

**CITY OF MILWAUKEE  
EMPLOYES' RETIREMENT SYSTEM**

**ACTUARIAL VALUATION  
AS OF JANUARY 1, 2005**

June 15, 2005

Annuity and Pension Board  
Employees' 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 Employees' Retirement System as of January 1, 2005, 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, 2005.

Benefit changes recognized in this valuation include those provided by the 2003 – 2006 agreements between the City and various general employe groups, as well as those provided by the 2004 – 2006 agreement between the City and the Milwaukee Police Association. New assumptions were required to value some of the benefit changes. The benefit changes and new assumptions are discussed on pages 2 – 4 of this report.

Global Pension Settlement (GPS) benefits have been provided to 29 individuals who consented to the GPS since the last valuation and, as a result, assets are transferred from the non-consenter funds in which these members previously participated to the Global Combined Fund. The methodology of calculating these asset transfers has been changed since the previous valuation in order to both simplify ERS accounting procedures and eliminate the need for a special valuation at the end of the year in which a member consents to GPS. The change in methodology is discussed on page 6 of this report.

On November 22, 2004, the Fire and Police Survivorship Fund was dissolved by resolution of the Board. The Fund was closed to new members as a result of GPS, and during 2003 the last non-consenting member of the Fund consented to GPS. As a result all remaining F&P Survivorship benefits are paid from the Global Combined Fund, and the assets remaining in the F&P Survivorship Fund were transferred to the Global Combined Fund as of January 1, 2004.

The valuation was based on the actuarial assumptions and methods as adopted by the Board of Trustees, and as specified by the Charter. Except for the new assumptions and new asset transfer methodology described above, the methods and assumptions are the same as those used for the prior valuation.

### **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.

### **Financing Objective and Employer Contribution**

The results of the January 1, 2005 valuation determine the employer contribution for the year ended December 31, 2005.

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 \$47,000 for the 2005 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  
Director, Retirement Consulting



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

## **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-eighth annual actuarial valuation of the System as of January 1, 2005.

In this report we present the results of the January 1, 2005 valuation and the recommended employer contributions for the year ending December 31, 2005. 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 35-43, were adopted as of January 1, 2003, and are based on the experience study for the five-year period ended December 31, 2001. The projected unit credit actuarial cost method was adopted as of January 1, 1995, and is prescribed in section 36.08 of the Milwaukee City Charter. The actuarial asset valuation method was adopted as of January 1, 1998. Since January 1, 2000, an interest rate of 8½% has been used to value all benefits.

## Changes Since Last Year

As part of the 2003 – 2006 agreements between the City and certain general employe groups, imputed service credit for active military service, as provided in section 36-04-1-c, shall be extended to members of the affected groups who participate in the Global Combined Fund and who retire on a service retirement on and after January 1, 2003. In general, the extension ends when the agreement expires.

Under the 2004 – 2006 agreements between the City and certain general employe groups, members retiring on a service retirement allowance on or after January 1, 2005 with at least 5 years of City service, shall have hours worked as a City Laborer-Seasonal employe and/or Playground Laborer-Seasonal employe (MPS) taken into account in determining the amount of their service retirement allowance. The additional service credit is not to exceed one year, and is not to be used in determining eligibility for benefits.

New assumptions regarding the percentage of eligible employes with seasonal service were required to determine the cost of granting the seasonal service credit discussed above. The assumptions used were researched and provided to us in 2004 by staff of the Department of Employee Relations. They are based on a review of the data of both active and retired members of the groups eligible for this benefit. We recommend that the Board adopt these new assumptions. The assumptions are shown in detail on page 41 of this report.

Two changes in pensionable earnings were made under the 2003 – 2006 agreements between the City and the Milwaukee Police Association (MPA): the amount of Certification Pay which is pensionable was increased from \$600 per year to \$1,000 per year (an increase of \$400 per year) effective January 1, 2004. For service retirements in 2004, the amount to be included in the service retirement calculation is the amount the member would have received had he or she stayed in service for all of 2004. In addition, \$150 of bi-weekly Police Liaison Officer (PLO) payments are to be included in pensionable earnings effective Pay Period 1, 2004. Currently, three MPA members are PLOs and they each receive bi-weekly payments of \$75, none of which is pensionable. Both types of earnings are to be considered pensionable when determining the

amount of the service retirement allowance, but are not to be considered pensionable when determining the amount of other ERS allowances. Under the agreement, the ERS receives 7% employer-paid member contributions on the increased pensionable earnings

Another change in the 2003 – 2006 City and MPA agreement will affect future valuations, but has no impact on the current valuation results. Previously, chapter 36 provided that a Medical Panel (as defined in §36-02-20) shall be responsible for reviewing duty disability applications and re-examinations for firemen and policemen, and that a Medical Council (as defined in §36-02-19) shall be responsible for reviewing ordinary disability applications and re-examinations for all members, and duty disability applications and re-examinations for general employees. Under the agreement between the City and the MPA, the Medical Council (instead of the Medical Panel) will review all psychologically-based duty disability applications and re-examinations for MPA members hired after the execution date of the 2004 – 2006 agreement.

The Global Pension Settlement (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. Since the January 1, 2004 actuarial valuation was completed, 29 individuals who were eligible for ERS benefits as of June 28, 2000 – and who had not consented to GPS – have now consented. The January 1, 2005 valuation reflects the impact of this change.

The methodology of calculating GPS asset transfers for new consenters has been changed since the previous valuation. The change in methodology is discussed on page 6 of this report.

On November 22, 2004, the Fire and Police Survivorship Fund was dissolved by resolution of the Board. The Fund was closed to new members as a result of GPS, and during 2003 the last non-consenting member of the Fund consented to GPS. As a result all remaining F&P Survivorship benefits are paid from the Global Combined Fund, and the assets remaining in the F&P Survivorship Fund were transferred to the Global Combined Fund as of January 1, 2004. Dissolution of the F&P Survivorship Fund is documented in Table 5 of this report.

**Fiscal Impact of Changes**

As a result of the changes to the agreements between the City and the general employe groups, the accrued liability increased by \$1.3 million and the funded status decreased by .04%. As a result of the changes in pensionable earnings due to the MPA agreement, the accrued liability increased by \$1.8 million and the funded status decreased by .06%.

Administrative staff of the ERS provided us with statistical information about the system's experience during the five calendar years 2000 through 2004 with regard to psychologically-based duty disability applications made by members of the MPA (handled by the Medical Panel), and also with regard to all psychologically-based ordinary and duty disability applications made by general city employes (handled by the Medical Council). Based on this experience, and with regard to affected future members of the MPA only, we estimate that the change from review by the Medical Panel to review by the Medical Council would cause a 35% decrease in the rates of approval of the 75% duty disability benefit, and we also estimate that 20% of those denied a psychologically-based duty disability benefit would then apply for and receive a psychologically-based ordinary disability benefit. We recommend that the Board adopt these revised assumptions – to be used in future valuations – for affected future members of the MPA. This change has no fiscal impact on the current valuation, though over time the effect will be to lower the system's total Actuarial Liability. In addition we estimate that the change will cause the system's Normal Cost requirements to decrease by approximately \$600 per annum (in 2005 dollars) for each affected member of the MPA. As of January 1, 2005, there were 1,676 police who were active members of the MPA. None of these members are affected by this change.

The fiscal impact of new consents to GPS is explained on page 6. The change in methodology for determining asset transfers for new consenters had no fiscal impact on the ERS.

Dissolution of the F&P Survivorship Fund effective November 22, 2004, had no fiscal impact on the ERS.

## 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, 2005. Comparable results from the January 1, 2004 valuation are also shown.

Item	January 1, 2005	January 1, 2004
<b>Membership Data</b>		
<b>Active Members</b>		
➤ Number	12,195	12,574
➤ Total Annual Covered Payroll on the Valuation Date	\$ 505,609,000	\$ 486,384,000
➤ Average Pay	\$ 41,460	\$ 38,682
<b>Retirees and Beneficiaries</b>		
➤ Number	10,669	10,527
➤ Annual Benefit	\$ 191,511,080	\$ 183,775,860
➤ Average Benefit Payment	\$ 17,950	\$ 17,458
<b>Asset Values</b> (includes contributions receivable)		
➤ Actuarial Value	\$ 4,112,558,000	\$ 3,909,085,000
➤ Market Value	\$ 4,416,450,000	\$ 4,081,227,000
<b>Actuarially Determined Employer Contribution</b>	Due 1/31/2006	Due 1/31/2005
➤ Annual Cost	\$ 47,000	\$ 46,000
➤ As % of Covered Payroll	0.01%	0.01%
<b>Funded Status</b>		
➤ Accrued Liability	\$ 3,523,179,000	\$ 3,370,923,000
➤ Actuarial Value of Assets	<u>4,112,558,000</u>	<u>3,909,085,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$ (589,379,000)	\$ (538,162,000)
➤ Funded Ratio Based on Actuarial Value of Assets	116.7%	116.0%
➤ Accrued Liability	\$ 3,523,179,000	\$ 3,370,923,000
➤ Market Value of Assets	<u>4,416,450,000</u>	<u>4,081,227,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$ (893,271,000)	\$ (710,304,000)
➤ Funded Ratio Based on Market Value of Assets	125.4%	121.1%



## **Fiscal Impact of New Consents to the Global Pension Settlement**

Based on data provided to the actuary, 29 active members, inactive members, and benefit recipients (or estates) eligible for ERS benefits as of June 28, 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 \$243 thousand. At the direction of the Court, the ERS has continued to accept and process GPS consent forms and additional Consenters will be included in future actuarial valuations. Benefits will not change for individuals who do 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 non-consenting members who had separated without rights to a future ERS benefit have returned to service. 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.

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. In years subsequent to the initial January 1, 2000 GPS valuation, the division of assets for new Consenters was calculated as of the end of the year in which the member consented. Commencing with the 29 members who consented during 2004, the required division of assets is calculated as of the beginning of the year of consent to GPS. This change simplifies ERS accounting procedures and eliminates the need for a special valuation at the end of the year of consent. This change in methodology has no fiscal impact on the system. Table 8 of this report provides the necessary details.

## Contribution Requirements for Fiscal Year 2005

**Actuarially Determined Employer Contributions:** The recommended contribution for 2005 payable January 31, 2006 is allocated to the different funds and employe groups as follows:

Item	General Employees	Policemen	Firemen	Total
Combined Fund	\$ 0	\$ 0	\$ 0	\$ 0
Retirement Fund	0	0	0	0
Duty Disability Funds	0	0	0	0
Heart & Lung Fund	N/A	N/A	0	0
Combined Retirement & Disability Fund	<u>44,000</u>	<u>3,000</u>	<u>0</u>	<u>47,000</u>
Total Contribution	\$ 44,000	\$ 3,000	\$ 0	\$ 47,000
Covered Compensation	\$ 339,553,000	\$ 111,310,000	\$ 54,746,000	\$ 505,609,000
Total Contribution as a Percentage of Covered Compensation	0.013%	0.003%	0.000%	0.009%

### 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 Employees	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, the 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 116.7% as of January 1, 2005. The funded ratio is based on an actuarial value of assets of \$4.113 billion and an accrued liability of \$3.523 billion.

### **Reasons for Change in the Funded Ratio**

The funded ratio increased from 116.0% as of January 1, 2004 to 116.7% as of January 1, 2005. The change is primarily due to the return on the actuarial value of assets, which was 9.49% for the 2004 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 116.7% as of January 1, 2005. The funded ratio is based on an actuarial value of assets of \$4.113 billion and an accrued liability of \$3.523 billion.

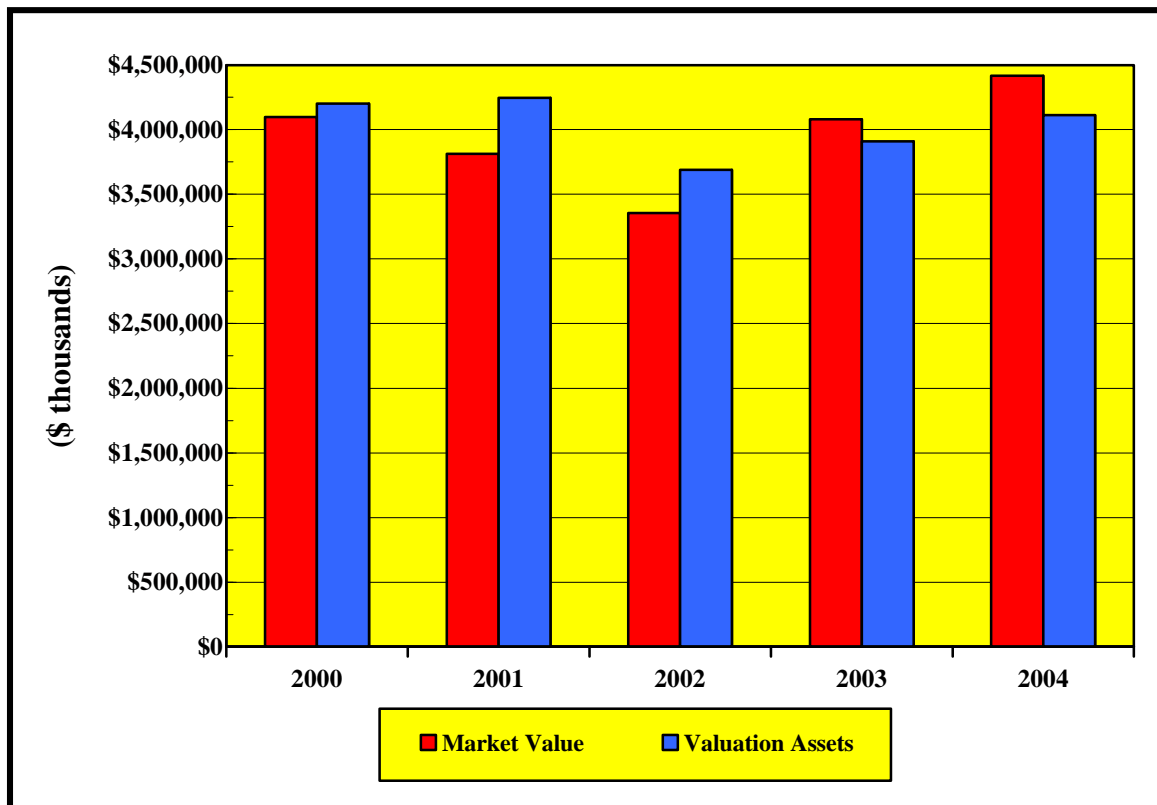
The “schedule of employer contributions” (Table 12b) shows historical trend information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System. The ARC is equal to the normal cost plus amortization of the unfunded actuarial accrued liability. 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, 2004, was 12.37%. The return based on the actuarial value of assets used for determining the System's funded status was 9.49%. A five-year history of the return on the actuarial value of assets is shown below.

Plan Year Ended December 31	Return on Actuarial Value
2004	9.49%
2003	10.46
2002	(9.59)
2001	4.30
2000	9.32

**Five-Year History of Market Value and Valuation Assets**



The remainder of this report is comprised of the following:

<b>Results of the Valuation</b>		<b><u>Page No.</u></b>
Tables 1a/1b/1c	- Allocation of Total Contributions to Employee Groups.....	12-14
Table 2a	- Determination of Employer Contributions to Retirement Fund.....	15
Table 2b	- Determination of Employer Contributions to Combined Retirement & Disability Fund.....	16
Table 2c	- Determination of Employer Contributions to Combined Fund.....	17
Table 3	- Determination of Employer Contributions to Duty Disability Funds .....	18
Table 4	- Determination of City Contributions to Firemen's Heart and Lung Fund.....	19
Table 5	- Dissolution of Fire & Police Survivorship Fund .....	20
Table 6	- Member Data .....	21-23
<b>Financial Data</b>		
Table 7	- Summary of Market Value of Plan Assets.....	25
Table 8	- Allocations Between Non-Consenters who Consented to Global Settlement During 2004 and Those Who Did Not .....	26
Table 9	- Actuarial Value of Assets .....	27
Table 10	- Allocation of Assets Among Funds .....	28
<b>Disclosure</b>		
Table 11a	- Funded Status Based on Actuarial Assets .....	30
Table 11b	- Funded Status Based on Market Assets.....	31
Table 12a	- Schedule of Funding Progress – GASB Statement No. 25 Disclosure .....	32
Table 12b	- Schedule of Employer Contributions – GASB Statement No. 25 Disclosure .....	33
Table 13	- Actuarial Balance Sheet for Members .....	34
<b>Description of Actuarial Methods and Assumptions .....</b>		<b>35-43</b>
<b>Summary of Plan Provisions .....</b>		<b>44-78</b>
<b>Age/Service Distributions .....</b>		<b>79-89</b>
<b>Detailed Tabulations of the Data .....</b>		<b>90-107</b>

**Table 1a**

**Allocation of Total 2005 Contributions to Employee Groups  
Members in Retirement and Duty Disability Funds  
Amount Due January 31, 2006**

Group	Active Members	Covered Compensation	Fund			January 31, 2006	
			Retirement	Duty Disability	Heart & Lung	Total Due	% of Pay
General City	46	\$ 2,132,555	\$ -	\$ -	\$ -	\$ -	0.00%
Water Department	7	351,124	-	-	-	-	0.00%
School Board	83	1,912,467	-	-	-	-	0.00%
Milwaukee Technical College	-	-	-	-	-	-	-
Sewerage Commission	4	215,980	-	-	-	-	0.00%
Wisconsin Center District	1	29,931	-	-	-	-	0.00%
Housing Authority	-	-	-	-	-	-	-
Policemen	-	-	-	-	-	-	-
Firemen	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>141</b>	<b>\$ 4,642,057</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>

**Table 1b**

**Allocation of Total 2005 Contributions to Employee Groups  
Members in Combined Retirement and Disability Fund  
Amount Due January 31, 2006**

Group	Active Members	Covered Compensation	Fund		January 31, 2006	
			Combined Retirement & Disability	Heart & Lung	Total Due	% of Pay
General City	41	\$ 1,699,880	\$ 18,550	\$ -	\$ 18,550	1.09%
Water Department	-	-	-	-	-	
School Board	99	2,051,510	22,387	-	22,387	1.09%
Milwaukee Technical College	-	-	-	-	-	
Sewerage Commission	2	139,964	1,527	-	1,527	1.09%
Wisconsin Center District	6	103,773	1,132	-	1,132	1.09%
Housing Authority	1	36,982	404	-	404	1.09%
Policemen	1	50,462	3,000	-	3,000	5.95%
Firemen	-	-	-	-	-	
<b>TOTAL</b>	<b>150</b>	<b>\$ 4,082,571</b>	<b>\$ 47,000</b>	<b>\$ -</b>	<b>\$ 47,000</b>	<b>1.15%</b>



**Table 1c**

**Allocation of Total 2005 Contributions to Employee Groups  
Combined Fund  
Amount Due January 31, 2006**

Group	Active Members	Covered Compensation	January 31, 2006	
			Total Due	% of Pay
General City	3,671	\$ 172,246,029	\$ -	0.00%
Water Department	324	15,743,396	-	0.00%
School Board	4,248	107,127,156	-	0.00%
Milwaukee Technical College	16	786,675	-	0.00%
Sewerage Commission	381	23,052,288	-	0.00%
Wisconsin Center District	84	3,029,677	-	0.00%
Housing Authority	164	8,894,177	-	0.00%
Police Officers	2,024	111,259,283	-	0.00%
Firefighters	992	54,745,865	-	0.00%
<b>TOTAL</b>	11,904	\$ 496,884,546	\$ -	0.00%

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

Item	General Employees	Police	Fire	Total
1. Active Members	141	-	-	141
2. Covered Compensation	\$ 4,642	\$ -	\$ -	\$ 4,642
3. Normal Cost				
a. Total	445	-	-	445
b. Estimated Member Contributions	255	-	-	255
c. Employer Normal Cost (a) - (b), not less than zero	190	-	-	190
4. Active Actuarial Accrued Liability	8,476	-	-	8,476
5. Actuarial Assets (Net of Inactive Liabilities)	20,437	-	-	20,437
6. Unfunded Accrued Liability (4) - (5)	(11,961)	-	-	(11,961)
7. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2006	-	-	-	-
8. Annual Contribution Payable January 31, 2006	\$ -	\$ -	\$ -	\$ -

\* The full funding limit is the contribution which, if made January 31, 2006, 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 Employees	Police	Fire	Total
1. Active Members	149	1	-	150
2. Covered Compensation	\$ 4,032	\$ 51	\$ -	\$ 4,083
3. Normal Cost				
a. Total	259	7	-	266
b. Estimated Member Contributions	222	4	-	226
c. Employer Normal Cost (a) - (b), not less than zero	37	3	-	40
4. Active Actuarial Accrued Liability	1,789	32	-	1,821
5. Actuarial Assets (Net of Inactive Liabilities)	1,767	32	-	1,799
6. Unfunded Accrued Liability (UAL) (4) - (5)	22	-	-	22
7. Amortization of UAL (average future working lifetime)	3 (12 years)	- (18 years)	-	3
8. Full Funding Limit (3) + (6), not less than zero, with interest to 1/31/2006	64	3	-	67
9. Annual Contribution Payable January 31, 2006 (3) + (7), with interest to 1/31/2006, but not more than (8)	\$ 44	\$ 3	\$ -	\$ 47

\* The full funding limit is the contribution which, if made January 31, 2006, 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	8,888	2,024	992	11,904
2. Covered Compensation	\$ 330,879	\$ 111,259	\$ 54,746	\$ 496,884
3. Normal Cost				
a. Total	37,133	26,867	14,174	78,174
b. Estimated Member Contributions	19,134	7,788	3,832	30,754
c. Employer Normal Cost (a) - (b), not less than zero	17,999	19,079	10,342	47,420
4. Active Actuarial Accrued Liability	676,047	394,703	249,804	1,320,554
5. Actuarial Assets (Net of Inactive Liabilities)	962,140	561,736	355,518	1,879,394
6. Unfunded Accrued Liability (4) - (5)	(286,093)	(167,033)	(105,714)	(558,840)
7. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2006	-	-	-	-
8. Annual Contribution Payable January 31, 2006	\$ -	\$ -	\$ -	\$ -

\* The full funding limit is the contribution which, if made January 31, 2006, 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	141	-	-	141
2. Covered Compensation	\$ 4,642	\$ -	\$ -	\$ 4,642
3. Normal Cost				
a. Total	10	-	-	10
b. Estimated Member Contributions	-	-	-	-
c. Employer Normal Cost (a) - (b), not less than zero	10	-	-	10
4. Accrued Liability				
a. Actives	165	-	-	165
b. Annuitants	-	-	-	-
c. Total	165	-	-	165
5. Actuarial Value of Assets	179	-	-	179
6. Unfunded Accrued Liability (UAL) (4) - (5)	(14)	-	-	(14)
7. Amortization of UAL (average future working lifetime)	(2) (10 years)	-	-	(2)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2006	-	-	-	-
9. Annual Contribution Payable January 31, 2006 (3) + (7), with interest to 1/31/2006, but not more than (8)	\$ -	\$ -	\$ -	\$ -

\* The full funding limit is the contribution which, if made January 31, 2006, 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	-
2. Covered Compensation	\$ -
3. Normal Cost	
a. Total	-
b. Estimated Member Contributions	-
c. Employer Normal Cost	-
(a) - (b), not less than zero	
4. Accrued Liability	
a. Actives	-
b. Annuitants	-
c. Total	-
5. Actuarial Value of Assets	-
6. Unfunded Accrued Liability (UAL)	-
7. Full Funding Limit	-
(3) + (6), not less than zero, with interest to 1/31/2006	
8. Annual Contribution	\$ -
Payable January 31, 2006	

\* The full funding limit is the contribution which, if made January 31, 2006, would bring the assets at that date equal to the expected actuarial accrued liability at that date.

## **Table 5**

### **Dissolution of Fire & Police Survivorship Fund**

The Fire and Police Survivorship Fund was dissolved on November 22, 2004, in accordance with the following resolution:

Whereas, The Global Pension Settlement provided for dissolution of the Fire and Police Survivorship Fund; and

Whereas, All payments to fund participants have been made; and

Whereas, The remaining portions of the fund were transferred to the Combined Fund and the Employer's Reserve Fund; and

Whereas, New employes are not enrolled into the fund and no contributions are credited to the fund; and

Whereas, Any benefits due from the former Fire and Police Survivorship Fund will be made from the Combined Fund; therefore, be it

Resolved, That the Fire and Police Survivorship Fund is hereby closed; and be it

Further Resolved, That a footnote be placed in the annual financial statement noting that the fund has been closed by this resolution of this Board.

Adopted November 22, 2004  
Annuity and Pension Board

**Table 6**  
**Member Data**

Item	12/31/2003	12/31/2004		
<b>Number of Members</b>	<b>Total</b>	<b>Vested</b>	<b>Non- Vested</b>	<b>Total</b>
<b>Active</b>				
General Employes	9,576	7,666	1,512	9,178
Policemen	2,006	1,586	439	2,025
Firemen	992	908	84	992
<b>Total Active Members</b>	<b>12,574</b>	<b>10,160</b>	<b>2,035</b>	<b>12,195</b>
<b>Inactive</b>				
Deferred Retirees/Refunds	3,606			3,527
Deferred Fire & Police Survivors	17			15
<b>Total Inactive Members</b>	<b>3,623</b>			<b>3,542</b>
<b>Benefit Recipients</b>				
Combined Fund				
General Employes	7,520			7,624
Policemen	1,934			1,961
Firemen	1,039			1,055
Combined Fund Subtotal	10,493			10,640
Retirement Fund	34			29
Duty Disability Funds				
General Employes	-			-
Firemen	-			-
Policemen	-			-
Duty Disability Funds Subtotal	-			-
Firemen's Heart & Lung Fund	-			-
<b>Total Benefit Recipients</b>	<b>10,527</b>			<b>10,669</b>
<b>TOTAL Membership</b>	<b>26,724</b>			<b>26,406</b>

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	12/31/2004 Membership		
<b>Number of Members</b>	<b>Consenters</b>	<b>Others</b>	<b>Total</b>
<b>Active</b>			
General Employes	8,888	290	9,178
Policemen	2,024	1	2,025
Firemen	992	-	992
<b>Total Active Members</b>	<b>11,904</b>	<b>291</b>	<b>12,195</b>
<b>Inactive</b>			
Deferred Retirees/Refunds	3,196	331	3,527
Deferred Fire & Police Survivorship Fund	15	-	15
<b>Total Inactive Members</b>	<b>3,211</b>	<b>331</b>	<b>3,542</b>
<b>Benefit Recipients</b>			
Combined Fund	10,640		10,640
Retirement Fund		29	29
Duty Disability Funds			
General Employes		-	-
Firemen		-	-
Policemen		-	-
Duty Disability Funds Subtotal		-	-
Firemen's Heart & Lung Fund		-	-
<b>Total Benefit Recipients</b>	<b>10,640</b>	<b>29</b>	<b>10,669</b>
<b>TOTAL Membership</b>	<b>25,755</b>	<b>651</b>	<b>26,406</b>

Notes:

- (1) In addition to the above, there are 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	12/31/2003	12/31/2004
<b>Annual Earnings</b>		
General Employees	\$ 326,394,000	\$ 339,553,000
Policemen	105,686,000	111,310,000
Firemen	54,304,000	54,746,000
<b>Total Annual Earnings</b>	<b>\$ 486,384,000</b>	<b>\$ 505,609,000</b>
<b>Average Earnings</b>		
General Employees	\$ 34,085	\$ 36,996
Policemen	\$ 52,685	\$ 54,968
Firemen	\$ 54,742	\$ 55,188
<b>Annual Benefit Payments Currently Being Made</b>		
Combined Fund	\$ 183,540,199	\$ 191,305,875
Retirement Fund	\$ 235,661	\$ 205,205
Duty Disability Funds		
General Employees	\$ -	\$ -
Firemen	-	-
Policemen	-	-
Duty Disability Funds Subtotal	\$ -	\$ -
Firemen's Heart & Lung Fund	\$ -	\$ -
<b>Total Benefit Payments</b>	<b>\$ 183,775,860</b>	<b>\$ 191,511,080</b>

## 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 unaudited financial statements prepared by the Employees' Retirement System for the year ended December 31, 2004.

The Global Pension Settlement (GPS) requires transfers between various funds as of January 1, 2004 for members who consented to GPS during 2004. This adjustment to the System's market value of assets is shown in Table 8.

**Table 7**  
**Summary of Market Value of Plan Assets**  
**As of January 1, 2005**  
(in thousands)

Item	Amount
1. Market Value of Assets as of December 31, 2003	\$ 4,081,227
2. Contributions During Year	
a. Member	30,700
b. City to Employers' Reserve Fund	5,450
c. Employer (receivable 1/31/2005)	46
d. Total	36,196
3. Disbursements During Year	
Benefit Payments and Refunds During Year	195,738
4. Investment Return (net of Administrative Expenses)	494,765
5. Market Value of Assets as of December 31, 2004	
(1) + (2d) - (3) + (4)	4,416,450
6. Average Market Value During 2004	
(1) + ((2a) - (3))/2	\$ 3,998,708
7. Rate of Return	
(4) / (6)	12.37%

**Table 8**

**Allocations Between Non-Consenters who Consented to Global Settlement During 2004 and Those who Did Not  
Allocation of 1/1/2004 Market Value of Assets in Proportion to 1/1/2004 Accrued Liability  
Allocation of 1/31/2005 Employer Contribution in Proportion to 1/1/2004 Covered Compensation  
(in dollars)**

Fund	Allocation of 1/1/2004 Market Value of Assets in Funds for Non-Consenters in Proportion to 1/1/2004 Accrued Liability			Allocation of 1/31/2005 Employer Contribution to Funds for Non-Consenters in Proportion to 1/1/2004 Covered Compensation		
	Consenters in 2004	Others	Total	Consenters in 2004	Others	Total
1. Retirement Fund	\$ 2,123,324	\$ 23,639,676	\$ 25,763,000	\$ -	\$ -	\$ -
2. General Employees' Duty Disability Fund	6,625	163,375	170,000	440	7,560	8,000
3. Fire & Police Duty Disability Fund	-	-	-	-	-	-
4. Firemen's Heart & Lung Fund	-	-	-	-	-	-
5. Combined Retirement & Disability Fund	6,812	1,602,188	1,609,000	130	37,870	38,000
6. Total Funds for Non-Consenters	\$ 2,136,761	\$ 25,405,239	\$ 27,542,000	\$ 570	\$ 45,430	46,000

Notes:

- (1) January 1, 2004 Assets allocated to members who consented to Global Settlement during 2004 are transferred to the Global Combined Fund as of January 1, 2004.
- (2) January 31, 2005 Employer Contributions allocated to members who consented to Global Settlement during 2004 are credited to the Global Combined Fund instead of to the funds for non-consenters.

**Table 9**

**Actuarial Value of Assets as of January 1, 2005  
(in thousands)**

<b>Item</b>	<b>Total</b>
1. Preliminary Actuarial Value January 1, 2004	\$ 3,908,482
2. Market Value January 1, 2004	4,081,227
3. Market Value January 1, 2005	4,416,450
4. Contributions	
(a) Member	30,700
(b) Employer	5,496
(c) Total	<u>36,196</u>
5. Benefits and Refunds Paid	195,738
6. Actual Market Return Net of Administrative Expenses	494,765
7. Expected Market Return based on 8-1/2% Interest	339,890
8. Excess of Actual over Expected Return	
(a) Current Year	154,875
(b) Previous Year	605,799
(c) Second Previous Year	<u>(693,363)</u>
9. Recognized Excess	
(a) Current Year	51,625
(b) Previous Year	201,933
(c) Second Previous Year	<u>(231,121)</u>
(d) Total	22,437
10. Preliminary Value January 1, 2005 (1) + (4) - (5) + (7) + (9)	4,111,267
11. Ratio of Preliminary Value to Market Value (10) / (3)	93.09%
12. Ratio Adjusted for 90%/110% Corridor*	93.09%
13. Balance in Employers' Reserve Fund	18,586
14. Market Value Excluding Employers' Reserve Fund (3) - (13)	4,397,864
15. Actuarial Value (12) x (14) + (13)	\$ 4,112,558
16. Rate of Return on Actuarial Value of Assets	9.49%

\* The actuarial value shall not be less than 90% nor greater than 110% of Market Value.

**Table 10**  
**Allocation of Assets Among Funds**  
**as of January 1, 2005**  
**(in thousands)**

Fund	Market Value	Actuarial Value
1. Global Combined Fund	\$ 4,368,991	\$ 4,067,093
2. Employers' Reserve Fund	18,586	18,586
3. Retirement Fund	26,649	24,808
4. General Employes' Duty Disability Fund	192	179
5. Fire & Police Duty Disability Fund	-	-
6. Firemen's Heart & Lung Fund	-	-
7. Combined Retirement & Disability Fund	2,032	1,892
8. Total all Funds	\$ 4,416,450	\$ 4,112,558

Notes:

- (1) Values shown include January 31, 2005 contributions receivable

**DISCLOSURE**

Table 11 shows the funded status of the Actuarial Accrued Liability. In addition, for financial reporting purposes, we have prepared tables as required by Statement No. 25 of the Governmental Accounting Standards Board (GASB) (Table 12). 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 (Table 12b) shows historical information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System.



**Table 11a**  
**January 1, 2005 Valuation**  
**Funded Status on Actuarial Value of Assets**  
**(in thousands)**

Fund	Accrued Liability	Actuarial Value of Assets	Percent Funded
1. Global Combined Fund	\$ 3,508,253	\$ 4,067,093	115.9%
2. Employers' Reserve Fund	-	18,586	N/A
3. Retirement Fund	12,847	24,808	193.1%
4. General Employes' Duty Disability Fund	165	179	108.5%
5. Fire & Police Duty Disability Fund	-	-	N/A
6. Firemen's Heart & Lung Fund	-	-	N/A
7. Combined Retirement & Disability Fund	<u>1,914</u>	<u>1,892</u>	98.9%
8. Total All Funds	\$ 3,523,179	\$ 4,112,558	116.7%

**Table 11b**  
**January 1, 2005 Valuation**  
**Funded Status on Market Value of Assets**  
**(in thousands)**

Fund	Accrued Liability	Market Value of Assets	Percent Funded
1. Global Combined Fund	\$ 3,508,253	\$ 4,368,991	124.5%
2. Employers' Reserve Fund	-	18,586	N/A
3. Retirement Fund	12,847	26,649	207.4%
4. General Employes' Duty Disability Fund	165	192	116.4%
5. Fire & Police Duty Disability Fund	-	-	N/A
6. Firemen's Heart & Lung Fund	-	-	N/A
7. Combined Retirement & Disability Fund	<u>1,914</u>	<u>2,032</u>	106.2%
8. Total All Funds	\$ 3,523,179	\$ 4,416,450	125.4%

**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 (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2005	\$ 4,112,558	\$ 3,523,179	\$ 0	116.7%	\$ 505,609	0.0%
2004	3,909,085	3,370,923	0	116.0%	486,384	0.0%
2003	3,689,981	3,204,248	0	115.2%	480,800	0.0%
2002	4,242,333	3,091,511	0	137.2%	466,757	0.0%
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%

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

Fiscal Year Ended December 31	Annual Required Contribution	Percentage Contributed*
2004	\$ 46	100%
2003	78	100%
2002	32	100%
2001	144	100%
2000	238	100%
1999	6,806	100%
1998	6,050	100%
1997	5,079	100%
1996	2,962	100%
1995	2,557	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, 2004 was contributed for the fiscal year ending December 31, 2004).

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. It excludes voluntary employer contributions to the Employers' Reserve Fund.

Additional information as of the latest actuarial valuation follows:

Valuation Date:	January 1, 2005
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 3.0%
- 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, 2005**  
**(in thousands)**

Item	Amount
<b>Assets:</b>	
Market Value of Assets	\$ 4,416,450
Market Adjustment	(303,892)
Actuarial Value of Assets	\$ 4,112,558
<b>Liabilities:</b>	
Actuarial Present Value of Credited Projected Benefits	
Annuitants	\$ 2,121,380
Inactive Members	
Member Contributions	53,546
Employer Financed Portion	17,237
Active Members	
Member Contributions	394,231
Employer Financed Portion	936,785
Reserve for Adverse Experience	589,379
Total Liabilities	\$ 4,112,558

## 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 smoothed 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, 2003 (except as noted)**

**Interest Rate and Inflation**

Interest: 8.5% per annum (adopted 1/1/2000)  
 Inflation: 3.0%

**Salary Increases**

Career average of 4½% per annum for general employes and 5½% per annum for police and fire, compounded annually (adopted 1/1/1998). 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 3.5% per annum are assumed for policemen and firemen on duty disability. Annual increases of 3% 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**

Illustrative rates of retirement are as follows:

Age	Early Retirement	Normal Retirement			
	General Employees	General Employees	Firemen	Police	
				Not in Combined Fund	In Combined Fund
44					10.0%
45					10.0
46					15.0
47					17.5
48					17.5
49			5%		20.5
50			5		23.5
51			10	44%	30.0
52			20	44	40.0
53			20	24	35.0
54		30%	20	24	35.0
55	2%	30	35	24	35.0
56	2	30	35	40	40.0
57	2	30	35	35	40.0
58	2	30	50	35	40.0
59	2	20	50	35	50.0
60		20	75	35	50.0
61		20	75	35	50.0
62		30	75	50	50.0
63		25	100	100	100.0
64		25	100	100	100.0
65		35	100	100	100.0
66		35	100	100	100.0
67		25	100	100	100.0
68		25	100	100	100.0
69		25	100	100	100.0
70		100	100	100	100.0

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 with at least 22 years of service as a fireman, or 25 years of service as a policeman.

Police: 12% if first eligible on or before age 52, grading down to 5% at ages 59 and above

Fire: 5%

### **Survivor Benefits and Duty Disability Child Allotments**

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:

<b>Member's Age at Death or Disability</b>	<b>Number of Dependent Children</b>	<b>Age of Youngest Child</b>
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 35% for males and 10% for females. The percentage of general employes assumed electing the 100% PSO option before retirement is 45% for males and 15% 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% (Adopted 1/1/1998)
- Police & Fire: 10%. 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% (Adopted 1/1/1998)
- Police: 85%. 5% of duty disabilities are assumed eligible for the special 90% benefit.
- Fire: 85%. 5% of duty disabilities are assumed eligible for the special 90% benefit and 20% are assumed to occur under the Heart and Lung Law.

**Imputed Military Service**

The following percentages of eligible members are assumed to earn 1 year of imputed military service credit:

- General Employes: 10%
- Police: 13%
- Fire: 13%

These percentages are based on troop strength statistics from the Department of Defense website.

### **Seasonal Service Credit**

The following percentage of eligible members are assumed to receive one year of seasonal service credit:

<b>Member's Union or Bargaining Group</b>	<b>Percentage with Seasonal Service</b>
District Council 48, AFSCME	27.09%
Machine Shop Local 494, IBEW	12.00%
Bridge Operators Local 195, IBEW	28.57%
Joint 129/48 Local 139, IOUE & DC48	100.00%
Machinists Local 510, IAM	5.00%
Sanitation Local 61, LIUNA	98.06%
TEAM (Techs, Eng, Archs of Milw)	5.00%
MBCTC (Bricklayers, Carpenters, Cement Masons, Painters, Iron Workers)	10.00%
Police Sworn Management, Police Civilian Management, Managers, Elected Officials (except mayor)	3.13%
Non-represented in the Police Department and General City non-represented.	5.00%

### **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
<b>General Employees</b>						
20	16.822%	17.575%	0.06%	0.032%	14.46%	14.46%
25	15.773	16.794	0.06	0.032	9.45	9.45
30	11.383	13.417	0.06	0.032	5.94	5.94
35	6.913	9.379	0.25	0.080	4.02	4.02
40	4.590	6.693	0.30	0.160	2.80	2.80
45	3.441	4.918	0.35	0.240	1.75	1.75
50	2.414	4.117	0.70	0.320	0.96	0.96
55	1.911	3.503	1.10	0.400	0.26	0.26
60	-	-	0.90	0.320	-	-
65	-	-	0.80	0.240	-	-
<b>Fire</b>						
20	3.750%	7.30%	0.064%	0.064%	14.46%	14.46%
25	3.570	5.90	0.136	0.136	9.45	9.45
30	2.860	4.20	0.280	0.280	5.94	5.94
35	1.720	2.50	0.760	0.760	4.02	4.02
40	0.860	1.50	1.200	1.200	2.80	2.80
45	0.600	1.50	1.200	1.200	1.75	1.75
50	-	-	1.200	1.200	0.96	0.96
55	-	-	1.200	1.200	0.26	0.26
60	-	-	1.200	1.200	-	-
65	-	-	1.200	1.200	-	-
<b>Police</b>						
20	3.750%	7.30%	0.060%	0.060%	14.46%	14.46%
25	3.570	5.90	0.060	0.060	9.45	9.45
30	2.860	4.20	0.150	0.150	5.94	5.94
35	1.720	2.50	0.237	0.237	4.02	4.02
40	0.860	1.50	0.630	0.630	2.80	2.80
45	0.600	1.50	0.840	0.840	1.75	1.75
50	-	-	0.630	0.630	0.96	0.96
55	-	-	0.630	0.630	0.26	0.26
60	-	-	0.630	0.630	-	-
65	-	-	0.630	0.630	-	-

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

Age	Mortality*		Duty Disability Mortality		Ordinary Disability Mortality	
	Males	Females	Males	Females	Males	Females
20	0.049%	0.028%	1.436%	0.901%	4.124%	3.611%
30	0.084	0.036	1.436	0.901	4.124	3.611
40	0.110	0.070	1.436	0.901	4.124	3.611
50	0.249	0.139	1.436	0.901	4.124	3.611
55	0.424	0.235	1.436	0.901	4.815	4.217
60	0.779	0.463	1.436	0.901	5.421	4.748
65	1.436	0.901	1.436	0.901	5.906	5.173
70	2.330	1.433	2.330	1.433	8.657	7.615
75	3.677	2.325	3.677	2.325	10.753	9.171
80	6.279	4.061	6.279	4.061	15.227	13.034
85	10.024	7.025	10.024	7.025	17.551	17.552
90	16.054	12.278	16.054	12.278	16.054	16.793
95	24.819	19.784	24.819	19.784	24.819	19.784
100	33.907	29.545	33.907	29.545	33.907	29.545
110	49.719	49.244	49.719	49.244	49.719	49.244
120	100.000	100.000	100.000	100.000	100.000	100.000

\* For regular retirees and for survivors, the UP-94 Mortality Table, with mortality improvements projected to the year 2000. These are the rates shown above. For death in active service, 70% of the rate for a regular retiree the same age.

Age	Disability Recovery	
	Males	Females
20	14.950%	14.950%
25	9.940	9.940
30	4.880	4.880
35	6.920	6.920
40	2.830	2.830
45	1.700	1.700
50	0.450	0.450
55	--	--

## SUMMARY OF PLAN PROVISIONS

### **Eligibility for Membership**

Membership is optional for all employees who were in service as of January 1, 1938. New employees 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 employee prior to January 1, 1938, or prior to an amendment which made the employee eligible for membership in the System. Membership service means service as an employee since last becoming a member, on account of which contributions are made.

- (a) For most employees, 2080 hours of service constitute one year of creditable service. For prevailing wage employees (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 (i) on or after January 31, 1998 for all eligible members of the MPA; (ii) on or after January 1, 1998 for all eligible members of Local 215; (iii) on or after January 1, 1999 and on or before a date, if any, specified in the member's contract for eligible general employees and members of the MPSO; and on or after January 1, 2000 for all non-represented fire and police. The general employe members of the following groups do not



have to retire before a specified date in order to be eligible for imputed military service: management in General City, non-represented in General City, non-represented in the Police Department, management in the Housing Authority, non-represented in the Housing Authority, non-represented in the Milwaukee Area Technical College, non-represented in the Sewerage Commission, Admin. & Sup. Council in the MPS, exempt from 1616 in the MPS, exempt from 1053 FT clerical in the MPS, exempt from ASC in the MPS, or exempt from 150 HAS/HCA in the MPS. The general employe members of the following groups must retire on or before December 31, 2006 in order to be eligible for imputed military service: General City District Council 48 unions, Local 494-Machine Shop, Staff Nurses, Local 195 Bridge Operators, Association of Scientific Personnel, Local 75, Association of Municipal Attorneys, Local 139, Local 510, Local 281 (not including Police Aides), Local 61, TEAM (techs, engineers, architects). The general employe members of the MBCTC (bricklayers, carpenters, cement masons, painters, iron workers) must retire on or before July 31, 2007 in order to be eligible for imputed military service. Members of the MPSO do not need to retire before a specified date in order to be eligible for imputed military service. 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.

### **Seasonal Service**

Seasonal service credit may be granted under specified conditions to certain General City employes. Seasonal service credit is used to calculate the amount of certain benefits but is not used to determine eligibility for any kind of benefit.

### **Eligibility for Seasonal Service Credit**

In order to be eligible for seasonal service credit, a member must be a General City employe with five or more years of City service, and a member of one of the following groups District Council 48, Local 494-Shop IBEW, Local 195-Bridge Operators IBEW, Local 139, Local 150-Machinists IAM, Local 61-Sanitation LIUNA, TEAM (Techs, Engineers, Architects), MBCTC, Police Sworn Management, Police Civilian Management, elected officials, non-represented, or non-represented in the Police Department.

### **Benefits Affected by Seasonal Service Credit**

Seasonal service credit affects the amount of the service retirement allowance, the conversion service retirement allowance and protective survivorship option benefits. If the eligible individual is also entitled to a 5% Lump Sum Bonus that is based on the affected benefit, then the seasonal service credit is included in calculating the base for the bonus payment.

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

### **Amount of Seasonal Service Credit**

Seasonal service is based on the hours worked as a City Labor-Seasonal employe and/or Playground Laborer-Seasonal employe (MPS), but limited to one year of additional service credit.

### **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, police liaison officer 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, imputed military service, or seasonal 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, imputed military service, or seasonal 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 and seasonal service credit are 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 employes, 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 employes 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 for duty 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 and seasonal service credit are *not* used when calculating a duty disability retirement allowance. Imputed service credit or seasonal 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. For policemen enrolled on or after January 1, 1990, and firemen enrolled on or after December 17, 1989, 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. Different conversion age requirements apply to policemen enrolled prior to January 1, 1990, and firemen enrolled prior to December 17, 1989, as discussed in (d), 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) For policemen enrolled prior to January 1, 1990, and firemen enrolled prior to December 17, 1989, the conversion age determination depends upon the member's enrollment date, the member's duty disability retirement date, and whether or not the member signed the DeBraska II release form.

Under Charter Ordinance 980130 Substitute 2 (DeBraska I), duty disabled firemen and policemen who retired on duty disability before October 17, 1992, have a conversion age equal to the greater of the conversion age in effect when they were enrolled, or the conversion age in effect at the time of their disability retirement.

Under Charter Ordinance 000789 (DeBraska II), duty disabled firemen and policemen who signed the DeBraska II release form are 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 enrolled; 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. In general, only members who were duty disabled prior to January 1, 2001 were given the opportunity to sign the DeBraska II release form.

Under the proposed Charter Ordinance (which reflects the Rehrauer decision) firemen and policemen who retire (or previously retired) on duty disability and who did not sign the DeBraska II release form will not be required to convert to service retirement prior to any of the conversion age requirements that were in effect during their employment. Members who enrolled prior to February 8, 1972, who are either policemen who retired on duty disability on or after November 1, 1976, or firemen who retired on duty disability on or after October 1, 1977, will receive duty disability for life if they did not sign the DeBraska II release form, and will have a conversion age of 63 if they did sign the DeBraska II release form.

### **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 employees who do not participate in the Combined Fund, duty disability benefits, and survivor benefits paid to beneficiaries of general employees who elect an optional form of payment and die while disabled, are paid from (i) the General Employees 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, imputed fire and police service, and seasonal service credit 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 employees 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 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> increases will not be less than 1.5%, and the 5<sup>th</sup> 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 employees.
- (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 2<sup>nd</sup> 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 2<sup>nd</sup> 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 2<sup>nd</sup>, 3<sup>rd</sup>, or 4<sup>th</sup> anniversary is a 1.5% increase. An increase which takes effect on the 5<sup>th</sup> 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 and seasonal service credit are 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 employes 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 employe 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**

**ACTIVE MEMBERSHIP – GENERAL CITY EMPLOYEES**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>Under 25</b>	79 \$28,187	2 \$31,353									81 \$28,265
<b>25-29</b>	135 \$35,824	33 \$36,179	1 \$34,369								169 \$35,885
<b>30-34</b>	152 \$40,167	112 \$44,398	27 \$43,653	1 \$41,715							292 \$42,118
<b>35-39</b>	130 \$39,108	137 \$45,243	91 \$47,009	35 \$42,871	3 \$42,715						396 \$43,406
<b>40-44</b>	122 \$40,696	121 \$45,092	136 \$49,477	121 \$48,937	101 \$46,039	20 \$43,678					621 \$46,046
<b>45-49</b>	92 \$38,902	80 \$44,667	125 \$50,242	156 \$50,600	152 \$51,994	99 \$48,841	11 \$49,398				715 \$48,402
<b>50-54</b>	78 \$40,913	73 \$46,615	102 \$47,336	157 \$51,118	133 \$51,674	148 \$54,679	99 \$51,538	25 \$51,170			815 \$50,055
<b>55-59</b>	47 \$41,378	35 \$43,550	68 \$47,268	96 \$48,208	82 \$52,881	95 \$56,776	57 \$60,686	22 \$56,494	1 \$46,437		503 \$51,271
<b>60-64</b>	17 \$41,271	8 \$42,041	38 \$44,361	22 \$50,583	11 \$55,357	9 \$59,760	8 \$75,361	9 \$72,679	6 \$44,058		128 \$50,817
<b>Over 64</b>	4 \$ 57,570	4 \$ 57,584	5 \$ 47,085	8 \$ 47,597	4 \$ 36,165	5 \$ 60,658	1 \$ 60,440	5 \$ 56,753	2 \$ 38,606		38 \$ 51,215
<b>Total</b>	856 \$38,393	605 \$44,547	593 \$47,999	596 \$49,504	486 \$50,707	376 \$53,288	176 \$55,500	61 \$56,721	9 \$43,111		3,758 \$46,854

**ACTIVE MEMBERSHIP – WATER DEPARTMENT**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>Under 25</b>	2 \$36,503										2 \$36,503
<b>25-29</b>	8 \$43,637										8 \$43,637
<b>30-34</b>	8 \$40,196	4 \$44,359									12 \$41,584
<b>35-39</b>	19 \$42,515	2 \$44,222	11 \$54,141	3 \$55,261							35 \$47,359
<b>40-44</b>	5 \$39,985	3 \$41,213	9 \$45,399	23 \$49,229	8 \$50,526						48 \$47,263
<b>45-49</b>	2 \$39,319	8 \$51,856	12 \$47,224	22 \$48,707	26 \$51,232	10 \$52,337	1 \$43,932				81 \$49,766
<b>50-54</b>	1 \$42,972	3 \$63,562	14 \$54,786	11 \$51,796	19 \$48,481	20 \$52,093	14 \$46,320	4 \$58,487			86 \$51,347
<b>55-59</b>	1 \$48,512	1 \$52,539	2 \$42,828	8 \$45,631	8 \$49,600	14 \$48,754	5 \$45,761	3 \$46,676	1 \$36,588		43 \$47,361
<b>60-64</b>	1 \$41,329	2 \$57,430		5 \$42,798	1 \$39,755	2 \$48,779	1 \$50,300	1 \$42,584			13 \$46,183
<b>Over 64</b>			1 \$ 72,531			1 \$ 38,746			1 \$ 52,111		3 \$ 54,463
<b>Total</b>	47 \$41,762	23 \$50,541	49 \$50,939	72 \$48,867	62 \$49,902	47 \$50,726	21 \$46,263	8 \$52,070	2 \$44,349		331 \$48,624

**ACTIVE MEMBERSHIP – SCHOOL BOARD**  
**NUMBER AND AVERAGE ANNUAL SALARY**  
**AS OF DECEMBER 31, 2004**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>Under 25</b>	49 \$16,769	3 \$24,031									52 \$17,188
<b>25-29</b>	136 \$19,819	85 \$22,255									221 \$20,756
<b>30-34</b>	136 \$22,411	180 \$21,718	30 \$23,704	3 \$33,614							349 \$22,261
<b>35-39</b>	146 \$18,084	239 \$22,484	128 \$23,907	38 \$31,292	2 \$35,129						553 \$22,303
<b>40-44</b>	124 \$20,730	267 \$24,170	198 \$23,432	88 \$29,906	41 \$39,124	5 \$37,693					723 \$25,018
<b>45-49</b>	120 \$19,916	250 \$22,555	205 \$23,137	148 \$31,158	54 \$42,820	53 \$42,048	10 \$40,449				840 \$26,582
<b>50-54</b>	113 \$19,741	160 \$21,349	199 \$23,033	170 \$31,130	51 \$39,465	55 \$39,211	61 \$42,698	17 \$43,760			826 \$27,893
<b>55-59</b>	52 \$22,766	94 \$21,080	135 \$20,091	121 \$29,737	45 \$42,642	41 \$40,968	41 \$39,154	12 \$49,372	1 \$38,882		542 \$28,249
<b>60-64</b>	21 \$16,550	44 \$19,977	63 \$20,501	35 \$29,057	11 \$31,122	23 \$23,856	18 \$23,771	2 \$54,895	3 \$33,158		220 \$23,015
<b>Over 64</b>	11 \$ 13,721	21 \$ 13,212	28 \$ 17,135	19 \$ 20,150	7 \$ 13,890	6 \$ 13,819	12 \$ 17,167				104 \$ 16,127
<b>Total</b>	908 \$19,911	1,343 \$22,258	986 \$22,536	622 \$30,263	211 \$39,610	183 \$37,622	142 \$36,960	31 \$46,651	4 \$34,589		4,430 \$25,077

**ACTIVE MEMBERSHIP – MILWAUKEE TECHNICAL COLLEGE**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

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								1		1
								\$42,255		\$42,255
55-59								7	1	8
								\$48,193	\$44,207	\$47,695
60-64								5	2	7
								\$52,867	\$49,261	\$51,837
Over 64										
<b>Total</b>								13	3	16
								\$49,534	\$47,576	\$49,167

**ACTIVE MEMBERSHIP – SEWERAGE COMMISSION**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>Under 25</b>	1 \$46,794									1 \$46,794
<b>25-29</b>	9 \$46,509									9 \$46,509
<b>30-34</b>	7 \$49,578									7 \$49,578
<b>35-39</b>	7 \$61,298	5 \$66,317	7 \$60,735	1 \$56,803						20 \$62,131
<b>40-44</b>	6 \$60,731	4 \$82,410	18 \$57,949	13 \$56,627	5 \$66,569					46 \$61,002
<b>45-49</b>	7 \$76,706	10 \$49,591	21 \$54,972	16 \$60,482	33 \$61,799	23 \$61,779	2 \$56,622			112 \$60,076
<b>50-54</b>	4 \$35,868	8 \$69,249	25 \$54,983	7 \$72,397	35 \$61,118	26 \$65,742	9 \$56,617			114 \$60,849
<b>55-59</b>	3 \$75,513	1 \$62,472	6 \$49,427	12 \$56,107	11 \$61,545	21 \$64,798	5 \$62,765			59 \$61,194
<b>60-64</b>	2 \$59,227	1 \$57,115	1 \$57,115	2 \$56,067	1 \$55,136	2 \$91,774	1 \$59,957	2 \$102,078		12 \$70,635
<b>Over 64</b>	2 \$ 41,162			1 \$ 112,661	2 \$ 62,537		2 \$ 51,831			7 \$ 60,531
<b>Total</b>	48 \$56,534	29 \$63,128	78 \$55,781	52 \$60,876	87 \$61,707	72 \$64,924	19 \$57,907	2 \$102,078		387 \$60,486

**ACTIVE MEMBERSHIP – WISCONSIN CENTER DISTRICT**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>Under 25</b>	4									4
	\$25,157									\$25,157
<b>25-29</b>	8	1								9
	\$25,703	\$51,129								\$28,528
<b>30-34</b>	2	6								8
	\$25,432	\$43,025								\$38,627
<b>35-39</b>	7	2	2							11
	\$32,123	\$53,955	\$36,480							\$36,884
<b>40-44</b>	6	3		2	1	1				13
	\$31,114	\$23,470		\$25,080	\$30,018	\$41,741				\$29,155
<b>45-49</b>	7	7	2	2						18
	\$27,393	\$36,451	\$46,529	\$41,713						\$34,633
<b>50-54</b>	1	1	1	1	1	2	1			8
	\$26,340	\$9,008	\$36,572	\$29,931	\$1,715	\$73,826	\$36,561			\$35,972
<b>55-59</b>	2	4	1	1	2	1				11
	\$33,680	\$39,952	\$48,838	\$65,098	\$46,413	\$69,513				\$45,768
<b>60-64</b>		3								3
		\$82,175								\$82,175
<b>Over 64</b>	2	1	3							6
	\$ 8,794	\$ 9,706	\$ 7,936							\$ 8,517
<b>Total</b>	39	28	9	6	4	4	1			91
	\$27,480	\$41,707	\$30,582	\$38,103	\$31,140	\$64,726	\$36,561			\$34,762



**ACTIVE MEMBERSHIP – HOUSING AUTHORITY**

**NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2003**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>Under 25</b>	4									4
	\$35,950									\$35,950
<b>25-29</b>	14	2								16
	\$42,138	\$35,457								\$41,303
<b>30-34</b>	9	2								11
	\$48,911	\$59,469								\$50,830
<b>35-39</b>	10	9	1	2						22
	\$44,678	\$46,195	\$66,960	\$55,732						\$47,316
<b>40-44</b>	7	10	5	7	2	1				32
	\$44,540	\$47,739	\$60,804	\$62,163	\$50,730	\$65,639				\$52,982
<b>45-49</b>	1	2	5	5	1	3	1			18
	\$53,316	\$66,776	\$61,876	\$62,370	\$71,610	\$66,895	\$37,343			\$62,096
<b>50-54</b>	6	8	10	3	1	3	1			32
	\$56,468	\$48,562	\$54,647	\$63,629	\$53,113	\$59,331	\$102,166			\$56,186
<b>55-59</b>	2	7	4	5	1	4	5	1		29
	\$38,866	\$53,087	\$56,983	\$75,356	\$67,681	\$76,349	\$77,890	\$37,447		\$63,932
<b>60-64</b>		1								1
		\$61,302								\$61,302
<b>Over 64</b>										
<b>Total</b>	53	41	25	22	5	11	7	1		165
	\$45,327	\$49,706	\$58,191	\$64,824	\$58,773	\$68,156	\$75,565	\$37,447		\$54,128

**ACTIVE MEMBERSHIP – GENERAL EMPLOYEES****NUMBER AND AVERAGE ANNUAL SALARY  
AS OF DECEMBER 31, 2004**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>Under 25</b>	139 \$24,552	5 \$26,960									144 \$24,635
<b>25-29</b>	310 \$29,338	121 \$26,509	1 \$34,369								432 \$28,558
<b>30-34</b>	314 \$32,844	304 \$31,041	57 \$33,153	4 \$35,640							679 \$32,079
<b>35-39</b>	319 \$30,197	394 \$31,766	240 \$35,410	79 \$38,273	5 \$39,681						1,037 \$32,661
<b>40-44</b>	270 \$31,845	408 \$31,644	366 \$35,858	254 \$42,941	158 \$45,079	27 \$43,311					1,483 \$36,299
<b>45-49</b>	229 \$29,824	357 \$29,444	370 \$35,532	349 \$42,807	266 \$51,347	188 \$48,983	25 \$45,695				1,784 \$38,922
<b>50-54</b>	203 \$29,426	253 \$31,466	351 \$34,576	349 \$41,877	240 \$50,002	254 \$52,464	185 \$48,668	47 \$48,923			1,882 \$41,081
<b>55-59</b>	107 \$33,166	142 \$29,241	216 \$30,488	243 \$39,944	149 \$50,264	176 \$53,930	113 \$53,066	45 \$52,226	4 \$41,528		1,195 \$41,411
<b>60-64</b>	41 \$29,486	59 \$28,731	102 \$29,749	64 \$38,374	24 \$43,590	36 \$37,990	28 \$40,751	19 \$67,104	11 \$42,031		384 \$35,642
<b>Over 64</b>	19 \$ 25,322	26 \$ 19,904	37 \$ 21,934	28 \$ 31,296	13 \$ 28,228	12 \$ 35,412	15 \$ 24,673	5 \$ 56,753	3 \$ 43,108		158 \$ 26,972
<b>Total</b>	1,951 \$30,289	2,069 \$30,470	1,740 \$34,058	1,370 \$41,362	855 \$48,985	693 \$50,488	366 \$48,234	116 \$53,520	18 \$42,099		9,178 \$36,996

**ACTIVE MEMBERSHIP – POLICEMEN**  
**NUMBER AND AVERAGE ANNUAL SALARY**  
**AS OF DECEMBER 31, 2004**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>Under 25</b>	103 \$31,119	23 \$51,528								126 \$34,845
<b>25-29</b>	163 \$47,100	62 \$54,989	15 \$56,236							240 \$49,709
<b>30-34</b>	148 \$49,143	202 \$55,721	93 \$57,611	6 \$49,310						449 \$53,858
<b>35-39</b>	70 \$48,919	125 \$56,438	219 \$58,335	54 \$60,347	6 \$60,024					474 \$56,695
<b>40-44</b>	27 \$49,782	33 \$55,610	112 \$57,910	59 \$59,710	60 \$63,044	5 \$67,832				296 \$58,479
<b>45-49</b>	9 \$49,712	10 \$52,929	40 \$57,116	39 \$60,207	114 \$62,370	31 \$62,285	2 \$67,475			245 \$60,348
<b>50-54</b>	3 \$47,481	6 \$56,556	14 \$57,645	15 \$57,293	68 \$59,839	34 \$66,316	7 \$67,496	1 \$88,019		148 \$61,030
<b>55-59</b>	1 \$52,339	1 \$55,771	6 \$56,025	3 \$61,214	13 \$60,001	10 \$60,216	5 \$59,305	5 \$65,764		44 \$59,896
<b>60-64</b>							1 \$56,631	1 \$56,631		2 \$56,631
<b>Over 64</b>									1 \$ 57,136	1 \$ 57,136
<b>Total</b>	524 \$44,974	462 \$55,550	499 \$57,897	176 \$59,481	261 \$61,693	80 \$64,086	15 \$64,038	7 \$67,639	1 \$57,136	2,025 \$54,968

**ACTIVE MEMBERSHIP – FIREMEN**  
**NUMBER AND AVERAGE ANNUAL SALARY**  
**AS OF DECEMBER 31, 2004**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>Under 25</b>	41 \$35,012	13 \$50,146								54 \$38,656
<b>25-29</b>	23 \$39,705	41 \$54,904								64 \$49,442
<b>30-34</b>	53 \$42,985	59 \$54,964	38 \$56,304							150 \$51,071
<b>35-39</b>	26 \$41,957	47 \$52,041	96 \$55,943	17 \$56,555	3 \$59,231					189 \$53,156
<b>40-44</b>	5 \$40,765	15 \$53,518	62 \$56,651	76 \$58,787	29 \$59,304	1 \$57,049				188 \$57,253
<b>45-49</b>	2 \$33,229	3 \$53,605	17 \$55,163	51 \$57,387	71 \$63,777	58 \$62,133	1 \$61,990			203 \$60,521
<b>50-54</b>			3 \$58,921	19 \$57,645	29 \$58,828	53 \$61,759	3 \$62,066			107 \$60,163
<b>55-59</b>			1 \$60,602	2 \$54,048		15 \$61,655	12 \$64,914	7 \$61,134		37 \$62,174
<b>60-64</b>										
<b>Over 64</b>										
<b>Total</b>	150 \$39,920	178 \$53,681	217 \$56,210	165 \$57,936	132 \$61,604	127 \$61,880	16 \$64,197	7 \$61,134		992 \$55,187

**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, 2004**  
**GENERAL EMPLOYEES**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
18	6	\$ 117,342			6	\$ 117,342
19	7	141,328	1	23,931	8	165,260
20	4	115,910	8	154,888	12	270,798
21	6	145,520	6	151,584	12	297,103
22	7	166,951	14	312,821	21	479,772
23	16	426,497	27	626,243	43	1,052,740
24	20	556,998	22	607,473	42	1,164,471
25	22	721,294	31	714,829	53	1,436,122
26	36	1,034,373	60	1,625,790	96	2,660,162
27	39	1,195,916	59	1,501,301	98	2,697,218
28	39	1,263,396	52	1,398,411	91	2,661,807
29	37	1,276,417	57	1,605,177	94	2,881,594
30	42	1,652,721	59	1,535,576	101	3,188,297
31	46	1,660,113	63	1,621,236	109	3,281,348
32	57	1,866,203	73	2,129,678	130	3,995,881
33	74	2,687,375	94	2,851,605	168	5,538,980
34	81	3,383,844	90	2,393,309	171	5,777,154
35	66	2,475,689	112	3,266,528	178	5,742,217
36	83	3,350,871	114	2,954,267	197	6,305,139
37	106	4,315,201	105	2,792,398	211	7,107,600
38	100	4,109,502	105	2,711,337	205	6,820,840
39	104	4,085,827	142	3,807,492	246	7,893,318
40	119	4,593,515	140	4,347,786	259	8,941,301
41	116	5,159,057	163	4,673,931	279	9,832,988
42	118	5,367,992	172	5,185,701	290	10,553,693
43	165	7,731,401	180	5,729,650	345	13,461,051
44	133	5,710,448	177	5,332,113	310	11,042,561
45	162	7,672,144	173	4,990,903	335	12,663,047
46	150	7,207,395	200	6,309,121	350	13,516,517
47	185	8,509,845	169	5,267,405	354	13,777,250
48	176	8,154,148	191	5,858,798	367	14,012,946
49	193	9,473,187	185	5,994,107	378	15,467,294
50	180	8,765,538	208	6,677,720	388	15,443,258
51	177	8,617,521	191	6,290,261	368	14,907,782
52	190	9,529,507	189	5,961,494	379	15,491,001
53	178	8,836,652	180	6,109,923	358	14,946,575
54	199	9,757,375	190	6,769,212	389	16,526,587
55	148	7,512,229	161	4,932,303	309	12,444,531
56	161	7,991,000	135	4,324,049	296	12,315,049
57	132	6,990,161	125	4,120,593	257	11,110,755

**TABLE 1**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**AGE AS OF DECEMBER 31, 2004**  
**GENERAL EMPLOYEES**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
58	99	5,125,411	98	2,984,908	197	8,110,319
59	61	3,284,710	75	2,221,158	136	5,505,868
60	57	3,238,838	65	2,008,801	122	5,247,639
61	33	1,539,106	53	1,254,208	86	2,793,314
62	28	1,477,373	49	1,241,737	77	2,719,110
63	13	621,832	46	1,092,569	59	1,714,401
64	11	570,042	29	641,971	40	1,212,013
65	10	583,758	21	460,811	31	1,044,569
66	10	426,071	16	354,809	26	780,880
67	2	49,618	14	295,616	16	345,234
68	7	316,054	11	228,800	18	544,854
69	5	205,647	9	146,968	14	352,616
70	1	47,656	7	98,056	8	145,712
71	3	174,576	7	85,742	10	260,319
72	3	209,688	7	127,213	10	336,901
73			5	107,070	5	107,070
74	3	79,762	2	18,617	5	98,379
75			2	48,147	2	48,147
76	1	25,557	1	15,322	2	40,878
77			2	19,006	2	19,006
78			4	46,431	4	46,431
79						
80						
81	2	66,816	1	10,024	3	76,840
82	1	7,210			1	7,210
83	1	6,511			1	6,511
<b>Total</b>	4,231	\$ 192,384,641	4,947	\$ 147,168,928	9,178	\$ 339,553,569

**TABLE 2**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2004**  
**GENERAL EMPLOYEES**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	193	\$ 5,529,248	177	\$ 4,935,432	370	\$ 10,464,680
1	122	4,196,208	184	4,930,479	306	9,126,687
2	182	6,694,395	213	5,267,018	395	11,961,412
3	191	7,444,344	250	6,594,168	441	14,038,513
4	162	6,314,469	277	7,187,718	439	13,502,186
5	158	6,177,933	275	6,585,524	433	12,763,456
6	158	6,297,726	258	5,294,603	416	11,592,329
7	191	8,027,106	281	6,591,135	472	14,618,242
8	148	6,404,978	227	5,532,084	375	11,937,061
9	164	6,551,537	209	5,579,913	373	12,131,451
10	153	6,045,897	169	4,800,570	322	10,846,467
11	119	4,818,052	178	4,720,737	297	9,538,789
12	115	4,876,856	224	5,481,847	339	10,358,703
13	174	8,092,582	199	5,292,803	373	13,385,385
14	172	8,213,874	237	6,917,992	409	15,131,867
15	129	6,310,951	200	6,396,484	329	12,707,435
16	111	5,570,586	125	4,212,080	236	9,782,666
17	89	4,446,550	142	4,699,357	231	9,145,907
18	125	6,172,506	158	5,586,289	283	11,758,795
19	171	8,687,851	120	4,583,566	291	13,271,417
20	127	6,858,720	66	2,836,765	193	9,695,485
21	77	3,966,058	63	2,920,064	140	6,886,122
22	78	4,100,704	44	1,928,650	122	6,029,354
23	110	5,800,826	57	2,155,988	167	7,956,814
24	133	7,061,044	100	4,253,389	233	11,314,433
25	110	6,188,886	73	3,245,709	183	9,434,595
26	103	5,402,129	46	2,142,787	149	7,544,916
27	65	3,684,140	34	1,445,747	99	5,129,887
28	79	4,447,659	43	1,827,813	122	6,275,472
29	77	4,189,166	63	2,414,240	140	6,603,406
30	51	2,775,198	49	2,062,745	100	4,837,943
31	44	2,460,243	62	1,945,023	106	4,405,266
32	46	2,647,554	35	1,751,236	81	4,398,791
33	31	1,723,163	16	780,007	47	2,503,170
34	18	913,720	14	594,677	32	1,508,397
35	25	1,328,203	25	1,236,731	50	2,564,934
36	15	1,029,232	21	925,370	36	1,954,602
37	4	213,787	10	486,666	14	700,454
38	4	233,596	5	300,982	9	534,578
39	3	280,972	4	172,746	7	453,718



**TABLE 2**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2004**  
**GENERAL EMPLOYEES**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40	1	46,437	5	204,500	6	250,937
41			3	145,938	3	145,938
42	1	43,583	1	39,531	2	83,115
43	1	52,111	2	65,444	3	117,555
44			1	34,030	1	34,030
45			1	18,278	1	18,278
46	1	63,858			1	63,858
47						
48			1	44,073	1	44,073
<b>Total</b>	4,231	\$ 192,384,641	4,947	\$ 147,168,928	9,178	\$ 339,553,569

**TABLE 3**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**AGE AS OF DECEMBER 31, 2004**  
**POLICEMEN**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
18	9	\$ 181,574	4	\$ 80,700	13	\$ 262,274
19	9	193,754	4	86,192	13	279,946
20	13	296,368	7	155,334	20	451,702
21	12	349,210	3	81,535	15	430,745
22	14	538,799	3	124,489	17	663,288
23	11	540,343	5	230,954	16	771,296
24	22	1,032,453	10	498,704	32	1,531,157
25	32	1,629,449	12	573,870	44	2,203,319
26	41	2,009,950	10	486,410	51	2,496,360
27	27	1,303,044	7	356,967	34	1,660,011
28	41	2,005,750	5	258,845	46	2,264,595
29	50	2,524,292	15	781,498	65	3,305,789
30	50	2,574,535	6	304,330	56	2,878,865
31	65	3,426,499	13	677,230	78	4,103,729
32	70	3,763,995	21	1,141,557	91	4,905,552
33	85	4,556,513	14	776,526	99	5,333,039
34	101	5,668,084	24	1,293,073	125	6,961,157
35	77	4,341,298	26	1,439,693	103	5,780,991
36	87	4,927,288	26	1,468,694	113	6,395,982
37	81	4,571,378	13	697,329	94	5,268,707
38	57	3,283,891	18	1,030,848	75	4,314,739
39	74	4,234,932	15	878,047	89	5,112,979
40	50	2,841,047	13	754,391	63	3,595,438
41	55	3,213,544	8	471,531	63	3,685,075
42	45	2,687,339	3	175,138	48	2,862,476
43	53	3,160,890	12	697,066	65	3,857,956
44	47	2,756,590	10	552,341	57	3,308,930
45	46	2,764,025	14	846,101	60	3,610,126
46	43	2,565,117	7	405,771	50	2,970,889
47	42	2,483,335	8	443,853	50	2,927,188
48	39	2,406,808	9	622,065	48	3,028,873
49	31	1,892,498	6	355,774	37	2,248,272
50	38	2,294,033	1	56,244	39	2,350,276
51	27	1,608,679	5	314,896	32	1,923,576
52	30	1,784,375	9	552,622	39	2,336,997
53	17	1,023,209	2	110,200	19	1,133,409
54	14	931,782	5	356,451	19	1,288,233
55	17	1,001,475	1	62,052	18	1,063,527
56	12	714,656			12	714,656
57	5	303,037	3	174,084	8	477,122

**TABLE 3**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**AGE AS OF DECEMBER 31, 2004**  
**POLICEMEN**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
58	2	123,667	1	56,024	3	179,691
59	3	200,419			3	200,419
60	1	56,631			1	56,631
61						
62						
63						
64	1	56,631			1	56,631
65						
66						
67						
68	1	57,136			1	57,136
<b>Total</b>	1,647	\$ 90,880,316	378	\$ 20,429,429	2,025	\$ 111,309,745

**TABLE 4**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2004**  
**POLICEMEN**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	91	\$ 3,262,340	15	\$ 451,095	106	\$ 3,713,435
1	52	2,067,668	14	498,723	66	2,566,391
2	91	4,223,749	22	965,354	113	5,189,103
3	115	5,677,698	39	1,937,459	154	7,615,158
4	71	3,767,062	14	715,075	85	4,482,137
5	49	2,656,605	15	758,178	64	3,414,783
6	33	1,851,526	10	513,177	43	2,364,703
7	80	4,372,351	17	944,153	97	5,316,504
8	101	5,653,327	21	1,181,100	122	6,834,427
9	107	6,118,490	29	1,615,401	136	7,733,891
10	56	3,146,689	14	799,518	70	3,946,207
11	62	3,577,079	23	1,330,928	85	4,908,007
12	115	6,600,580	34	1,922,636	149	8,523,216
13	100	5,857,978	23	1,331,615	123	7,189,593
14	62	3,708,380	10	615,095	72	4,323,475
15	18	996,123	5	286,821	23	1,282,944
16	27	1,605,412	4	243,739	31	1,849,151
17	20	1,185,912	3	182,021	23	1,367,933
18	22	1,336,567	5	294,687	27	1,631,255
19	60	3,599,064	12	738,306	72	4,337,369
20	18	1,139,485	4	289,868	22	1,429,353
21	36	2,165,861	7	394,910	43	2,560,771
22	42	2,598,753	7	402,463	49	3,001,216
23	50	3,169,578	15	942,430	65	4,112,008
24	76	4,636,734	6	361,919	82	4,998,653
25	18	1,137,131	2	118,503	20	1,255,634
26	22	1,373,000	2	125,155	24	1,498,155
27	17	1,079,302			17	1,079,302
28	6	383,910	3	264,290	9	648,200
29	9	566,496	1	79,093	10	645,589
30	3	191,226	1	63,042	4	254,269
31	4	277,523			4	277,523
32	3	169,474			3	169,474
33			1	62,676	1	62,676
34	3	196,636			3	196,636
35	5	355,001			5	355,001
36	2	118,469			2	118,469
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, 2004  
POLICEMEN**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40						
41						
42						
43						
44	1	57,136			1	57,136
<b>Total</b>	1,647	\$ 90,880,316	378	\$ 20,429,429	2,025	\$ 111,309,745

**TABLE 5**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**AGE AS OF DECEMBER 31, 2004**  
**FIREMEN**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
19	4	\$ 80,700	1	\$ 20,175	5	\$ 100,875
20	10	313,263			10	313,263
21	8	303,463			8	303,463
22	10	405,061	1	43,499	11	448,560
23	7	322,481	1	48,544	8	371,024
24	11	520,395	1	29,820	12	550,215
25	16	861,544			16	861,544
26	11	594,863			11	594,863
27	17	826,674			17	826,674
28	11	503,510	1	37,485	12	540,995
29	8	340,190			8	340,190
30	16	782,764			16	782,764
31	19	902,438			19	902,438
32	24	1,259,224			24	1,259,224
33	38	1,907,679	1	40,497	39	1,948,176
34	49	2,616,578	3	151,419	52	2,767,997
35	23	1,163,693	2	104,319	25	1,268,012
36	43	2,274,975	2	107,766	45	2,382,742
37	38	2,015,114	1	54,050	39	2,069,164
38	37	1,982,891	3	130,631	40	2,113,523
39	35	1,928,898	5	284,104	40	2,213,001
40	43	2,438,956	1	53,978	44	2,492,934
41	38	2,168,705	5	306,523	43	2,475,228
42	28	1,621,741	3	177,928	31	1,799,670
43	32	1,829,582	2	120,954	34	1,950,536
44	33	1,835,133	3	210,127	36	2,045,260
45	29	1,836,930	2	119,650	31	1,956,579
46	47	2,878,600	2	121,809	49	3,000,409
47	35	2,036,433	4	244,988	39	2,281,421
48	54	3,242,007	3	171,956	57	3,413,963
49	26	1,579,455	1	53,834	27	1,633,289
50	33	1,986,359	1	60,871	34	2,047,230
51	31	1,841,936			31	1,841,936
52	20	1,245,761			20	1,245,761
53	12	699,547			12	699,547
54	10	602,965			10	602,965
55	12	793,048			12	793,048
56	8	487,775			8	487,775
57	11	657,998			11	657,998
58	5	307,218			5	307,218
59	1	54,392			1	54,392
<b>Total</b>	943	\$ 52,050,937	49	\$ 2,694,928	992	\$ 54,745,865

**TABLE 6**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2004**  
**FIREMEN**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	23	\$ 609,985	2	\$ 49,995	25	\$ 659,980
1	15	563,130	2	80,865	17	643,995
2	24	995,360	1	37,485	25	1,032,845
3	17	683,524			17	683,524
4	64	2,901,650	2	66,066	66	2,967,716
5	26	1,316,072	1	48,544	27	1,364,615
6	26	1,349,170	2	107,720	28	1,456,890
7	46	2,533,160			46	2,533,160
8	41	2,260,367			41	2,260,367
9	36	1,940,260			36	1,940,260
10	60	3,358,386	2	107,766	62	3,466,152
11	28	1,588,971	2	108,029	30	1,697,000
12	43	2,402,641	11	629,305	54	3,031,946
13	29	1,614,977	1	54,014	30	1,668,991
14	37	2,110,868	4	222,617	41	2,333,485
15	19	1,044,665	1	53,854	20	1,098,520
16	28	1,605,010			28	1,605,010
17	44	2,573,808	1	54,225	45	2,628,033
18	20	1,167,576	6	369,568	26	1,537,143
19	45	2,633,421	1	57,240	46	2,690,661
20	27	1,580,388	3	192,327	30	1,772,715
21	29	1,687,957	4	237,849	33	1,925,805
22	19	1,196,867			19	1,196,867
23	20	1,227,277			20	1,227,277
24	28	1,859,536	2	149,507	30	2,009,043
25	37	2,279,523			37	2,279,523
26	36	2,185,266	1	67,954	37	2,253,220
27	17	1,128,187			17	1,128,187
28	25	1,516,540			25	1,516,540
29	11	681,297			11	681,297
30	3	201,596			3	201,596
31	7	433,021			7	433,021
32	5	334,991			5	334,991
33						
34	1	57,551			1	57,551
35	4	248,465			4	248,465
36	2	111,599			2	111,599
37						
38	1	67,876			1	67,876
<b>Total</b>	943	\$ 52,050,937	49	\$ 2,694,928	992	\$ 54,745,865

TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING GENERAL EMPLOYES FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
19			1	\$ 5,198	1	\$ 5,198
24			1	17,387	1	17,387
27			1	1,476	1	1,476
29			1	6,095	1	6,095
30			1	1,476	1	1,476
31			2	28,141	2	28,141
32			1	1,057	1	1,057
33			1	5,736	1	5,736
34			3	36,710	3	36,710
35	1	12,145			1	12,145
36			1	1,230	1	1,230
37	1	8,290	1	3,684	2	11,974
38			1	5,633	1	5,633
39	2	13,289			2	13,289
40	3	28,325			3	28,325
41	3	20,508	3	12,251	6	32,759
42	2	10,136	4	69,039	6	79,175
43	9	96,353	2	13,722	11	110,075
44	11	177,656	2	9,509	13	187,165
45	14	226,844	1	2,998	15	229,842
46	10	152,720	5	38,777	15	191,497
47	9	165,707	3	12,078	12	177,785
48	22	265,324	4	54,356	26	319,680
49	14	160,100	7	111,792	21	271,892
50	19	222,248	5	32,034	24	254,282
51	14	192,027	10	88,113	24	280,140
52	17	201,331	5	48,285	22	249,616
53	26	296,791	8	65,065	34	361,856
54	23	298,929	2	19,103	25	318,032
55	73	1,833,554	12	112,721	85	1,946,275
56	96	2,425,971	7	73,768	103	2,499,739
57	83	2,162,400	14	131,070	97	2,293,470
58	79	2,008,140	14	113,061	93	2,121,201
59	92	2,475,819	7	81,912	99	2,557,731
60	146	2,884,938	8	65,057	154	2,949,995
61	178	3,348,017	15	201,012	193	3,549,029
62	173	3,053,386	24	316,818	197	3,370,204
63	178	2,907,577	18	225,889	196	3,133,466
64	170	2,558,323	11	119,886	181	2,678,209
65	177	2,551,086	25	303,243	202	2,854,329



TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING GENERAL EMPLOYEES FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
66	231	3,464,158	22	228,273	253	3,692,431
67	237	3,669,207	23	249,208	260	3,918,415
68	226	3,137,713	25	262,595	251	3,400,308
69	179	2,382,832	21	195,999	200	2,578,831
70	217	2,584,552	34	354,535	251	2,939,087
71	219	2,857,694	31	302,635	250	3,160,329
72	238	2,932,010	28	262,670	266	3,194,680
73	238	2,811,504	43	324,297	281	3,135,801
74	232	3,077,884	51	449,645	283	3,527,529
75	214	2,729,410	58	486,236	272	3,215,646
76	211	2,349,382	54	507,702	265	2,857,084
77	215	2,359,375	52	503,074	267	2,862,449
78	233	2,720,757	58	404,122	291	3,124,879
79	205	2,353,103	57	405,551	262	2,758,654
80	231	2,367,549	53	399,616	284	2,767,165
81	170	1,651,753	61	374,192	231	2,025,945
82	166	1,713,225	66	402,385	232	2,115,610
83	181	1,682,164	78	553,479	259	2,235,643
84	115	940,250	58	397,849	173	1,338,099
85	100	971,941	49	310,650	149	1,282,591
86	109	915,612	48	301,451	157	1,217,063
87	99	786,661	37	219,503	136	1,006,164
88	76	552,816	42	241,426	118	794,242
89	48	390,780	28	164,751	76	555,531
90	55	357,856	20	125,178	75	483,034
91	41	319,825	20	116,220	61	436,045
92	29	241,396	18	79,066	47	320,462
93	19	142,343	11	54,417	30	196,760
94	18	114,264	10	48,914	28	163,178
95	3	9,153	10	66,148	13	75,301
96	10	48,341	3	24,723	13	73,064
97	2	6,517	4	36,723	6	43,240
98	1	10,099	1	10,078	2	20,177
99	3	22,827			3	22,827
101	1	7,653			1	7,653
102			1	6,402	1	6,402
103	1	1,471			1	1,471
<b>Total</b>	6,218	\$ 83,442,011	1,406	\$ 11,305,095	7,624	\$ 94,747,106

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING FIREMEN FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
14			2	\$ 17,298	2	\$ 17,298
19			1	13,698	1	13,698
26	1	32,020			1	32,020
32	1	39,523			1	39,523
33	1	26,088			1	26,088
35	2	78,416			2	78,416
36	1	39,523			1	39,523
37	2	84,064			2	84,064
39	1	39,523	1	17,445	2	56,968
40	2	79,046			2	79,046
41	2	78,095			2	78,095
42	2	75,927			2	75,927
43	4	164,741			4	164,741
44	5	194,091			5	194,091
45	8	233,223			8	233,223
46	6	222,173	1	29,298	7	251,471
47	11	379,009			11	379,009
48	12	473,242			12	473,242
49	10	402,454	2	34,299	12	436,753
50	12	494,064	1	6,591	13	500,655
51	13	509,625	1	26,786	14	536,411
52	19	742,982	4	48,261	23	791,243
53	12	495,731			12	495,731
54	13	429,166			13	429,166
55	27	1,157,918	1	5,302	28	1,163,220
56	25	1,084,080	2	39,076	27	1,123,156
57	34	1,593,115	5	64,046	39	1,657,161
58	36	1,516,175	1	10,729	37	1,526,904
59	20	809,070	4	109,051	24	918,121
60	23	888,731	5	104,660	28	993,391
61	40	1,533,289	8	172,971	48	1,706,260
62	23	1,006,917	2	39,529	25	1,046,446
63	32	1,394,217	5	115,447	37	1,509,664
64	25	995,691	4	40,679	29	1,036,370
65	20	697,230	1	34,488	21	731,718
66	29	1,040,832	5	70,736	34	1,111,568
67	23	852,538	1	3,600	24	856,138
68	21	835,414	13	244,750	34	1,080,164
69	20	646,114	4	72,302	24	718,416
70	15	533,449	5	78,972	20	612,421

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING FIREMEN FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
71	11	350,853	5	96,646	16	447,499
72	20	671,083	15	247,260	35	918,343
73	33	1,037,140	19	273,689	52	1,310,829
74	34	1,143,875	17	221,767	51	1,365,642
75	39	1,208,683	5	91,605	44	1,300,288
76	22	686,214	21	370,541	43	1,056,755
77	22	645,065	11	150,130	33	795,195
78	26	724,093	14	170,317	40	894,410
79	16	520,866	10	134,141	26	655,007
80	15	384,546	3	30,458	18	415,004
81	14	393,799	2	17,540	16	411,339
82	8	233,406	4	73,883	12	307,289
83	8	183,588	4	56,003	12	239,591
84	8	169,068	3	24,517	11	193,585
85	4	79,024	3	24,471	7	103,495
86	4	85,761			4	85,761
87	1	20,837	2	10,516	3	31,353
<b>Total</b>	838	\$ 30,435,407	217	\$ 3,393,498	1,055	\$ 33,828,905

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING POLICEMEN FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
7			2	\$ 27,569	2	\$ 27,569
31			1	8,687	1	8,687
34	2	78,521	1	8,687	3	87,208
35	1	39,523			1	39,523
36	1	21,985			1	21,985
37	1	35,902			1	35,902
38	2	26,442	1	24,580	3	51,022
39	2	54,667	1	19,843	3	74,510
40	1	38,693			1	38,693
41	1	23,162			1	23,162
42	8	311,858	1	31,406	9	343,264
43	2	77,954	6	120,890	8	198,844
44	9	359,001	1	33,497	10	392,498
45	8	320,421	1	12,275	9	332,696
46	15	582,788			15	582,788
47	6	241,914	3	25,964	9	267,878
48	16	706,849	3	58,574	19	765,423
49	25	1,041,759	1	13,441	26	1,055,200
50	26	1,154,263	1	24,861	27	1,179,124
51	36	1,600,778	1	10,892	37	1,611,670
52	26	1,105,241	2	59,758	28	1,164,999
53	34	1,544,506	3	91,933	37	1,636,439
54	45	1,948,846	3	73,421	48	2,022,267
55	51	2,207,722	5	118,776	56	2,326,498
56	59	2,803,398	3	74,800	62	2,878,198
57	81	3,539,846	4	53,535	85	3,593,381
58	68	2,890,694	8	200,259	76	3,090,953
59	48	2,020,670	6	129,701	54	2,150,371
60	60	2,471,219	4	81,155	64	2,552,374
61	69	2,659,113	7	154,733	76	2,813,846
62	80	3,030,823	7	168,008	87	3,198,831
63	50	2,005,746	5	107,128	55	2,112,874
64	57	2,051,762	8	128,515	65	2,180,277
65	48	1,725,271	4	50,684	52	1,775,955
66	43	1,402,715	9	123,916	52	1,526,631
67	41	1,437,611	3	62,220	44	1,499,831
68	38	1,268,628	13	252,903	51	1,521,531
69	37	1,182,234	8	99,079	45	1,281,313
70	35	1,161,998	12	193,209	47	1,355,207
71	30	805,345	16	245,481	46	1,050,826

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
CONSENTING POLICEMEN FROM THE COMBINED FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
72	40	1,242,995	21	226,967	61	1,469,962
73	49	1,427,779	13	225,175	62	1,652,954
74	38	1,135,146	15	199,900	53	1,335,046
75	51	1,491,458	20	274,958	71	1,766,416
76	41	1,123,400	27	389,488	68	1,512,888
77	55	1,458,513	23	302,202	78	1,760,715
78	29	731,673	17	204,985	46	936,658
79	33	756,534	15	146,826	48	903,360
80	23	464,294	15	166,147	38	630,441
81	31	597,309	10	98,510	41	695,819
82	17	347,050	7	99,092	24	446,142
83	12	229,287	9	77,298	21	306,585
84	9	158,681	6	54,412	15	213,093
85	6	105,639	3	24,256	9	129,895
86	3	45,586	1	8,033	4	53,619
87	1	4,159	2	13,369	3	17,528
88			1	4,367	1	4,367
89	1	16,418	1	7,710	2	24,128
<b>Total</b>	1,601	\$ 57,315,789	360	\$ 5,414,075	1,961	\$ 62,729,864

TABLE 8

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO  
NON-CONSENTERS FROM THE RETIREMENT FUND  
AS OF DECEMBER 31, 2004**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
50			1	\$ 5,031	1	\$ 5,031
51			1	7,723	1	7,723
57	1	25,722			1	25,722
64	1	15,107			1	15,107
65			1	8,524	1	8,524
70	1	1,254			1	1,254
71			1	7,812	1	7,812
72	3	29,983			3	29,983
75	2	14,172	1	579	3	14,751
77	2	4,356			2	4,356
78	2	10,566			2	10,566
79	1	9,584			1	9,584
81	1	12,738			1	12,738
83	3	9,847			3	9,847
84	2	10,866			2	10,866
85	1	5,226			1	5,226
87	1	8,585			1	8,585
91	1	3,890			1	3,890
93	1	2,330			1	2,330
96			1	11,310	1	11,310
<b>Total</b>	23	\$ 164,226	6	\$ 40,979	29	\$ 205,205