

# MFPRSI UPDATE

## Winter 2025 Volume 61

### *Unique Perspectives, but the Same Vision*



*Laura Schaefer*  
Trustee

As city clerk and finance director for the City of Carroll, Laura Schaefer brings a wealth of financial expertise and experience to the Municipal Fire & Police Retirement System of Iowa's (MFPRSI) Board of Trustees.

Schaefer is one of four city representatives on the board, representing one of MFPRSI's smaller 49 participating cities at around 10,000 residents. The other city representatives on the board hail from Ames, Ankeny, and Des Moines.

"Everyone has a unique perspective that they bring to the board," Schaefer said. "And everyone is here because they want to have a successful retirement system. How we think we should get there can differ slightly because of the background we each bring, but we all have the same vision. The board does a great job exploring all options before a final decision is made."

In college, Schaefer started out studying horticulture, but after a few months realized it wasn't for her. She transferred to a different school, signed up for an accounting class and loved it. While working toward and after earning her bachelor's degree in accounting, Schaefer worked at a CPA firm in Des Moines for four years.

The entire time, Schaefer and her husband lived in Carroll. In April 2004, she says she was "lucky" to be hired as the City of Carroll's finance director. She has worked there ever since.

After coming on board at the City of Carroll, Schaefer learned about MFPRSI, how it intertwines with her daily work, and how it impacts her city's police officers. After Kay Cmelik, from Grinnell at the time, left the MFPRSI board, Schaefer connected with the Iowa League of Cities to share her interest in serving on the board.

The Iowa League of Cities appointed Schaefer to the MFPRSI board in 2019, and she hit the ground running.

"Every meeting in and of itself is a huge learning curve," she said. "Compared to how investing works on the city level, where our investments are limited, MFPRSI's staff and investment managers are able to do so much more."

For Schaefer, board service is all about connection: how she and the other board members work together and with MFPRSI's staff and investment consultants to ensure the system remains viable to provide retirement and disability benefits for its member firefighters and police officers.

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Sign Up for My411!

# 2025 Outreach

Outreach is a program offering individual retirement benefit counseling to members of MFPRSI. If you are interested in meeting with a senior pension officer from MFPRSI to discuss your retirement options, please contact us at least two weeks prior to the dates below at (515) 254-9200 or at [pensions@mfprsi.org](mailto:pensions@mfprsi.org).

Cities	Dates	Senior Pension Officer
Ankeny, Ames, Boone, Carroll, Creston, Indianola, Knoxville, Oskaloosa, and Pella	March 10-14, 2025	Jill Hagge
Clive, Des Moines, Urbandale, and West Des Moines	March 17-21, 2025	Ryan Bartlett
Burlington, Centerville, Fairfield, Fort Madison, Keokuk, and Ottumwa	April 21-25, 2025	Kathy Fraise
Council Bluffs, Estherville, Fort Dodge, Le Mars, Sioux City, Spencer, Storm Lake, and Webster City	May 19-23, 2025	Jill Hagge
Cedar Falls, Charles City, Decorah, Dubuque, Evansdale, Mason City, Oelwein, Waterloo, and Waverly	August 18-22, 2025	Kathy Fraise
Cedar Rapids, Grinnell, Iowa City, Marion, Marshalltown, and Newton	September 22-26, 2025	Ryan Bartlett
Bettendorf, Camanche, Clinton, Davenport, DeWitt, Maquoketa, and Muscatine	October 20-24, 2025	Jill Hagge

## MFPRSI 1099-R FORM

## BOX 5 EXPLAINED

Each January MFPRSI sends 1099-R forms to its members and beneficiaries receiving taxable benefits. This form is used to report distributions from MFPRSI and it displays several pieces of useful information for reporting personal annual taxes to the IRS and state government.

The 1099-R form may include an amount in Box 5. The heading of Box 5 states, "Employee contributions/ Designated Roth contrib. or insurance premiums." For MFPRSI purposes, however, Box 5 represents the member's/beneficiary's after-tax contributions recovered tax free for the year.

If you receive a 1099-R form from MFPRSI with an amount listed in Box 5, this represents the amount of non-taxable pension you received in the calendar year due to previously paying tax on a portion of your pension contributions while you were employed. Box 5 is provided for informational purposes only and is already reflected in the Federal (Box 2a) and State (Box 14) Taxable Amount figures. No additional steps need to be taken in regard to your personal tax return.

The amount reported in Box 5 was determined using the Simplified Method as outlined in IRS publication 575. The Simplified Method typically spreads the recovery of the member's investment over a 20- to 30-year period. If the member passes away prior to full recovery, the remaining balance is transferred to the member's beneficiary.

## BOARD OF TRUSTEES

The Board of Trustees consists of nine voting members and four non-voting members.

### Voting Members:

Marty Pottebaum, Chair  
 Duane Pitcher, Vice Chair  
 Frank Guihan  
 Corey Goodenow

### Brandon Pflanzner

Laura Schaefer  
 Nickolas Schaul  
 Jennifer Sease  
 Eric Snyder

### Non-Voting Members:

To be appointed by the Iowa General Assembly.

## CONTACT US

Telephone: (515) 254-9200 or (888) 254-9200

Email: [pensions@mfprsi.org](mailto:pensions@mfprsi.org)

Website: [www.mfprsi.org](http://www.mfprsi.org)

Open Monday-Friday, 7:30 a.m. to 4:00 p.m.

## Unique Perspectives *from page 1*

"Our members count on having a retirement system available to them when they retire," she said. "Hopefully, the decisions we make today are the right ones to sustain the system so it is here forever for our upcoming members and ones who have already retired."

Since Schaefer's term began, the board is currently implementing the most recent strategic plan, revamped its mission statement, and added a chief investment officer to MFPRSI's staff. Schaefer is proud of what MFPRSI has accomplished since her board service started five years ago – and she can't wait to see what the future holds.

"If I am given the opportunity, I would love to continue to serve MFPRSI," she said. "You can't jump in and know everything overnight, so the longer you serve the more you can learn, you can rely on your past experience and keep gaining knowledge to be a more valuable board member going forward."

### Insurance Premium Tax Exclusion for Retired MFPRSI Members

Retired public safety officers can elect to exclude the cost of health insurance from their retirement income from eligible retirement plans. Public safety officers include multiple job titles, and included are both firefighters and police officers. Therefore retired members of MFPRSI, an eligible retirement plan, are eligible for this benefit. The health costs can be for premiums for coverage by an accident, health plan, or a long-term care

insurance contract. The coverage can be for the retired member, their spouse, or their dependents.

Retired members can exclude up to \$3,000 per year. This election can only be made for amounts that would otherwise be included as income. For tax purposes, any amounts excluded from income cannot be used to claim a medical expense deduction. MFPRSI encourages retirees to consult their tax preparer regarding this tax exclusion.

### FEDERAL LEGISLATION REPEALS GOVERNMENT PENSION OFFSET (GPO) AND WINDFALL ELIMINATION PROVISION (WEP)

Late in December 2024, the United States Congress passed the Social Security Fairness Act, H.R. 82 (the Act), which expands Social Security benefits for millions of public employees, including police and firefighters. Specifically, the legislation repeals the GPO and WEP, both provisions that reduce Social Security benefits for individuals who receive other retirement benefits, such as a pension from a state or local government. However, the Act does not change Social Security eligibility for individuals who have not paid into the Social Security system. Instead, it has the potential to increase benefits for individuals who were already eligible, either based on their own earnings and Social Security contributions, or the earnings and contributions of a spouse.

The GPO, enacted in 1977, reduced the Social Security benefit of spouses of workers who received a federal, state, or local pension. The WEP, originally passed in 1983, reduced Social Security benefits to individuals who receive a pension based on employment that is not subject to Social Security payroll tax and have other earnings covered by Social Security. The elimination of both provisions by the Act, signed in to law by President Joseph R. Biden in January 2025, are effective for benefits payable after December 2023.

To accommodate the new legislation, the Social Security Administration (SSA) posted on their website that they are evaluating the law and how it should be implemented. If you feel you are entitled to an increased Social Security benefit and have already applied, the SSA encourages you to verify your current mailing address and direct deposit information with them. If you have not applied for Social Security benefits but believe you may be entitled to benefits with this change, you may apply online at [ssa.gov](https://ssa.gov).

MFPRSI does not provide guidance concerning Social Security benefits. All questions concerning the elimination of the GPO and WEP should be directed to the SSA.



# 2025 MFPRSI CALENDAR

## BENEFIT PAYMENT DATES

JANUARY 31, FEBRUARY 28, MARCH 31, APRIL 30  
MAY 30, JUNE 30, JULY 31, AUGUST 29,  
SEPTEMBER 30, OCTOBER 31, NOVEMBER 26,  
DECEMBER 31

## BOARD OF TRUSTEES MEETING DATES

JANUARY 9, FEBRUARY 13, MARCH 27,  
MAY 8, JUNE 26, AUGUST 14, OCTOBER 2,  
NOVEMBER 13

## HOLIDAY SCHEDULE

JANUARY 1, MAY 26, JULY 4, SEPTEMBER 1,  
NOVEMBER 11, NOVEMBER 27-28,  
DECEMBER 25-26

Benefit payments are tentatively dated the final business day of each month. MFPRSI intends to send benefit payments on the referenced dates listed. Each benefit payment constitutes payment for the month concluded. The Board of Trustees meet in formal open session at regularly scheduled meetings throughout the year. All meetings begin at 10:00 a.m. Central Time unless noted otherwise. MFPRSI will be closed on the dates listed under Holiday Schedule.

## SIGN UP FOR **MY411!**

My411 offers online access to members of MFPRSI! Members can currently sign-up and view a snapshot of their MFPRSI account and access various pension documents. My411 is available to all members. If you have not already signed up, contact us to register your account!

**MFPRSI**

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