investment portfolio will exceed or fall short of that goal in shorter time periods, it is designed to withstand all market environments and out-pace the actuarial assumed rate of return over the long term.

MFPRSI's investments are managed by professional investment management firms who have full discretion to direct the investment and reinvestment of the assets in their respective accounts in accordance with MFPRSI's investment policies, applicable to federal and state statutes and regulations, and the executed and detailed investment management agreements.

The net investment market values reported in this section differ from those shown in the Financial Statements and Actuary sections of this report. The values used in this section are the appropriate industry standard basis for investment return calculations.

Asset Allocation and Diversification

Asset allocation is a process designed to construct an optimal long-term mix that achieves a specific set of investment objectives. The Board's *Investment Policy* establishes the retirement system's asset allocation policy to meet those objectives. The asset allocation policy is adopted to provide diversification of assets in order to maximize returns within appropriate levels of market and economic risks.

MFPRSI pursues diversification in the investment portfolio by varying its investment style. The success of any individual investment style tends to be cyclical, and diversification is one tool to help reduce overexposure to any one asset class. For example, growth equities may outperform value equities over several consecutive time periods and then revert over several consecutive time periods. Diversification beneficially limits exposure to each asset class during time periods when they are out of favor with investors.

Ultimately, investment markets are cyclical and no single investment style or asset class will perpetually outperform over the long term. Investment styles come in and out of fashion and using this logic, MFPRSI diversifies its investment portfolio in order to minimize risk. Performance at the total investment fund level, therefore, avoids dependency on any one style of investment.

Overall, diversification of assets within the investment portfolio enhances the potential to achieve MFPRSI's long-term goal of meeting a 7.5 percent annualized actuarial assumed rate of return.

Risk

Investing in any asset involves the possibility that the asset's actual return will differentiate from its expected return. Investment risk can be defined as the potential occurrence of a loss relative to the expected return on investment.

Risk is a vital element when determining the forecast of an investment. Typically, most investors shy away from risk as no investor wants to lose money on an investment. This is prudent behavior to avoid losing money. However, the rule of thumb towards risk is that the higher the risk, the better the return.

MFPRSI and Marquette carefully consider investment risk when implementing its investment strategy. The investment portfolio is tasked with achieving a long-term 7.5 percent actuarially assumed rate of return. In order to do so, the investment portfolio must take on risk as simply investing in low-risk or no-risk assets would make it difficult for the investment portfolio to achieve its 7.5 percent benchmark. Therefore, a moderate amount of risk must be accepted in order to surpass the actuarial assumed rate of return.

One common tool to measure risk is standard deviation which, in the retirement system's case, is the average amount an investment's returns differ from the mean of its returns. The lower the standard deviation, the closer an investment's actual returns tend to be to its average returns; meanwhile, the higher the standard deviation, the further its actual returns tend to be from its average returns.

In its measurement using data as of January 9, 2020, Marquette reported the retirement system's expected 10-year volatility for its investment portfolio at 10.6 percent. This is the level of uncertainty the retirement system accepts in order to achieve its actuarial assumed rate of return. This is a relatively low-risk expectation given the task of building an investment portfolio is to provide annual returns of 7.5 percent.

MFPRSI and Marquette regularly review the investment portfolio's level of risk and will make changes as necessary to mitigate the investment portfolio's risk profile. This is done as part of the Board's commitment to being a sound retirement system.

Allocation Terminology

The retirement system's overall investment portfolio is separated into three main categories:

1. The *Core Portfolio* is comprised of a diversified mix of global public equity, fixed income, core real estate and infrastructure portfolios. The aggregate Core Portfolio's allocation and underlying investment manager makeup are determined by the Board, with the intention of out-performing a specified composite index on both an absolute and risk-adjusted basis and over a full market cycle. The composite index is currently weighted 65 percent to global equity and 35 percent to fixed income. This index is also determined and reviewed by the Board in an attempt to meet or exceed the retirement system's actuarial rate of return over time.

2. The *Strategic Portfolio* is comprised of multi-asset investment managers that invest in global securities, including but not limited to: public debt and equity, real assets, private market investments, currencies, derivatives, and cash. The intent of the Strategic Portfolio is to outperform a specified composite index on both an absolute and risk-adjusted basis over a full market cycle. The composite index is currently weighted 75 percent to global equity and 25 percent to fixed income. This index is determined and reviewed by the Board in an attempt to meet or exceed the retirement system's actuarial rate of return over time. Individual managers in the Strategic Portfolio are granted the flexibility to tactically adjust their underlying asset allocations to take advantage of market opportunities they believe will benefit the retirement system.

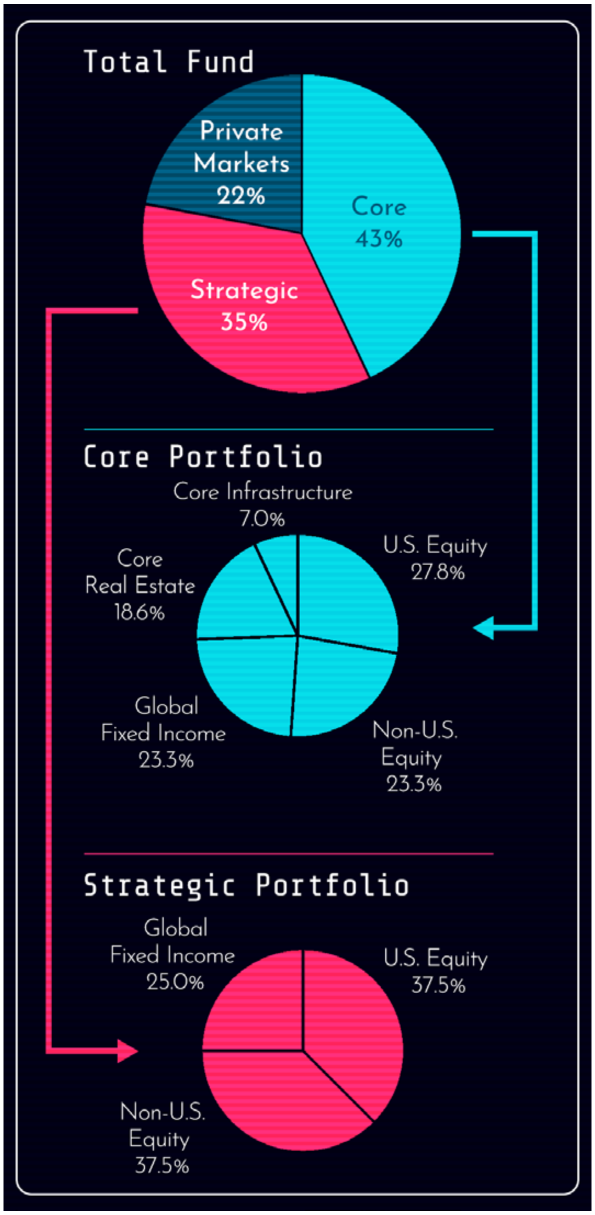
3. *Private Markets* refer to various investment managers who invest in private market opportunities, including but not limited to venture, buyout, opportunistic, secondary market, credit and debt-related, and direct investment. These opportunities will consist of investing in private companies that do not offer equity and fixed income securities on public markets.

Investment Allocations

Total Fund Asset Class	Portfolio Target Percentage
Core Portfolio[1]	43%
Strategic Portfolio[2]	35%
Private Markets	22%
Total	100%

[1]Core Portfolio Asset Class	Portfolio Target Percentage
U.S. Equity	27.8%
Non-U.S. Equity	23.3%
Global Fixed Income	23.3%
Core Real Estate	18.6%
Core Infrastructure	7.0%
Total	100.0%

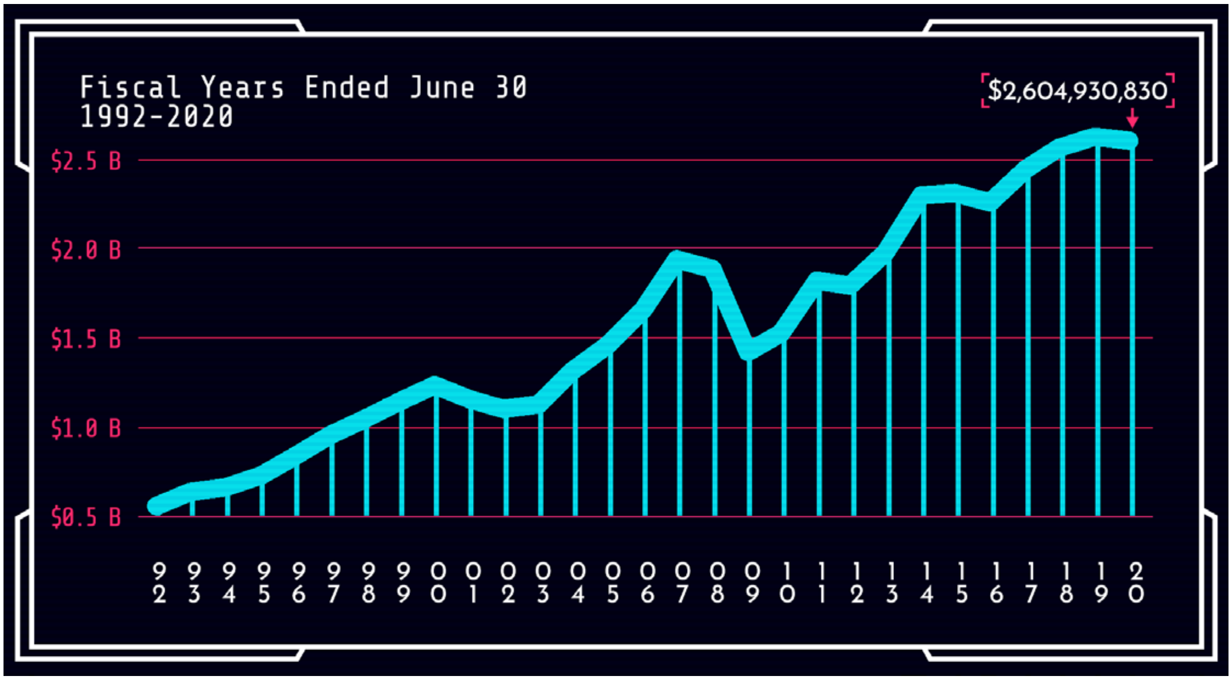
[2]Strategic Portfolio Asset Class	Portfolio Target Percentage
U.S. Equity	37.5%
Non-U.S. Equity	37.5%
Global Fixed Income	25.0%
Total	100.0%



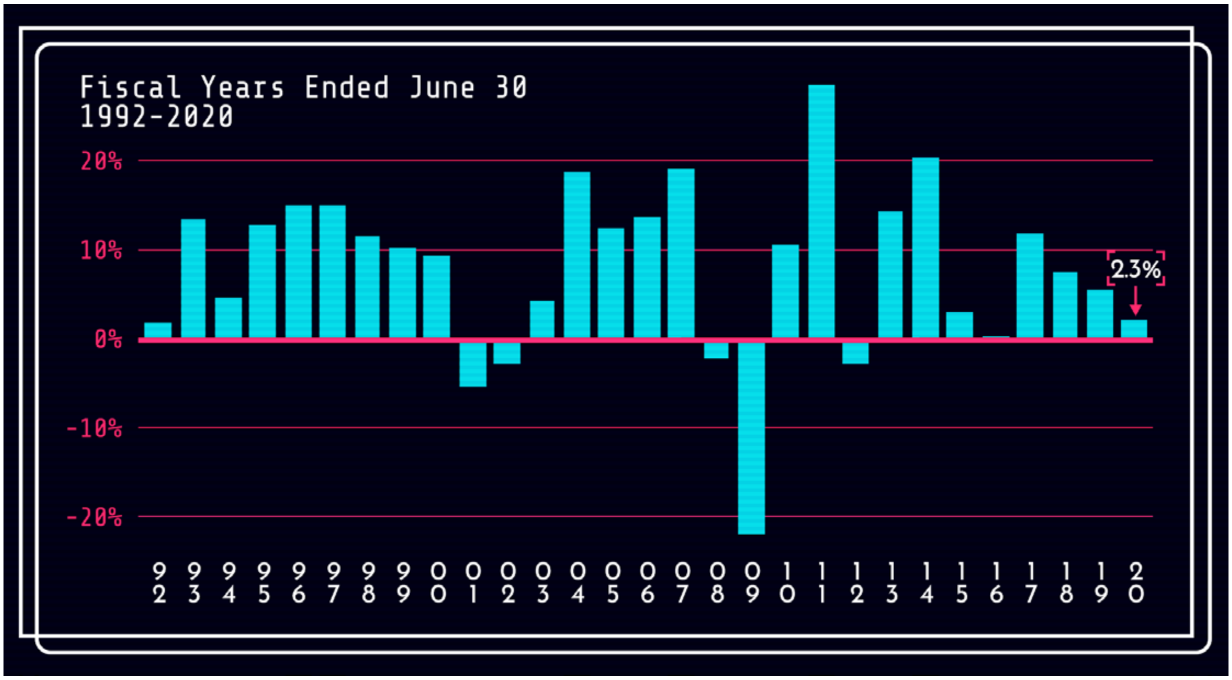
Caveats:

1. In the absence of suitable opportunities within a specific market, the funds shall be directed to the other components within the debt or equity category. Due to the fluctuation of market values, positioning within ±5 percent of the target shall constitute compliance with the policy.
2. A review of the allocation policy shall occur periodically to allow the Board of Trustees to consider the effect of any changes in market conditions or of the expectations for the retirement system.

Growth of Net Investment Portfolio Assets



Annual Investment Returns



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BENEFITS

DESCRIPTION OF BENEFIT PLAN

OPTIONAL FORMS OF RETIREMENT

DROP - DEFERRED RETIREMENT OPTION PLAN

MEMBERSHIP DATA

Description of Benefit Plan

Benefit formulas are established by Iowa Code Chapter 411, and revisions to the benefit program can only be instituted by the Iowa General Assembly. The Board and staff are required to administer retirement benefits in compliance with the statutory provisions. Questions concerning an individual's eligibility should be directed to the administration.

Retirement Age

To qualify for a full service retirement, the member must be age 55 or older with a minimum of 22 years of service at termination of employment. The other forms of benefits, with the exception of vested retirement and the deferred retirement option program (DROP), do not have specific age or length of service requirements. Retirement under the ordinary disability or accidental disability programs of MFPRSI are available to members who become permanently disabled (while there are no age or length of service requirements, "permanently disabled" is defined as a duration of one year or longer) while employed as a firefighter or police officer.

Benefit Amounts

Current benefit amounts are based upon a percentage of the member's average monthly earnable compensation. The average monthly earnable compensation is calculated by adding the member's earnable compensation for the highest three years of service and dividing it by 36. The percentage multiplier varies by type of retirement and the length of the member's service. For service retirements, the benefit percentage is 66 percent with 22 years of service and 82 percent with 30 years of service.

Refund of Contributions

Since July 1, 1990 members who terminate service, other than by death or disability, may withdraw their contributions in total from their date of hire through their termination date. If a member withdraws contributions, the member waives any claim to benefits for the period of membership for which the withdrawal is made.

Members who terminate service also have the option to rollover the eligible portion of their refund to another qualified retirement plan or to an individual retirement account (IRA). Such rollovers must be approved in advance by MFPRSI. The contributions being withdrawn are credited with an annualized simple interest rate determined by the Board, currently set at 5 percent.

Vesting

When a member earns at least 4 years of credited service or reaches age 55 while performing membership service, the member becomes vested in the retirement system. Once vested, the member is entitled to a vested or a full service retirement.

Optional Forms of Retirement

Members retiring through a service or vested service retirement have the opportunity to select either the "basic benefit" as provided by Chapter 411, or one of six optional forms of benefits. The basic benefit is a lifetime benefit based on the member's average monthly compensation and number of years of service. Each option is actuarially adjusted and based on the basic benefit.

1. **The Basic Benefit -** The member's spouse is entitled to 50 percent of the gross benefit at the time of the member's passing, but not less than 20 percent of the average earnable compensation of the active membership as reported by the actuary.

   Please visit www.mfprsi.org for more information about the basic benefit.

The optional forms of benefits below are calculated using actuarial tables which consider the age of the member at retirement, the age of the member's beneficiary, and the assumed life expectancy of both. The beneficiary receives this amount for his or her lifetime.

2. **Joint & 75 Percent Survivor Annuity -** The designated beneficiary receives 75 percent of the gross amount of the member's retirement at the time of the member's passing. If the beneficiary passes before the member, then the benefits end upon the member's passing.

3. **Joint & 75 Percent Survivor Annuity with Pop-Up -** The designated beneficiary receives 75 percent of the gross amount of the member's retirement at the time of the member's passing. Should the beneficiary pass before the member, the benefit will increase to the amount of the basic benefit and no survivor benefit is payable following the member's passing.

4. **Joint & 100 Percent Survivor Annuity -** The designated beneficiary receives 100 percent of the gross amount of the member's retirement at the time of the member's passing. If the beneficiary passes before the member, then the benefits end upon the member's passing.

5. **Joint & 100 Percent Survivor Annuity with Pop-Up -** The designated beneficiary receives 100 percent of the gross amount of the member's retirement at the time of the member's passing. Should the beneficiary pass before the member, the benefit will increase to the amount of the basic benefit and no survivor benefit is payable following the member's passing.

6. **Single-Life Annuity with Designated Lump Sum -** The designated beneficiary receives a one-time, lump-sum payment upon the passing of the member. If the beneficiary passes prior to the member, the lump sum is paid to the member's estate.

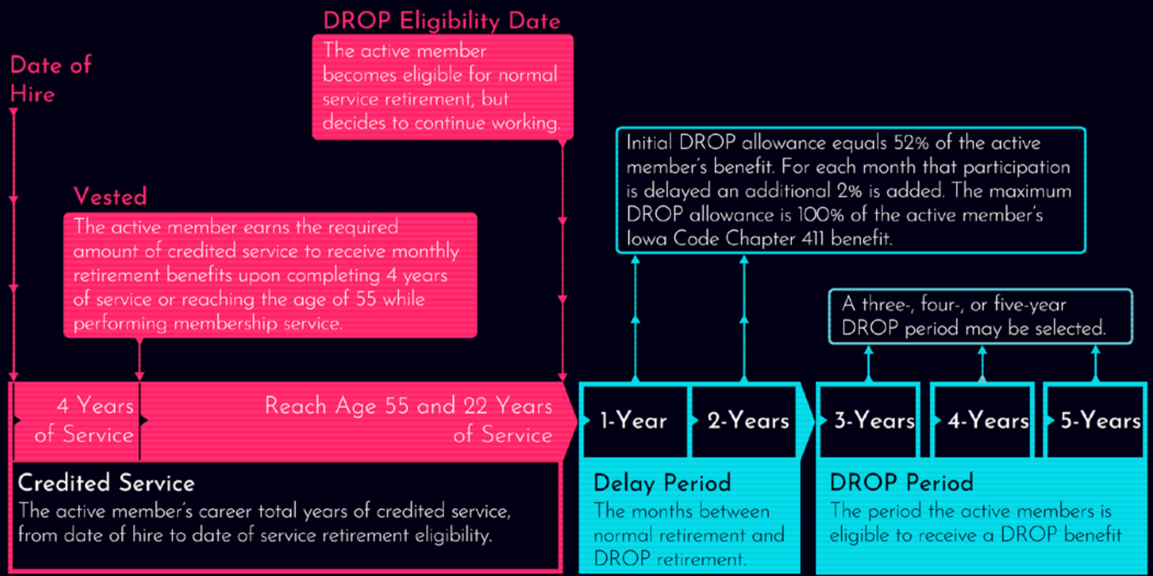
7. **Straight-Life Annuity -** Following the member's passing, no further benefits are payable.

DROP - Deferred Retirement Option Plan

Active members, at least 55 years old with 22 or more years of service, have the option to participate in DROP (Deferred Retirement Option Plan). This program is an arrangement for members who are otherwise eligible to retire and begin benefits, but continue working. Members can elect a three-, four-, or five-year DROP period. Members will sign a contract indicating they will retire at the end of the selected DROP period by electing to participate in the program.

During the member's DROP period the member's retirement benefit is frozen and a DROP benefit is credited to an account established for the member. The DROP benefit is equal to 52 percent of the member's retirement benefit at the member's earliest date eligible and 100 percent if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed in the form of a lump sum or rolled over to an eligible plan.

DROP Timeline - The graphic below provides a general timeline of a member's career and participation in DROP. Following the member's DROP eligibility date, which is the date the member would normally be qualified to retire yet they have decided to continue working, completing two additional full years before officially enrolling in the plan earns the member 100 percent of their Chapter 411 benefit. Upon completion of the DROP period (three, four, or five years) and termination of employment, the member will receive their benefit accrued through the DROP plan in the form of a one-time, lump-sum payout.



Membership Data

Retirement System Membership Profile

Active members	**As of July 1, 2020**	**Year Over Year Increase/ (Decrease)**
Number	4,084	(2)
Average age (in years)	40.8	0.0
Average past service (in years)	13.5	0.0
Average annual compensation	$80,282	$2,960
Non-active members in pay status		
Number	4,190	42
Average age (excluding children)	70.1	0.1
Average annual benefit	$43,557	$1,462
Non-active members with deferred benefits		
Number*	375	1
Average age	44.2	0.4
Average annual benefit	$19,459	$1,221

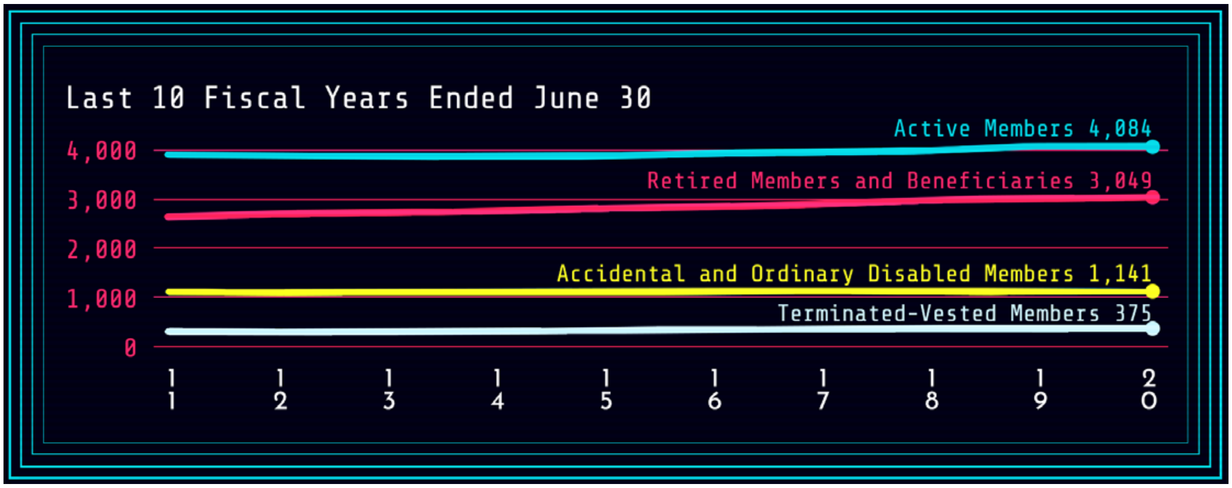
*Excludes 65 terminated non-vested members in 2020 and 60 terminated non-vested members in 2019 who had not received a refund of contributions as of the end of the fiscal year.

Participating Cities

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

*Police department only.

Membership by Type



Benefits by Type

Service Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
55 - 59	144	$9,394,956	$65,243
60 - 64	270	18,121,416	67,116
65 - 69	402	25,406,136	63,199
70 - 74	370	22,007,496	59,480
75 - 79	229	12,146,760	53,043
80 - 84	155	7,267,656	46,888
Over 84	130	5,191,692	39,936
Total	1,700	$99,536,112	$58,551

Accidental Disability Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 40	10	$428,340	$42,864
40 - 49	77	3,359,232	43,626
50 - 59	153	7,782,048	50,863
60 - 69	310	15,753,636	50,818
70 - 79	282	12,899,964	45,745
Over 80	109	4,464,780	40,961
Total	941	$44,688,000	$47,490

Ordinary Disability Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 40	12	$341,484	$28,457
40 - 49	26	955,368	36,745
50 - 59	43	1,776,852	41,322
60 - 69	57	2,594,580	45,519
70 - 79	48	1,919,148	39,982
Over 80	14	469,680	33,549
Total	200	$8,057,112	$40,286

Beneficiary (Spouse) Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 50	23	$719,436	$31,280
50 - 59	45	1,248,792	27,751
60 - 69	160	4,371,096	27,319
70 - 79	259	6,532,716	25,223
Over 80	391	8,597,364	21,988
Total	878	$21,469,404	$24,453

Beneficiary (Children) Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 12	9	$47,160	$5,240
12 - 17	13	81,816	6,294
18 and Over	28	205,380	7,335
Total	50	$334,356	$6,687

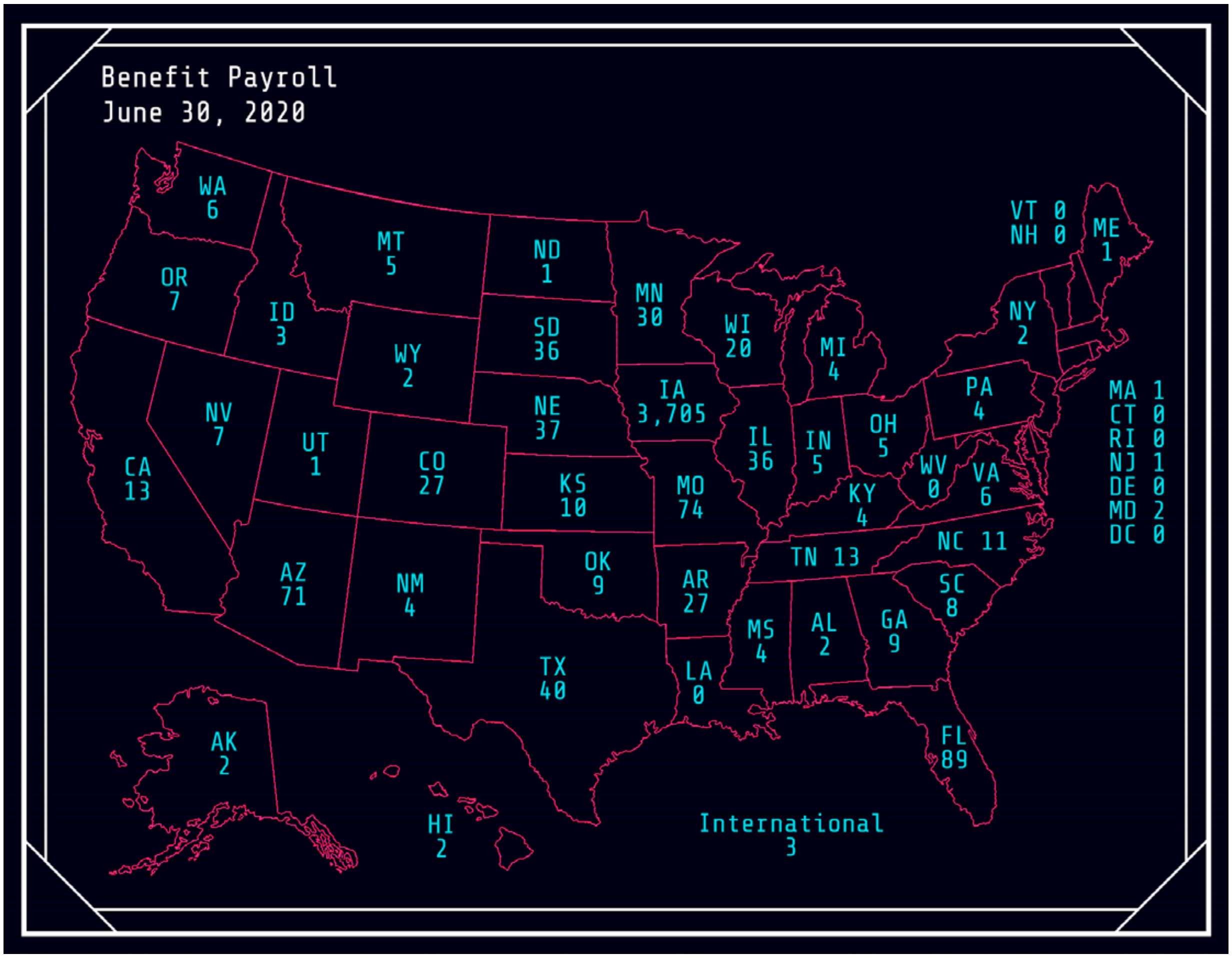
Vested Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 60	95	$2,293,524	$24,142
60 - 69	198	4,225,380	21,340
70 - 79	101	1,647,144	16,308
80 and Over	27	252,240	9,342
Total	421	$8,418,288	$19,996

Terminated-Vested Benefits

Age	Number	Total Annual Benefit	Average Annual Benefit
Under 40	108	$1,448,508	$13,412
40 - 49	155	2,956,560	19,075
50 and Over	112	2,892,036	25,822
Total	375	$7,297,104	$19,459

Number of Benefit Payments by U.S. State



The map above illustrates the number of benefit payments made to members with mailing addresses residing in the individual states and internationally as of June 30, 2020. Approximately 99% of all monthly benefit payments are done via ACH.

Preparation of Annual Report

The preparation of this report and financial statements were the result of the combined efforts of the retirement system's staff under the direction of the Executive Director and Deputy Director.

MFPRSI's annual report for fiscal year 2020 was prepared by MFPRSI staff using data gathered from various sources including MFPRSI's actuarial services provider, SilverStone Group, investment consultant, Marquette Associates, and communications consultant, Wixted & Co. The stories on pages 8-13 were written by Jill Johnson, communications advisor with Wixted & Co.

The firm of Eide Bailly, LLP, conducted an audit for the period ending June 30, 2020. A copy of the audit report has been provided to each of the employing cities and is viewable at www.mfprsi.org. Copies of the report are also available at MFPRSI's office in West Des Moines, Iowa.

This report is intended to provide reliable information as a basis for management decisions, legal compliance, and stewardship of the retirement system's assets. The Board and staff appreciate the efforts extended by city officials as well as the support given to MFPRSI by the active and retired memberships and city representatives.

Design/Production/Writing - Cody Jans
Printing - Universal Printing Services

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