

# Municipal Fire and Police Retirement System of Iowa

Required GASB 68 Reporting Information as of and for  
the Year Ended June 30, 2024, and  
Related Independent Auditor's Report

# Municipal Fire and Police Retirement System of Iowa

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June 30, 2024

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## Independent Auditor's Report

To the Board of Trustees  
Municipal Fire and Police Retirement System of Iowa  
Des Moines, Iowa

### Report on Audit of Schedules of Allocations and Net Pension Amounts by Employer

#### *Opinions*

We have audited the accompanying schedules of net pension liability (NPL) by city as of June 30, 2024, and the schedules of deferred outflow of resources by city, deferred inflows of resources by city for the Municipal Fire and Police Retirement System of Iowa (the System) as of June 30, 2024, and the related schedule of pension expense by city (collectively the Schedules) for the year then ended, and the related notes to the Schedules.

In our opinion, the Schedules referred to above present fairly, in all material respects, the schedules of net pension liability (NPL) by city as of June 30, 2024, and the schedules of deferred outflow of resources by city, deferred inflows of resources by city and pension expense by city for the System as of and for the year ended June 30, 2024, in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Other Matters*

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the System as of and for the years ended June 30, 2024 and 2023, and our report thereon, dated October 10, 2024, expressed an unmodified opinion on those financial statements.

#### *Responsibilities of Management for the Schedules*

Management is responsible for the preparation and fair presentation of the Schedules in accordance with accounting principles generally accepted in the United States of America; and for the design,

implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Schedules***

Our objectives are to obtain reasonable assurance about whether the Schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedules.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedules, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedules.
- Obtain an understanding of internal control relevant to the audit 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 System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedules.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Restriction on Use**

Our report is intended solely for the information and use of the System's management, the System's Board of Trustees, System employers, and their auditors and is not intended to be and should not be used by anyone other than these specified parties.

*Eide Bailly LLP*

Boise, Idaho  
April 7, 2025

Municipal Fire and Police Retirement System of Iowa  
Net Pension Liability (NPL) by City  
As of June 30, 2024

City	Proportionate Share (%)	Share of NPL	Covered Payroll *	NPL as % of Covered Payroll*
Ames	2.49%	\$ 16,454,722	\$ 9,347,942	176.03%
Ankeny	3.08%	20,363,544	11,568,547	176.03%
Bettendorf	2.05%	13,551,082	7,698,381	176.03%
Boone	0.57%	3,739,874	2,124,626	176.03%
Burlington	1.57%	10,358,050	5,884,417	176.03%
Camanche	0.26%	1,748,929	993,568	176.03%
Carroll	0.32%	2,088,142	1,186,275	176.03%
Cedar Falls	1.85%	12,247,148	6,957,615	176.03%
Cedar Rapids	9.09%	60,084,462	34,134,034	176.03%
Centerville	0.21%	1,388,484	788,799	176.03%
Charles City	0.28%	1,866,624	1,060,431	176.03%
Clinton	1.96%	12,981,789	7,374,965	176.03%
Clive	0.64%	4,228,800	2,402,385	176.03%
Council Bluffs	5.51%	36,422,049	20,691,397	176.03%
Creston	0.30%	1,951,626	1,108,721	176.03%
Davenport	7.19%	47,532,717	27,003,377	176.03%
Decorah	0.30%	1,972,109	1,120,357	176.03%
Des Moines	18.42%	121,736,904	69,158,838	176.03%
Dewitt	0.22%	1,467,412	833,638	176.03%
Dubuque	4.55%	30,042,534	17,067,189	176.03%
Estherville	0.19%	1,242,547	705,892	176.03%
Evansdale	0.13%	873,523	496,249	176.03%
Fairfield	0.28%	1,881,622	1,068,951	176.03%
Fort Dodge	1.57%	10,395,070	5,905,448	176.03%
Fort Madison	0.67%	4,401,791	2,500,661	176.03%
Grinnell	0.39%	2,583,517	1,467,698	176.03%
Indianola	0.53%	3,500,793	1,988,803	176.03%
Iowa City	3.43%	22,692,659	12,891,719	176.03%
Keokuk	0.71%	4,713,987	2,678,020	176.03%
Knoxville	0.27%	1,815,594	1,031,440	176.03%
Lemars	0.36%	2,385,324	1,355,104	176.03%
Maquoketa	0.22%	1,425,857	810,030	176.03%
Marion	2.05%	13,556,735	7,701,593	176.03%
Marshalltown	1.33%	8,795,869	4,996,941	176.03%
Mason City	1.85%	12,236,164	6,951,375	176.03%
Muscatine	1.73%	11,457,824	6,509,199	176.03%
Newton	1.00%	6,624,388	3,763,320	176.03%
Oelwein	0.22%	1,440,181	818,168	176.03%
Oskaloosa	0.43%	2,820,055	1,602,076	176.03%
Ottumwa	1.29%	8,520,732	4,840,635	176.03%
Pella	0.39%	2,557,274	1,452,789	176.03%
Sioux City	5.89%	38,952,804	22,129,121	176.03%
Spencer	0.49%	3,226,920	1,833,216	176.03%
Storm Lake	0.43%	2,859,427	1,624,443	176.03%
Urbandale	2.56%	16,898,240	9,599,904	176.03%
Waterloo	5.56%	36,741,499	20,872,876	176.03%
Waverly	0.38%	2,498,560	1,419,434	176.03%
Webster City	0.30%	1,961,600	1,114,386	176.03%
West Des Moines	4.46%	29,494,895	16,756,075	176.03%
Total	<u>100.00%</u>	<u>\$ 660,782,453</u>	<u>\$ 375,391,071</u>	<u>176.03%</u>

\* Represents unaudited reported covered payroll. Amount reported is based on pensionable payroll and not total payroll. Please consult your auditor when presenting covered payroll in your reports.

**Municipal Fire and Police Retirement System of Iowa**  
Deferred Outflows of Resources by City  
As of June 30, 2024

City	Proportionate Share (%)	Difference Between Expected and Actual Experience	Changes in Assumptions	Difference Between Projected and Actual Earnings	Contributions Made After Measurement Date*	Total
Ames	2.49%	\$ 1,735,141	\$ 59,396	\$ 4,239,527	TBD	\$ 6,034,064
Ankeny	3.08%	2,147,324	73,505	5,246,627	TBD	7,467,457
Bettendorf	2.05%	1,428,954	48,915	3,491,410	TBD	4,969,278
Boone	0.57%	394,368	13,500	963,571	TBD	1,371,439
Burlington	1.57%	1,092,250	37,389	2,668,731	TBD	3,798,371
Camanche	0.26%	184,424	6,313	450,608	TBD	641,345
Carroll	0.32%	220,193	7,537	538,006	TBD	765,736
Cedar Falls	1.85%	1,291,455	44,208	3,155,454	TBD	4,491,117
Cedar Rapids	9.09%	6,335,871	216,884	15,480,645	TBD	22,033,400
Centerville	0.21%	146,415	5,012	357,740	TBD	509,167
Charles City	0.28%	196,834	6,738	480,932	TBD	684,504
Clinton	1.96%	1,368,922	46,860	3,344,733	TBD	4,760,514
Clive	0.64%	445,924	15,265	1,089,542	TBD	1,550,731
Council Bluffs	5.51%	3,840,684	131,471	9,384,070	TBD	13,356,225
Creston	0.30%	205,798	7,045	502,833	TBD	715,675
Davenport	7.19%	5,012,297	171,577	12,246,712	TBD	17,430,586
Decorah	0.30%	207,958	7,119	508,110	TBD	723,186
Des Moines	18.42%	12,837,085	439,429	31,365,276	TBD	44,641,790
Dewitt	0.22%	154,738	5,297	378,076	TBD	538,110
Dubuque	4.55%	3,167,968	108,443	7,740,400	TBD	11,016,811
Estherville	0.19%	131,026	4,485	320,140	TBD	455,651
Evansdale	0.13%	92,112	3,153	225,061	TBD	320,327
Fairfield	0.28%	198,416	6,792	484,796	TBD	690,004
Fort Dodge	1.57%	1,096,154	37,523	2,678,270	TBD	3,811,946
Fort Madison	0.67%	464,166	15,889	1,134,113	TBD	1,614,168
Grinnell	0.39%	272,430	9,326	665,638	TBD	947,394
Indianola	0.53%	369,157	12,637	901,972	TBD	1,283,766
Iowa City	3.43%	2,392,928	81,913	5,846,719	TBD	8,321,560
Keokuk	0.71%	497,087	17,016	1,214,550	TBD	1,728,653
Knoxville	0.27%	191,453	6,554	467,784	TBD	665,791
Lemars	0.36%	251,531	8,610	614,574	TBD	874,715
Maquoketa	0.22%	150,356	5,147	367,369	TBD	522,872
Marion	2.05%	1,429,550	48,935	3,492,866	TBD	4,971,351
Marshalltown	1.33%	927,519	31,750	2,266,239	TBD	3,225,508
Mason City	1.85%	1,290,296	44,168	3,152,624	TBD	4,487,089
Muscatine	1.73%	1,208,221	41,359	2,952,086	TBD	4,201,666
Newton	1.00%	698,538	23,912	1,706,761	TBD	2,429,210
Oelwein	0.22%	151,866	5,199	371,060	TBD	528,125
Oskaloosa	0.43%	297,373	10,179	726,582	TBD	1,034,134
Ottumwa	1.29%	898,506	30,757	2,195,350	TBD	3,124,613
Pella	0.39%	269,663	9,231	658,877	TBD	937,771
Sioux City	5.89%	4,107,550	140,606	10,036,114	TBD	14,284,271
Spencer	0.49%	340,277	11,648	831,410	TBD	1,183,334
Storm Lake	0.43%	301,525	10,322	736,726	TBD	1,048,572
Urbandale	2.56%	1,781,909	60,997	4,353,799	TBD	6,196,705
Waterloo	5.56%	3,874,369	132,624	9,466,376	TBD	13,473,369
Waverly	0.38%	263,472	9,019	643,749	TBD	916,240
Webster City	0.30%	206,850	7,081	505,402	TBD	719,333
West Des Moines	4.46%	3,110,219	106,467	7,599,302	TBD	10,815,988
<b>Total</b>	<b>100.00%</b>	<b>\$ 69,679,121</b>	<b>\$ 2,385,200</b>	<b>\$ 170,249,312</b>	<b>TBD</b>	<b>\$ 242,313,633</b>

\* Contributions made subsequent to the measurement date will not be known until after the end of the reporting period. Please consult your auditor when presenting contribution amounts in your reports.

# Municipal Fire and Police Retirement System of Iowa

## Deferred Inflows of Resources by City

As of June 30, 2024

City	Proportionate Share (%)	Difference Between Expected and Actual Experience	Difference Between Projected and Actual Earnings	Total
Ames	2.49%	\$ -	\$ (3,138,218)	\$ (3,138,218)
Ankeny	3.08%	-	(3,883,701)	(3,883,701)
Bettendorf	2.05%	-	(2,584,440)	(2,584,440)
Boone	0.57%	-	(713,262)	(713,262)
Burlington	1.57%	-	(1,975,470)	(1,975,470)
Camanche	0.26%	-	(333,554)	(333,554)
Carroll	0.32%	-	(398,246)	(398,246)
Cedar Falls	1.85%	-	(2,335,756)	(2,335,756)
Cedar Rapids	9.09%	-	(11,459,209)	(11,459,209)
Centerville	0.21%	-	(264,809)	(264,809)
Charles City	0.28%	-	(356,000)	(356,000)
Clinton	1.96%	-	(2,475,865)	(2,475,865)
Clive	0.64%	-	(806,510)	(806,510)
Council Bluffs	5.51%	-	(6,946,353)	(6,946,353)
Creston	0.30%	-	(372,211)	(372,211)
Davenport	7.19%	-	(9,065,361)	(9,065,361)
Decorah	0.30%	-	(376,118)	(376,118)
Des Moines	18.42%	-	(23,217,460)	(23,217,460)
Dewitt	0.22%	-	(279,863)	(279,863)
Dubuque	4.55%	-	(5,729,662)	(5,729,662)
Estherville	0.19%	-	(236,977)	(236,977)
Evansdale	0.13%	-	(166,598)	(166,598)
Fairfield	0.28%	-	(358,860)	(358,860)
Fort Dodge	1.57%	-	(1,982,530)	(1,982,530)
Fort Madison	0.67%	-	(839,502)	(839,502)
Grinnell	0.39%	-	(492,724)	(492,724)
Indianola	0.53%	-	(667,664)	(667,664)
Iowa City	3.43%	-	(4,327,906)	(4,327,906)
Keokuk	0.71%	-	(899,044)	(899,044)
Knoxville	0.27%	-	(346,268)	(346,268)
Lemars	0.36%	-	(454,924)	(454,924)
Maquoketa	0.22%	-	(271,937)	(271,937)
Marion	2.05%	-	(2,585,519)	(2,585,519)
Marshalltown	1.33%	-	(1,677,533)	(1,677,533)
Mason City	1.85%	-	(2,333,661)	(2,333,661)
Muscatine	1.73%	-	(2,185,218)	(2,185,218)
Newton	1.00%	-	(1,263,393)	(1,263,393)
Oelwein	0.22%	-	(274,669)	(274,669)
Oskaloosa	0.43%	-	(537,835)	(537,835)
Ottumwa	1.29%	-	(1,625,061)	(1,625,061)
Pella	0.39%	-	(487,719)	(487,719)
Sioux City	5.89%	-	(7,429,014)	(7,429,014)
Spencer	0.49%	-	(615,432)	(615,432)
Storm Lake	0.43%	-	(545,346)	(545,346)
Urbandale	2.56%	-	(3,222,805)	(3,222,805)
Waterloo	5.56%	-	(7,007,278)	(7,007,278)
Waverly	0.38%	-	(476,521)	(476,521)
Webster City	0.30%	-	(374,113)	(374,113)
West Des Moines	4.46%	-	(5,625,217)	(5,625,217)
Total	100.00%	\$ -	\$ (126,023,336)	\$ (126,023,336)

# Municipal Fire and Police Retirement System of Iowa

Pension Expense by City  
For the Year Ended June 30, 2024

<u>City</u>	<u>Proportionate Share (%)</u>	<u>Share of Pension Expense</u>
Ames	2.49%	\$ 2,376,344
Ankeny	3.08%	2,940,844
Bettendorf	2.05%	1,957,008
Boone	0.57%	540,101
Burlington	1.57%	1,495,879
Camanche	0.26%	252,576
Carroll	0.32%	301,563
Cedar Falls	1.85%	1,768,697
Cedar Rapids	9.09%	8,677,223
Centerville	0.21%	200,521
Charles City	0.28%	269,572
Clinton	1.96%	1,874,792
Clive	0.64%	610,711
Council Bluffs	5.51%	5,259,967
Creston	0.30%	281,848
Davenport	7.19%	6,864,537
Decorah	0.30%	284,807
Des Moines	18.42%	17,580,890
Dewitt	0.22%	211,919
Dubuque	4.55%	4,338,655
Estherville	0.19%	179,445
Evansdale	0.13%	126,152
Fairfield	0.28%	271,739
Fort Dodge	1.57%	1,501,225
Fort Madison	0.67%	635,694
Grinnell	0.39%	373,104
Indianola	0.53%	505,573
Iowa City	3.43%	3,277,208
Keokuk	0.71%	680,781
Knoxville	0.27%	262,204
Lemars	0.36%	344,481
Maquoketa	0.22%	205,918
Marion	2.05%	1,957,825
Marshalltown	1.33%	1,270,274
Mason City	1.85%	1,767,111
Muscatine	1.73%	1,654,706
Newton	1.00%	956,675
Oelwein	0.22%	207,987
Oskaloosa	0.43%	407,263
Ottumwa	1.29%	1,230,540
Pella	0.39%	369,314
Sioux City	5.89%	5,625,450

# Municipal Fire and Police Retirement System of Iowa

Pension Expense by City  
For the Year Ended June 30, 2024

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<u>City</u>	<u>Proportionate Share (%)</u>	<u>Share of Pension Expense</u>
Spencer	0.49%	466,022
Storm Lake	0.43%	412,951
Urbandale	2.56%	2,440,395
Waterloo	5.56%	5,306,101
Waverly	0.38%	360,834
Webster City	0.30%	283,288
West Des Moines	4.46%	4,259,566
Total	<u>100.00%</u>	<u>\$ 95,428,280</u>

**Plan Administration**

The Municipal Fire and Police Retirement System of Iowa (System) 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. The programs of the System include the payment of pension benefits for service retirement, ordinary disability retirement, accidental disability retirement, survivors of deceased members and the refund of contributions upon withdrawal by a terminated member.

The System is managed by a Board of Trustees established by Iowa Code Chapter 411. The Board of Trustees represents the police officer and firefighter memberships, Cities, and citizens of Iowa, while the Iowa General Assembly provides the System with direction and oversight.

**Basis of Accounting**

Contributions for employers, pension expense, deferred outflows and inflows of resources, and net pension liability are recognized on an accrual basis of accounting.

**Use of Estimates in the Preparation of the Schedules**

The preparation of the Schedules in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Actual results could differ from those estimates.

**Plan Membership**

As of July 1, 2024, System membership consisted of the following:

Inactive members (or beneficiareis) currently receiving benefits	4,512
Inactive members entitled to but not yet receiving benefits	485
Active members	<u>4,253</u>
 Total	 <u><u>9,250</u></u>

**Plan Description**

The System’s membership is mandatory for firefighters and police officers of the Cities. Members of the System are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by the System. The System issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite 201, West Des Moines, IA 50266 or at [www.MFPRSI.org](http://www.MFPRSI.org).

System benefits are established under Iowa Code Chapter 411 and the administrative rules thereunder. Chapter 411 and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

**Pension Benefits**

Participating members are entitled to the benefit provisions in effect on the member's date of termination. The following is a summary of System benefit provisions as of June 30, 2024:

*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 4 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 3 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 (2 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 5 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 5 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 DROP Program. The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 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% of the member's retirement benefit at the member's earliest date eligible and 100% 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.

### **Contributions**

*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% of earnable compensation for the year ended June 30, 2024.

*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 1 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% of earnable compensation. The contribution rate was 22.98% for the year ended June 30, 2024.

*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% of earnable compensation. The State therefore is considered to be a nonemployer contributing entity. There were no state appropriations approved by the state legislature for fiscal year ended June 30, 2024.

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

The allocation amongst all Cities of the contributions to the System for the year ended June 30, 2024, was as follows:

City	Proportionate Share (%)	Actuarially Determined Contribution	Contributions in Relation to the ADC	Contribution Deficiency/ (Excess)	Covered Payroll *	Contributions as a % of Covered Payroll
Ames	2.49%	\$ 2,148,157	\$ 2,148,157	\$ -	\$ 9,347,943	22.98%
Ankeny	3.08%	2,658,452	2,658,452	-	11,568,547	22.98%
Bettendorf	2.05%	1,769,088	1,769,088	-	7,698,381	22.98%
Boone	0.57%	488,239	488,239	-	2,124,623	22.98%
Burlington	1.57%	1,352,239	1,352,239	-	5,884,416	22.98%
Camanche	0.26%	228,322	228,322	-	993,570	22.98%
Carroll	0.32%	272,606	272,606	-	1,186,273	22.98%
Cedar Falls	1.85%	1,598,860	1,598,860	-	6,957,614	22.98%
Cedar Rapids	9.09%	7,844,001	7,844,001	-	34,134,032	22.98%
Centerville	0.21%	181,266	181,266	-	788,798	22.98%
Charles City	0.28%	243,687	243,687	-	1,060,431	22.98%
Clinton	1.96%	1,694,767	1,694,767	-	7,374,963	22.98%
Clive	0.64%	552,068	552,068	-	2,402,386	22.98%
Council Bluffs	5.51%	4,754,883	4,754,883	-	20,691,398	22.98%
Creston	0.30%	254,784	254,784	-	1,108,721	22.98%
Davenport	7.19%	6,205,376	6,205,376	-	27,003,378	22.98%
Decorah	0.30%	257,458	257,458	-	1,120,358	22.98%
Des Moines	18.42%	15,892,701	15,892,701	-	69,158,845	22.98%
Dewitt	0.22%	191,570	191,570	-	833,638	22.98%
Dubuque	4.55%	3,922,040	3,922,040	-	17,067,189	22.98%
Estherville	0.19%	162,214	162,214	-	705,893	22.98%
Evansdale	0.13%	114,038	114,038	-	496,252	22.98%
Fairfield	0.28%	245,645	245,645	-	1,068,952	22.98%
Fort Dodge	1.57%	1,357,072	1,357,072	-	5,905,446	22.98%
Fort Madison	0.67%	574,652	574,652	-	2,500,660	22.98%
Grinnell	0.39%	337,277	337,277	-	1,467,697	22.98%
Indianola	0.53%	457,027	457,027	-	1,988,799	22.98%
Iowa City	3.43%	2,962,517	2,962,517	-	12,891,718	22.98%
Keokuk	0.71%	615,409	615,409	-	2,678,021	22.98%
Knoxville	0.27%	237,025	237,025	-	1,031,443	22.98%
Lemars	0.36%	311,403	311,403	-	1,355,102	22.98%
Maquoketa	0.22%	186,145	186,145	-	810,030	22.98%
Marion	2.05%	1,769,826	1,769,826	-	7,701,595	22.98%
Marshalltown	1.33%	1,148,297	1,148,297	-	4,996,939	22.98%
Mason City	1.85%	1,597,426	1,597,426	-	6,951,375	22.98%
Muscatine	1.73%	1,495,814	1,495,814	-	6,509,202	22.98%
Newton	1.00%	864,811	864,811	-	3,763,322	22.98%
Oelwein	0.22%	188,015	188,015	-	818,169	22.98%
Oskaloosa	0.43%	368,157	368,157	-	1,602,071	22.98%

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

City	Proportionate Share (%)	Actuarially Determined Contribution	Contributions in Relation to the ADC	Contribution Deficiency/ (Excess)	Covered Payroll *	Contributions as a % of Covered Payroll
Ottumwa	1.29%	1,112,378	1,112,378	-	4,840,638	22.98%
Pella	0.39%	333,851	333,851	-	1,452,790	22.98%
Sioux City	5.89%	5,085,272	5,085,272	-	22,129,120	22.98%
Spencer	0.49%	421,273	421,273	-	1,833,215	22.98%
Storm Lake	0.43%	373,297	373,297	-	1,624,445	22.98%
Urbandale	2.56%	2,206,058	2,206,058	-	9,599,906	22.98%
Waterloo	5.56%	4,796,587	4,796,587	-	20,872,877	22.98%
Waverly	0.38%	326,186	326,186	-	1,419,432	22.98%
Webster City	0.30%	256,086	256,086	-	1,114,386	22.98%
West Des Moines	4.46%	3,850,546	3,850,546	-	16,756,072	22.98%
<b>Total</b>	<b>100.00%</b>	<b>\$ 86,264,868</b>	<b>\$ 86,264,868</b>	<b>\$ -</b>	<b>\$375,391,071</b>	

\* Represents unaudited reported covered payroll. Amount reported is based on pensionable payroll and not total payroll. Please consult your auditor when presenting covered payroll in your reports.

## Net Pension Liability

The components of the net pension liability of the System at June 30, 2024, were as follows:

Total Pension Liability	\$ 3,972,391,382
Plan Fiduciary Net Position	<u>(3,311,608,929)</u>
	<u>\$ 660,782,453</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>83.37%</u>

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

The following schedule presents the changes in net pension liability for fiscal year ended June 30, 2024.

Total Pension Liability - Beginning of Year	\$ 3,801,949,463
Service cost	65,495,151
Interest	281,715,121
Changes of Benefit Terms	3,211,535
Difference between expected and actual experience	46,602,311
Changes of assumptions	-
Benefit payments, including refunds	<u>(226,582,199)</u>
 Total Pension Liability - End of Year	 <u>3,972,391,382</u>
 Plan Fiduciary net Position - Beginning of Year	 3,175,750,413
Contributions - Employer and State	86,264,868
Contributions - Member	35,174,126
Net investment income	243,299,879
Benefit payments, including refunds	(226,582,199)
Administrative expenses	(2,032,561)
Other	<u>(265,597)</u>
 Plan Fiduciary Net Position - End of Year	 <u>3,311,608,929</u>
 Net Pension Liability - End of Year	 <u>\$ 660,782,453</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 83.37%
 Covered Payroll*	 \$ 375,391,071
 Net Pension Liability as a Percentage of the Covered Payroll	 176.03%

\*Represents unaudited covered payroll. Amount reported is based on pensionable payroll and not total payroll. Please consult your auditor when presenting covered payroll in your reports.

### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the current discount rate of 7.50%, as well as the net pension liability calculated using a discount rate that is 1-percentage point lower (6.50%) or 1-percentage point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Total Pension Liability	\$ 4,461,276,623	\$ 3,972,391,382	\$ 3,567,728,769
Plan Fiduciary Net Position	<u>(3,311,608,929)</u>	<u>(3,311,608,929)</u>	<u>(3,311,608,929)</u>
 Net Pension Liability	 <u>\$ 1,149,667,694</u>	 <u>\$ 660,782,453</u>	 <u>\$ 256,119,840</u>

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

The allocation amongst all Cities of the sensitivity in Net Pension Liability of the System at June 30, 2024, was as follows:

City	Proportionate Share (%)	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Ames	2.49%	\$ 28,628,887	\$ 16,454,725	\$ 6,377,866
Ankeny	3.08%	35,429,677	20,363,544	7,892,927
Bettendorf	2.05%	23,576,960	13,551,082	5,252,411
Boone	0.57%	6,506,843	3,739,870	1,449,577
Burlington	1.57%	18,021,535	10,358,049	4,014,789
Camanche	0.26%	3,042,894	1,748,933	677,888
Carroll	0.32%	3,633,065	2,088,139	809,364
Cedar Falls	1.85%	21,308,297	12,247,147	4,747,005
Cedar Rapids	9.09%	104,538,433	60,084,459	23,288,788
Centerville	0.21%	2,415,762	1,388,482	538,177
Charles City	0.28%	3,247,662	1,866,625	723,505
Clinton	1.96%	22,586,463	12,981,785	5,031,751
Clive	0.64%	7,357,517	4,228,803	1,639,088
Council Bluffs	5.51%	63,369,200	36,422,051	14,117,218
Creston	0.30%	3,395,555	1,951,628	756,453
Davenport	7.19%	82,700,184	47,532,718	18,423,722
Decorah	0.30%	3,431,195	1,972,112	764,392
Des Moines	18.42%	211,804,950	121,736,909	47,185,327
Dewitt	0.22%	2,553,090	1,467,413	568,770
Dubuque	4.55%	52,269,745	30,042,534	11,644,512
Estherville	0.19%	2,161,858	1,242,549	481,613
Evansdale	0.13%	1,519,815	873,528	338,580
Fairfield	0.28%	3,273,759	1,881,624	729,319
Fort Dodge	1.57%	18,085,940	10,395,066	4,029,136
Fort Madison	0.67%	7,658,488	4,401,789	1,706,137
Grinnell	0.39%	4,494,948	2,583,514	1,001,372
Indianola	0.53%	6,090,870	3,500,786	1,356,908
Iowa City	3.43%	39,482,003	22,692,657	8,795,693
Keokuk	0.71%	8,201,672	4,713,989	1,827,146
Knoxville	0.27%	3,158,884	1,815,599	703,728
Lemars	0.36%	4,150,116	2,385,319	924,552
Maquoketa	0.22%	2,480,787	1,425,856	552,663
Marion	2.05%	23,586,801	13,556,738	5,254,603
Marshalltown	1.33%	15,303,560	8,795,867	3,409,285
Mason City	1.85%	21,289,190	12,236,165	4,742,748
Muscatine	1.73%	19,934,996	11,457,829	4,441,064
Newton	1.00%	11,525,499	6,624,390	2,567,619
Oelwein	0.22%	2,505,712	1,440,182	558,216
Oskaloosa	0.43%	4,906,483	2,820,048	1,093,053
Ottumwa	1.29%	14,824,873	8,520,737	3,302,645
Pella	0.39%	4,449,294	2,557,274	991,202
Sioux City	5.89%	67,772,347	38,952,802	15,098,139
Spencer	0.49%	5,614,379	3,226,918	1,250,756

Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

City	Proportionate Share (%)	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Storm Lake	0.43%	4,975,003	2,859,430	1,108,318
Urbandale	2.56%	29,400,544	16,898,243	6,549,773
Waterloo	5.56%	63,924,996	36,741,500	14,241,037
Waverly	0.38%	4,347,135	2,498,557	968,443
Webster City	0.30%	3,412,904	1,961,599	760,317
West Des Moines	4.46%	51,316,924	29,494,890	11,432,245
Total	<u>100.00%</u>	<u>\$ 1,149,667,694</u>	<u>\$ 660,782,453</u>	<u>\$ 256,119,840</u>

**Deferred Inflows and Outflows of Resources**

As of June 30, 2024, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ 69,679,121
Changes of assumptions	-	2,385,200
Net difference between projected and actual earnings	(126,023,336)	170,249,312
Contributions made subsequent to measurement date*	TBD	TBD
Total	<u>\$ (126,023,336)</u>	<u>\$ 242,313,633</u>

\*Contributions made subsequent to the measurement date will not be known until after the end of the reporting period.

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future years' pension expense as follows:

Years Ending June 30,	Annual Recognition
2025	\$ (16,635,649)
2026	99,615,699
2027	24,394,422
2028	8,002,054
2029	913,771

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

The allocation amongst all Cities of amounts currently reported as Deferred (Inflows)/Outflows of the System to be recognized in Pension Expense was as follows:

City	Proportionate Share (%)	Years Ending June 30,				
		2025	2026	2027	2028	2029
Ames	2.49%	\$ (414,259)	\$ 2,480,618	\$ 607,467	\$ 199,266	\$ 22,755
Ankeny	3.08%	(512,666)	3,069,889	751,771	246,602	28,160
Bettendorf	2.05%	(341,158)	2,042,882	500,272	164,103	18,739
Boone	0.57%	(94,154)	563,801	138,067	45,290	5,172
Burlington	1.57%	(260,771)	1,561,519	382,393	125,436	14,324
Camanche	0.26%	(44,031)	263,659	64,566	21,180	2,419
Carroll	0.32%	(52,570)	314,796	77,089	25,287	2,888
Cedar Falls	1.85%	(308,330)	1,846,308	452,134	148,313	16,936
Cedar Rapids	9.09%	(1,512,667)	9,057,982	2,218,167	727,621	83,089
Centerville	0.21%	(34,956)	209,319	51,259	16,814	1,920
Charles City	0.28%	(46,994)	281,401	68,911	22,605	2,581
Clinton	1.96%	(326,825)	1,957,058	479,255	157,209	17,952
Clive	0.64%	(106,463)	637,510	156,117	51,211	5,848
Council Bluffs	5.51%	(916,950)	5,490,775	1,344,610	441,070	50,367
Creston	0.30%	(49,134)	294,216	72,049	23,634	2,699
Davenport	7.19%	(1,196,669)	7,165,755	1,754,788	575,620	65,731
Decorah	0.30%	(49,649)	297,304	72,805	23,882	2,727
Des Moines	18.42%	(3,064,807)	18,352,346	4,494,218	1,474,229	168,343
Dewitt	0.22%	(36,943)	221,219	54,173	17,770	2,029
Dubuque	4.55%	(756,341)	4,529,037	1,109,095	363,814	41,545
Estherville	0.19%	(31,282)	187,319	45,872	15,047	1,718
Evansdale	0.13%	(21,992)	131,688	32,248	10,578	1,208
Fairfield	0.28%	(47,371)	283,663	69,465	22,786	2,602
Fort Dodge	1.57%	(261,703)	1,567,099	383,760	125,884	14,375
Fort Madison	0.67%	(110,818)	663,588	162,503	53,306	6,087
Grinnell	0.39%	(65,042)	389,475	95,377	31,286	3,573
Indianola	0.53%	(88,135)	527,758	129,240	42,394	4,841
Iowa City	3.43%	(571,303)	3,421,012	837,756	274,807	31,381
Keokuk	0.71%	(118,678)	710,653	174,029	57,086	6,519
Knoxville	0.27%	(45,709)	273,709	67,027	21,987	2,511
Lemars	0.36%	(60,052)	359,597	88,060	28,886	3,299
Maquoketa	0.22%	(35,897)	214,954	52,639	17,267	1,972
Marion	2.05%	(341,300)	2,043,735	500,481	164,172	18,747
Marshalltown	1.33%	(221,442)	1,326,013	324,721	106,518	12,163
Mason City	1.85%	(308,054)	1,844,653	451,728	148,180	16,921
Muscatine	1.73%	(288,459)	1,727,315	422,994	138,754	15,845
Newton	1.00%	(166,774)	998,654	244,556	80,221	9,161
Oelwein	0.22%	(36,258)	217,113	53,168	17,441	1,992
Oskaloosa	0.43%	(70,997)	425,134	104,109	34,151	3,900
Ottumwa	1.29%	(214,515)	1,284,536	314,564	103,186	11,783
Pella	0.39%	(64,381)	385,520	94,408	30,969	3,536
Sioux City	5.89%	(980,663)	5,872,297	1,438,039	471,717	53,866

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

City	Proportionate Share (%)	Years Ending June 30,				
		2025	2026	2027	2028	2029
Spencer	0.49%	(81,240)	486,471	119,130	39,078	4,462
Storm Lake	0.43%	(71,988)	431,071	105,563	34,628	3,954
Urbandale	2.56%	(425,425)	2,547,480	623,841	204,637	23,368
Waterloo	5.56%	(924,992)	5,538,934	1,356,404	444,938	50,808
Waverly	0.38%	(62,903)	376,668	92,240	30,257	3,455
Webster City	0.30%	(49,385)	295,719	72,417	23,755	2,713
West Des Moines	4.46%	(742,554)	4,446,477	1,088,877	357,182	40,787
<b>Total</b>	<b>100.00%</b>	<b>\$ (16,635,649)</b>	<b>\$ 99,615,699</b>	<b>\$ 24,394,422</b>	<b>\$ 8,002,054</b>	<b>\$ 913,771</b>

### Expected Remaining Service Lives

Gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Investment gains and losses are recognized over a closed five year period. Economic and demographic gains and losses and changes in the total pension liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. The amortization period is calculated as the weighted average of expected remaining service lives assuming zero years for all inactive members.

The amortization period for the June 30, 2023 to June 30, 2024, measurement period was determined as follows:

As of June 30, 2023	Members	Expected Remaining Service Lives
Active Members	4,168	11.154
Inactive Members	4,898	0.000
Weighted Average rounded to the Nearest Tenth	N/A	5.100

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

<b>Pension Expense</b>	<u>June 30, 2024</u>
Service Cost	\$ 65,495,151
Interest on Total Pension Liability	281,715,121
Effect of Plan Changes	3,211,535
Administrative Expenses	2,032,561
Other Changes in Fiduciary Net Position	265,597
Member Contributions	(35,174,126)
Expected Investment Return Net of Investment Expenses	(234,223,651)
Recognition of Deferred (Inflows)/Outflows of Resources	
Economic/Demographic (Gains)/Losses	24,765,683
Assumption Changes	769,419
Investment (Gains)/Losses	<u>(13,429,010)</u>
 Pension Expense	 <u><u>\$ 95,428,280</u></u>

## Actuarial Assumptions

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 Percent
Salary Increases	3.75 to 15.11 percent including inflation
Investment Rate of Return	7.50 percent, net of pension plan investment expense

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the 10-year period ending June 30, 2023. There were no significant changes of benefit terms.

Mortality rates as of July 1, 2024, 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% of Scale BB beginning in 2017.

The investment policy and decisions are governed by the Board of Trustees. 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.

# Municipal Fire and Police Retirement System of Iowa

Notes to Schedules

June 30, 2024

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Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Fixed Income	4.8%
Broad U.S. Equity	7.5%
Global Equity	7.6%
Broad Non-US Equity	7.7%
Managed Futures	5.5%
Core Real Estate	6.0%
Opportunistic Real Estate	9.8%
Global Infrastructure	6.7%
Private Credit	9.4%
Private Equity	10.2%

Discount rate – The discount rate used to measure the total pension liability was 7.50%. 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 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.