

Non-Uniform Pension Plan Objectives

1. Fulfill City's Fiduciary Responsibility in a More Effective Manner

2. Lower Overall Plan Costs

Current Costs 1.32% of plan assets

Actuarial costs will increase from \$6,050 to \$12,000 annually or .10654% of plan assets. However, advisory fees and management fees will decrease to approximately 1.056% of plan assets. So, our expenses will be reduced to:

Projected Costs 1.16254% of plan assets

3. Segregate Plan Functions:

Actuarial function will be accomplished by Foster & Foster
Investment Advisory services will be provided by Stephens, Inc.
Assets will be managed by various firms chosen by Stephens, Inc.
(but will not include proprietary funds)

4. Increase Yields on Plan Assets

Working with our new actuaries and advisors, we can establish mandates and benchmarks to increase yields. This will reduce the required annual contribution and the unfunded liability.