

City of Traverse City
 Public ACT 347 of 2012 compliance requirements
 Information obtained from the June 30, 2012 actuarial report
 March 2013

Name of System: City of Traverse City ACT 345 Police and Fire Pension System

Investment Fiduciaries: Intercontinental US Real Estate
 Paradigm
 T. Rowe Price
 Artio Intl. Equity
 PNC Capital Advisors Fixed Income

Service Provider: Gray & Company, Investment Advisory Services
 Gabriel Roeder Smith & Co, Actuarial Services

Systems Funded Ratio: Actuarial accrued liabilities \$37.2M
 Applied assets (smoothed market value) 21.3M
 Percent funded 57.20%

System's Investment Performance

Net of Fees

	1 yr	3 yr	5 yr	7 yr	10 yr
	Information forthcoming				

Number of Active Members

Police	27
Fire	23
Total	50

Number of Retirees and Beneficiaries 59

Average Annual Pensions \$ 30,294

Total Annual Pension Costs \$ 1,787,360

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Valuation Payroll

Police	\$	1,666,189
Fire		1,448,236
Total Valuation Payroll	\$	3,114,425

Normal Cost of Benefits Expressed

As a Percentage of Valuation Payroll	15.86%
Note: Effective July 1, 2013	

Employer's Total Contribution Rate

Expressed as a Percentage of Valuation Payroll	48.67%
Note: Effective July 1, 2013	

Weighted average of Employee

Contributions	2.16%
Note: Effective July 1, 2013	

Assumed Rate of Investment Return

7.50%

Assumed Rate of Long-Term Wage

Inflation	4.00%
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Smoothing Method Used to Determine

Funding Value of Assets	4 years smoothed market
Amortization Method	Level Percent
Amortization Period	20 years
Actuarial Cost Method	Entry Age

System Membership

Opened to City of Traverse City's Police and Fire Employees