

City Administrator Report to Mayor & City Council

October 24, 2014, Edition No. 148

WEEKLY UPDATE:

1. Dates to Remember: **October 23rd** is the date for our goal setting session at 5:00PM in the Lower Conference Room. City staff met this past Monday to review goals. Attached is a draft for your review. The City Administrator's annual review is scheduled for **November 13th**. Please return forms by **November 6th**. Please note the revised date due to a conflicting conference schedule for the week of November 17th (National League of Cities, November 19th-21st). I have not heard that this date does not work.
2. Progressive Dinner: As part of the Healthy Living Muscatine Festival, the City's progressive dinner at Weed Park was a success! We are looking at the possibility of holding a similar event this winter at the golf course.
3. China: This past week City Staff met again with the Chinese investors (Daniel and Glad) in the hotel project and reviewed the numerous projects and opportunities going on in and around Muscatine. We will continue to foster these relationships that may lead to concrete opportunities or projects in the future. We have been invited to Beijing this December to see examples of their projects. Daniel and Glad plan to return in early 2015 with concrete plans for additional projects in Muscatine.
4. GFOA: The City has received the Distinguished Budget Presentation Award for the current budget from the Government Finance Officers Association (GFOA). Please see attached letter.
5. MFPRSI: Attached are the documents presented by the MFPRSI this past week. The full report as well as a summary page are attached for your review.
6. In-Depth: Here is the tentative list of discussion items for the November In-Depth session:
 - a. CTRE Report (DPW)
 - b. Community Development: CDBG Grant, storm water and parking lot changes, housing, and facade program
 - c. WPCP
 - d. Trail
 - e. Comp Plan Annual Update

ADDITIONAL INFORMATION:

Streets: The following projects are identified for October 2014:

1. Sign Reflectivity Study
 - a. Still Working in Zone 4
 - b. Upgrade of Mississippi Dr. & Grandview Signs
 - i. DOT replaced 90% of signs
 - ii. City responsible for Business 61 signs

2. Firing Range
 - a. 100 yard slab poured
 - b. Need to discuss berm with PD
3. Sidewalks
 - a. Spring 2015 Construction
 - b. January 2015 meet with neighbors regarding sidewalks.
4. 2014 Street Reconstruction Projects (Priority)
 - a. Asphalt Overlay work scheduled for the first week in November
5. Full Depth Patch - Forest Parkway/Long Meadow Lane (Priority)
 - a. Work underway
6. 2014 Alley Reconstruction Project (Priority)
 - a. L.L. Pelling is sealcoating 4 alleys (See August '14 for the list)
 - b. Rock alleys to asphalt milling surface - 4 alleys - completed
7. Fall 2014 Work
 - a. River road Ditch
 - b. Repair Lower Lot Entrance
 - c. Warren Street Crossing Repair (Priority)
 - d. Robin Road Frost Boil to be completed by October 31st (Priority)
 - e. Leaf Pickup Program Underway
 - f. Wing Plow specifications - 1st draft completed
 - g. Paint Pole for Sister Cities to be completed by October 30th (Priority)
 - h. Prepare Snow & Ice control Equipment (November)
 - i. Treat Salt (November)
 - h. Close Opening at Progress Park - 57th St. South
8. Mad Creek @ 2nd Street Bridge
 - a. Re-mediate the scour
 - b. J. Lutz talking to the Corps regarding Financial Assistance
9. DOT Coordination
 - a. Signage along TJ (see #1b)
10. Prepare for November 13th In-Depth Meeting - Roadway Maintenance Plan
11. Future Projects Consideration
 - a. 5th & Oak Intersection Widening
 - b. Fulliam/Houser Discussion
 - i. Permanent 4 way stop
 - ii. Right Turn Lane on Fulliam

Engineering: The following projects are identified for October 2014:

1. Musser Park/Wiggens Road Trail Project (Priority)
 - a. Submit final Plans to DOT by November 18th (February '15 Bid Letting)
 - b. Secure Necessary Easements:
 - i. Hoopes - In-Progress
 - ii. Wolfe - In-Progress
 - iii. Hahn - In- Progress
 - iv. Railroad - Done
 - v. MPW Board - In-Progress
 - c. Prepare for November 13th In-Depth City Council Presentation
2. Forest Parkway Project
 - a. Underway
3. Geneva Creek Channel Shaping
 - a. Underway
4. Sidewalk Specifications
 - a. Spring Project
 - b. January - Neighborhood meetings
5. Mulberry Reconstruction Project (Priority)
 - a. October/November/December - Prepare Preliminary Plans
 - b. October/November/December - resubmit Concept Statement
 - c. January 2015 - Hire Engineering Firm for Final Design
 - d. January 2016 - Bid Letting
6. Levee Monitoring
 - a. Matt - Televis E. 2nd to E. 7th - Matt is getting proposals
 - b. Mad Creek Scouring @ E. 2nd
 - i. Request corps for Financial Assistance
 - c. HNI - Pump Station Proposal (Martin/Whitacre)
 - d. HNI - Storm Sewer construction
7. Mississippi Drive Railroad Elevations (Priority)
 - a. Complete by October 23rd
8. Fall/Winter Work
 - a. Oregon Street Railroad Crossing/Sidewalk-Trail Extension to Grandview
 - b. Hersehy Ave. Retaining Wall
 - c. Layout of Construction Dump Site - Lowe Street
 - d. Preliminary Design - Mad Creek Trail
9. Land use Plan - W. 6th St Ravine

10. Phase III Review

- a. Stop/Drop/Print with Stanley

11. WINTER PRIORITY LIST

- a. Preliminary Design for Mulberry Reconstruction Project
- b. Sidewalk Specifications
- c. Oregon/Grandview Trail-Sidewalk design
- d. Mad Creek Trail Design
- e. Lowe Street Dump Site



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

September 22, 2014

Gregg Mandsager
City Administrator
City of Muscatine
215 Sycamore Street
Muscatine, IA 52761

Dear Mr. Mandsager:

I am pleased to notify you that City of Muscatine, Iowa has received the Distinguished Budget Presentation Award for the current budget from the Government Finance Officers Association (GFOA). This award is the highest form of recognition in governmental budgeting and represents a significant achievement by your organization.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual or department designated as being primarily responsible for its having achieved the award. This has been presented to:

Finance Department

We hope you will arrange for a formal public presentation of the award, and that appropriate publicity will be given to this notable achievement. A press release is enclosed for your use.

We appreciate your participation in GFOA's Budget Awards Program. Through your example, we hope that other entities will be encouraged to achieve excellence in budgeting.

Sincerely,

Stephen J. Gauthier, Director
Technical Services Center

Enclosure



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

September 22, 2014

PRESS RELEASE

For Further Information Contact
Stephen J. Gauthier (312) 977-9700

Chicago--The Government Finance Officers Association of the United States and Canada (GFOA) is pleased to announce that **City of Muscatine, Iowa** has received the GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual or department designated as being primarily responsible for its having achieved the award. This has been presented to **Finance Department**

For budgets beginning in 2013, 1,424 participants received the Award. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

The Government Finance Officers Association is a major professional association servicing the needs of more than 18,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington D.C. The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting.

Promoting Economy and Efficiency

- Municipal Public Safety Service -

MFPRSI

MUNICIPAL FIRE & POLICE
RETIREMENT SYSTEM OF IOWA

7155 Lake Dr, Ste 201, West Des Moines, IA
pensions@mfprsi.org www.mfprsi.org

Our Mission

- MFPRSI is committed to providing a financially secure retirement for Iowa police officers and firefighters.
- We are proud of the work we do on behalf of the men and women who have devoted their careers to protecting and serving the people of Iowa.
- The key to our success is our strong investment portfolio. The retirement system is funded primarily through investment returns.



Overview

- Created by Iowa General Assembly on January 1, 1992, under Iowa Code Chapter 411
- Benefits include:
 - Service Retirement
 - Ordinary and Accidental Disability
 - Death Benefits (Survivors of Deceased Members)
 - Contribution Refunds to Terminated Members
- MFPRSI was created as a defined benefit plan for municipal police and firefighters in 49 Iowa cities



Participating Cities

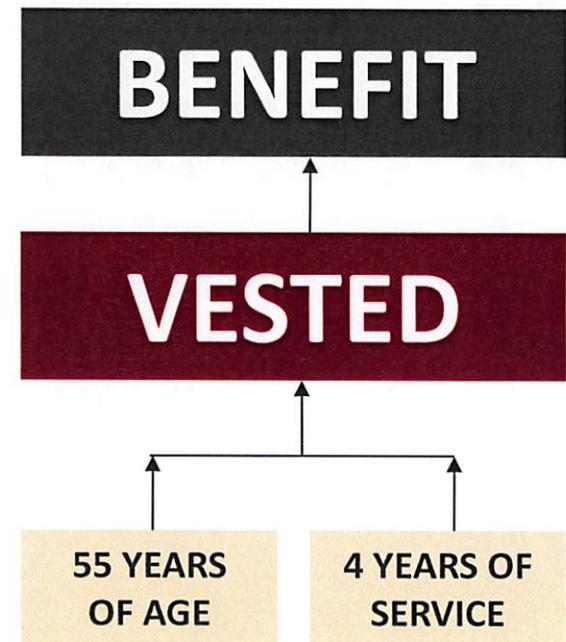
Fire Fighters and Police Officers – Chapter 411 of the Iowa Code

- 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
- LeMars*
- Maquoketa*
- Marion
- Marshalltown
- Mason City
- Muscatine
- Newton
- Oelwein
- Oskaloosa
- Ottumwa
- Pella*
- Sioux City
- Spencer
- Storm Lake
- Urbandale
- Waterloo
- Waverly*
- Webster City
- West Des Moines

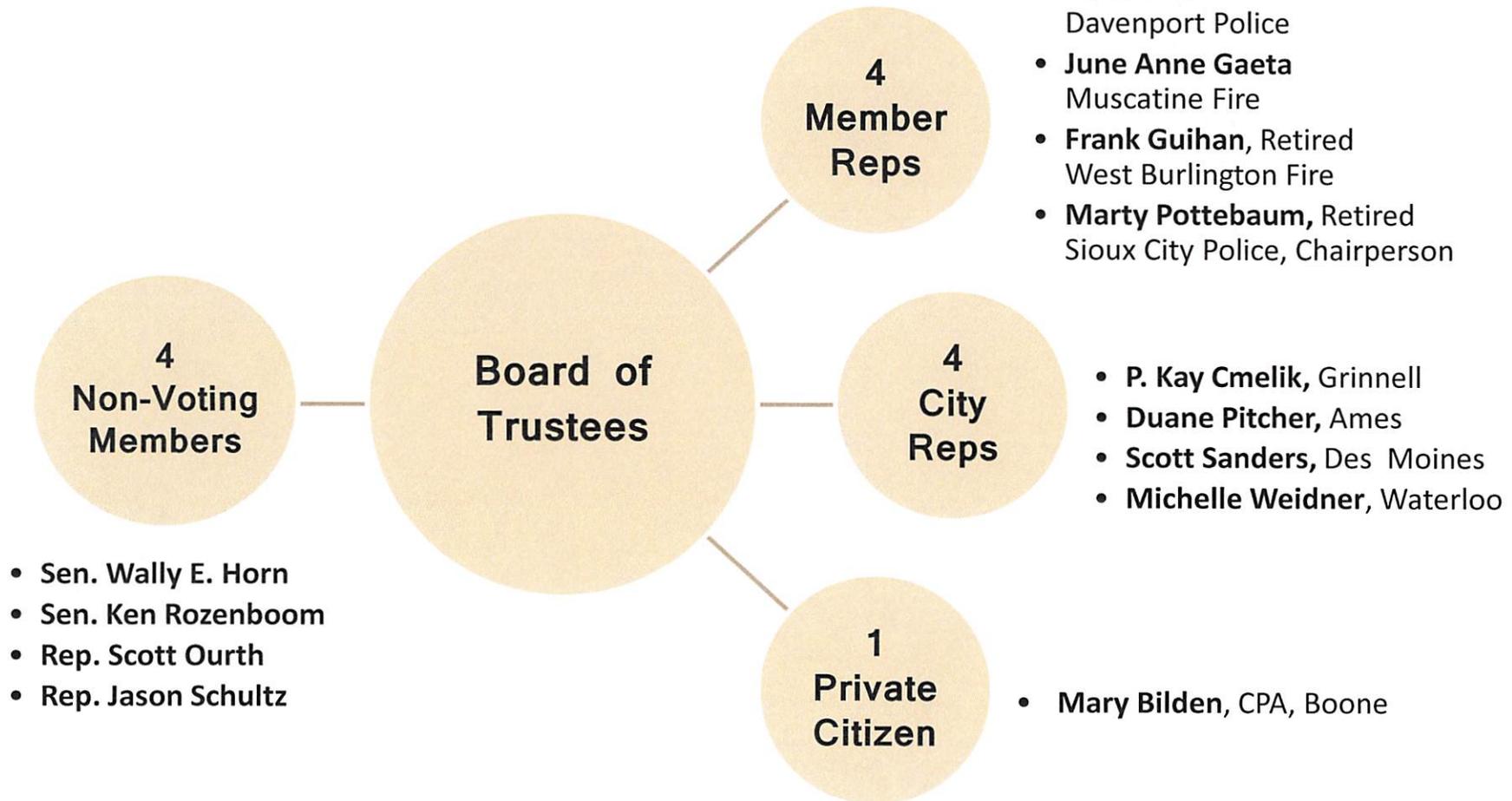
**Police Department only*

Benefit and Vesting

- Benefit determined by defined formula using a pension factor, average final compensation, and years of service
- Benefit is payable upon retirement
- Member must be vested to be eligible to receive a Service Retirement
- Vesting is achieved by reaching age 55 while working or completing four years of service as a participant



Board of Trustees



Member Data

Monthly Benefits

 **\$11.6 Million**
to **3,900**
Retirees &
Beneficiaries

Active Members

 **3,885**
41.0
Average
age

DROP Participation

47%
of eligible members
participate

Years of Service

 **13.7**
Average
years of
service

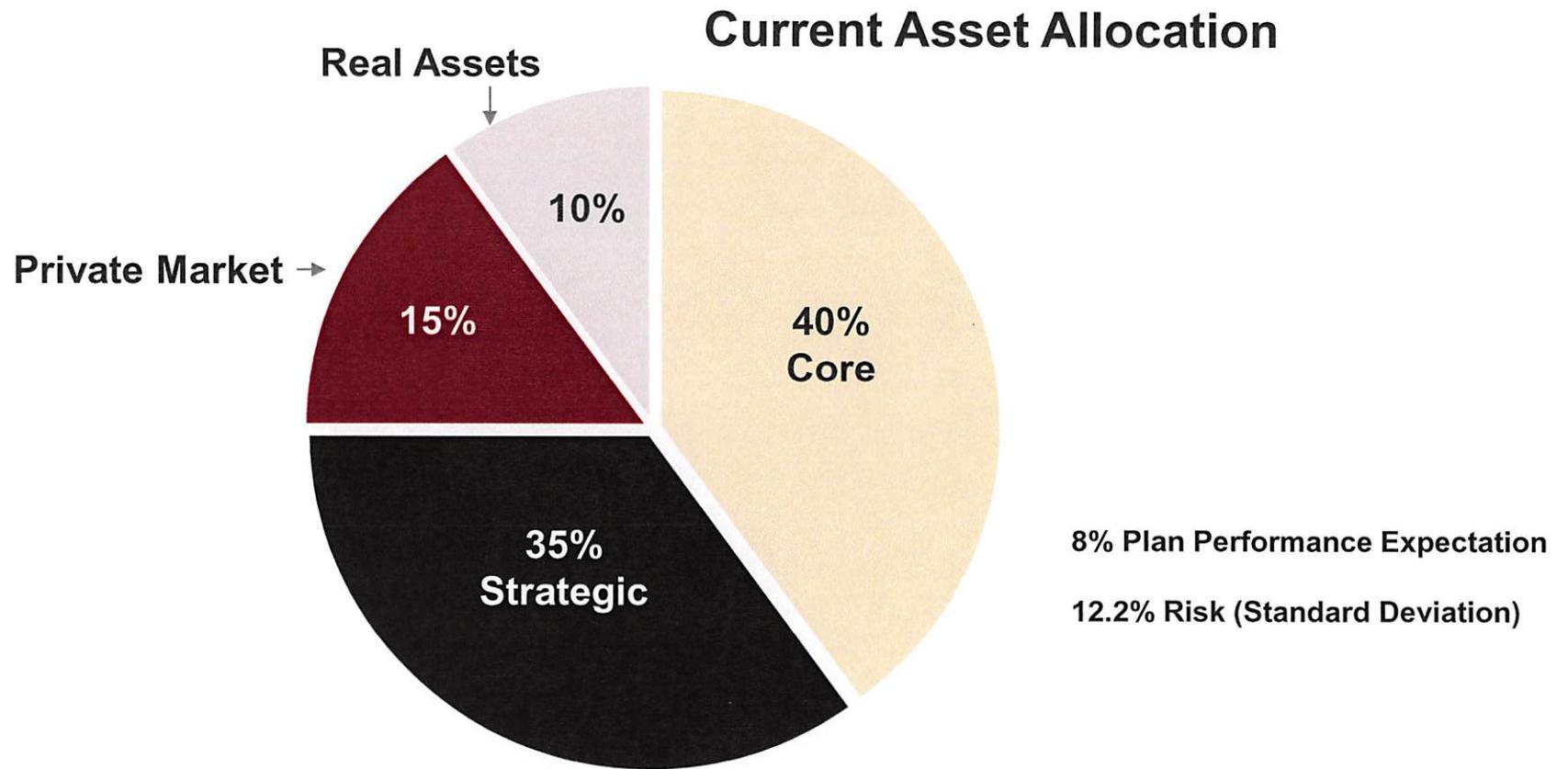
Retirement Benefit

\$47,280
Average annual service
retirement benefit

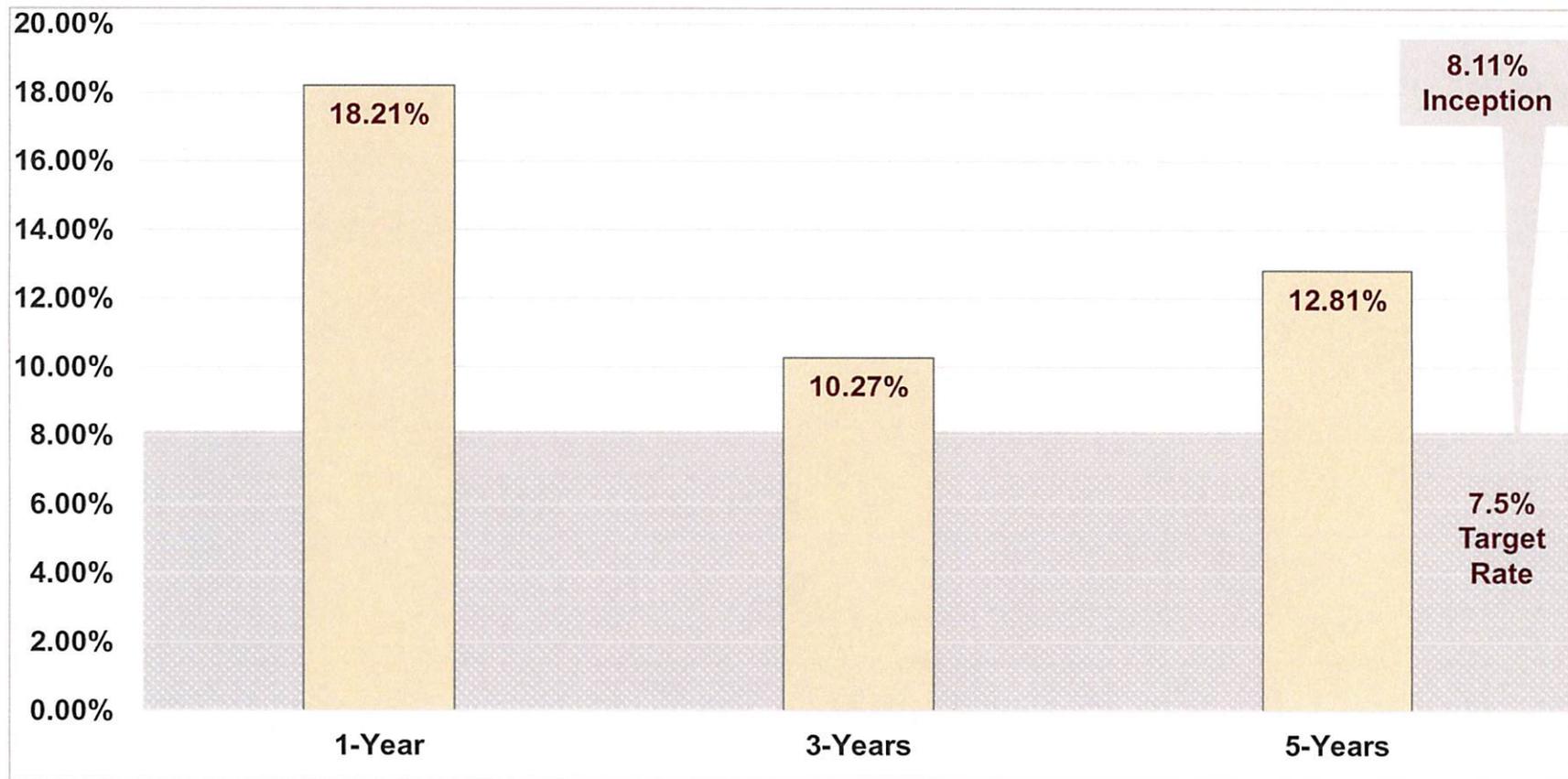
Member Salary

\$68,537
Average active
member salary

Diversified Portfolio

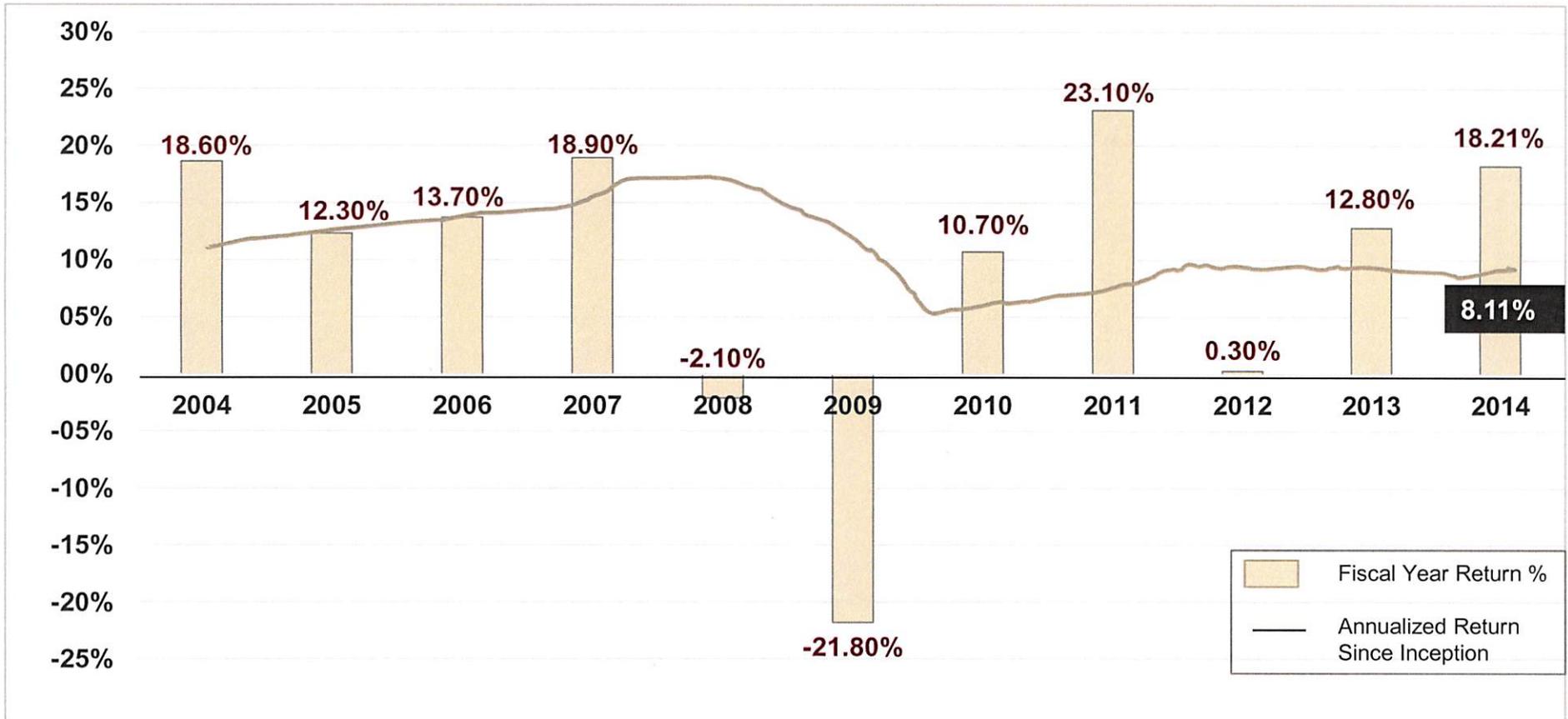


Rate of Return – Meeting Target Returns



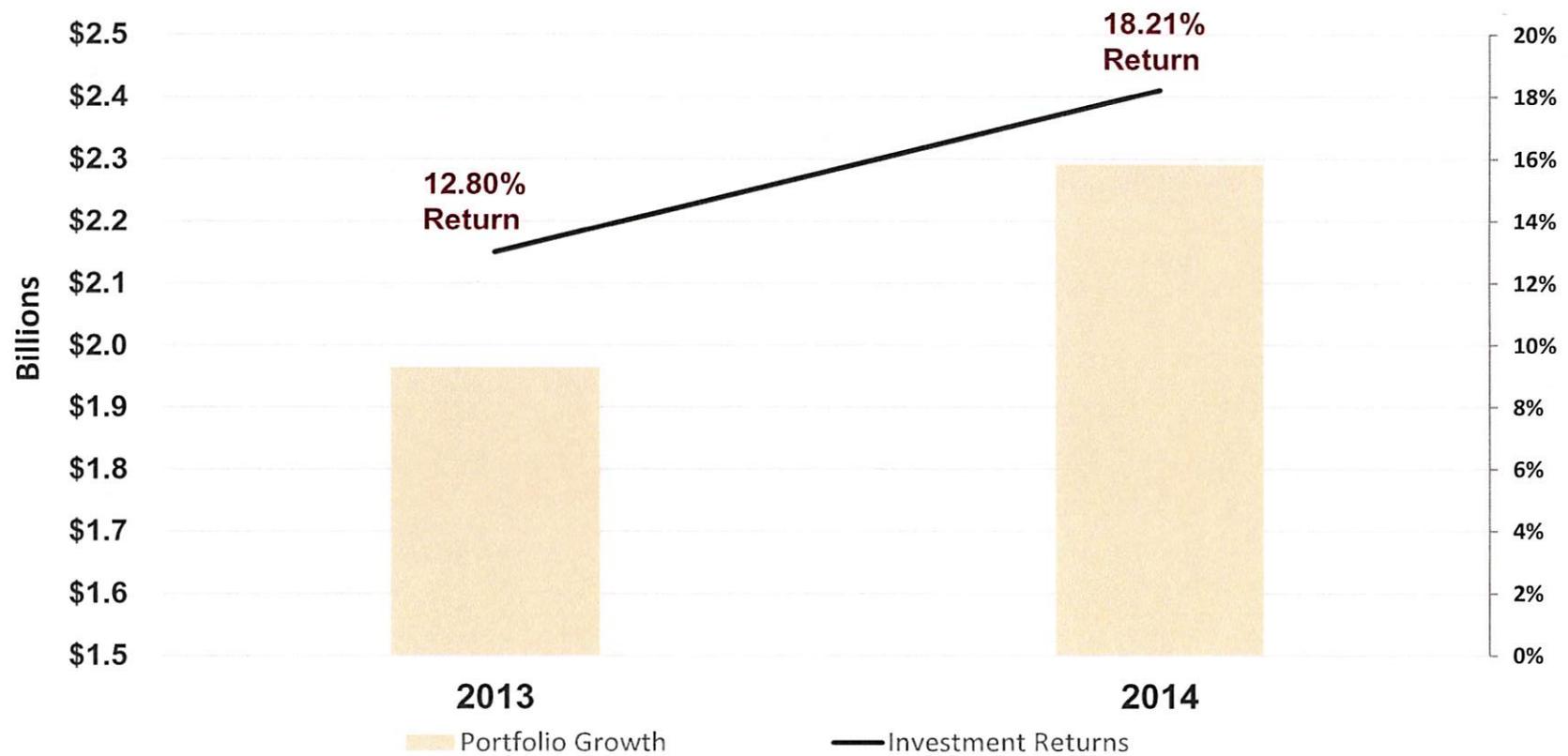
as of June 30, 2014

Investment Return 2004 - 2014

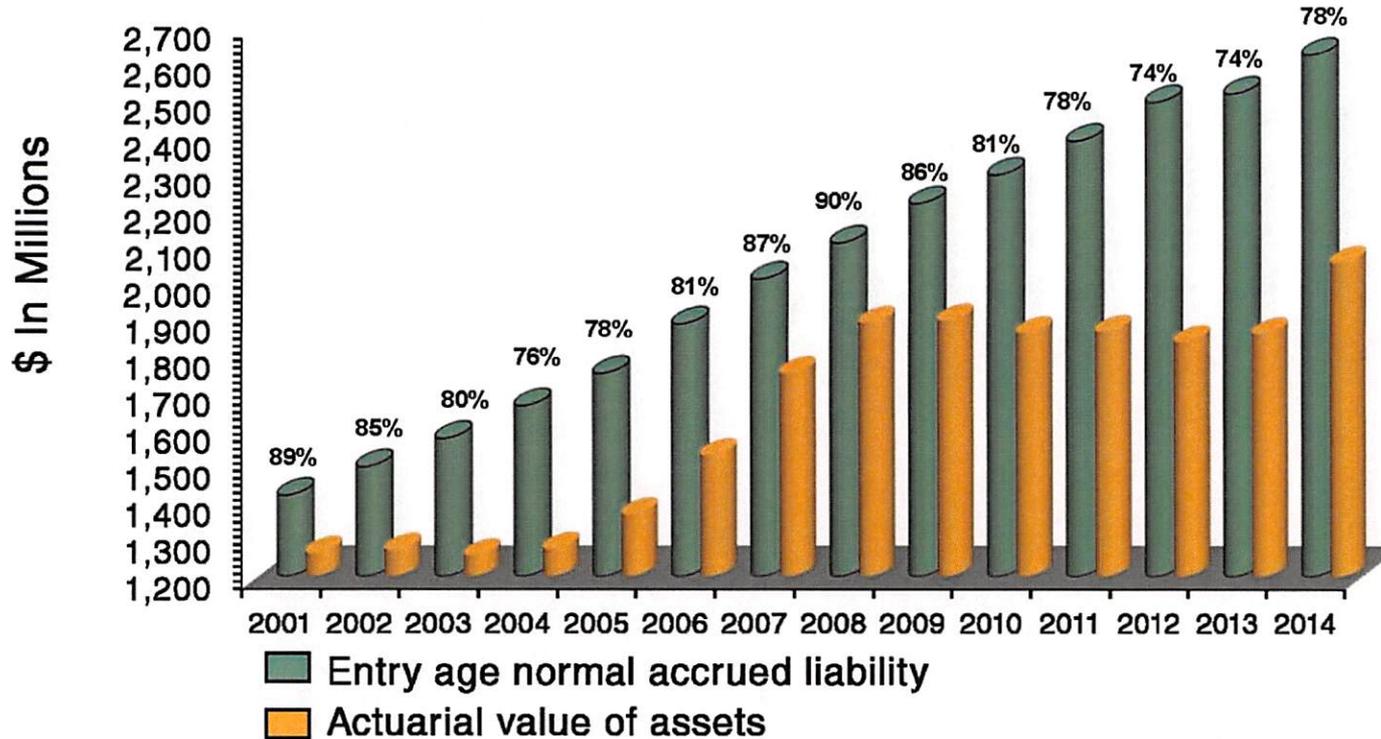


Portfolio Growth 2013 - 2014

Total Assets: \$2.291 B



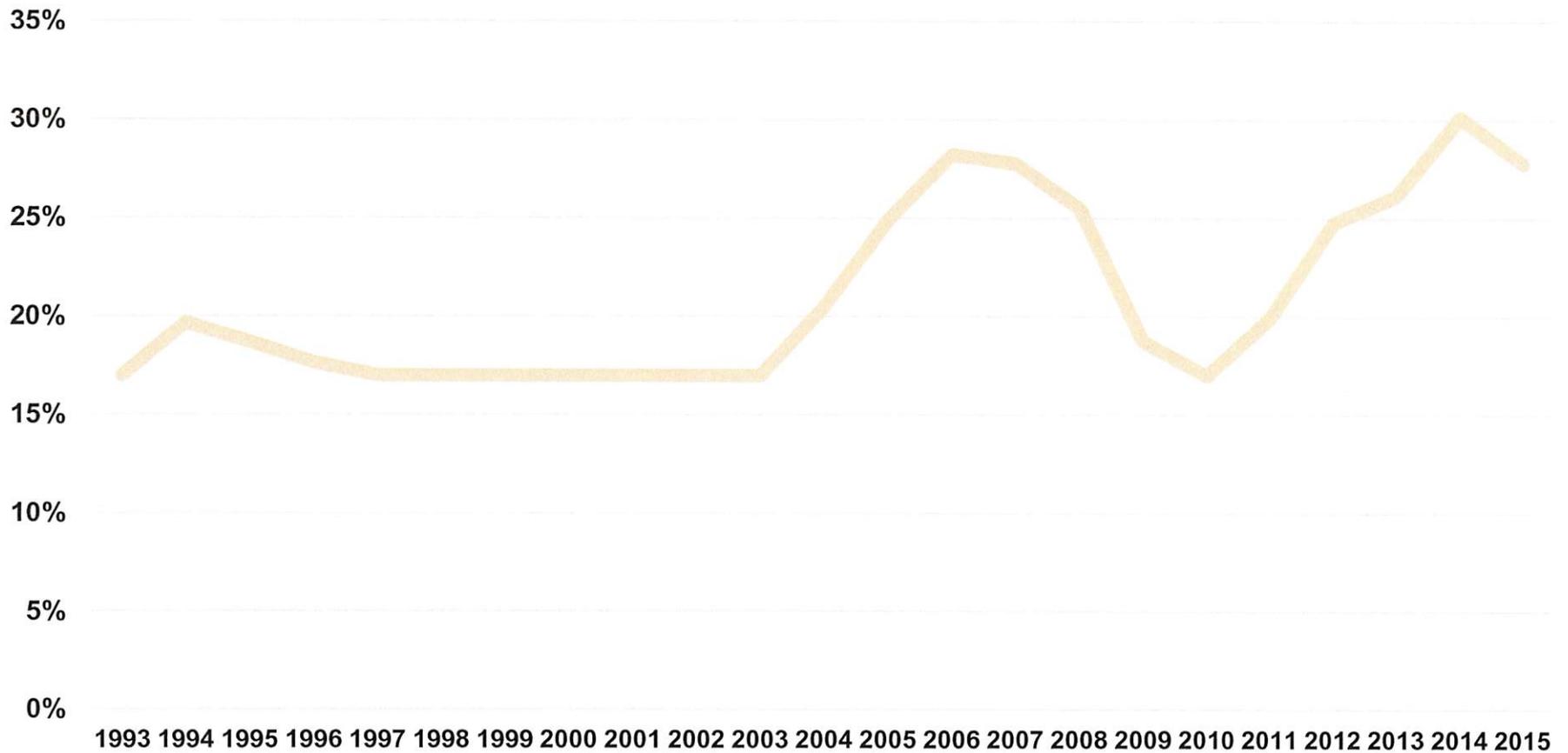
Funded Liability – Then and Now



Wisdom at Work.
SILVERSTONEGROUP.COM

SilverStone GROUP 

Historical City Contribution Rate



Added Member Services

- **Disability Insurance:** MFPRSI processes Accidental Disability and Ordinary Disability.
- **Death Benefits:**
 - Accidental Death Benefits: (In the line of service) Spouse would receive an annuity and a monthly benefit for lifetime. Dependent children will receive a monthly pension until age 18 or 22 if full-time student.
 - Ordinary Death Benefits: The spouse has a choice of benefit of a lump sum payment or an annuity. The dependent children's benefit is the same.

Added Member Services

Vision

MFPRSI will continue to be a leader among retirement systems, providing peace of mind to our members and a level of service that exceeds expectations.

Core Values

- **Commitment:** MFPRSI is committed to the highest level of quality possible. We strive to minimize errors and to provide the best customer service we can to our members.
- **Integrity:** We conduct our operations in an ethical and fair manner. We adhere to the highest standards of professional conduct with all stakeholders.
- **Fiscally Responsible:** We function as fiduciaries in a fiscally responsible manner regarding every area of the System's operation. We strive to minimize costs necessary to operate the System while providing a level of service that effectively and efficiently meets the needs of our members.

Recent MFPRSI Activities

+ Financial / Investment Activities

+ Investment performance, as of June 30, 2014:

	Asset \$	1 Year	3 Year	5 Year	Inception
Total Fund	\$2.291 B	18.21%	10.27%	12.81%	8.11%

- + Funded status as of July 1, 2014: 77.81%.
- + Board of Trustees adopted a Funding Policy to be 100% funded within 25 years.
- + Effective July 1, 2015:
 - + Employer Contribution Rate will decrease to 27.77% from 30.41%.
 - + Member Contribution Rate will remain at 9.40%.

25-Year Projections

Municipal Fire & Police Retirement System of Iowa Forecast of Contribution Rates and Funded Status (Amounts in Thousands)

Valuation Date	7/1/2014	7/1/2015	7/1/2016	7/1/2017	7/1/2018	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023	7/1/2024	7/1/2025	7/1/2026
Actual Prior Year													
Investment Return on Assets													
- Market Value	N/A	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
- Actuarial Value	N/A	12.41%	9.58%	10.44%	9.30%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Covered Payroll	266,265	277,582	289,379	301,678	314,499	327,865	341,799	356,326	371,470	387,257	403,715	420,873	438,761
Current Entry Age Normal Method													
25-Year Amortization Period of UAL													
Level Dollar, Closed Layered Amortization													
Actuarial Accrued Liability	2,640,955	2,739,950	2,841,021	2,944,037	3,048,842	3,155,250	3,263,048	3,371,985	3,481,775	3,592,089	3,702,553	3,812,741	3,922,175
Asset Values													
- Market Value	2,278,457	2,399,362	2,518,512	2,632,265	2,747,203	2,858,188	2,966,886	3,077,203	3,188,887	3,301,686	3,415,268	3,529,300	3,643,359
- Actuarial Value	2,054,844	2,258,785	2,413,782	2,589,657	2,747,203	2,858,188	2,966,886	3,077,203	3,188,887	3,301,686	3,415,268	3,529,300	3,643,359
Funded Ratio (Actuarial Value Assets)	77.81%	82.44%	84.96%	87.96%	90.11%	90.59%	90.92%	91.26%	91.59%	91.92%	92.24%	92.57%	92.89%
Contribution Rates (% of Payroll)													
- Cities	27.77%	24.24%	23.30%	20.91%	19.37%	19.19%	19.01%	18.84%	18.67%	18.51%	18.35%	18.20%	18.05%
- Members	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%
- State	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- Total	37.17%	33.64%	32.70%	30.31%	28.77%	28.59%	28.41%	28.24%	28.07%	27.91%	27.75%	27.60%	27.45%
Assumptions and Data													
Interest Rate	7.5%	Non-Investment Expense Growth		4.0%									
Active Members			Census Data										
- Population Growth	0.2%	- As of July 1, 2014											
- Average Age	41.0	Asset Data											
- Average Service	13.7	- As of July 1, 2014											

October 14, 2014
SilverStone Group

25-Year Projections

Municipal Fire & Police Retirement System of Iowa Forecast of Contribution Rates and Funded Status (Amounts in Thousands)

Valuation Date	7/1/2027	7/1/2028	7/1/2029	7/1/2030	7/1/2031	7/1/2032	7/1/2033	7/1/2034	7/1/2035	7/1/2036	7/1/2037	7/1/2038	7/1/2039
Actual Prior Year													
Investment Return on Assets													
- Market Value	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
- Actuarial Value	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Covered Payroll	457,408	476,848	497,114	518,241	540,266	563,228	587,165	612,119	638,134	665,255	693,528	723,003	753,731
Current Entry Age Normal Method													
25-Year Amortization Period of UAL													
Level Dollar, Closed Layered Amortization													
Actuarial Accrued Liability	4,030,314	4,136,550	4,240,203	4,340,513	4,436,632	4,518,579	4,593,495	4,660,169	4,717,263	4,763,300	4,796,657	4,815,545	4,817,999
Asset Values													
- Market Value	3,757,012	3,869,726	3,980,900	4,089,913	4,196,018	4,298,436	4,396,189	4,487,452	4,572,157	4,649,612	4,718,552	4,777,580	4,825,152
- Actuarial Value	3,757,012	3,869,726	3,980,900	4,089,913	4,196,018	4,298,436	4,396,189	4,487,452	4,572,157	4,649,612	4,718,552	4,777,580	4,825,152
Funded Ratio (Actuarial Value Assets)	93.22%	93.55%	93.88%	94.23%	94.58%	95.13%	95.70%	96.29%	96.92%	97.61%	98.37%	99.21%	100.15%
Contribution Rates (% of Payroll)													
- Cities	17.90%	17.76%	17.62%	17.49%	17.35%	17.08%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%
- Members	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%
- State	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
- Total	27.30%	27.16%	27.02%	26.89%	26.75%	26.48%	26.40%	26.40%	26.40%	26.40%	26.40%	26.40%	26.40%
Assumptions and Data													
Interest Rate	7.5%	Non-Investment Expense Growth		4.0%									
Active Members		Census Data											
- Population Growth	0.2%	- As of July 1, 2014											
- Average Age	41.0	Asset Data											
- Average Service	13.7	- As of July 1, 2014											
												October 14, 2014	
												SilverStone Group	

Municipal Fire & Police Retirement System of Iowa

MFPRSI MUNICIPAL FIRE & POLICE
RETIREMENT SYSTEM OF IOWA

Contact:
Terry Slattery
(515) 254-9960
pensions@mfprsi.org

FACT SHEET—

Our Mission

The Municipal Fire and Police Retirement System of Iowa (MFPRSI) is committed to providing a financially secure retirement for Iowa police officers and firefighters. We are proud of the work we do on behalf of the men and women who have devoted their careers to protecting and serving the people of Iowa. The key to our success is our strong investment portfolio. The retirement system is funded primarily through investment returns.

2015 Employer Rate Reduction

MFPRSI has announced a significant reduction in the employer contribution rate for 2015. The MFPRSI Board of Trustees this month approved a new employer contribution rate of 27.77%, down from a peak of 30.41% in 2014. The new rate will take effect July 1, 2015.

About MFPRSI

MFPRSI was established in 1990 by the Iowa General Assembly to consolidate 87 separate police and fire retirement systems into a statewide system. MFPRSI is dedicated to promoting economic efficiency in the municipal public safety service in Iowa. The organization, which began formal operations on January 1, 1992, administers a retirement plan that makes pension payments to its members who have retired from public service as a police officer or firefighter in 49 employing cities in the state of Iowa. MFPRSI also administers a comprehensive disability program for its membership.

Benefits Include:

- Service Retirement
- Ordinary and Accidental Disability
- Death Benefits (Survivors of Deceased Members)
- Contribution Refunds to Terminated Members

Participating Cities

Fire Fighters and Police Officers – Chapter 411 of the Iowa Code

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

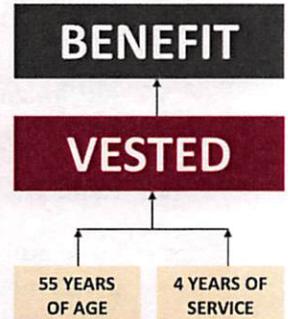
Board of Trustees

Marty Pottebaum, Sioux City, Chair
Mary Bilden, Boone
P. Kay Cmelik, Grinnell
Eric Court, Davenport
June Anne Gaeta, Muscatine

Frank Guihan, West Burlington
Duane Pitcher, Ames
Scott Sanders, Des Moines
Michelle Weidner, Waterloo

Rep. Scott Ourth, Ackworth
Rep. Jason Schultz, Schleswig
Sen. Wally E. Horn, Cedar Rapids
Sen. Ken Rozenboom, Oskaloosa

BENEFIT & VESTING



MEMBER DATA

Monthly Benefits

\$11.6 Million
to **3,900**
Retirees & Beneficiaries

Active Members

3,885
41.0
Average age

Years of Service

13.7
Average years of service

Municipal Fire & Police Retirement System of Iowa

Contact:
Terry Slattery
(515) 254-9960
pensions@mfprsi.org

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates 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:

- **Valuation Date:** July 1, 2014
- **Actuarial Cost Method:** Entry age normal*
- **Authorization Method:** Level Dollar, layered closed
- **Remaining Amortization Period:** 25 years

- **Asset Valuation Method:** 5 year smoothed market

Actuarial Assumptions:

- **Investment Rate of Return:** 7.50 percent
- **Projected Salary Increases:** 4.50 to 15.11 percent

Post-retirement Mortality Table:

- **Ordinary:** A weighting equal to 2/12 of the 1971 Group Annuity Mortality Table, Male and Female and 10/12 of the 1994 Group Annuity Mortality Static Table, Male and Female with no projection of future mortality improvement.

- **Disabled:** A weighting equal to 2/12 of the 1971 Group Annuity Mortality Table— Male, set forward three years and 10/12 of the 1994 Group Annuity Mortality Static Table— Male, set forward three years with no projection of future mortality improvement.

* Aggregate cost method used July 1, 2003—July 1, 2010