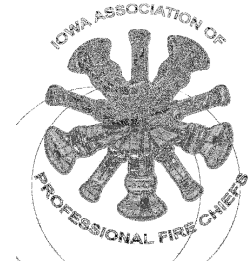


Iowa Association of Professional Fire Chiefs



2011 MFPRSI (411) Pension Facts

1. Full-time Police officers and fire fighters, in cities with over 8,000 citizens as of the 1990 federal census, participate in the Municipal Fire and Police Retirement System of Iowa (MFPRSI), Iowa Code 411.
2. The Basic service retirement is 66% of the high three-year salary average at age 55 with 22 years of service. In addition, there are formula credits for service beyond 22 years but not to exceed 30 years. The additional credit is 2.0% per year with a maximum pension benefit of 82% of the high three-year salary. The service retirement is taxable income.
3. The employee contribution rate is fixed at 9.4% of salary. The city/employer contribution rate is actuarially established annually with a statutory minimum of 17% of salary. The initial State contribution amount was 3.79% of earnable compensation which would equal approximately \$9.2 million based on current covered payroll. The State contribution has been reduced to \$1.5 million and will be eliminated at the end of fiscal year ending June 30, 2012.
4. Most police officers and fire fighter positions covered by 411 are not covered by social security. If these employees work a second job, and earn enough credits to receive social security, their social security benefit is reduced. (The amount or percent of reduction would need to be discussed with the Social Security Administration)
5. MFPRSI serves as the disability system for full-time police officers and fire fighters. MFPRSI also provides death benefits to surviving spouses and children.
6. While police officers, fire fighters, and cities pay contributions to the retirement system, MFPRSI benefits are paid from MFPRSI's assets, i.e., pension benefits are not paid directly from city accounts.
7. The most recent benefit enhancement, work-related cancer and infectious disease disabilities, was requested by employees and was paid for via an increase in employee contributions and authorized by the legislature.