

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	City of Traverse City	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	282010	
Unit Type	City	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2025	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	Heidi Scheppe	
Title if not CAO	City Treasurer/Finance Director	
CAO (or designee) Email Address	bpostma@traversecitymi.gov	
Contact Telephone Number	231-922-4459	
Pension System Information		
Pension System Name (not division) 1	Act 345 Retirement System	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division) 2	MERS Plan - General Employees	
Pension System Name (not division) 3		
Pension System Name (not division) 4		
Pension System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement pension system	Calculated from above	Act 345 Retirement System	MERS Plan - General Employees			
3 Financial Information							
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	45,390,367	26,167,136			
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	58,697,046	47,529,117			
6	Funded ratio	Calculated	77.3%	55.1%			
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	2,713,273	2,368,641			
8	Governmental Fund Revenues	Most Recent Audit Report	41,712,196	41,712,196			
9	All systems combined ADC/Governmental fund revenues	Calculated	12.2%	12.2%			
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	54	110			
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	6	30			
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	79	139			
14 Investment Performance							
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.73%	7.72%			
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	10.34%	6.91%			
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	8.67%	6.62%			
18 Actuarial Assumptions							
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%	6.93%			
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Percent	Level Percent			
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	10	15			
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No	No			
23 Uniform Assumptions							
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	42,360,112	26,990,685			
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	57,543,347	48,937,197			
26	Funded ratio using uniform assumptions	Calculated	73.6%	55.2%			
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	2,600,829	2,720,376			
28	All systems combined ADC/Governmental fund revenues	Calculated	12.8%	12.8%			
29 Pension Trigger Summary							
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded <u>AND</u> greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	NO	YES	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
 Local governments must post the current year report on their website or in a public place.
 The local government must electronically submit the form to its governing body.
 Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.
 Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

By emailing this report to the Michigan Department of Treasury, the local government acknowledges that this report is complete and accurate in all known respects.

The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	City of Traverse City	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	282010	
Unit Type	City	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2025	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Contact Name (Chief Administrative Officer)	Heidi Scheppe	
Title if not CAO	City Treasurer/Finance Director	
CAO (or designee) Email Address	bpostma@traversecitymi.gov	
Contact Telephone Number		
OPEB System Name (not division) 1	Act 345 Retiree Health Plan	If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
OPEB System Name (not division) 2	City of Traverse City Retiree Health Plan	
OPEB System Name (not division) 3		
OPEB System Name (not division) 4		
OPEB System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	YES	YES	YES	YES	YES
2	Provide the name of your retirement health care system	Calculated from above	Act 345 Retiree Health Plan	City of Traverse City Retiree Health Plan			
3 Financial Information							
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	6,791,397	2,163,652			
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	13,565,380	1,193,598			
6	Funded ratio	Calculated	50.1%	181.3%			
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	755,106	-			
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES	YES			
8	Governmental Fund Revenues	Most Recent Audit Report	41,712,196	41,712,196			
9	All systems combined ADC/Governmental fund revenues	Calculated	1.8%	1.8%			
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	20	14			
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	6	-			
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	56	38			
14	Provide the amount of premiums paid on behalf of the retirants	Most Recent Audit Report or Accounting Records	548,299	143,543			
15 Investment Performance							
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	10.62%	8.99%			
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	12.01%	10.52%			
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.13%	8.15%			
19 Actuarial Assumptions							
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%	7.00%			
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	7.00%	7.00%			
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	Level Dollar	Level Dollar			
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report	15	24			
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes	Yes			
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%	7.50%			
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	3.50%	3.50%			
27 Uniform Assumptions							
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	5,864,468	2,093,961			
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	13,603,307	1,217,182			
30	Funded ratio using uniform assumptions	Calculated	43.1%	172.0%			
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	984,732	-			
32	All systems combined ADC/Governmental fund revenues	Calculated	2.4%	2.4%			
33 Summary Report							
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES	YES			
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	N/A	N/A			
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. Non-Primary government triggers: Less than 40% funded	NO	NO	NO	NO	NO

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