

**CITY OF MILWAUKEE
EMPLOYES' RETIREMENT SYSTEM**

**ACTUARIAL VALUATION
AS OF JANUARY 1, 2001**

March 18, 2002

Annuity and Pension Board
Employes' Retirement System of
the City of Milwaukee
200 East Wells Street, Room 603
Milwaukee, WI 53202

Members of the Board:

This report presents the results of the annual actuarial valuation of the assets and liabilities of the City of Milwaukee Employes' Retirement System as of January 1, 2001, prepared in accordance with Chapter 36, Part 15(15) of the Milwaukee City Charter. The valuation takes into account all of the promised benefits to which members were entitled as of January 1, 2001, including pension and survivor benefits under the Global Pension Settlement which took effect as of January 1, 2000.

The valuation was based on the actuarial assumptions and methods as adopted by the Board of Trustees, and as specified by the Charter. The assumptions and methods are the same as those used for the prior valuation and are based upon the experience study for the five-year period ending December 31, 1996, with the exception of the rates of service retirement for firemen and policemen who consented to the Global Pension Settlement which were revised effective January 1, 2000.

Assets and Membership Data

The individual data for members of the System as of the valuation date were reported to the actuary by the ERS. While we did not verify the data at their source, we did perform tests for internal consistency and reasonability. The amount of assets in the trust fund taken into account in the valuation was based on statements prepared for us by the ERS.

Annuity and Pension Board
Employees' Retirement System of
the City of Milwaukee
March 18, 2002
Page 2

Financing Objective and Employer Contribution

The results of the January 1, 2001 valuation determine the employer contribution for the year ended December 31, 2001.

The financing objective of the System is to:

- (a) fully fund all current costs based on the normal contribution payable determined under the funding method; and
- (b) liquidate the unfunded accrued liability over an amortization period equal to the future working lifetime of employees covered by the funds.

On this basis, the valuation indicates that the employer contribution of \$144,000 for the 2001 plan year would be sufficient to provide for the payment of the promised pension and survivor benefits.

Financial Results and Membership Data

Detailed summaries of the financial results of the valuation and of the membership data used in preparing the valuation are shown in the valuation report.

To the best of our knowledge, this report is complete and accurate and has been prepared in accordance with generally accepted actuarial principles and practice.

Respectfully submitted,

S. Lynn Hill
Associate Principal, Consulting Actuary

Kim M. Nicholl, F.S.A.
Principal, Consulting Actuary

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Introduction

The law governing the Employees' Retirement System requires the Actuary, as the technical advisor to the Annuity and Pension Board, to “. . . make an annual valuation of the assets and liabilities of the funds of the retirement system.” {Chapter 36, Part 15(15)}. Buck Consultants, as Actuary, has completed the sixty-fourth annual actuarial valuation of the System as of January 1, 2001.

In this report we present the results of the January 1, 2001 valuation and the recommended employer contributions for the year ending December 31, 2001. For purposes of disclosure, the report also includes the schedule of employer contributions and schedule of funding progress as required by GASB Statement No. 25. The benefit provisions recognized in this valuation are those in place as of the valuation date.

The valuation was completed based upon membership and financial data provided by the administrative staff of the System. The majority of the actuarial assumptions, outlined on Pages 32-39, were adopted as of January 1, 1998, and are based on the experience study for the five-year period ended December 31, 1996. The rates of service retirement for firemen and policemen who participate in the Combined Fund were adopted as of January 1, 2000, to reflect enhanced benefits and improved service retirement eligibility under the terms of the Global Pension Settlement. The projected unit credit actuarial cost method was adopted as of January 1, 1995. As of January 1, 2000, an interest rate of 8½% has been used to value all benefits.

Changes Since Last Year

Since the January 1, 2000 actuarial valuation was completed, 136 individuals who were eligible for ERS benefits as of January 1, 2000 - and who had not consented to the Global Pension Settlement (GPS) - have now consented. The January 1, 2001 valuation reflects the impact of this change.

GPS provides that members enrolled through June 28, 2000, must provide written consent to the ERS in order to be eligible for the benefit enhancements of GPS. Members enrolled after June 28, 2000, are automatically participants in the Combined Fund and eligible for certain GPS benefit enhancements. GPS enhancements for eligible members enrolled after 1999 include:

- Improved and expanded automatic cost-of-living adjustments (COLAs)
- Special imputed military service credit if service retirement occurs prior to January 1, 2003
- Improved service retirement eligibility for firemen and policemen.

During the 8-year period immediately following their enrollment, general city employees who are enrolled as members on or after January 1, 2000, contribute a sum expressed as 1.6% of the member's pensionable earnings if they participate in the Combined Fund. If a member who makes these contributions separates from service without a vested pension, or withdraws his or her accumulated contributions, the 1.6% contributions are returned to the contributor without interest.

Summary of Principal Results

Summarized below are the principal financial results for the City of Milwaukee Employees' Retirement System based upon the actuarial valuation as of January 1, 2001. Comparable results from the January 1, 2000 valuation are also shown.

Item	January 1, 2001	January 1, 2000
Membership Data		
Active Members		
TM Number	13,194	13,709
TM Total Annual Covered Payroll on the Valuation Date	\$ 459,270,000	\$ 466,732,000
TM Average Pay	\$ 34,809	\$ 34,046
Retirees and Beneficiaries		
TM Number	9,992	9,780
TM Annual Benefit	\$ 149,949,879	\$ 138,681,697
TM Average Benefit Payment	\$ 15,007	\$ 14,180
Asset Values (includes contributions receivable)		
TM Actuarial Value	\$ 4,202,023,000	\$ 4,088,042,000
TM Market Value	\$ 4,097,766,000	\$ 4,251,775,000
Actuarially Determined Employer Contribution	Due 1/31/2002	Due 1/31/2001
TM Annual Cost	\$ 144,000	\$ 238,000
TM As % of Covered Payroll	0.03%	0.05%
Funded Status		
TM Accrued Liability	\$ 2,988,140,000	\$ 2,979,234,000
TM Actuarial Value of Assets	<u>4,202,023,000</u>	<u>4,088,042,000</u>
TM Unfunded (Overfunded) Accrued Liability	\$ (1,213,883,000)	\$ (1,108,808,000)
TM Funded Ratio	140.6%	137.2%

Fiscal Impact of New Consents to the Global Pension Settlement

Based on data provided to the actuary, 136 of the 2,132 active members, inactive members, and benefit recipients eligible for future ERS benefits as of January 1, 2000, who had not consented to GPS at the time the last valuation was processed, have now consented. The change in consent status increased the Present Value of Future Benefits (PVFB) for these individuals by \$2 million. At the direction of the Court the ERS is continuing to accept GPS consent forms, and we expect that additional Consenters will be included in the next actuarial valuation. Benefits will not change for individuals who did not consent to GPS.

Some non-consenting members have died without leaving survivors eligible for ERS benefits, some have withdrawn from the System, and some have separated without rights to a future ERS benefit. Some members newly enrolled between January 1, 2000 and June 28, 2000 have not consented to GPS. Table 6 of this report provides information about Consenters and Non-Consenters included in this valuation by membership status – active member, inactive member, or benefit recipient – and by employe group – fire, police, or General City.

GPS provides that the market value of the assets in the funds for Non-Consenters be divided among Consenters and Non-Consenters. The division is based on the actuarial liability covered by each fund under pre-GPS plan provisions. The division of assets for the 24,150 Consenters included in the January 1, 2000, valuation was effective January 1, 2000, and was discussed in the last valuation report. A division of the remaining assets for Non-Consenters is required at January 1, 2001, on account of the 136 Non-Consenters who have now consented. Table 8 of this report provides the necessary details.

Contribution Requirements for Fiscal Year 2001

Actuarially Determined Employer Contributions: The recommended contribution for 2001, payable January 31, 2002, is allocated to the different funds and employe groups as follows:

Item	General Employes	Policemen	Firemen	Total
Combined Fund	\$ 0	\$ 0	\$ 0	\$ 0
Retirement Fund	0	0	0	0
Duty Disability Funds	79,000	50,000	15,000	144,000
Heart & Lung Fund	N/A	N/A	0	0
Combined Retirement & Disability Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Contribution	\$ 79,000	\$ 50,000	\$ 15,000	\$ 144,000
Covered Compensation	\$ 309,322,000	\$ 100,019,000	\$ 49,929,000	\$ 459,270,000
Total Contribution as a Percentage of Covered Compensation	0.03%	0.05%	0.03%	0.03%

Member Contributions to the Above Funds:

Employer Paid

Each pay period the Employer makes fixed "member contributions" to the members' individual accounts equal to the following percentages of earnable compensation:

General Employes	5.5%
Elected officials	7.0%
Policemen	7.0% less \$1.00 per year per policeman
Firemen	7.0%

Member Paid

In addition, each policeman contributes \$1 per year to his or her individual account and general employes enrolled after 1999 who participate in the Combined Fund contribute 1.6% of earnable compensation during their first 8 years of employment.

The members' individual accounts are held in the Combined Fund, Retirement Fund, and the Combined Retirement and Disability Fund.

Funded Ratio

The System's funded status is measured by comparing the valuation assets with the accrued liability. The accrued liability is the present value of benefits accumulated to date under the System's funding method and reflects future pay increases for active Employees.

On this basis, the System's funded ratio is 140.6% as of January 1, 2001. The funded ratio is based on an actuarial value of assets of \$4.202 billion and an accrued liability of \$2.988 billion.

Reasons for Change in the Funded Ratio

The funded ratio increased from 137.2% as of January 1, 2000 to 140.6% as of January 1, 2001. The change is primarily due to the return on the actuarial value of assets, which was 9.32% for the 2000 plan year (compared to the expected return of 8.5%).

GASB No. 25 Disclosure

Statement Number 25 of the Governmental Accounting Standards Board established reporting standards for the annual financial reports of defined benefit pension plans. The System complied with Statement No. 25 beginning with the January 1, 1997 valuation. The statement requires disclosure of the “schedule of funding progress” and the “schedule of employer contributions” in the System’s financial statements.

The “schedule of funding progress” (Table 12a) shows historical trend information about the System’s actuarial value of assets, the actuarial accrued liability and the unfunded actuarial accrued liability. The actuarial funded status is measured by comparing the actuarial value of assets (based on a 3-year market-related value) with the accrued liability. The accrued liability is the present value of benefits accumulated to date under the System’s funding method and reflects future pay increases for active employees. On this basis, the System’s funded ratio is 140.6% as of January 1, 2001. The funded ratio is based on an actuarial value of assets of \$4.202 billion and an accrued liability of \$2.988 billion.

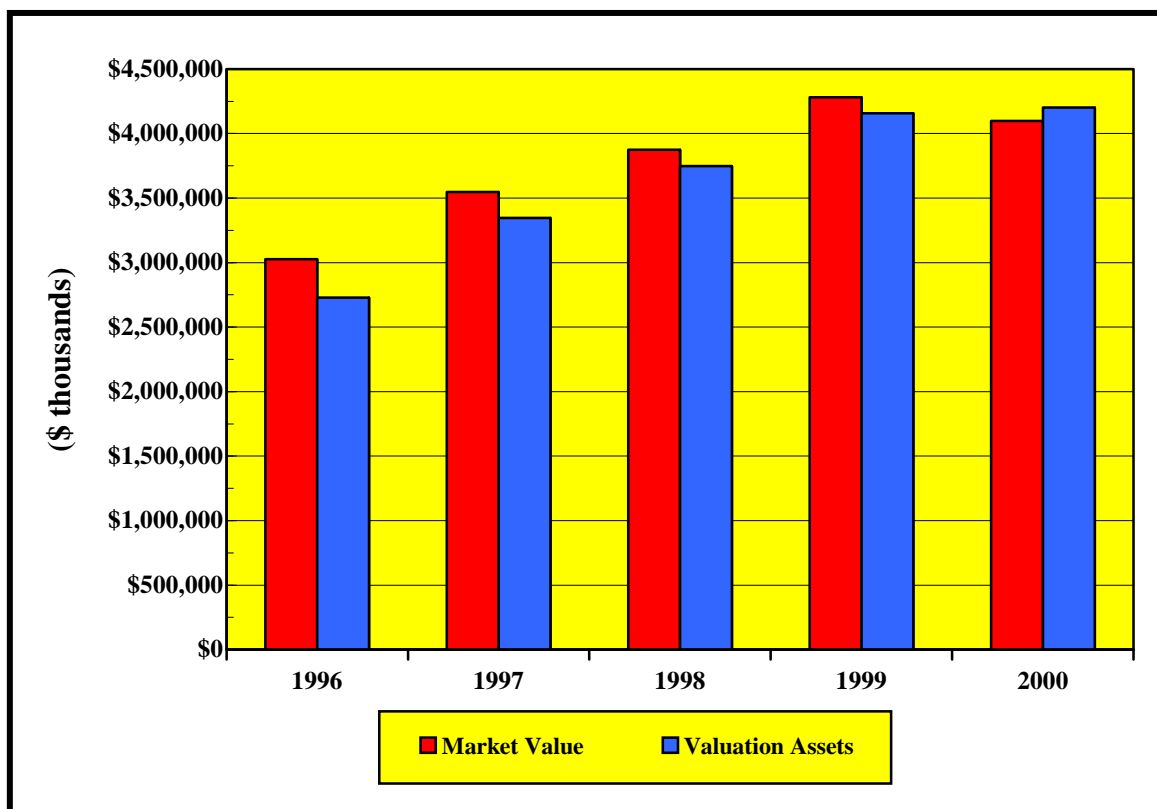
The “schedule of employer contributions” (Table 12b) shows historical trend information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System. The ARC is equal to the normal cost plus amortization of the unfunded actuarial accrued liability. The maximum period for amortizing the unfunded actuarial accrued liability permitted by GASB No. 25 is 40 years. The maximum amortization period decreases to 30 years in 2006. The employer contributions to the System are equal to 100% of the ARC.

Rate of Return

The investment return on all System assets on a market value basis (i.e., total return including both realized and unrealized gains and losses) for the plan year ended December 31, 2000, was 2.61%. The return based on the actuarial value of assets used for determining the System's funded status was 9.32%. A five-year history of the return on the actuarial value of assets is shown below.

Plan Year Ended December 31	Actuarial Value
2000	9.32%
1999	14.77
1998	15.20
1997	21.41
1996	16.10

Five-Year History of Market Value and Valuation Assets



The remainder of this report is comprised of the following:

Results of the Valuation		<u>Page No.</u>
Tables 1a/1b/1c	- Allocation of Total Contributions to Employee Groups	10-12
Table 2a	- Determination of Employer Contributions to Retirement Fund	13
Table 2b	- Determination of Employer Contributions to Combined Retirement & Disability Fund.....	14
Table 2c	- Determination of Employer Contributions to Combined Fund	15
Table 3	- Determination of Employer Contributions to Duty Disability Funds	16
Table 4	- Determination of City Contributions to Firemen’s Heart and Lung Fund.....	17
Table 5	- Determination of City Contributions to Firemen and Policemen’s Survivorship Fund.....	18
Table 6	- Member Data	19-21
Financial Data		
Table 7	- Summary of Market Value of Plan Assets	23
Table 8	- Allocation of Market Value of Assets in Funds for Non-Consenters Between Global Settlement Consenters Who Were Non-Consenters Last Year and Current Non-Consenters	24
Table 9	- Actuarial Value of Assets	25
Table 10	- Allocation of Assets Among Funds.....	26
Disclosure		
Table 11	- Funded Status	28
Table 12a	- Schedule of Funding Progress – GASB Statement No. 25 Disclosure	29
Table 12b	- Schedule of Employer Contributions – GASB Statement No. 25 Disclosure	30
Table 13	- Actuarial Balance Sheet for Members.....	31
Description of Actuarial Methods and Assumptions		32-39
Summary of Plan Provisions.....		40-72
Age/Service Distributions		73-83
Detailed Tabulations of the Data		84-107

Table 1a

**Allocation of Total 2001 Contributions to Employee Groups
Members in Retirement and Duty Disability Funds
Amount Due January 31, 2002**

Group	Active Members	Covered Compensation	Fund			January 31, 2002	
			Retirement	Duty Disability	Heart & Lung	Total Due	% of Pay
General City	140	\$ 4,939,627	\$ -	\$ 36,519	\$ -	\$ 36,519	0.74%
Water Department	20	750,058	-	5,545	-	5,545	0.74%
School Board	209	4,201,463	-	31,062	-	31,062	0.74%
Milwaukee Technical College	-	-	-	-	-	-	
Sewerage Commission	12	543,890	-	4,021	-	4,021	0.74%
Wisconsin Center District	4	82,493	-	-	-	610	0.74%
Housing Authority	5	168,159	-	1,243	-	1,243	0.74%
Policemen	4	112,866	-	50,000	-	50,000	44.30%
Firemen	-	-	-	15,000	-	15,000	
TOTAL	394	\$ 10,798,556	\$ -	\$ 144,000	\$ -	\$ 144,000	1.33%

Table 1b

**Allocation of Total 2001 Contributions to Employee Groups
Members in Combined Retirement and Disability Fund
Amount Due January 31, 2002**

Group	Active Members	Covered Compensation	Fund		January 31, 2002	
			Combined Retirement & Disability	Heart & Lung	Total Due	% of Pay
General City	99	\$ 3,071,247	\$ -	\$ -	\$ -	0.00%
Water Department	2	66,100	-	-	-	0.00%
School Board	234	3,419,602	-	-	-	0.00%
Milwaukee Technical College	-	-	-	-	-	
Sewerage Commission	4	241,859	-	-	-	0.00%
Wisconsin Center District	8	137,665	-	-	-	0.00%
Housing Authority	11	283,253	-	-	-	0.00%
Policemen	5	153,972	-	-	-	0.00%
Firemen	<u>1</u>	<u>26,478</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
TOTAL	364	\$ 7,400,176	\$ -	\$ -	\$ -	0.00%

Table 1c

**Allocation of Total 2001 Contributions to Employee Groups
Combined Fund
Amount Due January 31, 2002**

Group	Active Members	Covered Compensation	January 31, 2002	
			Total Due	% of Pay
General City	3,799	\$ 149,693,686	\$ -	0.00%
Water Department	329	13,087,441	-	0.00%
School Board	4,632	98,025,374	-	0.00%
Milwaukee Technical College	25	1,130,992	-	0.00%
Sewerage Commission	402	20,866,440	-	0.00%
Wisconsin Center District	72	2,782,020	-	0.00%
Housing Authority	128	5,830,759	-	0.00%
Policemen	2,026	99,751,629	-	0.00%
Firemen	1,023	49,902,454	-	0.00%
TOTAL	12,436	\$ 441,070,795	\$ -	0.00%

Table 2a
Determination of Employer Contributions to
Retirement Fund
(in thousands)

	General Employees	Police	Fire	Total
1. Active Members	390	4	-	394
2. Covered Compensation	\$ 10,686	\$ 113	\$ -	\$ 10,799
3. Normal Cost				
a. Total	1,006	16	-	1,022
b. Estimated Member Contributions	<u>588</u>	<u>8</u>	<u>-</u>	<u>596</u>
c. Employer Normal Cost	418	8	-	426
(a) – (b), not less than zero				
4. Active Actuarial Accrued Liability	16,216	141	-	16,357
5. Actuarial Assets (Net of Inactive Liabilities)	51,704	450	-	52,154
6. Unfunded Accrued Liability (4) - (5)	(35,488)	(309)	-	(35,797)
7. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2002	0	0	0	0
8. Annual Contribution Payable January 31, 2002	\$ 0	\$ 0	\$ 0	\$ 0

* The full funding limit is the contribution which, if made January 31, 2002, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 2b

**Determination of Employer Contributions
to Combined Retirement & Disability Fund
(in thousands)**

Item	General Employes	Police	Fire	Total
1. Active Members	358	5	1	364
2. Covered Compensation	\$ 7,220	\$ 154	\$ 26	\$ 7,400
3. Normal Cost				
a. Total	460	23	5	488
b. Estimated Member Contributions	<u>397</u>	<u>11</u>	<u>2</u>	<u>410</u>
c. Employer Normal Cost	63	12	3	78
(a) – (b), not less than zero				
4. Active Actuarial Accrued Liability	1,100	68	4	1,172
5. Actuarial Assets (Net of Inactive Liabilities)	1,501	93	7	1,601
6. Unfunded Accrued Liability (UAL) (4) - (5)	(401)	(25)	(3)	(429)
7. Full Funding Limit (3) + (6), not less than zero, with interest to 1/31/2002	0	0	0	0
8. Annual Contribution Payable January 31, 2002	\$ 0	\$ 0	\$ 0	\$ 0

* The full funding limit is the contribution which, if made January 31, 2002, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 2c

**Determination of Employer Contributions
to Combined Fund
(in thousands)**

Item	General Employees	Police	Fire	Total
1. Active Members	9,387	2,026	1,023	12,436
2. Covered Compensation	\$ 291,417	\$ 99,752	\$ 49,902	\$ 441,071
3. Normal Cost				
a. Total	34,376	23,806	13,810	71,992
b. Estimated Member Contributions	<u>16,221</u>	<u>6,983</u>	<u>3,493</u>	<u>26,697</u>
c. Employer Normal Cost	18,155	16,823	10,317	45,295
(a) – (b), not less than zero				
4. Active Actuarial Accrued Liability	609,200	382,705	233,494	1,225,399
5. Actuarial Assets (Net of Inactive Liabilities)	1,189,204	747,069	455,798	2,392,071
6. Unfunded Accrued Liability (UAL) (4) - (5)	(580,004)	(364,364)	(222,304)	(1,166,672)
7. Full Funding Limit (3) + (6), not less than zero, with interest to 1/31/2002	0	0	0	0
8. Annual Contribution Payable January 31, 2002	\$ 0	\$ 0	\$ 0	\$ 0

* The full funding limit is the contribution which, if made January 31, 2002, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 3

**Determination of Employer Contributions to
Duty Disability Funds
(in thousands)**

Item	General Employees	Police	Fire	Total
1. Active Members	390	4	-	394
2. Covered Compensation	\$ 10,686	\$ 113	\$ -	\$ 10,799
3. Normal Cost				
a. Total	30	2	-	32
b. Estimated Member Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
c. Employer Normal Cost	30	2	-	32
(a) - (b), not less than zero				
4. Accrued Liability				
a. Actives	383	13	-	396
b. Annuitants	<u>461</u>	<u>1,104</u>	<u>352</u>	<u>1,917</u>
c. Total	844	1,117	352	2,313
5. Actuarial Value of Assets	506	692	218	1,416
6. Unfunded Accrued Liability (UAL) (4) - (5)	338	425	134	897
7. Amortization of UAL (average future working lifetime)	42 (12 years)	44 (17 years)	14 (17 years)	100
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2002	402	466	146	1,014
9. Annual Contribution Payable January 31, 2002 (3) + (7), with interest to 1/31/2002, but not more than (8)	\$ 79	\$ 50	\$ 15	\$ 144

* The full funding limit is the contribution which, if made January 31, 2002, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 4

**Determination of City Contributions to
Firemen's Heart and Lung Fund
(in thousands)**

Item	Amount
1. Active Members	1
2. Covered Compensation	\$ 26
3. Normal Cost	
a. Total	1
b. Estimated Member Contributions	<u>-</u>
c. Employer Normal Cost	1
(a) – (b), not less than zero	
4. Accrued Liability	
a. Actives	1
b. Annuitants	<u>200</u>
c. Total	201
5. Actuarial Value of Assets	686
6. Unfunded Accrued Liability (UAL)	(485)
7. Full Funding Limit	-
(3) + (6), not less than zero, With interest to 1/31/2002	
8. Annual Contribution	\$ 0
Payable January 31, 2002	

* The full funding limit is the contribution which, if made January 31, 2002, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 5
Determination of City Contributions to
Firemen & Policemen's Survivorship Fund
(in thousands)

Item	Accrued Liability	Full Present Value of Future Benefits
1. Liability		
a. Active Members	\$ 3	\$ 7
b. Current Beneficiaries	<u>107</u>	<u>107</u>
c. Total	\$ 110	\$ 114
2. Actuarial Value of Assets	\$ 2,246	\$ 2,246
3. Reserve for Adverse Experience	\$ 2,136	\$ 2,132
4. Number of Members Contributing as of December 31, 2000		
a. Active Members	10	
b. Members Retired on Disability	<u>3</u>	
c. Total	13	

Notes:

- (1) The City does not make contributions to the Fire & Police Survivorship Fund. Using assets allocated to the Fund for the Non-Consenters that remain in the Fund, the City will purchase single premium insurance to provide for future benefit payments to these non-Consenters. Once the insurance is purchased the remaining assets will be transferred to the Combined Fund and the Survivorship Fund will be dissolved.
- (2) Non-consenting firemen and policemen are required to contribute 0.87% of the first \$6,000 of earnable compensation (a maximum contribution of \$52.20 per year) toward Survivorship Benefits. These member contributions will be credited to the Combined Fund.

Table 6
Member Data

Item	12/31/1999	12/31/2000		
	Total	Vested	Non-Vested	Total
Number of Members				
Active				
General Employes	10,586	7,715	2,420	10,135
Policemen	2,113	1,710	325	2,035
Firemen	<u>1,010</u>	<u>883</u>	<u>141</u>	<u>1,024</u>
Total Active Members	13,709	10,308	2,886	13,194
Inactive				
Deferred Retirees/Refunds	2,771			3,303
Deferred Fire & Police Survivorship Fund	<u>22</u>			<u>22</u>
Total Inactive Members	2,793			3,325
Benefit Recipients				
Combined Fund	9,419			9,802
Retirement Fund	346			179
General Employes' Duty Disability Fund	3			3
Fire & Police Duty Disability Fund				
Firemen	5			1
Policemen	<u>3</u>			<u>3</u>
Duty Disability Funds Subtotal	11			7
Firemen's Heart & Lung Fund	2			2
Fire & Police Survivorship Fund	<u>2</u>			<u>2</u>
Total Benefit Recipients	9,780			9,992
TOTAL Membership	26,282			26,511

Notes:

- (1) Vested members have four or more years of service. Non-vested members have less than four years of service.

Table 6
Member Data
(continued)

Item	12/31/2000 Membership		
Number of Members	Consenters	Others	Total
Active			
General Employes	9,387	748	10,135
Policemen	2,026	9	2,035
Firemen	<u>1,023</u>	<u>1</u>	<u>1,024</u>
Total Active Members	12,436	758	13,194
Inactive			
Deferred Retirees/Refunds	2,519	784	3,303
Deferred Fire & Police Survivorship Fund	<u>15</u>	<u>7</u>	<u>22</u>
Total Inactive Members	2,534	791	3,325
Benefit Recipients			
Combined Fund	9,802		9,802
Retirement Fund		179	179
General Employes' Duty Disability Fund		3	3
Fire & Police Duty Disability Fund			
Firemen		1	1
Policemen		<u>3</u>	<u>3</u>
Duty Disability Funds Subtotal		7	7
Firemen's Heart & Lung Fund		2	2
Fire & Police Survivorship Fund		<u>2</u>	<u>2</u>
Total Benefit Recipients	9,802	190	9,992
TOTAL Membership	24,772	1,739	26,511

Notes:

- (1) In addition to the above, there are additional members who have separated from service without vested rights to either a pension or a refund of accumulated contributions. There is no current actuarial liability for such individuals, and their membership will be terminated if they do not return to active service within 5 years of their date of separation from ERS covered employment.

Table 6
Member Data
(continued)

Item	12/31/1999	12/31/2000
Annual Earnings		
General Employes	\$ 317,890,000	\$ 309,322,000
Policemen	100,886,000	100,019,000
Firemen	<u>47,956,000</u>	<u>49,929,000</u>
Total Annual Earnings	\$ 466,732,000	\$ 459,270,000
Average Earnings		
General Employes	\$ 30,029	\$ 30,520
Policemen	\$ 47,746	\$ 49,149
Firemen	\$ 47,481	\$ 48,759
Annual Benefit Payments Currently Being Made		
Combined Fund	\$ 135,641,872	\$ 148,349,355
Retirement Fund	2,716,452	1,357,586
General Employes' Duty Disability Fund	50,692	71,522
Fire & Police Duty Disability Fund		
Firemen	158,736	35,664
Policemen	<u>81,167</u>	<u>100,424</u>
Duty Disability Funds Subtotal	290,595	207,610
Firemen's Heart & Lung Fund	29,328	29,328
Fire & Police Survivorship Fund	<u>3,450</u>	<u>6,000</u>
Total Benefit Payments	\$ 138,681,697	\$ 149,949,879

Notes:

- (1) "Annual earnings" represent a rate of pay as of the valuation date, and can be considered as the approximate average of (a) earnable compensation for the year just ended, and (b) expected earnable compensation for the year following the valuation date.
- (2) "Annual benefit payments currently being made" equal 12 times the full December monthly payment. The amounts shown include all amounts payable by the Employees' Retirement System, and have been reduced by workers' compensation offsets for members who are currently repaying a workers' compensation award.

FINANCIAL DATA

Information was obtained from audited financial statements prepared by the Employees' Retirement System for the year ended December 31, 2000.

The Global Pension Settlement (GPS) requires transfers between various funds as of January 1, 2001 for Consenters who were Non-Consenters when the January 1, 2000 actuarial valuation was prepared. In addition, the amount of receivable contributions and fees that were forgiven and absorbed by the Combined Fund as of January 1, 2000 has been restated. These adjustments to the System's market value of assets are shown in Tables 7 and 8.

Table 7
Summary of Market Value of Plan Assets
As of January 1, 2001
(in thousands)

Item	Amount
1. Market Value of Assets as of December 31, 1999	\$ 4,280,569
a. Forgiveness at January 1, 2000 under Global Settlement*	28,679
b. Attorney and Actuarial Fees Paid under Global Settlement*	<u>3,520</u>
c. Market Value of Assets as of January 1, 2000*	4,248,370
2. Contributions During Year	
a. Member	28,425
b. Employer (receivable 1/31/2001)	<u>238</u>
c. Total	28,663
3. Disbursements During Year	
a. Benefit Payments and Refunds During Year	149,415
b. Accrued Unpaid 1/1/2000 Global Settlement Lump Sums	<u>139,000</u>
c. Total	288,415
4. Investment Return (net of Administrative Expenses)	109,148
5. Market Value of Assets as of December 31, 2000 (1) + (2) - (3) + (4)	4,097,766
6. Average Market Value During 2000 (1) + ((2a) - (3a))/2	4,187,875
7. Rate of Return (4) / (6)	2.61%

*Restated

Table 8

**Allocation of Market Value of Assets in Funds for Non-Consenters Between
Global Settlement Consenters who were Non-Consenters Last Year
And Current Non-Consenters as of December 31, 2000
(in thousands)**

Fund	Accrued Liability Based on Pre-GPS Benefit Provisions			Market Value of Assets		
	Consenters	Others	Total	Consenters	Others	Total
1. Retirement Fund	\$ 8,066	\$ 34,725	\$ 42,791	\$ 15,974	\$ 68,769	\$ 84,743
2. General Employees' Duty Disability Fund	316	844	1,160	184	493	677
3. Fire & Police Duty Disability Fund	1,915	1,469	3,384	1,157	887	2,044
4. Firemen's Heart & Lung Fund	-	201	201	-	659	659
5. Fire & Police Survivorship Fund	38	110	148	757	2,190	2,947
6. Combined Retirement & Disability Fund	<u>46</u>	<u>1,368</u>	<u>1,414</u>	<u>59</u>	<u>1,752</u>	<u>1,811</u>
7. Total Funds for Non-Consenters	\$ 10,381	\$ 38,717	\$ 49,098	\$ 18,131	\$ 74,750	\$ 92,881

Notes:

- (1) Assets allocated to Global Settlement Consenters who were Non-Consenters last year are transferred to the Combined Fund as of January 1, 2001.

Table 9
Actuarial Value of Assets as of January 1, 2001
(in thousands)

	Total
1. Actuarial Value January 1, 2000*	\$ 4,086,785
2. Market Value January 1, 2000*	4,248,370
3. Market Value January 1, 2001	4,097,766
4. Contributions	
(a) Member	28,425
(b) Employer (receivable 1/31/01)	<u>238</u>
(c) Total	28,663
5. Benefits and Refunds Paid	288,415
6. Actual Return Net of Administrative Expenses	109,148
7. Expected Return based on 8½% Interest	355,969
8. Excess of Actual over Expected	
(a) Current Year	(246,821)
(b) Previous Year	180,061
(c) Second Previous Year	124,632
9. Recognized Excess	
(a) Current Year	(82,274)
(b) Previous Year	60,020
(c) Second Previous Year	<u>41,544</u>
(d) Total	19,290
10. Preliminary Value January 1, 2001 (1) + (4) – (5) + (7) + (9)	4,202,292
11. Ratio of Preliminary Value to Market Value (10) ÷ (3)	102.55%
12. Balance in Employers' Reserve Fund	9,261
13. Market Value Excluding Employers' Reserve Fund (3) – (12)	4,088,505
14. Actuarial Value (11) x (13) + (12)	4,202,023

* Restated to reflect additional contributions and fees forgiven

Table 10
Allocation of Assets Among Funds
as of January 1, 2001
(in thousands)

Fund	Market Value	Actuarial Value
1. Combined Fund	\$ 4,013,755	\$ 4,116,095
2. Employers' Reserve Fund	9,261	9,261
3. Retirement Fund	68,769	70,522
4. General Employees' Duty Disability Fund	493	506
5. Fire & Police Duty Disability Fund	887	910
6. Firemen's Heart & Lung Fund	659	686
7. Fire & Police Survivorship Fund	2,190	2,246
8. Combined Retirement & Disability Fund	<u>1,752</u>	<u>1,797</u>
9. Total all Funds	\$ 4,097,766	\$ 4,202,023

Notes:

- (1) Values shown include January 31, 2001 contributions receivable
- (2) For purposes of the actuarial valuation the actuary has shifted \$571 thousand from the market value of assets in the Retirement Fund to the market value of assets in the Combined Retirement & Disability Fund. This is the amount of member contributions that the actuary estimates was paid to the trust during calendar year 2000 on behalf of participants in the Combined Retirement & Disability Fund. The System's December 31, 2000 General Purpose Financial Statements allocate these contributions to the Retirement Fund.

DISCLOSURE

For financial reporting purposes we have prepared tables as required by Statement No. 25 of the Governmental Accounting Standards Board (GASB) (Table 12). In addition, Table 11 shows the funded status of the Actuarial Accrued Liability based on the Actuarial Value of Assets. For historical purposes, Table 13 provides an actuarial balance sheet for members, comparing the Actuarial Accrued Liability to the Market Value of Assets.

GASB STATEMENT NO. 25

The Schedule of Funding progress (Table 12a) shows historical information about the System's actuarial value of assets, the actuarial accrued liability and the unfunded actuarial accrued liability. The schedule of employer contributions shows historical information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System.

Table 11
January 1, 2001 Valuation
Funded Status
(in thousands)

Fund	Accrued Liability	Actuarial Value of Assets	Percent Funded
1. Combined Fund	\$ 2,949,423	\$ 4,116,095	139.6%
2. Employers' Reserve Fund	-	9,261	
3. Retirement Fund	34,725	70,522	203.1%
4. General Employees' Duty Disability Fund	844	506	60.0%
5. Fire & Police Duty Disability Fund	1,469	910	61.9%
6. Firemen's Heart & Lung Fund	201	686	341.3%
7. Fire & Police Survivorship Fund	110	2,246	2041.8%
8. Combined Retirement & Disability Fund	<u>1,368</u>	<u>1,797</u>	131.4%
9. Total All Funds	\$ 2,988,140	\$ 4,202,023	140.6%

Table 12a
Schedule of Funding Progress
GASB Statement No. 25 Disclosure
(\$ in thousands)

Valuation as of January 1	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Accrued Liability as a Percentage of Covered Payroll
2001	\$ 4,202,023	\$ 2,988,140	\$ 0	140.6%	\$ 459,271	0.0%
2000	4,088,042	2,979,234	\$ 0	137.2%	466,732	0.0%
1999	3,748,894	2,435,776	0	153.9%	448,972	0.0%
1998	3,346,051	2,322,020	0	144.1%	443,357	0.0%
1997	2,728,480	2,280,975	0	119.6%	431,364	0.0%
1996	2,342,835	2,169,100	0	108.0%	426,490	0.0%
1995	2,119,557	1,832,449	0	115.7%	391,314	0.0%
1994	2,048,201	1,538,464	0	133.1%	377,822	0.0%
1993	1,924,980	1,514,263	0	127.1%	376,683	0.0%
1992	1,787,761	1,491,399	0	119.9%	344,689	0.0%

Table 12b
Schedule of Employer Contributions
GASB Statement No. 25 Disclosure
(in thousands)

Fiscal Year Ended December 31	Annual Required Contribution	Percentage Contributed*
2000	\$ 238	100%
1999	6,806	100
1998	6,050	100
1997	5,079	100
1996	2,962	100
1995	2,557	100
1994	5,220	100
1993	3,470	100
1992	13,439	100
1991	13,946	100

* Certain employer contributions for the 1996 through 1999 plan years were forgiven under the Global Pension Settlement. For purposes of GASB 25 Disclosure these contributions are treated as having been made.

The information presented above was determined as part of the actuarial valuation as of one year prior to the dates indicated (i.e., the contribution determined by the valuation completed as of January 1, 2000 was contributed for the fiscal year ending December 31, 2000).

The Annual Required Contribution (ARC) is the sum of the defined contribution to the Fire and Police Survivorship Fund and the actuarially determined Employer contribution to all other Funds.

Additional information as of the latest actuarial valuation follows:

Valuation Date:	January 1, 2001
Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Closed; Level dollar
Remaining Amortization Period:	11-20 years
Asset Valuation Method:	3-year market-related value

Actuarial Assumptions:

- Investment Rate of Return 8.5%

Projected Salary Increases	<u>General</u>	<u>Police and Fire</u>
	3.5% - 7.5%	4% - 14%

 - Inflation Assumption 3.5%
 - Cost of Living Adjustments Vary by Employee Group
as explained in summary
of plan provisions

Table 13
Actuarial Balance Sheet
for Members at January 1, 2001
(in thousands)

Item	Amount
Assets:	
Market Value of Assets	\$ 4,097,776
Market Adjustment	<u>104,247</u>
Actuarial Value of Assets	\$ 4,202,023
Liabilities:	
Actuarial Present Value of Credited Projected Benefits	
Annuitants	\$ 1,697,986
Inactive Members	
Member Contributions	38,864
Employer Financed Portion	7,962
Active Members	
Member Contributions	347,994
Employer Financed Portion	895,334
Reserve for Adverse Experience	<u>1,213,883</u>
Total Liabilities	\$ 4,202,023

DESCRIPTION OF ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial Cost Method

The method of financing the System is prescribed in section 36.08 of the Milwaukee City Charter.

Method: Projected Unit Credit

Under the Projected Unit Credit Method, the Normal Cost for a year is the Actuarial Present Value (APV) of the benefits expected to be earned in that year, based on pay projected to separation from ERS. The Actuarial Accrued Liability (AAL) is the APV of all benefits earned to the beginning of the year. The UAAL, under this method, is the excess of the AAL over the Actuarial Value of Assets, if any. The total Employer contribution is the sum of the Employer portion of the Normal Cost (Total Normal Cost less expected member contributions) plus an amount to amortize the UAAL over a period equal to the future working lifetime of employees covered by the Funds from the valuation date as a level dollar amount.

If the Actuarial Value of Assets exceeds the sum of the AAL and the Employer portion of the Normal Cost, there is no Employer contribution required for that year.

Asset Values

Two asset values appear in this report. A description of each and a brief explanation of where they are used is as follows:

Market Value

The market value of assets is the value of investments if they were to be sold currently. The market value of assets is used to develop the actuarial value of assets. (See Table 7.)

Actuarial Value

The actuarial value of the assets in the Employers' Reserve Fund is equal to the market value of assets. The actuarial value of assets for the remaining funds is a smoothed value of assets. Under this method, the difference between the expected 8½% return on market value and the actual return on market value is phased in over a three-year period. The actuarial value shall not be less than 90% or more than 110% of market value. (See Table 9.) The actuarial value of assets is used in the determination of the Employer's actuarial contribution requirements. (See Tables 2-4.)

Other Considerations

Where necessary for determination of separate contributions, assets allocable to various groups were estimated.

Actuarial Assumptions Adopted Effective January 1, 1998
(except as noted)

Interest

8.5% per annum

Salary Increases

Career average of 4½% per annum for general employes and 5½% per annum for police and fire, compounded annually. Representative values are as follows:

<u>Age</u>	<u>General</u>	<u>Fire and Police</u>
25	7.1%	11.2%
30	6.1	7.7
35	5.3	5.8
40	4.6	4.7
45	4.3	4.3
50	4.0	4.1
55	3.6	4.0
60	3.5	4.0
65	3.5	4.0

Annual increases of 4% per annum are assumed for policemen and firemen on duty disability. Annual increases of 3.5% per annum are assumed for general employes. (The increases for duty disabled fire and police affect both current duty disability benefits and future service retirement or extended life conversion benefits. The increases for general employes affect only service retirement conversion benefits.)

Early and Normal Retirement

Normal retirement rates for fire and police participating in the Combined Fund were adopted effective January 1, 2000. Illustrative rates of retirement are as follows:

Age	Early Retirement	Normal Retirement			Normal Retirement	
	General Employees	General Employees	Not Participating in Combined Fund		Participating in Combined Fund	
			Policemen	Firemen	Policemen	Firemen
44					10.0%	
45					11.5	
46					13.5	
47					15.5	
48					17.5	
49					20.5	12%
50					23.5	15
51					27.0	17
52			55%	41%	30.0	19
53			24	10	32.0	19
54			24	15	32.0	24
55	2%	75%	24	25	32.0	34
56	2	50	40	30	48.0	39
57	2	50	35	35	47.0	48
58	2	50	35	55	47.0	66
59	2	50	35	45	47.0	58
60		25	35	45	47.0	58
61		25	35	75	47.0	88
62		25	50	75	58.0	88
63		25	100	100	100.0	100
64		25	100	100	100.0	100
65		35	100	100	100.0	100
66		35	100	100	100.0	100
67		20	100	100	100.0	100
68		20	100	100	100.0	100
69		20	100	100	100.0	100
70		100	100	100	100.0	100

For firemen and policemen participating in the Combined Fund, additional rates of normal retirement apply in the year that a member is first eligible to retire on service retirement, and in the first year that the Global Pension Settlement is effective.

Police: 12%
Fire: 9%

Survivor Benefits

It is assumed that the female spouse is three years younger than the male. In absence of evidence to the contrary, it is assumed that 85% of general employes and 95% of Policemen and Firemen are married, with dependent children described by the following table:

<u>Member's Age at Death</u>	<u>Number of Dependent Children</u>	<u>Age of Youngest Child</u>
20	0	N/A
25	1.5	1
30	2.5	2
35	2.5	5
40	2.5	8
45	2.0	11
50	1.5	14
55	1.0	15
60 and Over	0	N/A

The percentage of retiring employes assumed to elect option 3, the subsidized 50% option, is 60% for males and 20% for females. The percentage of general employes assumed electing the 100% PSO option before retirement is 25% for males and 10% for females. For firemen and policemen, 95% are assumed to elect the 100% PSO option before retirement.

Duty Deaths

The following percentages of deaths in active service are assumed incurred in the performance of duty:

- General Employes: 5%
- Police & Fire: 20%. In addition, amongst firemen, 25% of duty deaths are assumed to occur under the Heart and Lung Law.

Duty Disabilities

The following percentages of disabilities are assumed incurred in the performance of duty:

- General Employes: 20%
- Police: 95% of the non-Pikalek disabilities and 100% of the Pikalek disabilities. 5% of non-Pikalek duty disabilities are assumed eligible for the special 90% benefit.
- Fire: 95%. 5% of duty disabilities are assumed eligible for the special 90% benefit and 30% are assumed to occur under the Heart and Lung Law.

Miscellaneous

Part time employes who work less than 1,000 hours in the year preceding the valuation are assumed to earn one half year of creditable service for each calendar year of employment.

Active members who worked less than 100 hours in the prior year, but who have not officially terminated employment are included in the count of Inactives in Table 6. These members are not assumed to earn additional service credit in future years.

**Illustrative Rates of Termination, Disability, and Remarriage
for General Employees, Firemen, and Policemen**

Age	Termination		Disability		Remarriage	
	Males	Females	Males	Females	Males	Females
General Employees						
20	20.203%	20.203%	0.06%	0.04%	14.46%	14.46%
25	13.442	13.442	0.06	0.04	9.45	9.45
30	9.374	9.374	0.06	0.04	5.94	5.94
35	6.645	6.645	0.25	0.10	4.02	4.02
40	4.330	4.330	0.30	0.20	2.80	2.80
45	2.696	2.696	0.35	0.30	1.75	1.75
50	0.950	0.950	0.70	0.40	0.96	0.96
55	0.950	0.950	1.10	0.50	0.26	0.26
60	-	-	0.90	0.40	-	-
65	-	-	0.80	0.30	-	-
Firemen						
20	3.000%	4.750%	0.08%	0.08%	14.46%	14.46%
25	2.800	4.050	0.17	0.17	9.45	9.45
30	2.300	3.000	0.35	0.35	5.94	5.94
35	1.800	3.000	0.95	0.95	4.02	4.02
40	1.200	3.000	1.50	1.50	2.80	2.80
45	0.650	2.400	1.50	1.50	1.75	1.75
50	-	-	1.50	1.50	0.96	0.96
55	-	-	1.50	1.50	0.26	0.26
60	-	-	1.50	1.50	-	-
65	-	-	1.50	1.50	-	-
Policemen *						
20	3.000%	4.750%	0.06%	0.06%	14.46%	14.46%
25	2.800	4.050	0.06	0.06	9.45	9.45
30	2.300	3.000	0.15	0.15	5.94	5.94
35	1.800	3.000	0.20	0.20	4.02	4.02
40	1.200	3.000	0.30	0.30	2.80	2.80
45	0.650	2.400	0.40	0.40	1.75	1.75
50	-	-	0.30	0.30	0.96	0.96
55	-	-	0.30	0.30	0.26	0.26
60	-	-	0.30	0.30	-	-
65	-	-	0.30	0.30	-	-

* Disability rates for the regular 75% benefit are doubled at ages 40 and over for policemen hired prior to August 1, 1985.

**Illustrative Rates of Mortality, Disability Mortality, and Disability Recovery
for General Employees, Firemen, and Policemen**

Age	Mortality		Disability Mortality		Disability Recovery	
	Males	Females	Males	Females	Males	Females
20	0.094%	0.062%	1.213%	1.062%	14.950%	14.950%
25	0.138	0.063	1.213	1.062	9.940	9.940
30	0.097	0.071	1.213	1.062	4.880	4.880
35	0.117	0.086	1.213	1.062	6.920	6.920
40	0.140	0.108	1.213	1.062	2.830	2.830
45	0.178	0.139	1.213	1.062	1.700	1.700
50	0.276	0.195	1.213	1.062	0.450	0.450
55	0.455	0.301	1.213	1.062	-	-
60	0.733	0.562	1.213	1.062	-	-
65	1.213	1.062	1.213	1.062	-	-
70	2.076	1.826	2.076	1.826	-	-
75	3.514	2.997	3.514	2.997	-	-
80	5.233	4.479	5.233	4.479	-	-
85	7.906	7.906	7.906	7.906	-	-
90	10.844	12.348	10.844	12.348	-	-
95	15.639	17.504	15.639	17.504	-	-
100	20.836	27.511	20.836	27.511	-	-
105	26.103	51.790	26.103	51.790	-	-
115	100.000	100.000	100.000	100.000	-	-

SUMMARY OF PLAN PROVISIONS

Eligibility for Membership

Membership is optional for all employes who were in service as of January 1, 1938. New employes are automatically members as a condition of employment. Membership is optional for elected officials.

Participation in the Combined Fund

On January 19, 2001 the Combined Fund was created, retroactive to January 1, 2000. Individuals who participate in the Combined Fund may be eligible for certain benefit enhancements which are described in this Summary of Plan Provisions. Members who enroll in the ERS after June 28, 2000, and their eligible survivors, are automatically participants in the Combined Fund. Members enrolled in the ERS on or before June 28, 2000, and their eligible survivors, participate in the Combined Fund provided that the members consented in writing to the Global Pension Settlement. Eligible survivors of members or retirees who died on or before June 28, 2000 participate in the Combined Fund provided that the eligible survivors consented in writing to the Global Pension Settlement. Members or survivors whose benefit payments ceased prior to January 1, 2000, are not eligible for benefits from the Combined Fund.

Creditable Service

Creditable service equals prior service plus membership service. Prior service includes service as an employe prior to January 1, 1938, or prior to an amendment which made the employe eligible for membership in the System. Membership service means service as an employe since last becoming a member, on account of which contributions are made.

- (a) For most employes, 2080 hours of service constitute one year of creditable service. For prevailing wage employes (carpenters and other tradespeople) 2000 hours constitute one year. For members employed by the school board for a 10-month school year, 1560 hours of service constitute a year of creditable service.

- (b) Under certain conditions creditable service may be granted for periods of absence due to military service.
- (c) For purposes of computing the service retirement allowance only, creditable service is granted for periods of eligibility for a duty disability retirement allowance.
- (d) No more than one year of creditable service is granted for service in a single calendar year.

Imputed Service

Imputed service credit may be granted, under specified conditions, to members who consented to the Global Pension Settlement. Imputed service credit is used to calculate the amount of certain benefits, but is not used to determine eligibility for any kind of benefit. An individual may be eligible for one or more types of imputed service credit.

Eligibility for Imputed Service Credit

Only individuals participating in the Combined Fund can become eligible for the following types of imputed service credit.

- (a) **Imputed military service credit:** The member must have been active in the armed forces of the United States of America prior to his or her enrollment in the ERS, and must have been honorably discharged. In addition, the member's date of retirement or pre-retirement death must be on or before December 31, 2002, and must also be on or after (i) January 1, 1998, for eligible members of the MPA and Local 215; (ii) January 1, 1999, for eligible general employees and members of the MPSO; and (iii) January 1, 2000, for non-represented fire and police. An individual eligible for imputed military service credit must apply for the credit.
- (b) **Imputed fire and police service credit:** The member must have been in active ERS service as a fireman or policeman as of January 1, 2000, and must also retire from ERS service as a fireman or policeman, or die while a fireman or policeman

eligible for protective survivorship option benefits. If the eligible individual is a policeman at death or retirement, then he must have either attained the minimum service retirement age of 57, or completed 25 years of creditable service as a fireman or policeman,

- (c) **Imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund**, (the "Fund"): The member must have been a policeman who was an active member of the "Fund" as of January 1, 2000. If the policeman was in active ERS service as of January 1, 2000, he must either retire as a policeman on a service retirement allowance at the minimum service retirement age of 57 or after completing 25 years of creditable service as a fireman or policeman; or he must retire on a policeman's duty disability retirement allowance and subsequently convert to a service retirement allowance. If the policeman was retired on a duty disability retirement allowance as of January 1, 2000, then he must subsequently convert to a service retirement allowance.

Benefits Affected by Imputed Service Credit

- (a) **Imputed military service credit and/or imputed fire and police service credit:** The amount of the service retirement allowance, the conversion service retirement allowance, protective survivorship option benefits, and the extended life duty disability retirement allowance are affected. If the eligible individual is also entitled to a 5% Lump Sum Bonus, a Retiree Special Bonus, and/or an 8.6% Dissolution Bonus that is based on the affected benefit, then the imputed service credit is included in calculating the base for the bonus payment(s).
- (b) **Imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund:** The amount of the service retirement allowance and the conversion service retirement allowance are affected. If the service retirement allowance is affected, then the imputed service credit is included in calculating the base for the 5% Lump Sum Bonus.

See the benefit descriptions later in this summary for further details on how imputed service credit is used.

Amount of Imputed Service Credit

- (a) **Imputed military service credit:** A period of eligible military service consists of a period of at least 90 consecutive days of active service in the armed forces of the United States prior to enrollment in the ERS. Total eligible military service equals the sum of all periods of eligible military service. Imputed military service credit equals one-third of the member's total eligible military service, to a maximum of three years of imputed military service credit.
- (b) **Imputed fire and police service credit:** For policemen - and for firemen with 20 years of creditable service as a fireman or policeman - 1.5 years. For firemen with less than 20 years of creditable service as a fireman or policeman: 1.5 years times a fraction whose numerator is years of creditable fire and police service, and whose denominator is 20.
- (c) **Imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund:** 2 years.

Vesting Service

In the year of hire or termination, vesting service is based on elapsed time. In other years, members receive vesting service as follows:

- (a) No vesting service if creditable service is zero for the year;
- (b) One-half year of vesting service if creditable service is less than or equal to one-half the hours required for a year of creditable service; and
- (c) One year of vesting service if creditable service exceeds one-half the hours required for a year of creditable service.

Earnable Compensation

The annual regular base salary that would be payable to a member if he or she worked the full normal working time for his or her position. Earnable compensation for the calendar year preceding retirement may also include longevity in rank pay, (limited) variable shift assignment pay, and/or certification pay for policemen; and emergency medical technician pay for firemen. Earnable compensation for school board employes represented by Local 950, OEIU, also includes site differential pay.

Final Average Salary

- (a) For general employes, final average salary means the average annual earnable compensation computed on the 3 years of creditable service preceding retirement, death or separation from service during which earnable compensation was the highest.
- (b) For policemen and firemen, final average salary means the average annual earnable compensation computed on the year of creditable service preceding retirement, death or separation from service during which earnable compensation was the highest.
- (c) For members converting from a duty disability retirement allowance to a service retirement allowance, the service retirement allowance is computed on the basis of the current compensation of the member's position at the service retirement date.

Eligibility for Service Retirement

- (a) A service retirement allowance is payable to any member who elects to retire after attaining the minimum service retirement age, which is age 60 for general employes and age 57 for policemen and firemen.
- (b) General employes who have attained age 55 and completed 30 years of creditable service, are eligible for service retirement.

- (c) Policemen who participate in the Combined Fund are eligible for service retirement at any age after completing 25 years of creditable fire or police service.
- (d) Firemen who participate in the Combined Fund, who have attained age 49 and completed 22 years of creditable fire or police service, are eligible for service retirement.
- (e) Policeman and firemen who are not participants in the Combined Fund are eligible for service retirement after attaining age 52 and completing 25 years of creditable fire or police service.

Amount of Service Retirement Allowance

The amount of a member's service retirement allowance is equal to the following:

- (a) For general employes, 2% of final average salary for each year of creditable service or imputed military service, limited to 70% of final average salary.
- (b) For firemen enrolled prior to March 1, 1989, and policemen enrolled prior to July 1, 1989, 2.5% of final average salary for each year of creditable service or imputed service (of any kind).
- (c) For firemen enrolled after February 28, 1989, and policemen enrolled after June 30, 1989, 2.5% of final average salary for each year of creditable service or imputed military service, limited to 90% of final average salary, plus 2.5% of final average salary for each year of imputed fire and police service or imputed service under the dissolution of the Firemen and Policemen's Survivorship Fund.
- (d) For elected officials, 2.6% of final average salary for each year of creditable service as an elected official for years before 1996. From 1996 forward the rate of accrual for creditable service or imputed military service is 2.5% except for the mayor, who will have an accrual rate of 2.0%.

Funds Charged with Service Retirement Allowance

For individuals participating in the Combined Fund, service retirement allowance payments are charged to the Combined Fund. For all other individuals, the service retirement allowance is charged to (i) the Retirement Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Retirement and Disability Fund if the member enrolled on or after February 1, 1996.

Eligibility for Ordinary Disability Retirement Allowance

A member who the medical council certifies is mentally or physically incapacitated for further performance of duty, that such incapacity is likely to be permanent and that such member should be retired, is eligible for the ordinary disability retirement allowance. The ordinary disability allowance is not payable if the member qualifies for the duty disability allowance.

Amount of Ordinary Disability Retirement Allowance

Imputed service credit is not used in any part of the calculation of the Ordinary Disability Retirement Allowance. The "service retirement allowance" referred to below is calculated based on creditable service only.

- (a) For general employees, 90% of the service retirement allowance based on creditable service to date of disability retirement, but no less than 25% of final average salary, provided such amount does not exceed 90% of the retirement allowance payable had the member continued in service to the minimum service retirement age.
- (b) For policemen and firemen hired after January 1, 1971, who have 5 years of service, 25% of final average salary plus 2% thereof for each year of creditable service in excess of 5 years up to a maximum of 50% of final average salary.
- (c) For policemen and firemen hired before January 1, 1971, the greater of the benefit described in (a), or the benefit described in (b).
- (d) The benefit is payable for life while the member remains disabled, except that for general employees with less than 10 years of creditable service, the duration is

limited to one-fourth (1/4) of the period of the service accrued to the date of disability.

- (e) Members receiving benefits for life may elect reduced benefits under an optional form of payment in order to provide a death benefit to a designated beneficiary.

Funds Charged with Ordinary Disability Retirement Allowance

Ordinary disability retirement allowance payments are charged to the Combined Fund if the eligible individual is a participant in the Combined Fund. Otherwise, the allowance is charged to (i) the Retirement Fund, if the member's enrollment date is before February 1, 1996, and (ii) the Combined Retirement and Disability Fund, if the member's enrollment date is on or after February 1, 1996.

Eligibility for Duty Disability Retirement Allowance

If a member becomes permanently and totally incapacitated as a result of the performance of his duty, and his mental or physical incapacitation is medically certified, such member is eligible for a duty disability retirement allowance. If a fireman's disability is due to heart or lung disease, such disability is considered a duty disability.

Amount of Duty Disability Related Benefits

Imputed service credit is *not* used when calculating a duty disability retirement allowance. Imputed service credit *is* used when calculating the conversion service retirement allowance referred to in paragraphs (a) - (c) below. Eligibility for imputed military service credit depends upon the date of the conversion, not upon the date of the duty disability retirement.

- (a) For general employes, the duty disability retirement allowance equals 75% of the member's final average salary. Members receive the allowance, while disability continues, until the later of age 65, or for a period of 5 years, at which time they convert to a service retirement allowance. General employes receiving duty

disability benefits may elect reduced benefits under an optional form of payment in order to provide a death benefit to a designated beneficiary.

- (b) For firemen and policemen, the duty disability retirement allowance is 75% of the current annual salary for the position held by the member at retirement, plus \$40 per month for each child younger than age 18 (up to a maximum of 20% of the member's salary). In certain cases of extreme disability, when approved by a panel of physicians, the disability allowance will be 90% of such salary. Duty disability benefits paid to firemen on account of heart and lung disease are at the 75% level. In the event of the death of a policeman or fireman receiving a 75% or 90% disability allowance, 70% or 75%, respectively, of the amount of the member's allowance shall be paid to the member's spouse during her lifetime.

The 90% duty disability allowances are payable for life. The 75% duty disability allowances are payable until the earlier of attainment of age 57, or completion of 25 years of service and attainment of age 52, at which time the member must either convert to a service retirement allowance or irrevocably elect to receive a recalculated duty disability allowance, referred to as an extended life duty disability allowance, as described in (c), below. A fireman or policeman who becomes duty disabled on or after his conversion age does not choose between a conversion service retirement allowance and an extended life duty disability allowance. Instead, he receives the duty retirement allowance for life.

- (c) The extended life duty disability allowance referred to in (b), above, equals the lesser of the conversion service retirement allowance, or 75% of the current annual salary, provided further that the benefit will not be less than 57% of current annual salary for a fireman, or 60% of current annual salary for a policeman. "Current annual salary" here refers to the salary at the conversion age, for the position held by the member at the time of injury. The extended life duty disability allowance is payable for life and, unlike the duty disability allowance, is a fixed amount that does not change after the conversion age. Firemen or policemen receiving extended life duty disability benefits may elect reduced benefits under an optional form of payment in order to provide a death benefit to a

designated beneficiary. Their spouses are not eligible to receive the 70% benefit payable to surviving spouses of firemen and policemen who die while in receipt of the 75% duty disability benefit.

- (d) Members disabled prior to the valuation date receive benefits according to the provisions in effect at the time of their disability, or their application for disability benefits, according to the terms of the plan.

Under Charter Ordinance 980130 Substitute 2, firemen and policemen who retired on duty disability prior to October 17, 1992, will not be required to convert to service retirement prior to the conversion age requirements that were in effect when they were hired.

Under Charter Ordinance 000789, duty disabled firemen and policemen who signed the DeBraska II release form will be subject to the following conversion requirements: (i) members retired on duty disability prior to February 8, 1972, will receive duty disability benefits for life; (ii) members enrolled prior to February 8, 1972, who are either policemen who retired on duty disability on or after August 1, 1985, or firemen who retired on duty disability on or after March 1, 1984, will have a conversion age of 63; (iii) members enrolled on or after February 8, 1972, who retired on duty disability on or after October 17, 1992, will not be required to convert to service retirement prior to the conversion age requirements that were in effect when they were hired; and (iv) for all other members who signed the DeBraska II release form, there is no difference between the conversion requirements of Charter Ordinance 980130 Substitute 2, and Charter Ordinance 000789.

Funds Charged with Duty Disability Related Benefits

- (a) For participants in the Combined Fund, duty disability benefits paid to members, benefits paid to survivors of members who die while duty disabled, child

allotment payments, conversion service retirement benefits, and extended life duty disability benefits are paid from the Combined Fund.

- (b) For general employes who do not participate in the Combined Fund, duty disability benefits, and survivor benefits paid to beneficiaries of general employes who elect an optional form of payment and die while disabled, are paid from (i) the General Employes Duty Disability Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Retirement and Disability Fund if the member's enrollment date is on or after February 1, 1996.
- (c) For firemen and policemen who do not participate in the Combined Fund, if the enrollment date is prior to February 1, 1996, duty disability benefits, child allotment payments, and surviving spouse benefits paid if the member dies while disabled, are paid from the Fire and Police Duty Disability Fund, unless the member is a fireman disabled due to heart and lung disease, in which case these benefits are paid from the Heart and Lung Fund. For firemen and policemen whose enrollment dates are on or after February 1, 1996, duty disability benefits, child allotment payments, and surviving spouse benefits paid if the member dies while disabled, are paid from the Combined Retirement and Disability Fund, unless the member is a fireman disabled due to heart and lung disease, in which case these benefits are paid from the Heart and Lung Fund.
- (d) For members who do not participate in the Combined Fund, benefits paid after conversion to either a service retirement allowance or an extended life disability benefit are charged to (i) the Retirement Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Retirement and Disability Fund if the member's enrollment date is on or after February 1, 1996.

Ordinary Death Benefit

- (a) In the event of death of a member while in service, a death benefit equal to the sum of the member's accumulated contributions plus one-half of his final average salary is payable to the designated beneficiary. Optional forms of payment of such benefit to the beneficiary are provided. If the member had elected a protective

survivorship option – and duty death benefits are not payable – such option will become effective and the ordinary death benefit will not be payable. If a duty death benefit is payable the ordinary death benefit will not be paid.

- (b) Unless the member elects an optional death benefit, the death benefit subsequent to retirement is the excess, if any, of (i) the member's contributions with interest to retirement over (ii) the sum of the allowance payments made prior to the member's death.

Funds Charged with Ordinary Death Benefits

Ordinary death benefits paid on behalf of a participant in the Combined Fund are charged to the Combined Fund. Otherwise, ordinary death benefits are charged to (i) the Retirement Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Retirement and Disability Fund if the member's enrollment date is on or after February 1, 1996.

Protective Survivorship Option

Firemen may elect a Protective Survivorship Option (PSO) during the 6 months that precede the earlier of attainment of age 57, or completion of 25 years of service as a fireman. Policemen may elect a Protective Survivorship Option (PSO) during the 6 months that precede the earlier of attainment of age 57, or completion of 25 years of service as a policeman. Firemen and policemen who fail to elect a PSO during the eligible period are deemed to have elected an Option 2 PSO with the spouse as the named beneficiary.

General employes may elect a PSO during the 6 months that precede the earlier of attainment of age 60, or completion of 30 years of service and attainment of age 55.

Except for firemen and policemen, the election shall be irrevocable and shall continue after retirement. Firemen and policemen are allowed to reselect a PSO if they marry, or divorce, and to select a different option and/or beneficiary at retirement, if they wish.

The PSO is automatically canceled if the joint annuitant predeceases the member before retirement; or if the member is divorced from the joint annuitant before retirement.

Under a PSO, if a member eligible to retire on a service retirement allowance dies prior to retirement, benefits begin to the named beneficiary just as if the member retired under such option immediately prior to his or her death, except that imputed service credit arising from the dissolution of the Firemen and Policemen's Survivorship Fund will *not* be used in the calculation of the PSO benefit. If a fireman eligible for PSO coverage dies prior to age 49, benefits for the named beneficiary will be deferred until the date the fireman would have attained age 49. Imputed military service and imputed fire and police service may be used in the calculation of the deferred PSO benefit.

In all cases where the requirements are met for both a PSO benefit and a duty death benefit, the duty death benefit will be payable in lieu of the PSO.

Funds Charged with PSO Benefits

PSO benefits for participants in the Combined Fund are charged to the Combined Fund. Benefits for individuals who do not participate in the Combined Fund are charged to (i) the Retirement Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Retirement and Disability Fund if the member's enrollment date is on or after February 1, 1996.

Duty Death Benefits

In the event the member's death occurs in the performance of his duty, a lump sum payment equal to the member's accumulated contributions, plus an annuity of 60% of such deceased member's final average salary will be paid to one of the following:

- (a) The member's surviving spouse
- (b) The member's children until their 21st birthday
- (c) The member's dependent parents

Death of a fireman that is due to heart or lung disease is considered a duty death.

Funds Charged with Duty Death Benefits

Benefits payable to participants in the Combined Fund are charged to the Combined Fund. Heart & Lung duty death benefits payable to individuals who are not participants in the Combined Fund are charged to the Heart & Lung Fund. Duty death benefits (other than Heart & Lung) payable to individuals who are not participants in the Combined Fund are charged to (i) the Retirement Fund for members whose enrollment dates are prior to February 1, 1996; and (ii) the Combined Retirement and Disability Fund for members whose enrollment dates are on or after February 1, 1996.

Member Contributions

Member contribution rates are the following percentages of annual salary:

- (a) General Employes - 5.5%
- (b) Firemen and Policemen - 7.0%
- (c) Elected Officials - 7.0%

Currently, the City or the City Agency employing the member makes all contributions on the member's behalf (with the exception of \$1.00 per year contributed by each policeman).

Member contributions made for or by participants in the Combined Fund are credited to the Combined fund. Member contributions made for or by individuals who are not participants in the Combined Fund are credited to (i) the Retirement Fund for members whose enrollment dates are prior to February 1, 1996; and (ii) the Combined Retirement and Disability Fund for members whose enrollment dates are on or after February 1, 1996.

Pension Escalators

Several different pension escalators are paid by the ERS. They are as follows:

Fire and Police \$50 Escalator

Firemen in Local 215 who retired under a service retirement allowance between March 1, 1990, and December 31, 1992; members of the Milwaukee Police Association (MPA) who retired under a service retirement allowance between January 1, 1990, and December 31, 1992; members of the Milwaukee Police Supervisors Organization who retired under a service retirement allowance between January 1, 1991, and December 31, 1992; and firemen in Local 215 or members of the MPA who elect a deferred retirement allowance after separating from service between January 1, 1993, and December 31, 1994, with 25 years of service; are eligible for a pension escalator which increases their allowance by \$50 per month on the 4th, 7th, and 10th anniversary of retirement.

Members who both retired on duty disability and converted from duty disability to service retirement during the eligibility period are eligible for the escalators on the 4th, 7th, and 10th anniversaries of their conversion dates.

The surviving spouses of eligible retirees, or of members who died during the eligibility period, are eligible provided that the member elected an optional benefit at retirement – or elected a protective survivorship option (PSO) prior to retirement – with the spouse as beneficiary. The member's surviving spouse receives increases on the member's 4th, 7th, and 10th anniversary of retirement (or spouse's retirement date in the case of a PSO) with the amount of the escalator adjusted to reflect the option elected by the member.

\$50 escalators paid to participants in the Combined Fund are charged to the Combined Fund. \$50 escalators paid to individuals who are not participants in the Combined Fund are charged to the Retirement Fund.

January 1996 Catch-up COLA for pre-October, 1987 Retirees**Eligible Group:**

- (a) General employes who attained the minimum service retirement age and retired with a service retirement allowance prior to October 1, 1987, or who retired on a

duty disability allowance and converted to a service retirement allowance prior to October 1, 1987.

- (b) Firemen and policemen who retired prior to October 1, 1987, who became eligible to retire on service retirement at age 57, or after attaining age 52 and completing 25 years of service. Also, firemen and policemen who retired on a duty disability allowance and converted to a service retirement allowance prior to October 1, 1987.
- (c) Surviving spouses of eligible retirees, or of members who elected a PSO and died prior to October 1 1987, after naming their spouse as the designated beneficiary under Option 2, Option 3, or Option 4 with a percentage to the beneficiary.

Timing and Amount of Increase:

The catch-up COLA was a permanent increase in the ERS monthly benefit which was granted effective January 1, 1996. The increase was an amount equal to (i) the total ERS benefit in payment, multiplied by the greater of (ii) the total percentage change in the cost of living for each full calendar month between the 8th anniversary of service retirement and October 1, 1995, and (iii) the total percentage change required to bring the member's allowance to 60% of its full inflation adjusted value considering inflation for the period from retirement to October 1, 1995. The percentage change in the cost of living was measured by the increase in the CPI-U, U.S. Cities, as reported by the U.S. Department of Labor, Bureau of Labor Statistics.

(When the catch-up COLA was calculated, the factor was not applied to supplemental, pass through benefits, which are paid by the ERS but are not a liability of the ERS. These pass through benefits, which appear on the pension payroll data supplied to the actuary, are part of an old guaranteed minimum program. The ERS is a paying agent for these benefits, but is reimbursed by the City for all such payments.)

Catch-up COLA amounts paid to participants in the Combined Fund are charged to the Combined Fund. Catch-up COLA amounts paid to individuals who are not participants in the Combined Fund are charged to the Retirement Fund..

2% Escalator for pre-1993 Retirees

Eligible Group:

- (a) General employees who attained the minimum service retirement age and retired with a service retirement allowance prior to January 1, 1993, or who retired on a duty disability allowance and converted to a service retirement allowance prior to January 1, 1993.
- (b) Firemen and policemen who retired prior to January 1, 1993, who became eligible to retire on service retirement at age 57, or after attaining age 52 and completing 25 years of service. Also, firemen and policemen who retired on a duty disability allowance and converted to a service retirement allowance prior to January 1, 1993.
- (c) Surviving spouses of eligible members who elected Option 3 with the spouse as the beneficiary, or of members who died prior to January 1, 1993 after electing an Option 3 PSO with the spouse as the beneficiary.

Timing and Amount of Increase:

The first increase occurs with the later of the January 1996 installment or the installment next following the 8th anniversary of the member's service retirement date (or the 8th anniversary of the surviving spouse's retirement date in the case of a PSO). Thereafter, increases occur annually on the anniversary of the first increase.

The first increase is 2% of the total ERS benefit in payment. That is, the monthly benefit to which the increase is applied includes \$50 fire and police escalators, and the January, 1996 catch-up COLA amount, if any, but it excludes supplemental pass through payments, if any. Increases after the first are also 2%, and are compounded -- that is, they are applied to the total ERS benefit in payment, including all prior increases, and again, excluding any supplemental pass through payments. (The benefit initially payable to an eligible spouse upon the member's death includes 50% of any increases in payment at the member's death.)

2% escalators paid to participants in the Combined Fund are charged to the Combined Fund. 2% escalators paid to individuals who are not participants in the Combined Fund are charged to the Retirement Fund.

CPI Escalator for post-1992 Fire and Police Retirees who *don't* Participate in the Combined Fund and Pre-2000 CPI Escalator for post-1992 Fire and Police Retirees who *do* Participate in the Combined Fund

Eligible Group:

- (a) Firemen and policemen in active service on or after January 1, 1993, who become eligible to retire on service retirement at age 57 or after attaining age 52 and completing 25 years of service.
- (b) Firemen and policemen who retire on either a 75% Fire & Police duty disability benefit or a Heart & Lung duty disability benefit (i) between January 1, 1993, and December 31, 1994, and thereafter convert to service retirement; or (ii) on or after January 1, 1995, and who are eligible to elect between service retirement and extended life duty disability benefits at their conversion age.
- (c) Police in active service on or after January 1, 1995, who separate with 25 years of service and elect a deferred retirement allowance.
- (d) Surviving spouses of eligible members who elect Option 2 or 3, or who elect Option 4 with a percentage to the spouse, or who elect a PSO with a percentage to the spouse.

Timing and Amount of Increase:

For members who retired on service retirement between January 1, 1993, and December 31, 1994; or who retired on duty disability between January 1, 1993, and December 31, 1994, and later convert to service retirement; and for eligible surviving spouses of members who died prior to retirement between January 1, 1993, and December 31, 1994, with PSO coverage in effect; the first increase occurs for March of the year following the first full calendar year of service

retirement. For all others, the first increase occurs one full year after the member's service retirement date. Thereafter, increases occur annually on the anniversary of the first increase.

The monthly benefit is increased by an amount equal to (i) the total allowance for the preceding December (including all prior increases), multiplied by the lesser of (ii) 3%, and (iii) the increase in the CPI-U, U.S. Cities Average, for the calendar year preceding the increase. (The benefit initially payable to an eligible spouse upon the member's death includes a proportionate share of any increases in payment at the member's death, based on the option elected.)

Benefits payable to participants in the Combined Fund are charged to the Combined Fund. For individuals who are not participants in the Combined Fund: (i) benefits are charged to the Retirement Fund for members whose enrollment dates are prior to February 1, 1996; and (ii) benefits are charged to the Combined Retirement and Disability Fund for members whose enrollment dates are on or after February 1, 1996.

Post-1999 CPI Escalator for post-1992 Fire and Police Retirees who Participate in the Combined Fund

Eligible Group:

The eligible group is restricted to individuals who were firemen and policemen who retired on duty disability between October 17, 1992, and December 31, 1992; or who were in active service on or after January 1, 1993, who either retire as firemen or policemen, or who die in active service as firemen or policemen; and their eligible surviving spouses. The types of benefits that receive the CPI escalator include:

- (a) The service retirement allowance and ordinary disability retirement allowance.
- (b) Benefits paid to members after the duty disability conversion age: the conversion service retirement allowance or the extended life duty disability retirement allowance.
- (c) Benefits paid to members after separation from service: the deferred retirement allowance, early retirement allowance, involuntary separation allowance, or the ERS allowance paid under the County transfer or State reciprocity provisions.

- (d) The spouse survivor allowance paid to the surviving spouse of an eligible member who elects Option 2 or 3, or who elects Option 4 with a percentage to the spouse, or who elects a PSO with a percentage to the spouse.
- (e) The fire and police or heart & lung duty disability surviving spouse allowance.
- (f) The duty death surviving spouse allowance.

Timing and Amount of Increases that occur after 1999:

- (a) The first post-1999 increase occurs the later of March 2000 and March of the year following the first full calendar year of retirement for: members who retired on service retirement or ordinary disability between January 1, 1993, and December 31, 1994; or who convert to service retirement after a period of duty disability which commenced between January 1, 1993, and December 31, 1994; or who separated from service between January 1, 1993, and December 31, 1994, and subsequently retire on a deferred, early, involuntary separation, or County transfer/ State reciprocity allowance; eligible spouse survivors of such members, including PSO spouse survivors when the member died between January 1, 1993, and December 31, 1994; duty death surviving spouses of members who died between January 1, 1993, and December 31, 1994; and duty disability surviving spouses where both the member's duty disability retirement date and duty disabled death date were between January 1, 1993, and December 31, 1994.
- (b) The first post-1999 increase occurs the later of the year 2000 anniversary or the first anniversary of the member's date of death for: duty disability surviving spouses where the member's duty disability death date is on or after January 1, 1995.
- (c) For all others, the first post-1999 increase occurs the later of the year 2000 anniversary or the first anniversary of the member's retirement or pre-retirement death. (Note: this group includes members who retired on duty disability between October 17, 1992, and December 31, 1994, who subsequently elect an extended life duty disability retirement allowance, and members who retired on duty

disability between October 17, 1992, and December 31, 1992, who subsequently convert to service retirement.)

Thereafter, increases occur annually on the anniversary of the first post-1999 increase.

The monthly benefit is increased by an amount equal to (i) the total allowance for the preceding December (including all prior increases), multiplied by the lesser of (ii) 3%, and (iii) the increase in the CPI-U, U.S. Cities Average, for the calendar year preceding the increase. If the member retired on duty disability between October 17, 1992, and December 31, 1992, and subsequently converts to service retirement, then the 2nd, 3rd, and 4th increases will not be less than 1.5%, and the 5th and subsequent increases will not be less than 2%. (The benefit initially payable to an eligible spouse upon the member's death includes a proportionate share of any increases in payment at the member's death, based on the option elected.)

The CPI escalator is charged to the Combined Fund.

2% Guarantee for Fire and Police CPI Escalator for Participants in Combined Fund

The eligible group is restricted to firemen and policemen who retire on service retirement, their spouse survivors, and PSO spouse survivors. In addition, firemen members of Local 215 and policemen members of the MPA must have been in active service on or after January 1, 1998; policemen members of the MPSO must have been in active service on or after January 1, 1999; and non-represented firemen and policemen must have been in active service on or after January 1, 2000. The benefit is a guarantee that the CPI Escalator will not be less than 2% per annum.

2% Escalator for post-1992 General Employee Retirees who do Not Participate in Combined Fund**Eligible Group:**

- (a) General employees who retire on a service retirement allowance on or after January 1, 1993 who have either (i) attained age 60, or (ii) completed 30 years of service and attained age 55.
- (b) General employees receiving a duty disability retirement allowance who convert to service retirement on or after January 1, 1993.
- (c) Spouses of eligible members who either elect Option 3 at retirement with the spouse as beneficiary, or who die after electing an Option 3 PSO with the spouse as beneficiary.

Timing and Amount of Increase:

The first increase occurs with the installment next following the 8th anniversary of the member's service retirement or conversion to service retirement date (or the 8th anniversary of the surviving spouse's retirement date in the case of a PSO). Thereafter, increases occur annually on the anniversary of the first increase.

Each increase is 2%, and increases after the first are compounded -- that is, they are applied to the total benefit in payment, including all prior increases. (The benefit initially payable to an eligible spouse upon the member's death includes 50% of any increases in payment at the member's death.)

For members whose enrollment dates are prior to February 1, 1996, the 2% escalator for post-1992 general employe retirees is paid from the Retirement Fund. For members whose enrollment dates are on or after February 1, 1996, the 2% escalator for post-1992 general employe retirees is paid from the Combined Retirement and Disability Fund.

Post-1999 1.5% / 2% Escalator for General Employe Retirees and for Pre-1993 Fire and Police Retirees who Participate in the Combined Fund

Eligible Group:

The eligible group includes (i) pre-1993 retirees and surviving spouses who are not eligible for either the 2% Escalator for pre-1993 retirees, or the Post-1999 CPI Escalator for post-1992 fire and police retirees; and (ii) post-1992 general employe retirees and their surviving spouses. The types of benefits that receive the 1.5%/2% escalator include:

- (a) The service retirement allowance and ordinary disability retirement allowance for all members, and the duty disability retirement allowance for general employes.
- (b) Benefits paid to members after the duty disability conversion age: the conversion service retirement allowance for all members or the extended life duty disability retirement allowance for fire and police.
- (c) Benefits paid to members after separation from service: the deferred retirement allowance, early retirement allowance, involuntary separation allowance, or the ERS allowance paid under the County transfer or State reciprocity provisions.
- (d) The spouse survivor allowance paid to the surviving spouse of an eligible member who elects Option 2 or 3, or who elects Option 4 with a percentage to the spouse, or who elects a PSO with a percentage to the spouse.
- (e) The fire and police or heart & lung duty disability surviving spouse allowance.

- (f) The duty death surviving spouse allowance.

Timing and Amount of Increases that occur after 1999:

- (a) The first post-1999 increase occurs for January 2000 for eligible Option 2 and 4 spouse survivors of members retired on a service retirement allowance or a conversion service retirement allowance - and for eligible Option 2 and 4 PSO spouse survivors - when the member's date of retirement or pre-retirement death was prior to January 1988.
- (b) The first post-1999 increase occurs the later of the year 2000 anniversary or the 2nd anniversary of the member's date of death for: duty disability surviving spouses of firemen and policemen.
- (c) For all others, the first post-1999 increase occurs the later of the year 2000 anniversary or the 2nd anniversary of the member's retirement or pre-retirement death.

Thereafter, increases occur annually on the anniversary of the first increase.

All increases for the group described in paragraph (a) are 2% increases. For paragraphs (b) and (c), an increase which takes effect on the 2nd, 3rd, or 4th anniversary is a 1.5% increase. An increase which takes effect on the 5th or subsequent anniversary is a 2% increase. Increases after the first one are compounded -- that is, they are applied to the total benefit in payment, including all prior increases. (The benefit initially payable to an eligible spouse upon the member's death includes the spouse's proportionate share of any increases in payment at the member's death, based on the option elected.)

Benefits are charged to the Combined Fund.

Fire and Police Survivorship Benefits for Individuals not Participating in Combined Fund

The survivors of firemen or policemen who die in active service or while in receipt of a disability allowance may be entitled to a survivorship benefit. The survivorship benefit is

payable to the spouse of the deceased member provided the spouse has one or more eligible children in her care. Eligible children include unmarried children who are either under the age of 18, or are over age 18, but who suffer from a disability which commenced before the age of 18. The amount of the survivorship benefit for a death occurring in 2000 is \$600 monthly for the spouse and one child or for two or more eligible children. If there is no surviving widow and only one child, the benefit is \$300. Upon attainment of age 57, \$300 is payable to the spouse for her lifetime. Benefits payable to a spouse cease on remarriage and benefits payable in respect of children cease on attainment of age 18 (unless disabled prior to age 18) or marriage. For member deaths that occurred prior to 2000 the monthly amount payable depends upon the plan provisions in effect at the member's death.

Active firemen and policemen not participating in the Combined Fund contribute \$52.20 annually for Survivorship benefits. Firemen and policemen receiving disability benefits and not participating in the Combined Fund may retain eligibility for Survivorship benefits, until attainment of the minimum service retirement age, by continuing to make the required annual contribution of \$52.20.

The City intends to purchase single premium insurance to cover the liability for this benefit. Prior to the purchase, any benefits paid to individuals not participating in the Combined Fund will be charged to the Fire and Police Survivorship Fund. The funds to purchase the insurance will be provided by the assets allocated to the non-Consenters in the Fire and Police Survivorship Fund. Any assets remaining after this purchase will be transferred to the Combined Fund. Member contributions made toward this benefit are to be credited to the Combined Fund.

Fire and Police Survivorship Benefits for Survivors Participating in Combined Fund

Survivors of firemen or policemen who died prior to 2000 while in active service or while retired on disability (and contributing to the Fire and Police Survivorship Fund) may be entitled to a survivorship benefit. The survivorship benefit is payable to the spouse of the deceased member provided the spouse has one or more eligible children in her care. For participants in the Combined Fund, the amount of the survivorship benefit for a death occurring prior to 2000 is \$600 monthly for the spouse and one child under age 18, or for two or more children under age

18. If there is no surviving widow and only one child, the benefit is \$300. The monthly amount payable to a disabled child over the age of 18 depends upon the plan provisions in effect at the member's death. Upon attainment of age 57, \$300 is payable to the spouse for her lifetime. Benefits payable to a spouse cease on remarriage and benefits payable in respect of children cease on attainment of age 18 (unless disability commenced prior to age 18) or marriage.

Survivorship Benefits for Participants in the Combined Fund are charged to the Combined Fund.

Separation Benefits

Should a member separate from service and no other benefit is payable, such member will be entitled to one of the following:

- (a) A refund of member contributions (not paid by the member's employer), with interest.
- (b) If the member has four years of service, a deferred allowance payable at the minimum service retirement age.
- (c) A refund of the member contributions and interest, including contributions paid on the member's behalf, is payable to (i) general employees after 8 years of service, or (ii) firemen or policemen after 10 years of service.
- (d) If the member's service is involuntarily terminated, or the member terminates voluntarily after attaining age 55 and completing 15 years of service, such member may elect to receive a deferred allowance at the minimum service retirement age, or an immediate allowance that is the actuarial equivalent of the deferred allowance.
- (e) If the member has 25 years of service as a fireman or policeman, and is not participating in the Combined Fund, a deferred allowance payable at age 52.
- (f) If the member is a fireman with 25 years of service as a fireman or policeman, had not attained age 49 at the date of separation from service, and is participating in the Combined Fund, a deferred allowance payable at age 52.

Imputed service credit is not used when calculating separation benefits.

Funds Charged with Separation Benefits

Benefits paid to participants in the Combined Fund are charged to the Combined Fund. Separation benefits paid to individuals not participating in the Combined Fund are charged to (i) the Retirement Fund if the member's enrollment date is prior to February 1, 1996, and (ii) the Combined Fund if the member's enrollment date is on or after February 1, 1996.

Lump Sum Bonus Payments

Under the Global Pension Settlement, various lump sum bonus payments may be made to eligible individuals participating in the Combined Fund. An individual may be eligible for one or more types of lump sum bonus payments.

Eligibility for Lump Sum Bonus Payments

Only individuals participating in the Combined Fund can become eligible for the following types of lump sum bonus payments. In addition, the following conditions apply to the individual lump sum bonuses.

- (a) **Military service credit cash bonus:** The member must have retired on service retirement, or converted to service retirement after duty disability, and must be in payment as of January 1, 2000. In addition, for general employes and policemen members of the MPSO, the effective date of service retirement or conversion must be prior to January 1, 1999; for firemen members of local 215 and policemen members of the MPA, the effective date of service retirement or conversion must be prior to January 1, 1998; for non-represented firemen and policemen, the effective date of service retirement or conversion must be prior to January 1, 2000. In addition, the retired member must have served in the armed forces of the U.S. prior to first being enrolled in the ERS, must have been

honorably discharged, and must apply for this bonus to the ERS no later than July 19, 2001.

- (b) **5% lump sum bonus:** All retired members and surviving spouses in payment as of January 1, 2000 are eligible *except* surviving spouses receiving either (i) a Fire & Police duty disability surviving spouse benefit; (ii) a Heart & Lung duty disability surviving spouse benefit; or (iii) a Firemen & Policemen's Survivorship Fund surviving spouse benefit.

Members who are inactive as of January 1, 2000, will become eligible at the time that their deferred retirement allowance commences.

Members in active service as of January 1, 2000, will become eligible when they first retire.

If a member in active service as of January 1, 2000, dies prior to retirement and the member's surviving spouse is eligible for either a surviving spouse duty death benefit (including Heart & Lung duty death) or a PSO spouse survivor benefit then the surviving spouse is eligible for this bonus payment.

Only one 5% lump sum bonus will be paid on account of an individual member. Thus, if a member receiving a duty disability retirement allowance receives a 5% lump sum bonus on account of the duty disability benefit, then the member will *not* be eligible for an additional 5% lump sum bonus at the time of conversion.

- (c) **Retiree special bonus:** All retired members and surviving spouses who originally retired prior to January 1, 2000, and who are in payment as of January 1, 2000, are eligible *except* surviving spouses receiving either (i) a Fire & Police duty disability surviving spouse benefit; (ii) a Heart & Lung duty disability surviving spouse benefit; or (iii) a Firemen & Policemen's Survivorship Fund surviving spouse benefit.
- (d) **8.6% lump sum bonus:** A fireman or policeman in active service as of January 1, 2000, who (i) retires as a fireman or policeman on a service retirement

allowance; or (ii) converts to service retirement or elects an extended life duty disability retirement allowance after retiring as a fireman or policeman on duty disability; or (iii) attains age 63 while in receipt of an ordinary disability retirement allowance or a lifetime Fire & Police or Heart & Lung duty disability retirement allowance, is eligible for this bonus so long as the member did not receive 2 years of imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund.

If a fireman or policeman in active service as of January 1, 2000, dies prior to retirement and the member's surviving spouse is eligible for either a surviving spouse duty death benefit (including Heart & Lung duty death) or a PSO spouse survivor benefit then the surviving spouse is eligible for this bonus payment.

A fireman or policeman retired on disability as of January 1, 2000, who is also an active member of the Firemen and Policemen's Survivorship Fund as of January 1, 2000 - under age 57 at 1/1/2000, and made all required contributions to the Survivorship Fund – is eligible for this bonus if he (i) converts to service retirement or elects an extended life duty disability retirement allowance; or (ii) is ineligible to convert to service retirement and attains age 63 while in receipt of the disability retirement allowance; provided that he (iii) did not receive 2 years of imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund.

- (e) **Dissolution lump sum bonus:** An individual who is a member of the ERS as of January 1, 2000, and who is also a surviving former member of the Firemen and Policemen's Survivorship Fund as of that date is eligible for this bonus payment.

Amount of Lump Sum Bonus Payments

Age factors are used in the 5% lump sum bonus and the 8.6% lump sum bonus calculations. The age factors for these bonus payments are contained in s. 36-05-11-a.

- (a) **Military service credit cash bonus:** \$1,000,000 is to be divided pro-rata among the eligible group in proportion to each individual's "military service credit." An individual's "military service credit" equals the lesser of 1 year, or one-third of the individual's "eligible military service." An individual's "eligible military service" is the sum of all "eligible periods of active military service". An "eligible period of active military service" is a period of military service which precedes enrollment in the ERS, and which consists of not less than 90 consecutive days spent in the active service of the armed forces of the U.S.A. An individual's bonus payment cannot exceed his full December 1999 monthly allowance.
- (b) **5% lump sum bonus:** For individuals in payment as of January 1, 2000, the bonus payment equals 5% times 12 times their full December 1999 monthly allowance – or their full January 2000 allowance if the individual was not in payment for all of December 1999 – times a factor based on the age the individual attained on his birthday in 1999.

For members who are either inactive or active as of January 1, 2000, who retire in the future, the bonus payment equals 5% times their initial annual retirement allowance times a factor based on attained age on the retirement date. The retirement allowance used in the bonus calculation is to be reduced for early retirement, if applicable, but is not to be reduced for any optional election the member might have made under s. 36-05-7.

If a member in active service as of January 1, 2000 dies prior to retirement and the member's surviving spouse is eligible for this bonus payment, then the bonus will equal 5% times the spouse's initial annual benefit times a factor based on the spouse's attained age when the benefit commences.

- (c) **Retiree special bonus:** The bonus payment equals a factor times the full December 1999 monthly allowance – or the full January 2000 allowance if the individual was not in payment for all of December 1999 – minus an "offset"

related to the Catch-up COLA overpayment that occurred during the period January 1, 1996 through April 30, 1997.

The factor for firemen and policemen is 8. The factor for general employees depends upon the year of retirement or pre-retirement death. For an individual receiving a conversion service retirement allowance, the retirement date used in the calculation is the date of the original duty disability retirement. The general employee factor is 2 for retirement during 1997-1999; 3 for 1996 retirements; 4 for 1995 retirements; 5 for 1994 retirements; 6.5 for 1993 retirements; and 8 for retirements in 1992 and prior years.

Individuals who received a Catch-up COLA overpayment – and the surviving spouses of members who were overpaid and who had elected an optional form of payment under s. 36-05-7 naming their spouse as the beneficiary under the option – have an “offset” applied to their bonus payment. The offset equals the lesser of (i) 3 times the full December 1999 (or January 2000 allowance, as applicable) or (ii) the sum of the overpayments made to both the member and the spouse survivor.

- (d) **8.6% lump sum bonus:** In the explanation that follows, whenever an annual allowance is used in calculating a bonus due to a *member*, the allowance used is the allowance that would be paid if the member did not elect an option under s. 36-05-7.

For members who retire on service retirement: 8.6% times the annual service retirement allowance times a factor based on attained age at retirement.

For surviving spouses who receive either a PSO benefit or a duty death benefit: 8.6% times the initial annual allowance payable to the spouse times a factor based on the spouse's attained age when the benefit commences.

For a member who is retired on duty disability as of January 1, 2000 - or who retires on duty disability thereafter - and who is eligible to convert to service retirement: 8.6% times the annual conversion service retirement allowance earned as of the conversion age times a factor based on attained age at conversion.

For a member who is retired on disability as of January 1, 2000 – or who retired on disability thereafter – who is ineligible to convert to service retirement, and who is age 63 or younger at the later of 1/1/2000 or the disability retirement date: 8.6% times the “hypothetical” annual conversion service retirement allowance earned at age 63 times the attained age factor for age 63. The “hypothetical” allowance is calculated as if the member *were* eligible to convert at age 63.

For a member who retires on disability after January 1, 2000, who is older than age 63 at the disability retirement date: 8.6% times the annual disability allowance payable when the allowance commences times a factor based on the member’s attained age at retirement.

- (e) **Dissolution lump sum bonus:** An amount equal to \$500 times the total number of surviving former members of the Firemen and Policemen’s Survivorship Fund as of January 1, 2000, is to be divided pro-rata among all eligible individuals in proportion to each individual’s full years of service as a fireman or policeman prior to January 1, 2000, including time retired on disability prior to the minimum service retirement age of 57.

The military service credit cash bonus, 5% lump sum bonus, retiree special bonus, and 8.6% lump bonus are paid from the Combined Fund. The dissolution lump sum bonus is to be paid from \$10,000,000 set aside for the Employers’ Reserve Fund. See the explanation of the dissolution of the Firemen and Policemen’s Survivorship Fund for a fuller explanation of the source of the funds that will be used to pay the dissolution bonus.

EXHIBIT 1
Age/Service Distributions

EXHIBIT 1
Age/Service Distributions

ACTIVE MEMBERSHIP - GENERAL CITY EMPLOYES

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	103 \$26,809	2 \$30,630									105 \$26,882
25-29	169 \$29,592	29 \$30,801	2 \$28,357								200 \$29,755
30-34	198 \$31,633	115 \$35,061	32 \$32,408	2 \$29,945							347 \$32,831
35-39	140 \$32,451	149 \$38,701	134 \$38,235	94 \$38,173	27 \$32,270						544 \$36,567
40-44	105 \$31,411	142 \$37,537	149 \$40,421	170 \$40,884	117 \$39,940	8 \$36,126					691 \$38,442
45-49	99 \$35,045	111 \$39,195	171 \$39,760	155 \$41,859	171 \$43,037	101 \$42,065	14 \$38,338				822 \$40,452
50-54	52 \$34,217	71 \$36,526	134 \$43,997	91 \$43,603	132 \$44,948	166 \$46,886	145 \$45,968	15 \$44,028			806 \$43,769
55-59	17 \$36,136	38 \$40,824	61 \$37,034	43 \$42,542	43 \$45,193	69 \$50,315	52 \$50,660	22 \$47,942	2 \$24,744		347 \$44,402
60-64	8 \$33,257	23 \$35,433	30 \$43,915	20 \$35,820	24 \$37,383	19 \$40,042	14 \$51,807	6 \$43,896	5 \$43,136		149 \$40,115
Over 64	1 \$38,492	3 \$27,027	2 \$64,552	6 \$38,838	4 \$54,540	4 \$43,102	4 \$33,919	1 \$30,249	2 \$65,034		27 \$43,269
Total	892 \$31,429	683 \$37,298	715 \$40,056	581 \$41,021	518 \$42,269	367 \$45,574	229 \$46,713	44 \$45,654	9 \$43,915		4,038 \$39,055

ACTIVE MEMBERSHIP - WATER DEPARTMENT

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25										
25-29	3 \$34,232									3 \$34,232
30-34	2 \$30,798	9 \$41,960	1 \$41,870							12 \$40,092
35-39	3 \$37,028	7 \$34,943	16 \$38,064	11 \$41,018						37 \$38,268
40-44	3 \$33,976	8 \$32,601	28 \$36,693	25 \$42,157	16 \$34,921					80 \$37,535
45-49	3 \$48,957	12 \$48,865	16 \$39,667	16 \$40,896	25 \$43,115	10 \$38,068	1 \$37,989			83 \$42,395
50-54	1 \$32,584	3 \$38,129	12 \$37,328	9 \$32,086	21 \$42,417	18 \$39,024	23 \$40,217	2 \$43,506		89 \$39,201
55-59	3 \$37,929	1 \$35,780	4 \$33,929	5 \$42,997	3 \$34,224	1 \$28,200	6 \$41,964	3 \$33,168		26 \$37,786
60-64		1 \$51,858	3 \$37,286	3 \$38,925	3 \$40,967		4 \$40,808	2 \$53,226		16 \$42,067
Over 64			1 \$ 51,154	1 \$ 32,864	2 \$ 61,623	1 \$ 30,658				5 \$ 47,585
Total	18 \$37,252	41 \$40,767	81 \$37,773	70 \$40,184	70 \$41,088	30 \$38,066	34 \$40,530	7 \$41,852		351 \$39,611

ACTIVE MEMBERSHIP - SCHOOL BOARD

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	152	2									154
	\$14,562	\$27,135									\$14,726
25-29	302	79	1								382
	\$16,033	\$18,212	\$13,774								\$16,478
30-34	308	176	47	2							533
	\$16,200	\$18,200	\$24,081	\$22,243							\$17,578
35-39	334	292	127	37	12						802
	\$17,193	\$18,902	\$23,354	\$32,054	\$31,116						\$19,685
40-44	305	261	163	73	50	17					869
	\$17,752	\$17,653	\$22,466	\$33,401	\$36,447	\$30,760					\$21,251
45-49	218	225	225	58	59	68	11				864
	\$16,866	\$19,405	\$23,496	\$35,742	\$35,523	\$35,680	\$37,727				\$23,541
50-54	141	164	165	93	53	86	43	2			747
	\$16,356	\$17,748	\$22,695	\$33,676	\$30,226	\$33,217	\$41,599	\$32,921			\$24,641
55-59	61	79	93	44	56	64	8	6	2		413
	\$16,669	\$18,119	\$23,054	\$25,128	\$26,378	\$25,703	\$40,840	\$34,766	\$28,103		\$22,788
60-64	19	47	45	22	28	40	3	2	2		208
	\$13,118	\$14,159	\$18,448	\$21,935	\$21,126	\$20,307	\$39,976	\$47,905	\$30,638		\$18,790
Over 64	10	22	24	3	11	32		1			103
	\$ 13,532	\$ 9,438	\$ 13,762	\$ 14,019	\$ 13,945	\$ 15,171		\$ 40,411			\$ 13,540
Total	1,850	1,347	890	332	269	307	65	11	4		5,075
	\$16,533	\$18,118	\$22,595	\$31,638	\$30,170	\$28,497	\$40,776	\$37,333	\$29,371		\$20,817

ACTIVE MEMBERSHIP - MILWAUKEE TECHNICAL COLLEGE

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25										
25-29										
30-34										
35-39										
40-44										
45-49										
50-54							10			10
							\$42,593			\$42,593
55-59							9	5		14
							\$47,830	\$41,897		\$45,711
60-64							1			1
							\$65,105			\$65,105
Over 64										
Total							20	5		25
							\$46,075	\$41,897		\$45,240

ACTIVE MEMBERSHIP - SEWERAGE COMMISSION

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25										
25-29	3 \$38,619									3 \$38,619
30-34	6 \$48,299	2 \$38,369	4 \$50,536							12 \$47,389
35-39	3 \$77,619	12 \$49,560	18 \$42,780	2 \$49,085						35 \$48,451
40-44	10 \$54,070	14 \$49,687	17 \$50,100	28 \$52,075	24 \$46,654	2 \$63,264				95 \$50,446
45-49	5 \$56,813	15 \$50,526	21 \$50,560	26 \$55,761	49 \$56,650	9 \$48,674				125 \$54,139
50-54	4 \$53,232	3 \$59,187	13 \$47,170	9 \$50,957	30 \$55,330	21 \$50,174	7 \$48,294			87 \$51,884
55-59	5 \$63,513	4 \$51,978	7 \$45,273	6 \$41,991	13 \$55,324	7 \$52,053	5 \$59,175		1 \$53,413	48 \$52,650
60-64			3 \$38,767	5 \$59,916	2 \$61,602	2 \$43,727	1 \$44,439			13 \$51,614
Over 64										
Total	36 \$55,382	50 \$50,209	83 \$47,374	76 \$52,845	118 \$54,219	41 \$50,490	13 \$52,182		1 \$53,413	418 \$51,800

ACTIVE MEMBERSHIP - WISCONSIN CENTER DISTRICT

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	4									4
	\$25,663									\$25,663
25-29	7	1								8
	\$21,570	\$20,698								\$21,461
30-34	3	2								5
	\$39,826	\$40,438								\$40,071
35-39	8	1	1	3						13
	\$33,995	\$34,617	\$72,205	\$34,901						\$37,191
40-44	9	2	2			1				14
	\$34,656	\$44,784	\$38,919			\$33,937				\$36,661
45-49	5	1	1	1	1					9
	\$42,635	\$33,798	\$27,740	\$2,156	\$64,105					\$37,886
50-54	4		2	1	2	2				11
	\$39,029		\$46,870	\$59,555	\$47,172	\$47,276				\$45,301
55-59	3		2	1	2	2				10
	\$70,633		\$32,397	\$28,262	\$49,834	\$52,287				\$50,920
60-64		3								3
		\$17,634								\$17,634
Over 64	2	4							1	7
	\$ 17,712	\$ 14,858							\$ 34,512	\$ 18,481
Total	45	14	8	6	6	4			1	84
	\$34,969	\$26,564	\$42,040	\$32,446	\$48,676	\$49,782			\$34,512	\$35,740

ACTIVE MEMBERSHIP - HOUSING AUTHORITY

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	6 \$25,865									6 \$25,865
25-29	6 \$27,477	1 \$34,452								7 \$28,474
30-34	14 \$36,898	2 \$27,715	1 \$40,812	1 \$45,017						18 \$36,546
35-39	12 \$36,801	4 \$46,637	6 \$46,570	2 \$53,203	3 \$43,569					27 \$42,396
40-44	6 \$42,582	2 \$42,780	4 \$58,910	1 \$33,883	1 \$54,018	1 \$40,917				15 \$47,034
45-49	9 \$36,737	8 \$38,599	8 \$46,251	1 \$40,359	5 \$56,134	1 \$31,872				32 \$42,573
50-54	7 \$42,435	6 \$42,535	3 \$63,671	4 \$57,587	3 \$62,700	5 \$57,848	1 \$13,685			29 \$50,505
55-59	3 \$54,890		2 \$47,842			2 \$86,614	1 \$56,938			8 \$61,315
60-64		1 \$44,080	1 \$58,061							2 \$51,070
Over 64										
Total	63 \$36,922	24 \$40,420	25 \$50,826	9 \$50,668	12 \$54,458	9 \$59,473	2 \$35,311			144 \$43,626

ACTIVE MEMBERSHIP - GENERAL EMPLOYEES

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	265 \$19,746	4 \$28,883								269 \$19,882
25-29	490 \$21,178	110 \$21,701	3 \$23,496							603 \$21,285
30-34	531 \$23,052	306 \$25,575	85 \$28,867	5 \$29,879						927 \$24,455
35-39	500 \$22,686	465 \$26,551	302 \$32,517	149 \$37,146	42 \$32,748					1,458 \$27,723
40-44	438 \$22,654	429 \$25,803	363 \$32,720	297 \$40,183	209 \$39,530	28 \$34,978				1,764 \$30,638
45-49	339 \$23,956	372 \$27,967	442 \$32,081	257 \$41,665	310 \$44,044	189 \$39,817	26 \$38,066			1,935 \$33,892
50-54	209 \$22,890	247 \$24,498	329 \$33,393	207 \$39,309	241 \$43,022	298 \$42,885	229 \$44,353	19 \$42,804		1,779 \$36,018
55-59	92 \$26,511	122 \$26,446	169 \$29,682	99 \$34,648	117 \$37,111	145 \$39,911	81 \$49,335	36 \$43,676	5 \$31,822	866 \$34,606
60-64	27 \$19,085	75 \$21,723	82 \$29,681	50 \$32,307	57 \$30,435	61 \$27,222	23 \$48,609	10 \$46,564	7 \$39,565	392 \$29,208
Over 64	13 \$ 16,095	29 \$ 12,005	27 \$ 18,909	10 \$ 30,795	17 \$ 29,106	37 \$ 18,609	4 \$ 33,919	2 \$ 35,330	3 \$ 54,860	142 \$ 20,635
Total	2,904 \$22,447	2,159 \$25,661	1,802 \$31,825	1,074 \$38,936	993 \$40,514	758 \$38,813	363 \$45,169	67 \$43,610	15 \$40,043	10,135 \$30,520

ACTIVE MEMBERSHIP - POLICEMEN

NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	102	11								113
	\$26,288	\$44,200								\$28,032
25-29	185	114	9							308
	\$41,504	\$49,470	\$51,561							\$44,746
30-34	131	295	62	12						500
	\$43,117	\$50,060	\$52,012	\$53,031						\$48,554
35-39	34	149	73	59	14					329
	\$41,602	\$50,076	\$51,538	\$54,115	\$56,136					\$50,507
40-44	10	54	33	115	77	8				297
	\$39,728	\$49,500	\$51,000	\$54,467	\$55,102	\$60,481				\$53,009
45-49	2	16	9	57	118	67	13			282
	\$47,690	\$49,164	\$51,023	\$52,544	\$54,504	\$56,003	\$56,763			\$54,106
50-54	2	8	6	17	36	56	49	1		175
	\$46,480	\$49,711	\$51,764	\$53,211	\$54,023	\$54,357	\$55,665	\$65,584		\$54,216
55-59					8	3	14	2		27
					\$55,953	\$50,013	\$55,715	\$51,460		\$54,837
60-64						1		1	2	4
						\$50,328		\$48,327	\$53,326	\$51,327
Over 64										
Total	466	647	192	260	253	135	76	4	2	2,035
	\$38,644	\$49,787	\$51,582	\$53,817	\$54,754	\$55,410	\$55,862	\$54,208	\$53,326	\$49,149

ACTIVE MEMBERSHIP - FIREMEN
NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2000

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	32	8								40
	\$35,211	\$42,922								\$36,753
25-29	62	21								83
	\$33,735	\$48,659								\$37,511
30-34	63	102	18							183
	\$35,447	\$48,492	\$50,485							\$44,197
35-39	18	62	84	36	1					201
	\$31,753	\$49,001	\$50,313	\$51,019	\$48,441					\$48,363
40-44	4	15	51	75	77	2				224
	\$33,549	\$47,967	\$50,381	\$52,384	\$55,436	\$54,385				\$52,363
45-49	1	5	21	41	75	14	1			158
	\$34,552	\$45,906	\$50,374	\$51,471	\$53,769	\$55,524	\$51,372			\$52,491
50-54			2	4	38	52	25			121
			\$50,917	\$51,521	\$53,196	\$55,798	\$60,497			\$55,730
55-59		1			1	4	7	1		14
		\$47,782			\$54,562	\$56,277	\$50,929	\$86,167		\$55,009
60-64										
Over 64										
Total	180	214	176	156	192	72	33	1		1,024
	\$34,399	\$48,347	\$50,365	\$51,807	\$54,301	\$55,732	\$58,191	\$86,167		\$48,759

EXHIBIT 2
Detailed Tabulations of the Data

TABLE 1

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2000
GENERAL EMPLOYEES**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
18	6	\$ 109,803	3	\$ 62,915	9	\$ 172,718
19	10	196,942	5	112,951	15	309,893
20	13	350,668	6	117,441	19	468,110
21	21	453,430	11	171,513	32	624,943
22	12	223,078	25	459,924	37	683,002
23	26	645,410	54	916,335	80	1,561,745
24	23	495,157	54	1,032,589	77	1,527,746
25	24	614,861	64	1,193,424	88	1,808,285
26	31	764,659	76	1,517,723	107	2,282,382
27	46	1,101,098	75	1,396,127	121	2,497,225
28	40	963,337	78	1,542,876	118	2,506,213
29	69	1,704,575	100	2,036,209	169	3,740,784
30	74	2,025,656	88	1,815,805	162	3,841,461
31	54	1,459,027	109	2,260,375	163	3,719,402
32	82	2,473,242	107	2,146,701	189	4,619,943
33	104	3,319,125	100	2,014,263	204	5,333,388
34	93	2,857,526	116	2,297,757	209	5,155,283
35	108	3,306,609	151	3,204,322	259	6,510,931
36	115	3,645,461	137	3,051,084	252	6,696,545
37	112	3,812,368	168	3,733,337	280	7,545,705
38	125	4,573,950	181	4,327,592	306	8,901,542
39	161	5,854,419	200	4,910,359	361	10,764,778
40	135	4,604,312	180	4,313,379	315	8,917,691
41	167	6,284,632	175	3,993,839	342	10,278,470
42	170	6,586,481	196	4,820,960	366	11,407,441
43	182	6,990,144	181	4,576,709	363	11,566,853
44	184	7,111,297	194	4,762,820	378	11,874,117
45	209	8,498,112	196	5,404,478	405	13,902,590
46	191	7,592,897	210	5,563,636	401	13,156,533
47	179	7,381,962	185	4,817,515	364	12,199,478
48	204	8,732,283	203	5,328,469	407	14,060,752
49	178	7,266,626	180	4,995,006	358	12,261,632
50	204	8,198,491	199	5,937,051	403	14,135,542
51	213	9,032,021	168	4,316,861	381	13,348,881
52	232	9,908,197	155	3,985,723	387	13,893,920
53	187	8,485,566	149	4,260,739	336	12,746,305
54	150	6,798,049	122	3,153,659	272	9,951,708
55	107	5,209,151	99	2,491,625	206	7,700,776
56	101	4,771,237	87	2,260,820	188	7,032,058
57	86	3,711,199	87	2,153,845	173	5,865,044

TABLE 1

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2000
GENERAL EMPLOYEES**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
58	63	2,932,335	87	2,026,439	150	4,958,774
59	54	2,174,242	95	2,237,500	149	4,411,742
60	41	1,671,384	67	1,602,259	108	3,273,644
61	41	1,630,969	51	1,152,959	92	2,783,928
62	30	1,232,725	52	1,165,585	82	2,398,310
63	17	586,628	39	801,081	56	1,387,709
64	19	836,173	35	769,897	54	1,606,071
65	8	290,293	23	407,470	31	697,763
66	6	288,535	18	264,053	24	552,588
67	3	159,339	10	149,998	13	309,337
68	6	212,006	11	108,215	17	320,222
69	2	50,277	8	130,376	10	180,653
70	4	101,195	7	71,904	11	173,099
71			3	52,556	3	52,556
72	4	218,793	2	28,237	6	247,030
73			4	48,343	4	48,343
74			7	95,482	7	95,482
75			2	27,765	2	27,765
76	2	48,826	1	7,566	3	56,392
77	2	60,094	5	47,885	7	107,979
78	1	16,653			1	16,653
79			1	30,658	1	30,658
80						
81			1	156	1	156
82	1	13,460			1	13,460
Total	4,732	\$ 180,636,990	5,403	\$ 128,685,138	10,135	\$ 309,322,128

TABLE 2

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2000
GENERAL EMPLOYEES**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	211	\$ 6,152,463	340	\$ 7,705,612	551	\$ 13,858,075
1	229	6,076,940	428	7,533,592	657	13,610,532
2	226	6,361,862	377	6,093,792	603	12,455,654
3	236	7,155,292	373	6,411,272	609	13,566,564
4	191	6,236,734	293	5,457,101	484	11,693,835
5	208	6,472,169	280	5,522,537	488	11,994,706
6	184	5,756,590	212	4,583,701	396	10,340,291
7	166	5,240,784	234	4,749,420	400	9,990,203
8	148	4,911,116	281	5,556,457	429	10,467,573
9	196	7,153,154	250	5,456,615	446	12,609,769
10	209	7,969,113	273	6,434,213	482	14,403,326
11	156	6,088,051	230	5,934,075	386	12,022,126
12	138	5,764,769	161	4,289,623	299	10,054,392
13	112	4,652,485	180	4,817,488	292	9,469,973
14	158	6,307,497	185	5,090,731	343	11,398,228
15	197	8,489,909	150	4,518,564	347	13,008,473
16	141	6,353,596	87	2,880,951	228	9,234,547
17	94	4,081,114	72	2,564,107	166	6,645,221
18	87	3,807,872	55	1,834,841	142	5,642,713
19	120	5,171,320	71	2,114,550	191	7,285,870
20	158	6,825,039	126	4,282,665	284	11,107,703
21	130	5,988,512	96	3,315,297	226	9,303,809
22	125	5,326,514	62	2,229,565	187	7,556,079
23	79	3,760,508	48	1,589,839	127	5,350,347
24	107	4,910,163	62	2,002,513	169	6,912,676
25	105	4,690,189	91	2,670,130	196	7,360,319
26	70	3,242,652	69	2,385,134	139	5,627,786
27	64	2,856,835	118	2,702,890	182	5,559,726
28	97	4,643,636	45	1,819,836	142	6,463,473
29	77	3,529,649	22	879,671	99	4,409,320
30	64	2,885,643	20	807,014	84	3,692,657
31	69	3,065,039	41	1,712,752	110	4,777,791
32	55	2,588,641	21	842,647	76	3,431,289
33	36	1,883,074	14	551,511	50	2,434,585
34	36	1,751,930	7	308,035	43	2,059,965
35	19	904,559	9	341,525	28	1,246,084
36	11	445,612	5	216,792	16	662,404
37	3	159,179	5	172,740	8	331,919
38	8	434,293	1	33,076	9	467,369
39	4	145,100	2	69,011	6	214,111

TABLE 2

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2000
GENERAL EMPLOYEES**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40	2	103,377	2	63,155	4	166,531
41			2	42,541	2	42,541
42	4	226,257			4	226,257
43						
44			1	37,820	1	37,820
45	1	33,246	1	32,864	2	66,111
46			1	26,873	1	26,873
47						
48	1	34,512			1	34,512
Total	4,732	\$ 180,636,990	5,403	\$ 128,685,138	10,135	\$ 309,322,128

TABLE 3

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2000
POLICEMEN**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
18	8	\$ 161,258	1	\$ 22,247	9	\$ 183,506
19	10	207,130	5	104,360	15	311,490
20	15	304,081	10	198,426	25	502,507
21	13	320,435	7	148,172	20	468,607
22	13	430,576	1	35,570	14	466,146
23	10	428,767	2	84,750	12	513,517
24	14	575,169	4	146,641	18	721,810
25	29	1,230,006	7	303,307	36	1,533,313
26	31	1,308,049	6	270,570	37	1,578,619
27	55	2,450,998	10	420,600	65	2,871,598
28	59	2,722,836	15	688,058	74	3,410,894
29	81	3,673,668	15	713,705	96	4,387,373
30	89	4,239,973	28	1,338,096	117	5,578,069
31	73	3,474,551	26	1,293,013	99	4,767,563
32	88	4,304,386	28	1,390,807	116	5,695,193
33	78	3,817,342	14	640,445	92	4,457,787
34	55	2,767,308	21	1,011,188	76	3,778,496
35	75	3,722,987	16	790,402	91	4,513,389
36	48	2,395,185	11	539,890	59	2,935,075
37	56	2,858,548	9	425,225	65	3,283,773
38	50	2,602,093	4	194,520	54	2,796,612
39	51	2,622,097	9	465,843	60	3,087,940
40	53	2,740,074	11	553,316	64	3,293,390
41	50	2,624,581	13	687,011	63	3,311,592
42	52	2,756,299	7	355,175	59	3,111,475
43	41	2,164,276	9	498,738	50	2,663,013
44	50	2,747,532	11	616,641	61	3,364,173
45	50	2,690,758	7	363,343	57	3,054,101
46	57	3,108,306	3	163,332	60	3,271,638
47	56	3,019,126	6	340,876	62	3,360,002
48	44	2,361,933	12	627,709	56	2,989,642
49	43	2,379,010	4	203,451	47	2,582,461
50	47	2,517,151	5	256,494	52	2,773,645
51	52	2,775,005	3	153,893	55	2,928,898
52	32	1,782,589			32	1,782,589
53	16	856,113	3	155,289	19	1,011,402
54	14	841,187	3	150,084	17	991,271
55	15	858,223	1	57,006	16	915,228
56	4	203,578			4	203,578
57	3	158,678			3	158,678

TABLE 3

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2000
POLICEMEN**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
58	2	102,390			2	102,390
59	2	100,718			2	100,718
60	2	98,655			2	98,655
61	1	55,602			1	55,602
62						
63						
64	1	51,050			1	51,050
Total	1,688	\$ 83,610,277	347	\$ 16,408,190	2,035	\$ 100,018,467

TABLE 4

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2000
POLICEMEN**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	84	\$ 2,686,794	13	\$ 398,156	97	\$ 3,084,950
1	59	2,018,865	18	534,812	77	2,553,677
2	38	1,049,297	12	270,511	50	1,319,808
3	83	3,610,345	18	780,602	101	4,390,946
4	115	5,457,603	26	1,200,979	141	6,658,582
5	129	6,339,635	36	1,761,490	165	8,101,125
6	62	3,059,484	18	854,419	80	3,913,903
7	64	3,165,837	24	1,200,411	88	4,366,248
8	135	6,788,594	42	2,096,892	177	8,885,485
9	110	5,598,276	27	1,347,096	137	6,945,372
10	65	3,384,521	12	628,304	77	4,012,825
11	22	1,137,320	6	298,705	28	1,436,025
12	28	1,453,217	6	270,410	34	1,723,627
13	21	1,084,653	4	176,505	25	1,261,158
14	23	1,210,176	5	259,994	28	1,470,171
15	62	3,271,744	14	740,095	76	4,011,839
16	18	1,022,555	6	344,514	24	1,367,069
17	37	1,959,236	7	354,655	44	2,313,891
18	44	2,379,679	8	374,754	52	2,754,432
19	49	2,696,540	15	848,646	64	3,545,186
20	82	4,360,827	7	372,103	89	4,732,930
21	37	2,040,597	5	294,378	42	2,334,974
22	51	2,774,430	3	165,558	54	2,939,989
23	32	1,803,347	4	213,625	36	2,016,972
24	29	1,632,313	3	195,578	32	1,827,891
25	22	1,242,117	3	166,061	25	1,408,178
26	24	1,370,219	1	52,162	25	1,422,381
27	16	918,350			16	918,350
28	35	1,891,245	3	151,307	38	2,042,552
29	30	1,633,465	1	55,467	31	1,688,932
30	18	1,029,003			18	1,029,003
31	25	1,410,483			25	1,410,483
32	26	1,369,764			26	1,369,764
33	5	335,112			5	335,112
34	2	101,151			2	101,151
35	2	98,619			2	98,619
36	2	118,213			2	118,213
37						
38						
39						

TABLE 4

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2000
POLICEMEN**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40	1	51,050			1	51,050
41						
42						
43	1	55,602			1	55,602
Total	1,688	\$ 83,610,277	347	\$ 16,408,190	2,035	\$ 100,018,467

TABLE 5
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2000
FIREMEN

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
20	2	\$ 53,531			2	\$ 53,531
21	8	289,672			8	289,672
22	11	422,626			11	422,626
23	11	419,291			11	419,291
24	7	258,399	1	26,604	8	285,003
25	5	142,272			5	142,272
26	13	430,330			13	430,330
27	14	501,099			14	501,099
28	22	886,314			22	886,314
29	29	1,153,407			29	1,153,407
30	43	1,829,482	2	83,660	45	1,913,142
31	20	839,910	2	84,566	22	924,476
32	42	1,817,996	2	96,764	44	1,914,760
33	37	1,683,055	1	48,266	38	1,731,321
34	32	1,507,916	2	96,455	34	1,604,371
35	34	1,550,602	7	344,725	41	1,895,327
36	46	2,220,677	1	48,111	47	2,268,788
37	38	1,888,312	5	266,873	43	2,155,185
38	30	1,480,934	3	147,765	33	1,628,699
39	34	1,636,668	3	136,365	37	1,773,033
40	32	1,564,260	3	195,507	35	1,759,767
41	32	1,669,215	2	106,070	34	1,775,285
42	48	2,562,038	2	102,531	50	2,664,569
43	37	1,914,771	6	322,413	43	2,237,184
44	59	3,139,605	3	152,881	62	3,292,487
45	28	1,464,769	1	47,846	29	1,512,615
46	38	2,025,974	1	54,114	39	2,080,088
47	35	1,820,139			35	1,820,139
48	35	1,850,679			35	1,850,679
49	20	1,030,077			20	1,030,077
50	17	871,874			17	871,874
51	32	1,841,220			32	1,841,220
52	23	1,229,473			23	1,229,473
53	30	1,765,790			30	1,765,790
54	19	1,034,915			19	1,034,915
55	5	254,359			5	254,359
56	2	124,445			2	124,445
57	3	147,885			3	147,885
58	2	140,729			2	140,729
59	2	102,704			2	102,704
Total	977	\$ 47,567,415	47	\$ 2,361,517	1,024	\$ 49,928,932

TABLE 6
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2000
FIREMEN

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	57	\$ 1,568,325	1	\$ 26,604	58	\$ 1,594,929
1	19	582,340			19	582,340
2	16	546,023	2	70,124	18	616,147
3	46	1,766,771			46	1,766,771
4	39	1,631,587			39	1,631,587
5	34	1,531,642			34	1,531,642
6	63	3,084,867	3	146,343	66	3,231,211
7	29	1,408,909	2	96,378	31	1,505,287
8	40	1,958,109	10	505,556	50	2,463,665
9	32	1,566,285	1	48,189	33	1,614,474
10	42	2,083,465	4	198,346	46	2,281,811
11	20	1,005,280	1	48,120	21	1,053,400
12	30	1,498,793			30	1,498,793
13	48	2,448,989	1	48,368	49	2,497,357
14	20	1,039,393	10	493,425	30	1,532,817
15	46	2,338,872	1	50,911	47	2,389,783
16	26	1,331,910	4	222,191	30	1,554,101
17	31	1,579,819	4	211,321	35	1,791,140
18	22	1,186,310			22	1,186,310
19	22	1,160,520			22	1,160,520
20	32	1,741,353	2	141,231	34	1,882,584
21	44	2,369,221			44	2,369,221
22	47	2,538,584	1	54,411	48	2,592,995
23	24	1,384,078			24	1,384,078
24	42	2,196,821			42	2,196,821
25	15	812,792			15	812,792
26	18	960,965			18	960,965
27	17	947,381			17	947,381
28	17	1,022,843			17	1,022,843
29	5	268,705			5	268,705
30	6	388,432			6	388,432
31	11	646,423			11	646,423
32	13	728,175			13	728,175
33	1	51,352			1	51,352
34	2	105,914			2	105,914
35						
36	1	86,167			1	86,167
Total	977	\$ 47,567,415	47	\$ 2,361,517	1,024	\$ 49,928,932

TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING GENERAL EMPLOYEES FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
28	1	\$ 9,514			1	\$ 9,514
30			2	24,803	2	24,803
33	1	9,681	1	3,757	2	13,438
36	1	7,511			1	7,511
37	2	13,190	1	2,605	3	15,795
38			3	19,630	3	19,630
39	4	35,301			4	35,301
40	5	67,583	2	9,058	7	76,641
41	14	182,936			14	182,936
42	3	24,788	3	32,341	6	57,129
43	3	34,123	1	4,777	4	38,900
44	16	156,283	3	30,390	19	186,673
45	10	89,826	3	31,441	13	121,267
46	9	112,898	3	16,465	12	129,363
47	9	91,449	7	47,376	16	138,825
48	13	135,591	3	30,371	16	165,962
49	18	199,844	3	15,826	21	215,670
50	14	147,106			14	147,106
51	15	188,489	8	49,159	23	237,648
52	20	275,321	4	25,203	24	300,524
53	9	85,778	12	103,333	21	189,111
54	9	117,093	9	75,714	18	192,807
55	33	581,099	4	27,981	37	609,080
56	61	1,340,805	6	44,420	67	1,385,225
57	56	1,217,759	10	118,334	66	1,336,093
58	72	1,593,878	12	153,250	84	1,747,128
59	63	1,579,597	12	138,198	75	1,717,795
60	106	1,806,008	10	71,453	116	1,877,461
61	125	2,009,840	17	185,832	142	2,195,672
62	181	2,817,643	15	133,678	196	2,951,321
63	198	2,978,384	15	127,913	213	3,106,297
64	198	2,660,054	15	132,180	213	2,792,234
65	169	2,123,461	19	148,309	188	2,271,770
66	213	2,319,660	21	185,808	234	2,505,468
67	230	2,854,853	26	260,982	256	3,115,835
68	255	2,987,686	21	159,901	276	3,147,587
69	255	2,856,070	37	222,801	292	3,078,871
70	251	3,067,703	39	316,295	290	3,383,998
71	239	2,860,438	44	311,028	283	3,171,466
72	238	2,447,439	45	371,632	283	2,819,071

TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING GENERAL EMPLOYEES FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
73	244	2,473,287	40	377,763	284	2,851,050
74	265	2,989,407	50	309,897	315	3,299,304
75	230	2,439,868	50	334,228	280	2,774,096
76	261	2,564,559	54	322,343	315	2,886,902
77	206	1,945,000	51	288,000	257	2,233,000
78	205	2,034,156	57	358,066	262	2,392,222
79	221	1,916,685	73	515,434	294	2,432,119
80	165	1,340,954	56	334,841	221	1,675,795
81	146	1,258,000	44	250,829	190	1,508,829
82	159	1,260,049	53	301,590	212	1,561,639
83	120	893,076	43	250,194	163	1,143,270
84	116	820,677	44	236,220	160	1,056,897
85	95	652,875	36	189,734	131	842,609
86	86	624,974	31	190,259	117	815,233
87	59	445,092	29	157,784	88	602,876
88	45	322,975	26	132,551	71	455,526
89	34	277,360	23	143,073	57	420,433
90	37	255,718	19	91,590	56	347,308
91	13	91,744	18	134,275	31	226,019
92	23	185,822	8	44,577	31	230,399
93	15	97,233	8	61,589	23	158,822
94	4	38,215	4	35,498	8	73,713
95	5	39,858	1	6,208	6	46,066
96	3	25,571			3	25,571
97	4	34,606	3	5,653	7	40,259
98	2	11,678	3	22,797	5	34,475
99	4	25,038	1	6,754	5	31,792
100	3	20,901			3	20,901
102			2	8,677	2	8,677
Total	5,889	\$ 67,172,060	1,263	\$ 8,742,668	7,152	\$ 75,914,728

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING FIREMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
10			1	\$ 13,698	1	\$ 13,698
11			2	7,200	2	7,200
15			1	13,698	1	13,698
34	1	40,038			1	40,038
35			1	15,982	1	15,982
36	1	35,883			1	35,883
37	1	34,932			1	34,932
38	1	35,098			1	35,098
39	2	72,704			2	72,704
40	5	191,953			5	191,953
41	6	141,343	1	7,200	7	148,543
42	6	200,770			6	200,770
43	7	215,892			7	215,892
44	7	241,566			7	241,566
45	8	299,727			8	299,727
46	7	248,680			7	248,680
47	10	354,849	1	24,540	11	379,389
48	5	180,623	4	45,134	9	225,757
49	5	194,262			5	194,262
50	4	107,609			4	107,609
51	6	227,482	1	4,898	7	232,380
52	11	434,316	1	20,938	12	455,254
53	15	538,037	2	28,787	17	566,824
54	21	796,033			21	796,033
55	16	577,683	2	50,299	18	627,982
56	22	791,157	3	66,497	25	857,654
57	38	1,311,975	4	76,637	42	1,388,612
58	22	818,699	1	18,221	23	836,920
59	30	1,089,353	4	76,610	34	1,165,963
60	26	920,155	2	13,529	28	933,684
61	20	630,972	1	45,403	21	676,375
62	30	982,787	4	52,124	34	1,034,911
63	24	819,777	2	32,425	26	852,202
64	21	761,936	11	160,337	32	922,273
65	22	655,003	4	55,759	26	710,762
66	17	537,865	4	62,662	21	600,527
67	14	405,441	5	80,189	19	485,630
68	21	631,418	12	174,089	33	805,507
69	38	1,111,288	15	207,304	53	1,318,592
70	35	1,078,987	12	157,747	47	1,236,734

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING FIREMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
71	45	1,219,173	9	128,275	54	1,347,448
72	25	695,590	19	278,791	44	974,381
73	25	658,939	9	108,547	34	767,486
74	30	729,119	12	139,313	42	868,432
75	21	565,827	6	57,091	27	622,918
76	18	438,163	2	20,002	20	458,165
77	18	450,878	3	28,414	21	479,292
78	13	334,612	3	32,267	16	366,879
79	13	306,551	4	45,873	17	352,424
80	9	178,478	4	38,600	13	217,078
81	5	87,361	3	22,882	8	110,243
82	5	92,947			5	92,947
83	1	19,251	2	9,989	3	29,240
Total	753	\$ 23,493,182	177	\$ 2,421,951	930	\$ 25,915,133

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING POLICEMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
3			2	\$ 27,569	2	\$ 27,569
15			2	7,200	2	7,200
16			1	7,200	1	7,200
20			1	16,775	1	16,775
27			1	8,687	1	8,687
30			1	8,687	1	8,687
33	1	32,595			1	32,595
34	2	24,225			2	24,225
36	2	55,385			2	55,385
38	4	149,704			4	149,704
39	2	70,672	4	54,937	6	125,609
40	4	142,461	1	30,586	5	173,047
41	4	137,952	1	11,340	5	149,292
42	5	153,994			5	153,994
43	5	181,254	2	14,320	7	195,574
44	5	186,306	4	61,626	9	247,932
45	7	229,031			7	229,031
46	8	302,124	1	24,861	9	326,985
47	5	194,740	1	10,063	6	204,803
48	9	321,706	2	54,726	11	376,432
49	6	231,284	4	92,090	10	323,374
50	12	431,998	2	28,762	14	460,760
51	14	518,393	2	35,513	16	553,906
52	42	1,626,024	2	35,555	44	1,661,579
53	71	2,693,796	2	42,563	73	2,736,359
54	55	1,947,859	4	92,776	59	2,040,635
55	35	1,254,487	6	113,446	41	1,367,933
56	61	2,238,215	2	57,984	63	2,296,199
57	66	2,293,693	6	114,735	72	2,408,428
58	78	2,648,654	5	69,288	83	2,717,942
59	50	1,752,037	3	80,119	53	1,832,156
60	58	1,919,915	7	92,531	65	2,012,446
61	50	1,589,764	3	28,083	53	1,617,847
62	43	1,272,875	6	59,198	49	1,332,073
63	43	1,367,076	2	32,919	45	1,399,995
64	39	1,201,697	9	159,927	48	1,361,624
65	43	1,226,561	7	76,318	50	1,302,879
66	39	1,174,789	8	120,228	47	1,295,017
67	31	762,058	17	233,959	48	996,017
68	42	1,182,349	18	166,507	60	1,348,856

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING POLICEMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
69	52	1,392,453	7	90,335	59	1,482,788
70	44	1,219,800	14	170,852	58	1,390,652
71	58	1,612,342	20	272,543	78	1,884,885
72	49	1,259,461	22	255,018	71	1,514,479
73	66	1,631,035	19	231,947	85	1,862,982
74	34	770,594	13	167,671	47	938,265
75	36	749,881	13	104,797	49	854,678
76	28	545,454	19	182,486	47	727,940
77	38	676,930	11	98,829	49	775,759
78	23	468,855	8	100,214	31	569,069
79	14	246,100	7	52,637	21	298,737
80	12	218,580	6	46,642	18	265,222
81	8	156,022	2	11,224	10	167,246
82	7	116,830	2	16,618	9	133,448
83	1	3,843	2	12,784	3	16,627
84			1	4,034	1	4,034
85	1	15,168	1	7,123	2	22,291
88	1	7,038			1	7,038
98	1	16,603			1	16,603
Total	1,414	\$ 42,622,662	306	\$ 3,896,832	1,720	\$ 46,519,494

TABLE 8

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENTERS FROM THE RETIREMENT FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
27			1	\$ 16,627	1	\$ 16,627
38			1	45,050	1	45,050
39			1	7,807	1	7,807
46	1	5,188			1	5,188
49	2	13,714			2	13,714
51			1	12,874	1	12,874
53			1	2,548	1	2,548
55			1	14,878	1	14,878
58	1	6,902	1	6,365	2	13,267
60	1	24,486	2	22,267	3	46,753
61	2	44,852	1	8,524	3	53,376
62	4	18,581	1	2,782	5	21,363
63			1	9,593	1	9,593
64	4	108,601			4	108,601
65	1	30,000	1	22,703	2	52,703
66	3	75,282	2	27,124	5	102,406
67	2	11,754	1	7,217	3	18,971
68	5	40,895			5	40,895
69	3	2,940	2	10,102	5	13,042
70	1	29,370	2	16,819	3	46,189
71	3	16,234	2	3,184	5	19,418
72	2	7,734			2	7,734
73	8	47,601	1	5,769	9	53,370
74	7	31,167			7	31,167
75	3	26,623	3	35,493	6	62,116
76	8	40,694	2	9,513	10	50,207
77	2	20,822	3	11,202	5	32,024
78	4	7,295	2	12,343	6	19,638
79	6	21,062	3	17,513	9	38,575
80	7	54,611	5	29,664	12	84,275
81	3	6,619	5	24,196	8	30,815
82	2	3,333	3	13,854	5	17,187
83	1	8,090	3	11,327	4	19,417
84	3	21,878			3	21,878
85	3	25,020	2	6,745	5	31,765
86	2	11,033			2	11,033
87	5	32,368	1	2,552	6	34,920
88	4	14,442	1	6,362	5	20,804
89	2	14,410	1	706	3	15,116
90	1	3,417	2	6,516	3	9,933

TABLE 8

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENSERS FROM THE RETIREMENT FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
91	2	18,148	1	7,447	3	25,595
92			3	18,352	3	18,352
93	2	13,843			2	13,843
94	2	15,539			2	15,539
95	2	15,590			2	15,590
98	1	8,843			1	8,843
100	1	2,587			1	2,587
Total	116	\$ 901,568	63	\$ 456,018	179	\$ 1,357,586

TABLE 9

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENTERS FROM THE GENERAL EMPLOYE DUTY DISABILITY FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
42	1	\$ 19,052			1	\$ 19,052
43	1	29,372			1	29,372
62	1	23,098			1	23,098
Total	3	\$ 71,522			3	\$ 71,522

TABLE 10

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO NON-CONSENTING
FIREMEN FROM THE FIRE AND POLICE DUTY DISABILITY FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
50	1	\$ 35,664			1	\$ 35,664
Total	1	\$ 35,664			1	\$ 35,664

TABLE 11

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO NON-CONSENTING
POLICEMEN FROM THE FIRE AND POLICE DUTY DISABILITY FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
42	1	\$ 35,712			1	\$ 35,712
44	1	35,732			1	35,732
76			1	28,980	1	28,980
Total	2	\$ 71,444	1	\$ 28,980	3	\$ 100,424

TABLE 12

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENTERS FROM THE FIREMEN'S HEART AND LUNG FUND**

AS OF DECEMBER 31, 2000

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
74			1	\$ 23,126	1	\$ 23,126
82			1	6,202	1	6,202
Total			2	\$ 29,328	2	\$ 29,328

TABLE 13

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENTERS FROM THE FIREMEN AND POLICEMEN'S SURVIVORSHIP FUND
AS OF DECEMBER 31, 2000**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
57			1	\$ 3,600	1	\$ 3,600
59			1	2,400	1	2,400
Total			2	\$ 6,000	2	\$ 6,000