

Des Moines Water Works Pension Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Board of Water Works Trustees
Des Moines Water Works Pension Plan

Opinion

We have audited the financial statements of the Des Moines Water Works Pension Plan (the Plan), a component unit of Des Moines Water Works, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Des Moines Water Works Pension Plan as of December 31, 2021 and 2020, and the changes in plan net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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 financial statements.
- 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 Plan'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of changes in net pension liability, net pension liability and related ratio, investment returns and contributions from the employer on pages 13 through 16 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

RSM US LLP

Kansas City, Missouri
June 15, 2022

Des Moines Water Works Pension Plan

Statements of Plan Net Position

December 31, 2021 and 2020

	2021	2020
Assets		
Investments, contracts with insurance companies, pooled separate accounts	\$ 63,863,603	\$ 61,058,128
Liabilities, none	-	-
Net position held in trust for pension benefits	\$ 63,863,603	\$ 61,058,128

See notes to basic financial statements.

Des Moines Water Works Pension Plan

Statements of Changes in Plan Net Position Years Ended December 31, 2021 and 2020

	2021	2020
Additions:		
Investment income:		
Investment income, including net appreciation in the fair value of pooled separate accounts, interest and dividends	\$ 4,976,257	\$ 6,804,238
Less investment expense	(26,243)	(24,205)
Net investment income	4,950,014	6,780,033
Employer contributions	1,483,159	1,457,910
Total additions	6,433,173	8,237,943
Deductions:		
Benefit payments	3,612,256	3,254,898
Investment and administrative expenses	15,442	5,553
Total deductions	3,627,698	3,260,451
Net increase	2,805,475	4,977,492
Net position held in trust for pension benefits:		
Beginning of year	61,058,128	56,080,636
End of year	\$ 63,863,603	\$ 61,058,128

See notes to basic financial statements.

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 1. Plan Description

The Plan is administered by the Board of Trustees of Des Moines Water Works. The Plan meets the criteria of a component unit of Des Moines Water Works, and is presented as a pension trust fund of the Des Moines Water Works.

The following brief summary of the Des Moines Water Works Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General: The Plan is a single-employer, noncontributory defined benefit pension plan providing retirement benefits for all full-time Des Moines Water Works (DMWW) employees and employees who worked at least 1,040 hours in a calendar year or worked during two consecutive calendar quarters prior to September 26, 2012.

The Plan was frozen effective September 26, 2012. After that date, no employee or former employee became an active participant, and no inactive participant or former participant shall again become an active participant in the Plan.

The Plan was restated effective December 31, 2013. After that date, accrued plan benefits were frozen and will not increase due to any changes in average compensation or continuous service after such date.

The following represents the Plan's membership as of December 31, 2021 and 2020:

	2021	2020
Active employees	100	116
Retirees and beneficiaries currently receiving benefits	193	179
Terminated employees entitled to benefits, but not yet receiving them	46	47
Total	339	342

Benefits: Benefits vest after five years of continuous service and normal retirement is allowed at or after age 65. Early retirement is allowed without a reduction in benefits beginning at age 55 if the employee's combined years of service and age are 85 or greater (the rule of 85) and is allowed with reduced benefits for vested employees with less than 30 years of service beginning at age 55. The Plan also provides death and disability benefits to vested employees.

As part of the Plan restatement, an active participant's retirement benefit on his or her retirement date shall be equal to their accrued benefit at December 31, 2013 increased by 5.5% per year from the later of a) December 31, 2013 or b) earlier of Normal Retirement date or when they meet the rule of 85 (defined above).

Prior to the Plan restatement, the pension benefit formula was based upon a percent of average compensation and the number of years of service with DMWW. A participant's monthly accrued benefit was equal to 1.5% of their average monthly compensation times their years of continuous service with DMWW. Average monthly compensation was determined by taking the average monthly compensation for those 60 consecutive full calendar months out of the last 120 latest calendar months which give the highest average.

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The Plan records are maintained on the accrual basis of accounting. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of Plan net position and the Net Pension Liability (NPL) as of the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the NPL. A change in the actuarial assumptions used could significantly change the amount of the NPL reported in the accompanying notes to the financial statements and required supplementary information.

Investment valuation and income recognition: The Plan's investments in pooled separate accounts are stated at net asset value based on the estimated fair value of the investments held in each account as determined by Principal Life Insurance Company (Principal). Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as, held during the year.

Benefits: Benefits are recognized when due and payable in accordance with the terms of the Plan.

Retired life funds: Based on the contract with Principal, Principal has issued retirement annuity certificates to retirees, but the monthly retirement benefits are paid from the Plan's assets. Principal requires the Plan to maintain a fund to buy retirement annuities for all currently retired employees and their beneficiaries which are called retired life funds. The Plan includes the retired life funds in the Plan's net assets held in trust for pension benefits and includes the retired employees in the actuarial value of accumulated plan benefits.

Note 3. Contribution Policy

The Plan's contribution policy provides for periodic employer contributions at rates that are sufficient to accumulate assets to pay benefits to Plan participants. The Plan receives an annual actuarial valuation for the purpose of determining recommended contribution rates. The actuarially-determined recommended contributions for 2021 and 2020 were \$1,483,159 and \$1,457,910, respectively.

Note 4. Net Pension Liability (Asset) and Actuarial Assumptions

The components of the net pension liability (asset) of the Plan at December 31, 2021 and 2020 were as follows:

Net Pension Liability (Asset) of the Plan:

	2021	2020
Total pension liability	\$ 63,385,607	\$ 62,882,255
Plan net position	(63,863,603)	(61,058,128)
Net pension liability (asset)	<u>\$ (477,996)</u>	<u>\$ 1,824,127</u>
Plan net position as a percent of the total pension liability	100.8%	97.1%

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 4. Net Pension Liability and Actuarial Assumptions (Continued)

Sensitivity analysis: The following presents the net pension liability (asset) of the Plan, calculated using the discount rate of 5.60% as of December 31, 2021 and 2020, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discounted rate that is 1% lower or 1% higher than the current rate:

	1% Decrease (4.6%)	Current Discount Rate (5.6%)	1% Increase (6.6%)
2021	\$ 6,176,783	\$ (477,996)	\$ (6,169,526)
2020	\$ 8,492,443	\$ 1,824,127	\$ (3,882,859)

The actuarial assumptions used in the December 31, 2021 and 2020 valuations are presented in the tables below.

December 31, 2021																																									
Actuarial valuation:																																									
Frequency	Annual																																								
Cost method	Entry age normal																																								
Assumptions:																																									
Long-term rate of return	5.60% per year																																								
Salary increases	N/A—Attribution is made on an individual basis, beginning with the first period in which the employee's service accrues pension benefit through all assumed exit ages through retirement. The projected inflation rate of 2.25% has been used in place of the projected rate of change in salary.																																								
Retirement age	Retirement Age Based Table as follows:																																								
	<table> <thead> <tr> <th colspan="2" style="text-align: center;">Active participants:</th> <th colspan="2" style="text-align: center;">Inactive participants:</th> </tr> <tr> <th style="text-align: center;">Age</th> <th style="text-align: center;">Rate</th> <th style="text-align: center;">Age</th> <th style="text-align: center;">Rate</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">55-57</td> <td style="text-align: center;">5%</td> <td style="text-align: center;">55-61</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">58-59</td> <td style="text-align: center;">10</td> <td style="text-align: center;">62</td> <td style="text-align: center;">20</td> </tr> <tr> <td style="text-align: center;">60</td> <td style="text-align: center;">15</td> <td style="text-align: center;">63-64</td> <td style="text-align: center;">15</td> </tr> <tr> <td style="text-align: center;">61</td> <td style="text-align: center;">20</td> <td style="text-align: center;">65 and older</td> <td style="text-align: center;">100</td> </tr> <tr> <td style="text-align: center;">62</td> <td style="text-align: center;">25</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">63</td> <td style="text-align: center;">10</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">64</td> <td style="text-align: center;">5</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">65 and older</td> <td style="text-align: center;">100</td> <td></td> <td></td> </tr> </tbody> </table>	Active participants:		Inactive participants:		Age	Rate	Age	Rate	55-57	5%	55-61	10%	58-59	10	62	20	60	15	63-64	15	61	20	65 and older	100	62	25			63	10			64	5			65 and older	100		
Active participants:		Inactive participants:																																							
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Rate of withdrawal	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.30.																																								

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 4. Net Pension Liability and Actuarial Assumptions (Continued)

December 31, 2020

Actuarial valuation:				
Frequency	Annual			
Cost method	Entry age normal			
Assumptions:				
Long-term rate of return	5.60% per year			
Salary increases	N/A—Attribution is made on an individual basis, beginning with the first period in which the employee's service accrues pension benefit through all assumed exit ages through retirement. The projected inflation rate of 2.25% has been used in place of the projected rate of change in salary.			
Retirement age	Retirement Age Based Table as follows:			
	Active participants:		Inactive participants:	
	Age	Rate	Age	Rate
	55-57	5%	55-61	10%
	58-59	10	62	20
	60	15	63-64	15
	61	20	65 and older	100
	62	25		
	63	10		
	64	5		
	65 and older	100		
Mortality	PubG-2010 Mortality Tables with Scale MP-2020, general employee, general disabled retiree and contingent survivor, male and female.			
Disability	1987 Commissioner's Group Disability Table, six month elimination period, male and female.			
Rate of withdrawal	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.30.			

Note 5. Plan Termination

The Plan is not subject to Title IV of ERISA; therefore, no benefits are insured by the Pension Benefit Guaranty Corporation.

Although it has not expressed any intention to do so, DMWW may discontinue the Plan at any time in accordance with the provisions of the Plan. In the event the Plan terminates, participants become 100% vested in their accrued benefits as of the termination date. DMWW has elected that the assets of the Plan that are available to provide benefits shall be allocated and applied as of the termination date according to the classifications and order of precedence provided under Title IV of ERISA and under any rules, regulations, interpretations or opinion implementing Title IV of ERISA or any other equitable method as determined by the Board of Trustees.

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 6. Investment Information

The Plan had the following investments as of December 31, 2021 and 2020, with those individually exceeding 5% of net position held in trust for pension benefits, reflected separately:

	2021	2020
Principal Pooled Separate Accounts:		
Fixed Income:		
Core Fixed Income Account	\$ 21,540,864	\$ 20,926,821
Bond Market Index Account	6,583,916	6,969,733
Other Fixed Income	2,532,418	2,434,418
International Equity:		
Overseas Account	2,352,617	2,666,330
Diversified International Account	5,597,781	4,069,158
Other International Equity	2,967,187	3,585,455
Large U.S. Equity:		
Large-Cap Growth I Account	7,222,302	6,696,765
Equity Income Account	7,381,045	6,706,117
Large-Cap S&P 500 Index	4,528,714	4,049,150
Small/Mid U.S. Equity	3,156,759	2,954,181
	<u>\$ 63,863,603</u>	<u>\$ 61,058,128</u>

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit risk and concentration of credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The pooled separate accounts held by the Plan are commingled pools rather than individual securities. As a result, these investments are not rated. See the table above for information regarding concentration of credit risk.

As of December 31, 2021 and 2020, the Plan had investments listed in the table below. Amounts are shown in dollars. Effective duration is shown in years.

	2021		2020	
	Fair Value	Effective Duration	Fair Value	Effective Duration
Fixed income investments:				
Core Fixed Income Account	\$ 21,540,864	5.92	\$ 20,926,821	6.13
Bond Market Index Account	6,583,916	6.53	6,969,733	6.00
High Yield I Account	2,532,418	4.16	2,434,418	4.15
Total fixed income investments	<u>30,657,198</u>		<u>30,330,972</u>	
Other investments, non-fixed income investments	33,206,405		30,727,156	
Total investments	<u>\$ 63,863,603</u>		<u>\$ 61,058,128</u>	

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 6. Investment Information (Continued)

Investments measured at net asset value: The following table summarizes investments for which fair value is measured using the net asset value (NAV) per share practical expedient as of December 31, 2021 and 2020, respectively. There are no participant redemption restrictions for these investments.

Investment	2021 Value	2020 Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Fixed income	\$ 30,657,198	\$ 30,330,972	\$ -	Immediate	None
International equity	10,917,585	10,320,943	-	Immediate	None
Large U.S. equity	19,132,061	17,452,032	-	Immediate	None
Small/Mid U.S. equity	3,156,759	2,954,181	-	Immediate	None
Total investments measured at NAV	<u>\$ 63,863,603</u>	<u>\$ 61,058,128</u>	<u>\$ -</u>		

Rate of return: For the years ended December 31, 2021 and 2020, the annual money weighted rate of return on Plan investments, net of investment expense was 8.29% and 12.35%, respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Authorized investments: The Des Moines Water Works Pension Plan's investment policy permits the named fiduciary to consider all asset classes allowed by the Employee Retirement Income Security Act of 1974 (ERISA) as acceptable investment options and to select one or more customized investment portfolios and retain an investment manager to manage the assets of each such portfolio. The following asset classes are permitted for Plan investment options: Stable Value, Domestic Fixed Income, International or Foreign Fixed Income, Real Estate, Domestic Stock, International or Foreign Stock and Balanced/Asset Allocation.

Asset allocation strategy: The Des Moines Water Works Pension Plan's named fiduciary asset allocation strategy shall identify target allocations to eligible asset classes and, where appropriate, suitable ranges within which each asset class can fluctuate as a percent of the total fund. Each asset class is to remain suitably invested at all times in either cash (or cash equivalents) or permitted securities within each class. The asset classes may be rebalanced from time to time to take advantage of tactical misvaluations across major asset classes or investment styles, or to align the current asset mix with strategic targets.

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 6. Investment Information (Continued)

The target allocations and long-term expected arithmetic and geometric rates of return for each major asset class as of December 31, 2021 and 2020 are as follows:

Asset Class	December 31, 2021		
	Target Allocation	Expected Arithmetic Return	Expected Geometric Return
U.S. Equity—Large Cap	29.36%	7.70%	6.20%
U.S. Equity—Mid Cap	3.33	8.00	6.20
U.S. Equity—Small Cap	1.65	8.55	6.20
Non—U.S. Equity	16.98	8.00	6.20
REITs	-	7.30	5.65
TIPS	-	2.35	2.15
Core Bond	44.65	2.70	2.55
High Yield	4.03	4.65	4.20

Asset Class	December 31, 2020		
	Target Allocation	Expected Arithmetic Return	Expected Geometric Return
U.S. Equity—Large Cap	28.38%	7.70%	6.20%
U.S. Equity—Mid Cap	3.16	8.00	6.20
U.S. Equity—Small Cap	1.55	8.55	6.20
Non—U.S. Equity	16.36	8.00	6.20
REITs	0.18	7.30	5.65
TIPS	0.26	1.70	1.50
Core Bond	47.22	2.60	2.45
High Yield	2.89	5.45	5.00

Custodial credit risk: Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Investments held by the Plan are not subject to custodial credit risk.

On March 26, 2002, the DMWW Board of Trustees approved a revision to the Principal pension contract to change from an immediate participation guarantee contract to a flexible pension investment fund (FPI) that includes a benefit index feature whereby Principal guarantees the sufficiency of assets for certain retirees. The assets covered by the benefit index (known as retired life funds) totaled \$6,018,088 and \$7,212,604 as of December 31, 2021 and 2020, respectively. The benefit index is available to purchase individual annuities for retired participants and is included in the Plan's net position held in trust for pension benefits and net pension liability calculations.

Des Moines Water Works Pension Plan

Notes to Basic Financial Statements

Note 7. Tax Status

The Internal Revenue Service (IRS) has ruled in a determination letter dated November 21, 2014 that the Plan is qualified under applicable sections of the Internal Revenue Code and is, therefore, exempt from federal income taxes. The Plan Administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

Des Moines Water Works Pension Plan

Required Supplementary Information Schedule of Changes in Net Pension Liability

For the Year Ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Interest	\$ 3,441,223	\$ 3,532,653	\$ 3,412,125	\$ 3,397,770	\$ 3,427,064	\$ 3,423,314	\$ 3,342,170	\$ 3,449,503
Benefit payments	(3,612,256)	(3,254,898)	(3,232,522)	(3,255,624)	(3,174,948)	(3,000,082)	(2,826,683)	(2,696,531)
Service cost	481,077	463,625	485,304	465,354	490,401	523,384	580,106	-
Difference between expected and actual experience	77,689	(118,020)	95,861	(121,340)	(33,428)	441,617	320,599	305,961
Changes in assumptions	115,619	2,108,486	314,141	701,400	1,135,050	905,072	(600,245)	542,112
Change in attribution method	-	-	-	-	-	-	(3,304,155)	-
Net change in total pension liability	503,352	2,731,846	1,074,909	1,187,560	1,844,139	2,293,305	(2,488,208)	1,601,045
Total pension liability—beginning of year	62,882,255	60,150,409	59,075,500	57,887,940	56,043,801	53,750,496	56,238,704	54,637,659
Total pension liability—end of year	\$ 63,385,607	\$ 62,882,255	\$ 60,150,409	\$ 59,075,500	\$ 57,887,940	\$ 56,043,801	\$ 53,750,496	\$ 56,238,704
Plan Net Position								
Contributions—employer	\$ 1,483,159	\$ 1,457,910	\$ 1,377,486	\$ 1,236,796	\$ 1,228,734	\$ 597,434	\$ 911,175	\$ 906,542
Investment income (loss), net of investment expenses 2021 \$26,243; 2020 \$24,205; 2019 \$23,849; 2018 \$24,033; 2017 \$23,425; 2016 \$21,585; 2015 \$22,091	4,950,014	6,780,033	8,645,950	(2,559,058)	6,884,235	3,274,380	(629,997)	2,680,610
Benefit payments	(3,612,256)	(3,254,898)	(3,232,522)	(3,255,624)	(3,174,948)	(3,000,082)	(2,826,683)	(2,696,531)
Administrative expenses	(15,442)	(5,553)	(8,831)	(9,942)	(31,506)	(16,126)	(4,676)	(4,442)
Net change in plan net position	2,805,475	4,977,492	6,782,083	(4,587,828)	4,906,515	855,606	(2,550,181)	886,179
Total plan net position—beginning of year	61,058,128	56,080,636	49,298,553	53,886,381	48,979,866	48,124,260	50,674,441	49,788,262
Total plan net position—end of year	\$ 63,863,603	\$ 61,058,128	\$ 56,080,636	\$ 49,298,553	\$ 53,886,381	\$ 48,979,866	\$ 48,124,260	\$ 50,674,441
Net pension liability (asset)	\$ (477,996)	\$ 1,824,127	\$ 4,069,773	\$ 9,776,947	\$ 4,001,559	\$ 7,063,935	\$ 5,626,236	\$ 5,564,263

Ultimately 10 fiscal years will be displayed. Information for years prior to 2014 is unavailable.

See note to required supplementary information.

Des Moines Water Works Pension Plan

Required Supplementary Information Schedule of Net Pension Liability and Related Ratio

For the Year Ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability—end of year	\$ 63,385,607	\$ 62,882,255	\$ 60,150,409	\$ 59,075,500	\$ 57,887,940	\$ 56,043,801	\$ 53,750,496	\$ 56,238,704
Plan net position—end of year	63,863,603	61,058,128	56,080,636	49,298,553	53,886,381	48,979,866	48,124,260	50,674,441
Net pension liability (asset)	\$ (477,996)	\$ 1,824,127	\$ 4,069,773	\$ 9,776,947	\$ 4,001,559	\$ 7,063,935	\$ 5,626,236	\$ 5,564,263
Plan net position as a percentage of the total pension liability	100.8%	97.1%	93.2%	83.5%	93.1%	87.4%	89.5%	90.1%
Covered payroll	*	*	*	*	*	*	*	*
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Ultimately 10 fiscal years will be displayed. Information for years prior to 2014 is unavailable.

See note to required supplementary information.

*As the Plan was frozen to future benefit accruals effective December 31, 2013, there was no covered payroll for the years ended December 31, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Des Moines Water Works Pension Plan

Required Supplementary Information Schedule of Investment Returns

For the Year Ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	8.29%	12.35%	17.98%	(4.87)%	14.40%	7.00%	(1.27)%	5.51%

Ultimately 10 fiscal years will be displayed. Information for years prior to 2014 is unavailable.

See note to required supplementary information.

Des Moines Water Works Pension Plan

Required Supplementary Information Schedule of Contributions from the Employer For the 10 Years Ended December 31, 2021

Plan Year Ended December 31:	Annual Required Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a Percent of Covered Payroll
2012	\$ 2,782,486	\$ 2,782,486	\$ -	\$ 12,186,884	22.83%
2013	2,915,710	2,915,710	-	11,433,783	25.50
2014	906,542	906,542	-	*	N/A
2015	911,175	911,175	-	*	N/A
2016	796,578	597,434	199,144	*	N/A
2017	1,029,590	1,228,734	(199,144)	*	N/A
2018	1,236,796	1,236,796	-	*	N/A
2019	1,377,486	1,377,486	-	*	N/A
2020	1,457,910	1,457,910	-	*	N/A
2021	1,483,159	1,483,159	-	*	N/A

See note to required supplementary information.

*As the Plan was frozen to future benefit accruals effective December 31, 2013, there was no covered payroll for the years ended December 31, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Des Moines Water Works Pension Plan

Note to Required Supplementary Information

The information presented in the Schedule of Contributions from Employer was determined as part of the annual actuarial valuation as of December 31, 2021 using the assumptions summarized below:

Actuarial valuation:

Frequency	Annual
Cost method	Entry age normal
Amortization	The amortization method used is Level Dollar Over a Closed Period. The weighted average remaining period is 15 years.

Assumptions:

Long-term rate of return	5.6% per year
Salary increases	N/A—Attribution is made on an individual basis, beginning with the first period in which the employee's service accrues pension benefit through all assumed exit ages through retirement. The projected inflation rate of 2.25% has been used in place of the projected rate of change in salary.
Retirement age	Retirement Age Based Table as follows:

Active		Inactive	
Age	Rate	Age	Rate
55-57	5%	55-61	10%
58-59	10	62	20
60	15	63-64	15
61	20	65 and older	100
62	25		
63	10		
64	5		
65 and older	100		

Mortality	PubG-2010 Mortality Tables with Scale MP-2021, general employee, general disabled retiree and contingent survivor, male and female.
Disability	1987 Commissioner's Group Disability Table, six month elimination period, male and female.
Rate of withdrawal	2003 Society of Actuaries Small Plan Age Table, multiplied by 0.30.

Des Moines Water Works Pension Plan

Note to Required Supplementary Information (Continued)

Changes of assumptions:

The 2021 valuation implemented the following refinements:

- The mortality assumption was updated to use the PubG-2010 Mortality Tables with Scale MP-2021 from the PubG-2010 Mortality Tables with Scale MP-2020.

The 2020 valuation implemented the following refinements:

- The mortality assumption was updated to use the PubG-2010 Mortality Tables with Scale MP-2020 from the PubG-2010 Mortality Tables with Scale MP-2019.
- The expected long-term rate of return assumption was decreased from 6.00% to 5.60%.

The 2019 valuation implemented the following refinements:

- The mortality assumption was updated to use the PubG-2010 Mortality Tables with Scale MP-2019 from the PubG-2010 Mortality Tables with Scale MP-2018.
- The withdrawal rate was updated to use the 2003 Society of Actuaries Basic Plan Age Table, multiplied by 0.30 from the 2003 Society of Actuaries Basic Plan Age Table, multiplied by 0.45.
- The retirement rates were updated as follows:

Active		Inactive	
Age	Rate	Age	Rate
55-57	5%	55-61	10%
58-59	10	62	20
60	15	63-64	15
61	20	65 and older	100
62	25		
63	10		
64	5		
65 and older	100		

The 2018 valuation implemented the following refinements:

- Increased the inflation rate from 2.00% to 2.25%.
- The mortality assumption was updated to use the PubG-2010 Mortality Tables with Scale MP-2018 based on data published by the Society of Actuaries (SOA) in January and February of 2019 from the adjusted RP-2014 mortality table with scale MP-2017, based on data published by the SOA in 2017.

The 2017 valuation implemented the following refinements:

- Decreased the liability interest rate and asset return from 6.25% and 6.00%.
- The mortality assumption was updated to use the adjusted RP-2014 mortality table with scale MP-2017, based on data published by the SOA in 2017 from the adjusted RP-2014 mortality table with scale MP-2016, based on data published by the SOA in 2016.

Des Moines Water Works Pension Plan

Note to Required Supplementary Information (Continued)

The 2016 valuation implemented the following refinements:

- Decreased the liability interest rate and asset return from 6.50% and 6.25%.
- The mortality assumption was updated to use the adjusted RP-2014 mortality table with scale MP-2016, based on data published by the SOA in 2016 from the adjusted RP-2014 mortality table with scale MP-2015, based on data published by the SOA in 2015.
- The retirement age based table was updated as follows:

Year Ended December 31, 2016	
Age	Rate
55	25%
56-61	15
62	20
63	5
64	10
65 and older	100

The 2015 valuation implemented the following refinements:

- The mortality assumption was updated to use the adjusted RP-2014 mortality table with scale MP-2015, based on data published by the SOA in 2015 from the adjusted RP-2014 mortality table with scale MP-2014.
- The retirement age based table was updated as follows:

Year Ended December 31, 2015	
Age	Rate
55	25%
56	15
57-61	5
62	20
63	5
64	10
65 and older	100