

**Iowa League of Cities  
Testimony Outline**

**Pension System Interim Committee  
Wednesday, October 23, 2013  
Room 116, State Capitol**

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**Dustin Miller** - Government Affairs Director intro (1 minute):

- Speaker Introductions

**Scott Sanders**—Board Member with MFPRSI & City Finance Director, Des Moines (3-5 min)

- Summary of recent MFPRSI Board actions

**Jon Burmeister**—Managing Director PFM (3-5 min)

- Outline GASB accounting changes
- Review how pension costs are taken into consideration by rating agencies
- Evaluation of cost of borrowing

**Tom Hanafan**—Mayor Council Bluffs (5-10 min)

- Large city perspective
- System as a partnership between employees, cities and the State to ensure a sustainable pension system in the long term for fire and police
- Increased costs covered through local property taxes
- Restoration of state contribution to system

**Mike Schrock**— Oskaloosa City Manager (5-7 minutes)

- Small City perspective
- Status of City of Oskaloosa

# Iowa League of Cities Research Note

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## The Municipal Police and Fire Retirement System of Iowa (MFPRSI) Contribution Amounts for FY 2012-2015

This table below shows projected amounts MFPRSI cities will pay in contributions (in dollars) for fiscal years 2012-2015, using the entry age normal method. This data was compiled from the MFPRSI system's actuarial report from 2012, which assumes a 7.5% investment return and a 4.5% annual increase in earnable compensation. Employees pay a fixed 9.4% contribution. Employers' contribution rates are not fixed, and are projected at the following rates over the next 5 years: 26.12% (FY13), 30.12% (FY14), 32.26% (FY15), 30.73% (FY16), and 29.35% (FY17). The League will update these tables once the new actuarial report is released in 2013.

|   | FY13 (AY11)      | FY14 (AY12)      | FY15 (AY13)      | FY16 (AY14)      | FY17 (AY15)      |
|---|------------------|------------------|------------------|------------------|------------------|
| CITY / PROJECTED CITY RATE              | 26.12%           | 30.12%           | 32.26%           | 30.73%           | 29.35%           |
| <b>AMES</b>                             | <b>1,797,800</b> | <b>2,166,404</b> | <b>2,424,740</b> | <b>2,413,680</b> | <b>2,409,026</b> |
| <i>change over previous year</i>        | 166,993          | 368,604          | 258,336          | (11,060)         | (4,654)          |
| <i>change since current year (FY13)</i> |                  | 368,604          | 626,940          | 615,880          | 611,226          |
| <b>ANKENY</b>                           | <b>1,037,461</b> | <b>1,250,172</b> | <b>1,399,251</b> | <b>1,392,868</b> | <b>1,390,183</b> |
| <i>change over previous year</i>        | 96,367           | 212,711          | 149,079          | (6,383)          | (2,685)          |
| <i>change since current year (FY13)</i> |                  | 212,711          | 361,790          | 355,407          | 352,722          |
| <b>BETTENDORF</b>                       | <b>1,258,425</b> | <b>1,516,440</b> | <b>1,697,270</b> | <b>1,689,528</b> | <b>1,686,271</b> |
| <i>change over previous year</i>        | 116,892          | 258,015          | 180,830          | (7,742)          | (3,257)          |
| <i>change since current year (FY13)</i> |                  | 258,015          | 438,845          | 431,103          | 427,846          |
| <b>BOONE</b>                            | <b>378,117</b>   | <b>455,643</b>   | <b>509,976</b>   | <b>507,650</b>   | <b>506,671</b>   |
| <i>change over previous year</i>        | 35,122           | 77,526           | 54,333           | (2,326)          | (979)            |
| <i>change since current year (FY13)</i> |                  | 77,526           | 131,859          | 129,533          | 128,554          |
| <b>BURLINGTON</b>                       | <b>1,237,760</b> | <b>1,491,538</b> | <b>1,669,399</b> | <b>1,661,784</b> | <b>1,658,580</b> |
| <i>change over previous year</i>        | 114,973          | 253,778          | 177,861          | (7,615)          | (3,204)          |
| <i>change since current year (FY13)</i> |                  | 253,778          | 431,639          | 424,024          | 420,820          |
| <b>CAMANCHE</b>                         | <b>174,017</b>   | <b>209,696</b>   | <b>234,702</b>   | <b>233,631</b>   | <b>233,180</b>   |



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|   |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|
| <i>change over previous year</i>        | 16,164           | 35,679           | 25,006           | (1,071)          | (451)            |
| <i>change since current year (FY13)</i> |                  | 35,679           | 60,685           | 59,614           | 59,163           |
| <b>CARROLL</b>                          | <b>187,821</b>   | <b>226,330</b>   | <b>253,319</b>   | <b>252,163</b>   | <b>251,677</b>   |
| <i>change over previous year</i>        | 17,446           | 38,509           | 26,989           | (1,156)          | (486)            |
| <i>change since current year (FY13)</i> |                  | 38,509           | 65,498           | 64,342           | 63,856           |
| <b>CEDAR FALLS</b>                      | <b>1,191,160</b> | <b>1,435,384</b> | <b>1,606,549</b> | <b>1,599,221</b> | <b>1,596,137</b> |
| <i>change over previous year</i>        | 110,644          | 244,224          | 171,165          | (7,328)          | (3,084)          |
| <i>change since current year (FY13)</i> |                  | 244,224          | 415,389          | 408,061          | 404,977          |
| <b>CEDAR RAPIDS</b>                     | <b>6,125,486</b> | <b>7,381,398</b> | <b>8,261,603</b> | <b>8,223,919</b> | <b>8,208,063</b> |
| <i>change over previous year</i>        | 568,981          | 1,255,912        | 880,205          | (37,684)         | (15,856)         |
| <i>change since current year (FY13)</i> |                  | 1,255,912        | 2,136,117        | 2,098,433        | 2,082,577        |
| <b>CENTERVILLE</b>                      | <b>181,626</b>   | <b>218,865</b>   | <b>244,964</b>   | <b>243,846</b>   | <b>243,376</b>   |
| <i>change over previous year</i>        | 16,871           | 37,239           | 26,099           | (1,118)          | (470)            |
| <i>change since current year (FY13)</i> |                  | 37,239           | 63,338           | 62,220           | 61,750           |
| <b>CHARLES CITY</b>                     | <b>244,476</b>   | <b>294,602</b>   | <b>329,732</b>   | <b>328,228</b>   | <b>327,595</b>   |
| <i>change over previous year</i>        | 22,708           | 50,126           | 35,130           | (1,504)          | (633)            |
| <i>change since current year (FY13)</i> |                  | 50,126           | 85,256           | 83,752           | 83,119           |
| <b>CLINTON</b>                          | <b>1,307,192</b> | <b>1,575,206</b> | <b>1,763,044</b> | <b>1,755,002</b> | <b>1,751,618</b> |
| <i>change over previous year</i>        | 121,422          | 268,014          | 187,838          | (8,042)          | (3,384)          |
| <i>change since current year (FY13)</i> |                  | 268,014          | 455,852          | 447,810          | 444,426          |
| <b>CLIVE</b>                            | <b>417,376</b>   | <b>502,951</b>   | <b>562,926</b>   | <b>560,358</b>   | <b>559,278</b>   |
| <i>change over previous year</i>        | 38,769           | 85,575           | 59,975           | (2,568)          | (1,080)          |
| <i>change since current year (FY13)</i> |                  | 85,575           | 145,550          | 142,982          | 141,902          |
| <b>COUNCIL BLUFFS</b>                   | <b>3,807,108</b> | <b>4,587,682</b> | <b>5,134,746</b> | <b>5,111,325</b> | <b>5,101,470</b> |
| <i>change over previous year</i>        | 353,632          | 780,574          | 547,064          | (23,421)         | (9,855)          |
| <i>change since current year (FY13)</i> |                  | 780,574          | 1,327,638        | 1,304,217        | 1,294,362        |
| <b>CRESTON</b>                          | <b>200,127</b>   | <b>241,159</b>   | <b>269,917</b>   | <b>268,686</b>   | <b>268,167</b>   |
| <i>change over previous year</i>        | 18,589           | 41,032           | 28,758           | (1,231)          | (519)            |

|   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <i>change since current year (FY13)</i> |                   | 41,032            | 69,790            | 68,559            | 68,040            |
| <b>DAVENPORT</b>                        | <b>5,865,417</b>  | <b>7,068,007</b>  | <b>7,910,841</b>  | <b>7,874,757</b>  | <b>7,859,573</b>  |
| <i>change over previous year</i>        | 544,824           | 1,202,590         | 842,834           | (36,084)          | (15,184)          |
| <i>change since current year (FY13)</i> |                   | 1,202,590         | 2,045,424         | 2,009,340         | 1,994,156         |
| <b>DECORAH</b>                          | <b>191,996</b>    | <b>231,361</b>    | <b>258,950</b>    | <b>257,768</b>    | <b>257,272</b>    |
| <i>change over previous year</i>        | 17,834            | 39,365            | 27,589            | (1,182)           | (496)             |
| <i>change since current year (FY13)</i> |                   | 39,365            | 66,954            | 65,772            | 65,276            |
| <b>DES MOINES</b>                       | <b>12,731,579</b> | <b>15,341,943</b> | <b>17,171,414</b> | <b>17,093,089</b> | <b>17,060,132</b> |
| <i>change over previous year</i>        | 1,182,604         | 2,610,364         | 1,829,471         | (78,325)          | (32,957)          |
| <i>change since current year (FY13)</i> |                   | 2,610,364         | 4,439,835         | 4,361,510         | 4,328,553         |
| <b>DEWITT</b>                           | <b>144,187</b>    | <b>173,750</b>    | <b>194,469</b>    | <b>193,582</b>    | <b>193,208</b>    |
| <i>change over previous year</i>        | 13,393            | 29,563            | 20,719            | (887)             | (374)             |
| <i>change since current year (FY13)</i> |                   | 29,563            | 50,282            | 49,395            | 49,021            |
| <b>DUBUQUE</b>                          | <b>3,502,496</b>  | <b>4,220,615</b>  | <b>4,723,908</b>  | <b>4,702,361</b>  | <b>4,693,294</b>  |
| <i>change over previous year</i>        | 325,338           | 718,119           | 503,293           | (21,547)          | (9,067)           |
| <i>change since current year (FY13)</i> |                   | 718,119           | 1,221,412         | 1,199,865         | 1,190,798         |
| <b>ESTHERVILLE</b>                      | <b>165,021</b>    | <b>198,855</b>    | <b>222,568</b>    | <b>221,553</b>    | <b>221,125</b>    |
| <i>change over previous year</i>        | 15,328            | 33,834            | 23,713            | (1,015)           | (428)             |
| <i>change since current year (FY13)</i> |                   | 33,834            | 57,547            | 56,532            | 56,104            |
| <b>EVANSDALE</b>                        | <b>77,219</b>     | <b>93,051</b>     | <b>104,147</b>    | <b>103,672</b>    | <b>103,472</b>    |
| <i>change over previous year</i>        | 7,173             | 15,832            | 11,096            | (475)             | (200)             |
| <i>change since current year (FY13)</i> |                   | 15,832            | 26,928            | 26,453            | 26,253            |
| <b>FAIRFIELD</b>                        | <b>200,947</b>    | <b>242,148</b>    | <b>271,023</b>    | <b>269,787</b>    | <b>269,267</b>    |
| <i>change over previous year</i>        | 18,665            | 41,201            | 28,875            | (1,236)           | (520)             |
| <i>change since current year (FY13)</i> |                   | 41,201            | 70,076            | 68,840            | 68,320            |
| <b>FORT DODGE</b>                       | <b>1,056,472</b>  | <b>1,273,081</b>  | <b>1,424,891</b>  | <b>1,418,391</b>  | <b>1,415,657</b>  |
| <i>change over previous year</i>        | 98,133            | 216,609           | 151,810           | (6,500)           | (2,734)           |
| <i>change since current year (FY13)</i> |                   | 216,609           | 368,419           | 361,919           | 359,185           |

|   |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>FORT MADISON</b>                     | <b>464,968</b>   | <b>560,300</b>   | <b>627,114</b>   | <b>624,253</b>   | <b>623,050</b>   |
| <i>change over previous year</i>        | 43,190           | 95,332           | 66,814           | (2,861)          | (1,203)          |
| <i>change since current year (FY13)</i> |                  | 95,332           | 162,146          | 159,285          | 158,082          |
| <b>GRINNELL</b>                         | <b>278,554</b>   | <b>335,666</b>   | <b>375,693</b>   | <b>373,979</b>   | <b>373,258</b>   |
| <i>change over previous year</i>        | 25,874           | 57,112           | 40,027           | (1,714)          | (721)            |
| <i>change since current year (FY13)</i> |                  | 57,112           | 97,139           | 95,425           | 94,704           |
| <b>INDIANOLA</b>                        | <b>303,473</b>   | <b>365,694</b>   | <b>409,302</b>   | <b>407,435</b>   | <b>406,649</b>   |
| <i>change over previous year</i>        | 28,189           | 62,221           | 43,608           | (1,867)          | (786)            |
| <i>change since current year (FY13)</i> |                  | 62,221           | 105,829          | 103,962          | 103,176          |
| <b>IOWA CITY</b>                        | <b>2,510,483</b> | <b>3,025,209</b> | <b>3,385,953</b> | <b>3,370,509</b> | <b>3,364,010</b> |
| <i>change over previous year</i>        | 233,193          | 514,726          | 360,744          | (15,444)         | (6,499)          |
| <i>change since current year (FY13)</i> |                  | 514,726          | 875,470          | 860,026          | 853,527          |
| <b>KEOKUK</b>                           | <b>534,202</b>   | <b>643,730</b>   | <b>720,492</b>   | <b>717,206</b>   | <b>715,823</b>   |
| <i>change over previous year</i>        | 49,621           | 109,528          | 76,762           | (3,286)          | (1,383)          |
| <i>change since current year (FY13)</i> |                  | 109,528          | 186,290          | 183,004          | 181,621          |
| <b>KNOXVILLE</b>                        | <b>157,713</b>   | <b>190,049</b>   | <b>212,712</b>   | <b>211,742</b>   | <b>211,334</b>   |
| <i>change over previous year</i>        | 14,649           | 32,336           | 22,663           | (970)            | (408)            |
| <i>change since current year (FY13)</i> |                  | 32,336           | 54,999           | 54,029           | 53,621           |
| <b>LE MARS</b>                          | <b>232,356</b>   | <b>279,996</b>   | <b>313,385</b>   | <b>311,955</b>   | <b>311,354</b>   |
| <i>change over previous year</i>        | 21,583           | 47,640           | 33,389           | (1,430)          | (601)            |
| <i>change since current year (FY13)</i> |                  | 47,640           | 81,029           | 79,599           | 78,998           |
| <b>MAQUOKETA</b>                        | <b>136,647</b>   | <b>164,664</b>   | <b>184,299</b>   | <b>183,459</b>   | <b>183,105</b>   |
| <i>change over previous year</i>        | 12,693           | 28,017           | 19,635           | (840)            | (354)            |
| <i>change since current year (FY13)</i> |                  | 28,017           | 47,652           | 46,812           | 46,458           |
| <b>MARION</b>                           | <b>1,203,261</b> | <b>1,449,966</b> | <b>1,622,869</b> | <b>1,615,467</b> | <b>1,612,352</b> |
| <i>change over previous year</i>        | 111,768          | 246,705          | 172,903          | (7,402)          | (3,115)          |
| <i>change since current year (FY13)</i> |                  | 246,705          | 419,608          | 412,206          | 409,091          |
| <b>MARSHALLTOWN</b>                     | <b>1,047,822</b> | <b>1,262,658</b> | <b>1,413,225</b> | <b>1,406,779</b> | <b>1,404,067</b> |

|   |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|
| <i>change over previous year</i>        | 97,329           | 214,836          | 150,567          | (6,446)          | (2,712)          |
| <i>change since current year (FY13)</i> |                  | 214,836          | 365,403          | 358,957          | 356,245          |
| <b>MASON CITY</b>                       | <b>1,400,962</b> | <b>1,688,202</b> | <b>1,889,513</b> | <b>1,880,894</b> | <b>1,877,268</b> |
| <i>change over previous year</i>        | 130,132          | 287,240          | 201,311          | (8,619)          | (3,626)          |
| <i>change since current year (FY13)</i> |                  | 287,240          | 488,551          | 479,932          | 476,306          |
| <b>MUSCATINE</b>                        | <b>1,124,417</b> | <b>1,354,956</b> | <b>1,516,530</b> | <b>1,509,612</b> | <b>1,506,702</b> |
| <i>change over previous year</i>        | 104,445          | 230,539          | 161,574          | (6,918)          | (2,910)          |
| <i>change since current year (FY13)</i> |                  | 230,539          | 392,113          | 385,195          | 382,285          |
| <b>NEWTON</b>                           | <b>715,099</b>   | <b>861,716</b>   | <b>964,473</b>   | <b>960,073</b>   | <b>958,222</b>   |
| <i>change over previous year</i>        | 66,424           | 146,617          | 102,757          | (4,400)          | (1,851)          |
| <i>change since current year (FY13)</i> |                  | 146,617          | 249,374          | 244,974          | 243,123          |
| <b>OELWEIN</b>                          | <b>167,813</b>   | <b>202,220</b>   | <b>226,334</b>   | <b>225,301</b>   | <b>224,867</b>   |
| <i>change over previous year</i>        | 15,588           | 34,407           | 24,114           | (1,033)          | (434)            |
| <i>change since current year (FY13)</i> |                  | 34,407           | 58,521           | 57,488           | 57,054           |
| <b>OSKALOOSA</b>                        | <b>320,539</b>   | <b>386,259</b>   | <b>432,319</b>   | <b>430,347</b>   | <b>429,517</b>   |
| <i>change over previous year</i>        | 29,774           | 65,720           | 46,060           | (1,972)          | (830)            |
| <i>change since current year (FY13)</i> |                  | 65,720           | 111,780          | 109,808          | 108,978          |
| <b>OTTUMWA</b>                          | <b>988,716</b>   | <b>1,191,434</b> | <b>1,333,508</b> | <b>1,327,425</b> | <b>1,324,866</b> |
| <i>change over previous year</i>        | 91,839           | 202,718          | 142,074          | (6,083)          | (2,559)          |
| <i>change since current year (FY13)</i> |                  | 202,718          | 344,792          | 338,709          | 336,150          |
| <b>PELLA</b>                            | <b>199,443</b>   | <b>240,335</b>   | <b>268,994</b>   | <b>267,767</b>   | <b>267,251</b>   |
| <i>change over previous year</i>        | 18,526           | 40,892           | 28,659           | (1,227)          | (516)            |
| <i>change since current year (FY13)</i> |                  | 40,892           | 69,551           | 68,324           | 67,808           |
| <b>SIOUX CITY</b>                       | <b>4,324,487</b> | <b>5,211,139</b> | <b>5,832,548</b> | <b>5,805,944</b> | <b>5,794,750</b> |
| <i>change over previous year</i>        | 401,691          | 886,652          | 621,409          | (26,604)         | (11,194)         |
| <i>change since current year (FY13)</i> |                  | 886,652          | 1,508,061        | 1,481,457        | 1,470,263        |
| <b>SPENCER</b>                          | <b>334,743</b>   | <b>403,376</b>   | <b>451,477</b>   | <b>449,418</b>   | <b>448,551</b>   |
| <i>change over previous year</i>        | 31,093           | 68,633           | 48,101           | (2,059)          | (867)            |

|   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <i>change since current year (FY13)</i> |                   | 68,633            | 116,734           | 114,675           | 113,808           |
| <b>STORM LAKE</b>                       | <b>244,219</b>    | <b>294,292</b>    | <b>329,385</b>    | <b>327,882</b>    | <b>327,250</b>    |
| <i>change over previous year</i>        | 22,685            | 50,073            | 35,093            | (1,503)           | (632)             |
| <i>change since current year (FY13)</i> |                   | 50,073            | 85,166            | 83,663            | 83,031            |
| <b>URBANDALE</b>                        | <b>1,231,960</b>  | <b>1,484,549</b>  | <b>1,661,576</b>  | <b>1,653,997</b>  | <b>1,650,808</b>  |
| <i>change over previous year</i>        | 114,434           | 252,589           | 177,027           | (7,579)           | (3,189)           |
| <i>change since current year (FY13)</i> |                   | 252,589           | 429,616           | 422,037           | 418,848           |
| <b>WATERLOO</b>                         | <b>3,995,664</b>  | <b>4,814,897</b>  | <b>5,389,056</b>  | <b>5,364,475</b>  | <b>5,354,131</b>  |
| <i>change over previous year</i>        | 371,147           | 819,233           | 574,159           | (24,581)          | (10,344)          |
| <i>change since current year (FY13)</i> |                   | 819,233           | 1,393,392         | 1,368,811         | 1,358,467         |
| <b>WAVERLY</b>                          | <b>237,098</b>    | <b>285,711</b>    | <b>319,781</b>    | <b>318,322</b>    | <b>317,708</b>    |
| <i>change over previous year</i>        | 22,023            | 48,613            | 34,070            | (1,459)           | (614)             |
| <i>change since current year (FY13)</i> |                   | 48,613            | 82,683            | 81,224            | 80,610            |
| <b>WEBSTER CITY</b>                     | <b>213,524</b>    | <b>257,303</b>    | <b>287,986</b>    | <b>286,672</b>    | <b>286,119</b>    |
| <i>change over previous year</i>        | 19,834            | 43,779            | 30,683            | (1,314)           | (553)             |
| <i>change since current year (FY13)</i> |                   | 43,779            | 74,462            | 73,148            | 72,595            |
| <b>WEST DES MOINES</b>                  | <b>2,074,024</b>  | <b>2,499,263</b>  | <b>2,797,291</b>  | <b>2,784,531</b>  | <b>2,779,163</b>  |
| <i>change over previous year</i>        | 192,651           | 425,239           | 298,028           | (12,760)          | (5,368)           |
| <i>change since current year (FY13)</i> |                   | 425,239           | 723,267           | 710,507           | 705,139           |
| <b>TOTAL CITY CONT.</b>                 | <b>67,923,473</b> | <b>81,849,865</b> | <b>91,610,164</b> | <b>91,192,293</b> | <b>91,016,467</b> |
| <i>change over previous year</i>        | 6,309,238.00      | 13,926,392.00     | 9,760,299.00      | (417,871.00)      | (175,826.00)      |
| <i>change since current year (FY13)</i> |                   | 13,926,392        | 23,686,691        | 23,268,820        | 23,092,994        |

