

**CITY OF MILWAUKEE
EMPLOYEES' RETIREMENT SYSTEM**

**ACTUARIAL VALUATION
AS OF JANUARY 1, 2010**

Reissue

July 15, 2010

Annuity and Pension Board
Employees' Retirement System of
the City of Milwaukee
789 N. Water St., #300
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, 2010, 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, 2010.

Global Pension Settlement (GPS) benefits have been provided to 13 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 valuation was based on the actuarial assumptions and methods as adopted by the Board of Trustees, and as specified by the Charter. The assumptions and methods are the same as those used for the prior valuation. Effective May 18, 2010, the asset smoothing, asset corridor and amortization methods were added as Chapter 36, 36-15-15 of the Milwaukee City Charter. The actuarial cost method (Chapter 36, 36-15-15) and the Full Funding Limit (Chapter 36, 36-08-6) were already contained in Chapter 36 of the Milwaukee City Charter. The assumptions and methods used for this valuation are individually and in the aggregate reasonable and comply with generally accepted actuarial standards of practice. As discussed at previous Board meetings, the actuary has recommended that the Full Funding Limit be eliminated from the funding policy due to the contribution volatility created by the Full Funding Limit. We understand that some employers are considering as part of their budgets the amount of contribution that would be due had the Full Funding Limit not been in place. While this is not as ideal as eliminating the Full Funding Limit, this action is encouraged over no action at all. Entities that contribute to this plan are reminded that benefits in the amount of the normal cost are accrued every year.

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, 2010 valuation determine the employer contribution for the year ending December 31, 2010.

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 the amortization period as adopted by the Board. The Board adopted a twenty five year amortization period effective with the January 1, 2009 actuarial valuation. The period will be reduced by one year each subsequent year until the period equals the future working lifetime of employees covered by the funds. The amortization period is twenty four years as of January 1, 2010.

On this basis, the valuation indicates that the employer contribution of \$0 (zero) for the 2010 plan year would be sufficient to provide for the payment of the promised pension and survivor benefits.

The current employer contribution of zero is not a true indication of the cost of the Retirement System and is very unlikely to continue at such an artificially low level for an extended period of time. The cost of benefits accruing in the Retirement System is the normal cost. This amount is item 3.a. Tables 2a, 2b, 2c, 3 and 4 later in this report. For the largest of the Funds, the combined fund, the cost of benefits accruing is \$86.4 million. Members contribute a portion of this, with the remainder being an employer obligation. Given the anticipation that unfunded liabilities will emerge as assets losses are recognized over the next few years, a contribution of at least the normal cost is very likely to occur beginning in the next couple of years.

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 Actuarial Standards of Practice. Larry Langer is qualified to render the actuarial statement of opinion contained within this report.

Respectfully submitted,



Larry Langer, A.S.A., E.A., M.A.A.A.
Principal, Consulting Actuary



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Senior Consultant

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Introduction

The law governing the Employees' Retirement System requires the Actuary, as the technical advisor to the Annuity and Pension Board, to “. . . make an annual valuation of the assets and liabilities of the funds of the retirement system.” {Chapter 36, Part 15(15)}. Buck Consultants, as Actuary, has completed the seventy-second annual actuarial valuation of the System as of January 1, 2010.

In this report we present the results of the January 1, 2010 valuation and the recommended employer contributions for the year ending December 31, 2010. 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 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, 2009 actuarial valuation was completed, 13 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, 2010 valuation reflects the impact of this change.

The benefit provisions recognized in this valuation are those in place as of the valuation date, with the addition of the Amendment to Chapter 36 that various groups of represented and nonrepresented City employees hired on or after January 1, 2010 shall contribute 5.5% of their earnable compensation. Note that the “Bonus Year” provisions of 36-04-2f are not included in this valuation and will be included in next years valuation as members elect the bonus year. Refer to “Benefits Not Valued” at the end of the Summary of Plan Provisions section of this report.

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 34-41, were adopted as of January 1, 2008, and are based on the experience study for the five-year period ended December 31, 2006. However, the 3.0% inflation assumption was adopted as

of January 1, 2003, and an interest rate of 8½% has been used to value all benefits since January 1, 2000. 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 and the amortization method were adopted as of January 1, 2009 and are prescribed in section 36.15 of the Milwaukee City Charter.

Changes Since Last Year

The following changes have been made since the actuarial valuation dated January 1, 2009:

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, 2009 actuarial valuation was completed, 13 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, 2010 valuation reflects the impact of this change.

The addition of the Amendment to Chapter 36 that various groups of represented and nonrepresented City employees hired on or after January 1, 2010 shall contribute 5.5% of their earnable compensation has been reflected with this valuation. Note that the “Bonus Year” provisions of 36-04-2f are not included in this valuation. Refer to “Benefits Not Valued” at the end of the Summary of Plan Provisions section of this report.

Fiscal Impact of Changes

Prior to this valuation, the various employers would pay much of the amounts designated as member contributions per various contracts. Subsequent to the prior valuation, contracts have been ratified that shift the responsibility for the payment of the member contributions from the employer to members for many members. The impact of shifting this responsibility had no impact on the total liabilities and total contributions to ERS.

The fiscal impact of new consents to GPS is explained on page 4.

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, 2010. Comparable results from the January 1, 2009 valuation are also shown.

Item	January 01, 2009	January 01, 2010
Membership Data		
Active Members		
➤ Number	11,581	11,664
➤ Total Annual Covered Payroll on the Valuation Date	\$536,558,000	\$553,846,000
➤ Average Pay	\$46,331	\$47,483
Retirees and Beneficiaries		
➤ Number	11,082	11,205
➤ Annual Benefit	\$231,557,958	\$242,962,206
➤ Average Benefit Payment	\$20,895	\$21,683
Asset Values (includes contributions receivable)		
➤ Actuarial Value	\$4,076,297,000	\$4,814,402,000
➤ Market Value	\$3,399,793,000	\$4,020,640,000
Actuarially Determined Employer Contribution		
	Due 1/31/2010	Due 1/31/2011
➤ Annual Cost	\$60,178,000	\$0
➤ As % of Covered Payroll	11.22%	0.00%
Funded Status		
➤ Accrued Liability	\$4,113,089,000	\$ 4,269,324,000
➤ Actuarial Value of Assets	<u>4,076,297,000</u>	<u>4,814,402,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$36,792,000	\$ (545,078,000)
➤ Funded Ratio Based on Actuarial Value of Assets	99.1%	112.8%
➤ Accrued Liability	\$4,113,089,000	\$ 4,269,324,000
➤ Market Value of Assets	<u>3,399,793,000</u>	<u>4,020,640,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$713,296,000	\$ 248,684,000
➤ Funded Ratio Based on Market Value of Assets	82.7%	94.2%

Fiscal Impact of New Consents to the Global Pension Settlement

Based on data provided to the actuary, 13 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 \$142 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 5 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. The required division of assets for members who consented during 2009 was calculated as of January 1, 2009 (the beginning of the year of consent). Table 7 of this report provides the necessary details.

Contribution Requirements for Fiscal Year 2010

Actuarially Determined Employer Contributions: The recommended contribution for 2010 payable January 31, 2011 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>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Contribution	\$ 0	\$ 0	\$ 0	\$ 0
Covered Compensation	\$ 362,283,000	\$ 131,102,000	\$ 60,461,000	\$ 553,846,000
Total Contribution as a Percentage of Covered Compensation	0.0%	0.0%	0.0%	0.0%

Member Contributions to the Above Funds:

Employer Paid

For hires prior to January 1, 2010, 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. Many new hires after January 1, 2010 now make the member contribution.

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 112.8% as of January 1, 2010. The funded ratio is based on an actuarial value of assets of \$4.814 billion and an accrued liability of \$4.269 billion.

Reasons for Change in the Funded Ratio

The funded ratio increased from 99.1% as of January 1, 2009 to 112.8% as of January 1, 2010. The change is primarily due to the return on the actuarial value of assets, which was 22.62% for the 2009 plan year – compared to (17.88)% for the 2008 plan year. Liabilities for the retirement System came in right about where expected, well within 1% of the liability amount expected.

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 11a) 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 5-year market-related value (3-year prior to 2009) 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 112.8% as of January 1, 2010. The funded ratio is based on an actuarial value of assets of \$4.814 billion and an accrued liability of \$4.269 billion.

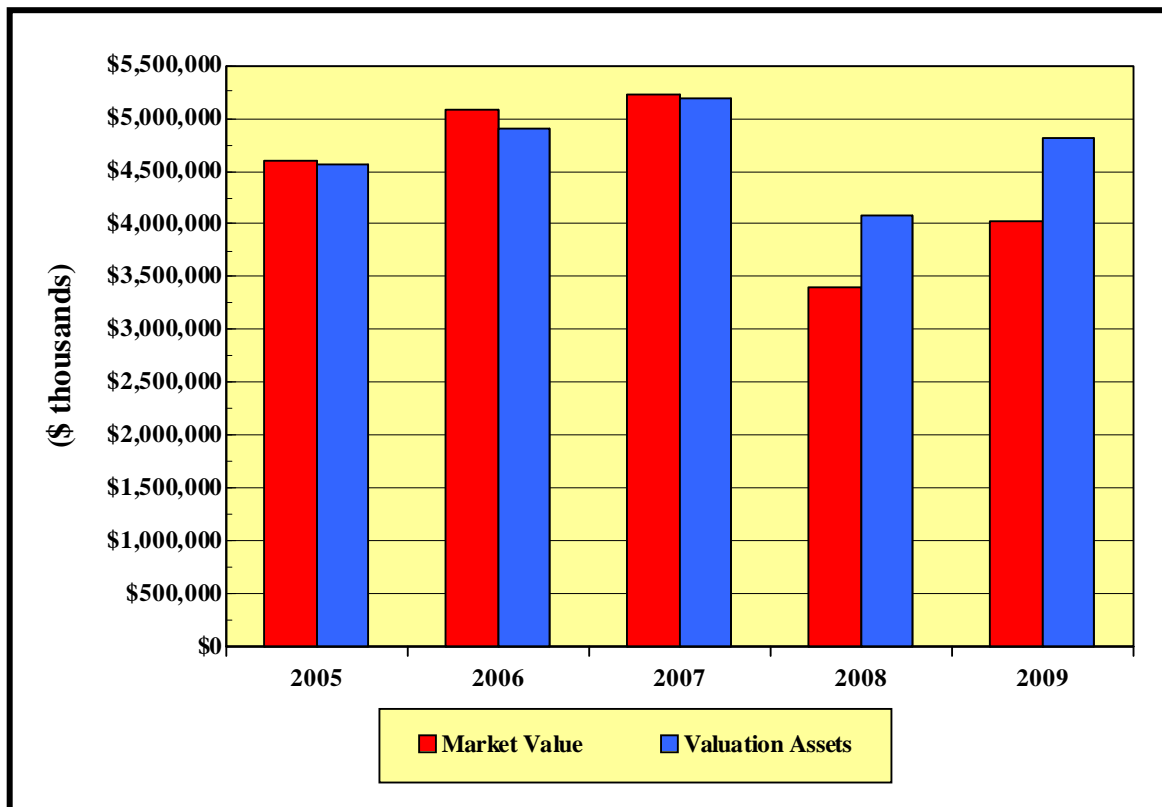
The “schedule of employer contributions” (Table 11b) shows historical trend information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System. The ARC is equal to the normal cost plus amortization of the unfunded actuarial accrued liability. The maximum period for amortizing the unfunded actuarial accrued liability permitted by GASB No. 25 is 30 years; for assets in excess of liabilities the minimum period is 10 years. Other than 2010, the employer contributions to the System are equal to 100% of the ARC. In 2010, the Full Funding Limitation reduced the contribution below the GASB 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, 2009, was 23.70%. The return based on the actuarial value of assets used for determining the System's funded status was 22.62%. A five-year history of the rate of return on the actuarial value of assets and the market values of assets is shown below.

Plan Year Ended December 31	Return on Actuarial Value	Return on Market Value
2009	22.62%	23.70%
2008	(17.88)	(31.70)
2007	10.17	6.83
2006	11.83	14.85
2005	15.34	8.30

Five-Year History of Market Value and Valuation Assets



The remainder of this report is comprised of the following:

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Table 1a

**Allocation of Total 2010 Contributions to Employee Groups
Members in Retirement and Duty Disability Funds
Amount Due January 31, 2011**

Group	Active Members	Covered Compensation	Fund			January 31, 2011	
			Retirement	Duty Disability	Heart & Lung	Total Due	% of Pay
General City	33	\$ 1,625,358	\$ -	\$ -	\$ -	\$ -	0.00%
Water Department	2	102,722	-	-	-	-	0.00%
School Board	40	1,170,871	-	-	-	-	0.00%
Milwaukee Technical College	-	-	-	-	-	-	
Sewerage Commission	1	60,838	-	-	-	-	0.00%
Veolia	2	132,082	-	-	-	-	0.00%
Wisconsin Center District	1	32,629	-	-	-	-	0.00%
Housing Authority	-	-	-	-	-	-	
Policemen	-	-	-	-	-	-	
Firemen	-	-	-	-	-	-	
TOTAL	79	\$ 3,124,500	\$ -	\$ -	\$ -	\$ -	0.00%

Table 1b

**Allocation of Total 2010 Contributions to Employee Groups
Members in Combined Retirement and Disability Fund
Amount Due January 31, 2011**

Group	Active Members	Covered Compensation	Fund		January 31, 2011	
			Combined Retirement & Disability	Heart & Lung	Total Due	% of Pay
General City	28	\$ 1,323,415	\$ -	\$ -	\$ -	0.00%
Water Department	-	-	-	-	-	-
School Board	38	1,020,020	-	-	-	0.00%
Milwaukee Technical College	-	-	-	-	-	-
Sewerage Commission	1	84,205	-	-	-	0.00%
Veolia	-	-	-	-	-	-
Wisconsin Center District	1	7,326	-	-	-	0.00%
Housing Authority	2	68,625	-	-	-	0.00%
Policemen	1	66,500	-	-	-	0.00%
Firemen	-	-	-	-	-	-
TOTAL	71	\$ 2,570,091	\$ -	\$ -	\$ -	0.00%

Table 1c

**Allocation of Total 2010 Contributions to Employee Groups
Combined Fund
Amount Due January 31, 2011**

Group	Active Members	Covered Compensation	January 31, 2011	
			Total Due	% of Pay
General City	3,538	\$ 181,217,545	\$ -	0.00%
Water Department	322	17,096,746	-	0.00%
School Board	4,100	117,932,569	-	0.00%
Milwaukee Technical College	2	122,702	-	0.00%
Sewerage Commission	237	16,727,216	-	0.00%
Veolia	121	7,815,874	-	0.00%
Wisconsin Center District	96	3,665,063	-	0.00%
Housing Authority	207	12,077,126	-	0.00%
Policemen	1,996	131,035,252	-	0.00%
Firemen	895	60,461,217	-	0.00%
TOTAL	11,514	\$ 548,151,310	\$ -	0.00%

Table 2a

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

Item	General Employees	Police	Fire	Total
1. Active Members	79	-	-	79
2. Covered Compensation	\$ 3,125	\$ -	\$ -	\$ 3,125
3. Normal Cost				
a. Total	345	-	-	345
b. Estimated Member Contributions	172	-	-	172
c. Employer Normal Cost (a) - (b), not less than zero	173	-	-	173
4. Active Actuarial Accrued Liability	7,979	-	-	7,979
5. Actuarial Assets (Net of Inactive Liabilities)	19,094	-	-	19,094
6. Unfunded Accrued Liability (4) - (5)	(11,115)	-	-	(11,115)
7. Amortization of UAL (Closed Amortization Years)	(790) (24 years)	-	-	(790)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2011	-	-	-	-
9. Annual Contribution Payable January 31, 2011 (3) + (7), with interest to 1/31/2011, but not more than (8)	\$ -	\$ -	\$ -	\$ -

* The full funding limit is the contribution based on the January 1, 2010 valuation which, if made January 31, 2011, would bring the expected 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	70	1	-	71
2. Covered Compensation	\$ 2,503	\$ 67	\$ -	\$ 2,570
3. Normal Cost				
a. Total	196	10	-	206
b. Estimated Member Contributions	138	5	-	143
c. Employer Normal Cost (a) - (b), not less than zero	58	5	-	63
4. Active Actuarial Accrued Liability	2,267	96	-	2,363
5. Actuarial Assets (Net of Inactive Liabilities)	2,424	103	-	2,527
6. Unfunded Accrued Liability (UAL) (4) - (5)	(157)	(7)	-	(164)
7. Amortization of UAL (Closed Amortization Years)	(11) (24 years)	- (24 years)	-	(11)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2011	-	-	-	-
9. Annual Contribution Payable January 31, 2011 (3) + (7), with interest to 1/31/2011, but not more than (8)	\$ -	\$ -	\$ -	\$ -

* The full funding limit is the contribution based on the January 1, 2010 valuation which, if made January 31, 2011, would bring the expected 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	8,623	1,996	895	11,514
2. Covered Compensation	\$ 356,655	\$ 131,035	\$ 60,461	\$ 548,151
3. Normal Cost				
a. Total	40,921	30,370	15,119	86,410
b. Estimated Member Contributions	21,200	9,172	4,232	34,604
c. Employer Normal Cost (a) - (b), not less than zero	19,721	21,198	10,887	51,806
4. Active Actuarial Accrued Liability	776,704	470,145	281,877	1,528,726
5. Actuarial Assets (Net of Inactive Liabilities)	1,039,859	629,434	377,379	2,046,672
6. Unfunded Accrued Liability (4) - (5)	(263,155)	(159,289)	(95,502)	(517,946)
7. Amortization of UAL (Closed Amortization Years)	(18,707) (24 years)	(11,324) (24 years)	(6,789) (24 years)	(36,820)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2011	-	-	-	-
9. Annual Contribution Payable January 31, 2011 (3) + (7), with interest to 1/31/2011, but not more than (8)	\$ -	\$ -	\$ -	\$ -

* The full funding limit is the contribution based on the January 1, 2010 valuation which, if made January 31, 2011, would bring the expected 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	79	-	-	79
2. Covered Compensation	\$ 3,125	\$ -	\$ -	\$ 3,125
3. Normal Cost				
a. Total	5	-	-	5
b. Estimated Member Contributions	-	-	-	-
c. Employer Normal Cost (a) - (b), not less than zero	5	-	-	5
4. Accrued Liability				
a. Actives	112	-	-	112
b. Annuitants	-	-	-	-
c. Total	112	-	-	112
5. Actuarial Value of Assets	180	-	-	180
6. Unfunded Accrued Liability (UAL) (4) - (5)	(68)	-	-	(68)
7. Amortization of UAL (Closed Amortization Years)	(5) (24 years)	-	-	(5)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2011	-	-	-	-
9. Annual Contribution Payable January 31, 2011 (3) + (7), with interest to 1/31/2011, but not more than (8)	\$ -	\$ -	\$ -	\$ -

* The full funding limit is the contribution based on the January 1, 2010 valuation which, if made January 31, 2011, would bring the expected assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 4

**Determination of City Contributions to
Firemen's Heart & 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 1/31/2011	
8. Annual Contribution	\$ -
Payable January 31, 2011	

* The full funding limit is the contribution which, if made January 31, 2011, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

Table 5**Member Data**

Item	12/31/2008	12/31/2009		
Number of Members	Total	Vested	Non-Vested	Total
Active				
General Employes	8,642	7,139	1,633	8,772
Policemen	2,039	1,651	346	1,997
Firemen	900	834	61	895
Total Active Members	11,581	9,624	2,040	11,664
Inactive				
Deferred Retirees/Refunds	4,136			4,117
Deferred Fire & Police Survivors	7			6
Total Inactive Members	4,143			4,123
Benefit Recipients				
Combined Fund				
General Employes	7,811			7,872
Policemen	2,105			2,142
Firemen	1,138			1,164
Combined Fund Subtotal	11,054			11,178
Retirement Fund	28			27
Duty Disability Funds				
General Employes	-			-
Firemen	-			-
Policemen	-			-
Duty Disability Funds Subtotal	-			-
Firemen's Heart & Lung Fund	-			-
Total Benefit Recipients	11,082			11,205
TOTAL Membership	26,806			26,992

Notes:

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

Table 5
Member Data
(continued)

Item	12/31/2009 Membership		
Number of Members	Consenters	Others	Total
Active			
General Employes	8,623	149	8,772
Policemen	1,996	1	1,997
Firemen	895	-	895
Total Active Members	11,514	150	11,664
Inactive			
Deferred Retirees/Refunds	3,799	318	4,117
Deferred Fire & Police Survivorship Fund	6	-	6
Total Inactive Members	3,805	318	4,123
Benefit Recipients			
Combined Fund	11,178		11,178
Retirement Fund		27	27
Duty Disability Funds			
General Employes		-	-
Firemen		-	-
Policemen		-	-
Duty Disability Funds Subtotal		-	-
Firemen's Heart & Lung Fund		-	-
Total Benefit Recipients	11,178	27	11,205
TOTAL Membership	26,497	495	26,992

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 5
Member Data
(continued)

Item	12/31/2008	12/31/2009
Annual Earnings		
General Employes	\$ 347,344,000	\$ 362,283,000
Policemen	129,152,000	131,102,000
Firemen	60,062,000	60,461,000
Total Annual Earnings	\$ 536,558,000	\$ 553,846,000
Average Earnings		
General Employes	\$ 40,193	\$ 41,300
Policemen	\$ 63,341	\$ 65,649
Firemen	\$ 66,735	\$ 67,554
Annual Benefit Payments Currently Being Made		
Combined Fund	\$ 231,344,604	\$ 242,755,862
Retirement Fund	\$ 213,354	\$ 206,344
Duty Disability Funds		
General Employes	\$ -	\$ -
Firemen	-	-
Policemen	-	-
Duty Disability Funds Subtotal	\$ -	\$ -
Firemen's Heart & Lung Fund	\$ -	\$ -
Total Benefit Payments	\$ 231,557,958	\$ 242,962,206

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, 2009.

The Global Pension Settlement (GPS) requires transfers between various funds as of January 1, 2009 for members who consented to GPS during 2009. This adjustment to the System's market value of assets is shown in Table 7.

Table 6
Summary of Market Value of Plan Assets
As of January 1, 2010
(in thousands)

Item	Amount
1. Market Value of Assets as of December 31, 2008	\$ 3,399,793
2. Contributions During Year	
a. Member	35,894
b. City to Employers' Reserve Fund	-
c. Employer (receivable 1/31/2010)	60,098
d. Total	<u>95,992</u>
3. Disbursements During Year	
Benefit Payments and Refunds During Year	255,014
4. Investment Return (net of Administrative Expenses)	779,869
5. Market Value of Assets as of December 31, 2009 (1) + (2d) - (3) + (4)	4,020,640
6. Average Market Value During 2009 (1) + ((2a) - (3))/2	\$ 3,290,233
7. Rate of Return (4) / (6)	23.70%

Table 7

**Allocations Between Non-Consenters Who Consented to Global Settlement During 2009 and Those Who Did Not
Allocation of 1/1/2009 Market Value of Assets in Proportion to 1/1/2009 Accrued Liability
Allocation of 1/31/2010 Employer Contribution in Proportion to 1/1/2009 Covered Compensation
(in dollars)**

Fund	Allocation of 1/1/2009 Market Value of Assets in Funds for Non-Consenters in Proportion to 1/1/2009 Accrued Liability			Allocation of 1/31/2010 Employer Contribution to Funds for Non-Consenters in Proportion to 1/1/2009 Covered Compensation		
	Consenters in 2009	Others	Total (Audited)	Consenters in 2009	Others	Total
1. Retirement Fund	\$ 984,879	\$ 15,898,971	\$ 16,883,850	\$ -	\$ -	\$ -
2. General Employees' Duty Disability Fund	3,480	121,445	124,925	-	-	-
3. Fire & Police Duty Disability Fund	-	-	-	-	-	-
4. Firemen's Heart & Lung Fund	-	-	-	-	-	-
5. Combined Retirement & Disability Fund	90,273	1,784,665	1,874,938	3,680	76,320	80,000
6. Total Funds for Non-Consenters	\$ 1,078,632	\$ 17,805,081	\$ 18,883,713	\$ 3,680	\$ 76,320	\$ 80,000

Notes:

- (1) January 1, 2009 Assets allocated to members who consented to Global Settlement during 2009 are transferred to the Global Combined Fund as of January 1, 2009.
- (2) January 31, 2010 Employer Contributions allocated to members who consented to Global Settlement during 2009 are credited to the Global Combined Fund instead of to the funds for non-consenters.

Table 8

**Actuarial Value of Assets as of January 1, 2010
(in thousands)**

Item	Total
1. Preliminary Actuarial Value January 1, 2009	\$ 5,009,397
2. Market Value January 1, 2009 (Unaudited)	3,399,793
3. Market Value January 1, 2010 (Unaudited)	4,020,640
4. Contributions	
(a) Member	35,894
(b) Employer	60,098
(c) Total	95,992
5. Benefits and Refunds Paid	255,014
6. Actual Market Return Net of Administrative Expenses	779,869
7. Expected Market Return based on 8-1/2% Interest	279,670
8. Excess of Actual over Expected Return	
(a) 2009	500,199
(b) 2008	(2,061,824)
(c) 2007	(83,329)
(d) 2006	286,222
(e) 2005	(8,490)
9. Excess Recognized in the Current Valuation*	\$ (312,325)
10. Preliminary Value January 1, 2010 (1) + (4) - (5) + (7) + (9)	4,817,720
11. Ratio of Preliminary Value to Market Value (10) / (3)	119.82%
12. Ratio Adjusted for 80%/120% Corridor**	119.82%
13. Balance in Employers' Reserve Fund	15,785
14. Market Value Excluding Employers' Reserve Fund (3) - (13)	4,004,855
15. Actuarial Value (12) x (14) + (13)	\$ 4,814,402
16. Rate of Return on Actuarial Value of Assets	22.62%

* The Funding Policy was changed effective with the January 1, 2009 valuation from 3 year smoothing to 5 year smoothing. As a part of this change, all bases prior to 2008 have been fully recognized.

** The actuarial value shall not be less than 80% nor greater than 120% of Market Value.

For a description of the development of the actuarial value of assets, refer to the relevant section of the Descriptions of Actuarial Assumptions and Methods beginning on page 32 of this report.

Table 9
Allocation of Assets Among Funds
as of January 1, 2010
(in thousands)

Fund	Market Value	Actuarial Value
1. Global Combined Fund	\$ 3,982,728	\$ 4,772,104
2. Employers' Reserve Fund	15,785	15,785
3. Retirement Fund	19,570	23,449
4. General Employees' Duty Disability Fund	150	180
5. Fire & Police Duty Disability Fund	-	-
6. Firemen's Heart & Lung Fund	-	-
7. Combined Retirement & Disability Fund	<u>2,407</u>	<u>2,884</u>
8. Total all Funds	\$ 4,020,640	\$ 4,814,402

DISCLOSURE

Table 10 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 11). For historical purposes, Table 12 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 11a) 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 11b) shows historical information about the annual required contributions (ARC) of the employer and the percentage of the ARC contributed to the System. Other than 2010, the employer contributions to the System are equal to 100% of the ARC. In 2010, the Full Funding Limitation reduced the contribution below the GASB ARC.

Table 10a
January 1, 2010 Valuation
Funded Status on Actuarial Value of Assets
(in thousands)

Fund	Accrued Liability	Actuarial Value of Assets	Unfunded Accrued Liability	Percent Funded
1. Global Combined Fund	\$ 4,254,158	\$ 4,772,104	\$ (517,946)	112.2%
2. Employers' Reserve Fund	-	15,785	(15,785)	N/A
3. Retirement Fund	12,334	23,449	(11,115)	190.1%
4. General Employees' Duty Disability Fund	112	180	(68)	160.7%
5. Fire & Police Duty Disability Fund	-	-	-	N/A
6. Firemen's Heart & Lung Fund	-	-	-	N/A
7. Combined Retirement & Disability Fund	<u>2,720</u>	<u>2,884</u>	<u>(164)</u>	106.0%
8. Total All Funds	\$ 4,269,324	\$ 4,814,402	\$ (545,078)	112.8%

Table 10b
January 1, 2010 Valuation
Funded Status on Market Value of Assets
(in thousands)

Fund	Accrued Liability	Market Value of Assets	UAL Market Basis	Percent Funded
1. Global Combined Fund	\$ 4,254,158	\$ 3,982,728	\$ 271,430	93.6%
2. Employers' Reserve Fund	-	15,785	(15,785)	N/A
3. Retirement Fund	12,334	19,570	(7,236)	158.7%
4. General Employees' Duty Disability Fund	112	150	(38)	133.9%
5. Fire & Police Duty Disability Fund	-	-	-	N/A
6. Firemen's Heart & Lung Fund	-	-	-	N/A
7. Combined Retirement & Disability Fund	<u>2,720</u>	<u>2,407</u>	<u>313</u>	88.5%
8. Total All Funds	\$ 4,269,324	\$ 4,020,640	\$ 248,684	94.2%

Table 11a
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
2010	\$ 4,814,402	\$ 4,269,324	\$ -	112.8%	\$ 553,846	0.0%
2009	4,076,297	4,113,089	36,792	99.1%	536,558	6.9%
2008	5,192,000	3,958,061	-	131.2%	532,412	0.0%
2007	4,899,721	3,846,481	-	127.4%	528,854	0.0%
2006	4,556,371	3,706,198	-	122.9%	515,934	0.0%
2005	4,112,558	3,523,179	-	116.7%	505,609	0.0%
2004	3,909,085	3,370,923	-	116.0%	486,384	0.0%
2003	3,689,981	3,204,248	-	115.2%	480,800	0.0%
2002	4,242,333	3,091,511	-	137.2%	466,757	0.0%
2001	4,202,023	2,988,140	-	140.6%	459,271	0.0%
2000	4,088,042	2,979,234	-	137.2%	466,732	0.0%

Table 11b
Schedule of Employer Contributions
GASB Statement No. 25 Disclosure
(in thousands)

Fiscal Year Ended December 31	Annual Required Contribution	Percentage Contributed*
2009	\$ 60,098	100%
2008	-	100%
2007	-	100%
2006	-	100%
2005	47	100%
2004	46	100%
2003	78	100%
2002	32	100%
2001	144	100%
2000	238	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, 2009 was contributed for the fiscal year ending December 31, 2009).

The Annual Required Contribution (ARC) is the sum of the defined contribution to the Fire and Police Survivorship Fund (dissolved November 22, 2004) 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, 2010	
Actuarial Cost Method:	Projected Unit Credit	
Amortization Method:	Closed; Level Percent of Pay; Pay assumed to grow 3% per year	
Remaining Amortization Period:	24 years as of January 1, 2010	
Asset Valuation Method:	5-year smoothed market, 20% corridor	
Actuarial Assumptions:		
• Investment Rate of Return	8.5%	
Projected Salary Increases	<u>General</u> 3.5% - 8.5%	<u>Police and Fire</u> 4% - 15.4%
• Inflation Assumption	3.0%	
• Cost of Living Adjustments	Vary by Employee Group as explained in summary of plan provisions	

Table 12
Actuarial Balance Sheet
for Members at January 1, 2010
(in thousands)

Item	2009	2010
Assets:		
Market Value of Assets	\$ 3,399,793	\$ 4,020,640
Market Adjustment	676,504	793,762
Actuarial Value of Assets	\$ 4,076,297	\$ 4,814,402
Liabilities:		
Actuarial Accrued Liability		
Annuitants	\$ 2,527,962	\$ 2,637,961
Inactive Members		
Member Contributions	68,083	67,978
Employer Financed Portion	27,020	24,205
Active Members		
Member Contributions	465,116	483,627
Employer Financed Portion	1,024,908	1,055,553
Reserve for Adverse Experience	-	545,078
Total Liabilities	\$ 4,113,089	\$ 4,814,402

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 AAL over the Actuarial Value of Assets. 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 6.)

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. The smoothed value is developed on Table 8 of this report. The numbers in parentheses denote the item number on Table 8. Under this method, we start with the Preliminary Actuarial Value of Assets from the prior valuation (1). We then develop an actual market return (6) and an expected market return based on 8.5% (7). The difference between this actual and expected amount is captured each year and reported (8). We amortize, or divide, the difference over the past five years as an amount to recognize each year (9). The preliminary actuarial value for the current valuation (10) becomes the preliminary actuarial value from the prior year (1) plus non-investment cash flows (contributions (4) less benefits and refunds (5)) plus the expected return on the market value of assets at 8.5% (7) and the current years amortization (9). As a final adjustment, the preliminary actuarial value (9) is adjusted to be not be less than 80% or more than 120% of market value (12) to develop the final Actuarial Value (15).

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, 2008 (except as noted)

Interest Rate and Inflation

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

Inflation: 3.0% per annum (adopted 1/1/2003)

Salary Increases

Career average of 4.6% per annum for general employes and 5.5% per annum for police and fire, compounded annually (adopted 1/1/2008). Representative values are as follows:

<u>Age</u>	<u>General</u>	<u>Fire and Police</u>
25	7.9%	11.5%
30	6.8	7.7
35	5.8	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% per annum are assumed for policemen, firemen, and general employes on duty disability. (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 at Beginning of Year	Early Retirement	Normal Retirement				
	General Employees	General Employees		Firemen	Police	
		Males	Females		Not in Combined Fund	In Combined Fund
44						10%
45						10
46						20
47						20
48				10%		20
49				10		23
50				10		23
51				10	44%	30
52				10	44	30
53				10	24	30
54		45%	30%	10	24	35
55	2%	45	30	25	24	35
56	2	27	14	25	40	35
57	2	27	14	20	35	27
58	2	24	14	20	35	27
59	2	22	14	20	35	27
60		20	14	50	35	27
61		16	16	75	35	30
62		24	24	75	50	50
63		20	20	100	100	100
64		20	20	100	100	100
65		28	28	100	100	100
66		22	22	100	100	100
67		15	15	100	100	100
68		15	15	100	100	100
69		15	15	100	100	100
70		100	100	100	100	100

For policemen participating in the Combined Fund, the following additional rates of normal retirement apply in the year that a member is first eligible to retire on service retirement with at least 25 years of service as a policeman:

25% if first eligible on or before age 52, grading down to 0% at ages 56 and above

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:

Member's Age at Death or Disability	Number of Dependent Children	Age of Youngest Child
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 20% for males and 15% for females. The percentage of general employes assumed electing the 100% PSO option before retirement is 55% for males and 10% for females. For firemen and policemen, 95% are assumed to elect the 100% PSO option before retirement.

Duty Deaths

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

General Employees: 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. (Adopted 1/1/2003)

Duty Disabilities

Employee Group	Percentage of Disabilities	Percentage of Duty Disabilities Assumed		Assumption Adopted January 1
	Incurred in the Performance of Duty	Eligible For The Special 90% Benefit	Under The Heart & Lung Law	
General	20.0%	N/A	N/A	1998
Police other than MPA	75.0%	5.0%	N/A	2008
MPA enrolled on or before 4/18/2005	75.0%	5.0%	N/A	2008
MPA enrolled after 4/18/2005	62.5%	7.5%	N/A	2008
Fire other than MPFFA	90.0%	5.0%	15.0%	2008
MPFFA enrolled on or before 10/3/2005	90.0%	5.0%	15.0%	2008
MPFFA enrolled after 10/3/2005	81.2%	6.9%	20.8%	2008

Imputed Military Service

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

General Employees:	10%
Police:	13%
Fire:	13%

These percentages are based on troop strength statistics from the Department of Defense website.
(Adopted 1/1/2003)

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

Age	Less than 5 Years Service		At least 5 Years Service	
	Males	Females	Males	Females
General Employees				
20	14.0%	15.0%	-	-
25	13.5	15.0	9.75%	11.00%
30	11.2	12.6	5.32	9.52
35	8.2	9.2	5.53	7.27
40	7.0	7.7	3.67	5.35
45	7.0	7.2	2.75	3.93
50	6.4	6.4	1.93	3.29
55	6.0	6.0	1.53	2.80
60	-	-	0.00	0.00
Fire and Police				
20	5.20%	8.90%	-	-
25	4.20	8.66	1.92%	6.00%
30	3.08	8.10	1.62	5.40
35	3.00	7.90	1.40	3.95
40	3.00	7.90	0.97	1.72
45	5.40	7.90	0.56	0.56
50	8.80	7.90	0.19	0.19
55	10.00	7.90	-	-
60	-	-	-	-

Seasonal Service Credit

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

Member's Union or Bargaining Group	Percentage with Seasonal Service	Assumption Adopted January 1
District Council 48, AFSCME	27.09%	2005
Fire Equipment Dispatchers Local 494, IBEW	0.00%	2006
Electrical Group Local 494, IBEW	31.00%	2006
Machine Shop Local 494, IBEW	12.00%	2005
Bridge Operators Local 195, IBEW	28.57%	2005
Joint 129/48 Local 139, IOUE & DC48	100.00%	2005
Machinists Local 510, IAM	5.00%	2005
Sanitation Local 61, LIUNA	98.06%	2005
TEAM (Techs, Eng, Archs of Milw)	5.00%	2005
MBCTC (Bricklayers, Carpenters, Cement Masons, Painters, Iron Workers)	10.00%	2005
Police Sworn Management, Police Civilian Management, Managers, Elected Officials (except mayor)	3.13%	2005
Non-represented in the Police Department and General City non-represented.	5.00%	2005

Miscellaneous

For members active on the valuation date, credited service in each future year is assumed to be the greater of credited service earned in the year prior to the valuation, or the average of the three highest years of service credit out of the five years that preceded the valuation date (adopted 1/1/2007).

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 5. These members are not assumed to earn additional service credit in future years.

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

Age	Disability		Remarriage	
	Males	Females	Males	Females
General Employees				
20	0.06%	0.04%	14.46%	14.46%
25	0.06	0.04	9.45	9.45
30	0.06	0.04	5.94	5.94
35	0.25	0.10	4.02	4.02
40	0.30	0.20	2.80	2.80
45	0.35	0.30	1.75	1.75
50	0.70	0.40	0.96	0.96
55	1.10	0.50	0.26	0.26
60	0.90	0.39	-	-
65	0.80	0.24	-	-
Fire				
20	0.064%	0.064%	14.46%	14.46%
25	0.136	0.136	9.45	9.45
30	0.280	0.280	5.94	5.94
35	0.760	0.760	4.02	4.02
40	1.200	1.200	2.80	2.80
45	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	-	-
Police				
20	0.060%	0.060%	14.46%	14.46%
25	0.060	0.060	9.45	9.45
30	0.150	0.150	5.94	5.94
35	0.207	0.207	4.02	4.02
40	0.348	0.348	2.80	2.80
45	0.600	0.600	1.75	1.75
50	0.600	0.600	0.96	0.96
55	0.600	0.600	0.26	0.26
60	0.600	0.600	-	-
65	0.600	0.600	-	-

* For members of the MPA enrolled after 4/18/2005, and members of the MPFFA Local 215 enrolled after 10/3/2005, 80.1% and 79.8%, respectively, of the rates of disability that apply to police and fire who enrolled on or before those dates.

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

Age	Mortality*		Duty Disability Mortality		Ordinary Disability Mortality	
	Males	Females	Males	Females	Males	Females
20	0.031%	0.028%	1.187%	0.901%	4.124%	3.611%
30	0.043	0.036	1.187	0.901	4.124	3.611
40	0.104	0.070	1.187	0.901	4.124	3.611
50	0.195	0.139	1.187	0.901	4.124	3.611
55	0.329	0.235	1.187	0.901	4.334	3.795
60	0.622	0.463	1.187	0.901	4.879	4.273
65	1.187	0.901	1.187	0.901	5.315	4.656
70	2.059	1.433	2.059	1.433	7.791	6.854
75	3.526	2.325	3.526	2.325	8.759	6.911
80	6.121	4.061	6.121	4.061	9.726	6.968
85	10.693	7.025	10.693	7.025	10.693	7.025
90	17.977	12.278	17.977	12.278	17.977	12.278
95	26.483	19.784	26.483	19.784	26.483	19.784
100	34.284	29.545	34.284	29.545	34.284	29.545
110	40.000	49.244	40.000	49.244	40.000	49.244
120	100.000	100.000	100.000	100.000	100.000	100.000

* For regular retirees and for survivors, the RP-2000 Mortality Table with mortality improvements projected to the year 2005 for males, and the UP-94 Mortality Table, with mortality improvements projected to the year 2000 for females. 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, 1600 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 for members of the MPSO; (iv) 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 on or after January 1, 2000 for all non-represented fire and police. The general employee 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, 2007 in order to be eligible for imputed military service: General City District Council 48 unions, Local 494-Machine Shop, Fire Equipment Dispatchers Local 494, 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 Local 494 Electrical Group must retire on or before May 31, 2007, and 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 ALEASP Local 218 (Police Aides) must retire before December 31, 2007 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 employees. 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 employee 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 494-Fire Equipment Dispatchers IBEW, Local 494-Electrical Group 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 employee and/or Playground Laborer-Seasonal employee (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 employees represented by Local 950, OEIU, also includes site differential pay.

Final Average Salary

- (a) For general employees, 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 employees, 90% of the service retirement allowance based on creditable service to date of disability retirement, but no less than 25% of final average salary, provided such amount does not exceed 90% of the retirement allowance payable had the member continued in service to the minimum service retirement age.
- (b) For policemen and firemen hired after January 1, 1971, who have 5 years of service, 25% of final average salary plus 2% thereof for each year of creditable service in excess of 5 years up to a maximum of 50% of final average salary.

- (c) For policemen and firemen hired before January 1, 1971, the greater of the benefit described in (a), or the benefit described in (b).
- (d) The benefit is payable for life while the member remains disabled, except that for general 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. The medical certification is made by the Medical Council for general employes, for members of the MPA enrolled after April 18, 2005, and for members of the MPFFA enrolled after October 3, 2005. For all other members, the medical certification is made by the Medical Panel. 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 49, or completion of 22 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 employees 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%

Unless otherwise noted below, 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).

City employes hired on or after January 1, 2010 who are represented by Milwaukee District Council 48, AFSCME, AFL-CIO, the Technicians, Engineers and Architects of Milwaukee, the Association of Scientific Personnel, the Association of Municipal Attorneys, SEIU Healthcare District 1199 Wisconsin/Staff Nurses Council, Local 195, IBEW, AFL-CIO, Local 75, Journeyman Plumbers and Gasfitters Union, AFL-CIO, Local 494, IBEW, AFL-CIO Machine Shop, District 10, IAMAW, AFL-CIO, Joint Bargaining Unit Local 139, IUOE, AFL-CIO/Milwaukee District Council 48, AFSCME, AFL-CIO and management and non-management/nonrepresented employees shall contribute 5.5% of their earnable compensation.

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 employes who attained the minimum service retirement age and retired with a service retirement allowance prior to January 1, 1993, or who retired on a

duty disability allowance and converted to a service retirement allowance prior to January 1, 1993.

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

Timing and Amount of Increase:

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

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

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

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

Eligible Group:

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

Timing and Amount of Increase:

For members who retired on service retirement between January 1, 1993, and December 31, 1994; or who retired on duty disability between January 1, 1993, and December 31, 1994, and later convert to service retirement; and for eligible surviving spouses of members who died prior to retirement between January 1, 1993, and December 31, 1994, with PSO coverage in effect; the first increase occurs for March of the year following the first full calendar year of service retirement. For all others, the first increase occurs one full year after the member's service retirement date. Thereafter, increases occur annually on the anniversary of the first increase.

The monthly benefit is increased by an amount equal to (i) the total allowance for the preceding December (including all prior increases), multiplied by the lesser of (ii) 3%, and (iii) the increase in the CPI-U, U.S. Cities Average, for the calendar year preceding the increase. (The benefit

initially payable to an eligible spouse upon the member's death includes a proportionate share of any increases in payment at the member's death, based on the option elected.)

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

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

Eligible Group:

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

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

Timing and Amount of Increases that occur after 1999:

- (a) The first post-1999 increase occurs the later of March 2000 and March of the year following the first full calendar year of retirement for: members who retired on service retirement or ordinary disability between January 1, 1993, and December 31, 1994; or who convert to service retirement after a period of duty disability which commenced between January 1, 1993, and December 31, 1994; or who separated from service between January 1, 1993, and December 31, 1994, and

subsequently retire on a deferred, early, involuntary separation, or County transfer/ State reciprocity allowance; eligible spouse survivors of such members, including PSO spouse survivors when the member died between January 1, 1993, and December 31, 1994; duty death surviving spouses of members who died between January 1, 1993, and December 31, 1994; and duty disability surviving spouses where both the member's duty disability retirement date and duty disabled death date were between January 1, 1993, and December 31, 1994.

- (b) The first post-1999 increase occurs the later of the year 2000 anniversary or the first anniversary of the member's date of death for: duty disability surviving spouses where the member's duty disability death date is on or after January 1, 1995.
- (c) For all others, the first post-1999 increase occurs the later of the year 2000 anniversary or the first anniversary of the member's retirement or pre-retirement death. (Note: this group includes members who retired on duty disability between October 17, 1992, and December 31, 1994, who subsequently elect an extended life duty disability retirement allowance, and members who retired on duty disability between October 17, 1992, and December 31, 1992, who subsequently convert to service retirement.)

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

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

The CPI escalator is charged to the Combined Fund.

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

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

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

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

Timing and Amount of Increase:

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

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

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

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

Eligible Group:

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

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

Timing and Amount of Increases that occur after 1999:

- (a) The first post-1999 increase occurs for January 2000 for eligible Option 2 and 4 spouse survivors of members retired on a service retirement allowance or a

conversion service retirement allowance - and for eligible Option 2 and 4 PSO spouse survivors - when the member's date of retirement or pre-retirement death was prior to January 1988.

- (b) The first post-1999 increase occurs the later of the year 2000 anniversary or the 2nd anniversary of the member's date of death for: duty disability surviving spouses of firemen and policemen.
- (c) For all others, the first post-1999 increase occurs the later of the year 2000 anniversary or the 2nd anniversary of the member's retirement or pre-retirement death.

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

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

Benefits are charged to the Combined Fund.

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

The survivors of firemen or policemen who die in active service or while in receipt of a disability allowance may be entitled to a survivorship benefit. The survivorship benefit is payable to the spouse of the deceased member provided the spouse has one or more eligible children in her care. Eligible children include unmarried children who are either under the age of 18, or are over age 18, but who suffer from a disability which commenced before the age of 18. The amount of the survivorship benefit for a death occurring in 2000 is \$600 monthly for the spouse and one child or for two or more eligible children. If there is no surviving widow and only one child, the benefit is \$300. Upon attainment of age 57, \$300 is payable to the spouse for her lifetime. Benefits payable to a spouse cease on remarriage and benefits payable in respect of

children cease on attainment of age 18 (unless disabled prior to age 18) or marriage. For member deaths that occurred prior to 2000 the monthly amount payable depends upon the plan provisions in effect at the member's death.

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

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

Fire and Police Survivorship Benefits for Survivors Participating in Combined Fund

Survivors of firemen or policemen who died prior to 2000 while in active service or while retired on disability (and contributing to the Fire and Police Survivorship Fund) may be entitled to a survivorship benefit. The survivorship benefit is payable to the spouse of the deceased member provided the spouse has one or more eligible children in her care. For participants in the Combined Fund, the amount of the survivorship benefit for a death occurring prior to 2000 is \$600 monthly for the spouse and one child under age 18, or for two or more children under age 18. If there is no surviving widow and only one child, the benefit is \$300. The monthly amount payable to a disabled child over the age of 18 depends upon the plan provisions in effect at the member's death. Upon attainment of age 57, \$300 is payable to the spouse for her lifetime. Benefits payable to a spouse cease on remarriage and benefits payable in respect of children cease on attainment of age 18 (unless disability commenced prior to age 18) or marriage.

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

Separation Benefits

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

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

Imputed service credit 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 employees depends upon the year of retirement or pre-retirement death. For an individual receiving a conversion service retirement allowance, the retirement date used in the calculation is the date of the original duty disability retirement. The general employee factor is 2 for retirement during 1997-1999; 3 for 1996 retirements; 4 for

1995 retirements; 5 for 1994 retirements; 6.5 for 1993 retirements; and 8 for retirements in 1992 and prior years.

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

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

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

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

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

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

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

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

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

Benefits Not Valued

Early retirement incentives were offered to certain active members of the Retirement System during 2010. City employees represented by Milwaukee District Council 48, AFSCME, AFL-CIO, the Technicians, Engineers and Architects of Milwaukee, the Association of Scientific Personnel, the Association of Municipal Attorneys, SEIU Healthcare District 1199 Wisconsin/Staff Nurses Council, Local 195, IBEW, AFL-CIO, Local 75, Journeyman Plumbers and Gasfitters Union, AFL-CIO, Local 494, IBEW, AFL-CIO Machine Shop, District 10, IAMAW, AFL-CIO, Joint Bargaining Unit Local 139, IUOE, AFL-CIO/Milwaukee District Council 48, AFSCME, AFL-CIO and management and non-management/nonrepresented employees who during calendar year 2010 retire from active service on a normal retirement allowance shall be eligible for a bonus year. At the member's discretion, the bonus year may be added either to the member's age for purposes of retirement eligibility or to creditable service. All or part of the bonus year cannot be applied to earn more than 35 years of creditable service or exceed the 70% of final average salary limitation. Notice of intent to retire must be provided by August 31, 2010. Employees of the Milwaukee Metropolitan Sewerage District represented by District Council 48, AFSCME, AFL-CIO, Local 366, who during the period commencing May 1, 2010 and ending April 30, 2011, retire from active service on a normal service retirement allowance shall be eligible for the bonus year as well with notice of intent to retire by February 1, 2011.

In our experience, the number of members that elect an early retirement incentive does vary significantly depending on various factors such as the group covered, the incentives offered and the current economic environment. The incentive offered here is relatively modest, but if elected by every eligible member could increase liabilities by several million dollars. This liability increase is composed of two parts; the increase in benefit due to the bonus year and a liability associated with more retirements than anticipated. Based on analysis we have done for the employers, the liability for more retirements than expected is several times that of Bonus Year. Typically in the valuation, retirements are recognized as they occur until it is certain. Because most of the liability increase would result from more retirement than anticipated if members elect the incentive, we feel it is appropriate to recognize the retirements as they occur.

Best practice supports use of a three to five-year amortization period for amortization of liabilities generated by early retirement incentives such as the Bonus Year. While it is not clear whether a member retired due to an incentive, best practice would indicate that the additional liabilities generated by the Bonus Year should be amortized over a shorter period more in line with the period of payroll saving anticipated to be generated by the window. We recommend that the Bonus Year liabilities be isolated and amortized over a period not to exceed five years.

EXHIBIT 1
Age/Service Distributions

ACTIVE MEMBERSHIP – GENERAL CITY EMPLOYEES

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	30 \$32,686										30 \$32,686
25-29	107 \$40,267	41 \$42,327	1 \$38,577								149 \$40,823
30-34	144 \$45,619	81 \$48,625	29 \$44,392	1 \$35,181							255 \$46,393
35-39	124 \$44,553	111 \$50,008	93 \$51,386	22 \$54,047	1 \$56,045						351 \$48,716
40-44	95 \$42,345	109 \$46,917	114 \$53,047	82 \$54,997	32 \$47,881	3 \$49,878					435 \$49,139
45-49	90 \$41,259	99 \$49,947	103 \$51,323	118 \$55,924	116 \$54,655	90 \$53,691	18 \$50,318				634 \$51,453
50-54	83 \$43,877	73 \$46,182	76 \$48,716	112 \$56,207	145 \$57,513	144 \$58,996	98 \$56,007	9 \$57,882			740 \$53,858
55-59	53 \$41,952	69 \$47,429	65 \$51,768	89 \$54,442	139 \$56,662	117 \$56,865	77 \$59,459	32 \$51,399	2 \$42,875		643 \$53,724
60-64	25 \$43,050	34 \$49,225	28 \$47,835	41 \$49,515	52 \$50,572	45 \$57,941	33 \$64,698	18 \$64,366	10 \$66,139		286 \$53,536
Over 64	6 \$ 45,577	12 \$ 55,288	4 \$ 63,158	16 \$ 50,079	15 \$ 62,274	7 \$ 59,456	6 \$ 78,227	3 \$ 72,418	7 \$ 62,601		76 \$ 58,762
Total	757 \$42,713	629 \$48,115	513 \$50,873	481 \$54,688	500 \$55,415	406 \$57,029	232 \$58,522	62 \$57,122	19 \$62,387		3,599 \$51,172

ACTIVE MEMBERSHIP – WATER DEPARTMENT

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	1 \$38,034									1 \$38,034
25-29	5 \$45,199	2 \$46,047								7 \$45,441
30-34	7 \$47,134	8 \$49,995								15 \$48,660
35-39	10 \$42,474	9 \$50,210	5 \$48,400							24 \$46,610
40-44	12 \$43,258	18 \$49,868	4 \$46,571	9 \$56,876	3 \$70,122					46 \$50,549
45-49	11 \$40,683	9 \$47,506	3 \$44,593	10 \$51,450	23 \$57,915	11 \$53,767				67 \$51,445
50-54	5 \$39,149	2 \$65,527	7 \$60,903	12 \$53,812	18 \$59,759	24 \$57,609	8 \$52,497	1 \$46,324		77 \$56,149
55-59	4 \$48,335	1 \$48,303	3 \$73,610	13 \$61,130	9 \$58,974	18 \$53,384	7 \$60,339	4 \$48,043	1 \$54,170	60 \$56,959
60-64		3 \$52,989	1 \$63,352	1 \$47,245	4 \$58,173	4 \$59,525	3 \$60,928		1 \$41,481	17 \$56,743
Over 64		1 \$ 54,864	2 \$ 63,559		3 \$ 49,035	1 \$ 41,971	2 \$ 50,527		1 \$ 44,976	10 \$ 51,709
Total	55 \$43,171	53 \$50,233	25 \$55,988	45 \$55,868	60 \$58,811	58 \$55,432	20 \$56,309	5 \$47,700	3 \$46,876	324 \$53,085

ACTIVE MEMBERSHIP – SCHOOL BOARD
NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	49 \$19,438										49 \$19,438
25-29	159 \$23,219	24 \$24,841	2 \$32,403								185 \$23,529
30-34	151 \$23,648	90 \$26,002	52 \$30,900								293 \$25,658
35-39	165 \$24,518	113 \$27,794	116 \$29,340	21 \$27,515	2 \$40,834						417 \$26,976
40-44	147 \$25,645	126 \$23,517	177 \$28,658	102 \$28,837	37 \$38,055	1 \$61,134					590 \$27,485
45-49	115 \$25,891	116 \$26,726	210 \$29,512	154 \$28,350	78 \$36,055	37 \$46,027	3 \$40,395				713 \$29,842
50-54	90 \$24,875	97 \$26,951	192 \$27,452	175 \$27,057	127 \$34,943	51 \$50,111	52 \$48,296	10 \$46,166			794 \$31,266
55-59	52 \$25,760	99 \$24,660	122 \$27,708	159 \$26,819	142 \$35,760	40 \$43,747	29 \$38,144	34 \$45,371	6 \$45,041		683 \$30,999
60-64	25 \$21,143	44 \$28,676	67 \$25,410	76 \$21,929	69 \$30,014	21 \$47,400	14 \$39,619	16 \$32,803	4 \$48,641		336 \$28,273
Over 64	14 \$ 45,326	16 \$ 19,795	31 \$ 22,569	24 \$ 24,396	16 \$ 24,117	4 \$ 40,751	7 \$ 17,578	6 \$ 25,338			118 \$ 25,935
Total	967 \$24,560	725 \$25,896	969 \$28,275	711 \$26,915	471 \$34,553	154 \$46,935	105 \$42,062	66 \$40,624	10 \$46,481		4,178 \$28,751

ACTIVE MEMBERSHIP – MILWAUKEE TECHNICAL COLLEGE

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

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										
55-59										
60-64								1	1	2
								\$71,176	\$51,526	\$61,351
Over 64										
Total								1	1	2
								\$71,176	\$51,526	\$61,351

ACTIVE MEMBERSHIP – SEWERAGE COMMISSION

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	1 \$49,340									1 \$49,340
25-29	8 \$54,341									8 \$54,341
30-34	12 \$61,050	5 \$57,579								17 \$60,029
35-39	9 \$63,569	4 \$69,121								13 \$65,277
40-44	6 \$64,742	7 \$71,598	3 \$91,574	5 \$61,710	1 \$60,560					22 \$69,703
45-49	7 \$63,719	5 \$69,075	4 \$99,439	11 \$68,542	8 \$65,348	3 \$75,126				38 \$70,824
50-54	3 \$72,213	6 \$90,140	4 \$61,731	8 \$57,874	7 \$71,790	14 \$78,419	10 \$72,659	1 \$76,664		53 \$73,039
55-59	6 \$58,739	4 \$62,046	6 \$79,542	11 \$63,838	6 \$92,130	20 \$70,824	11 \$84,098			64 \$73,038
60-64	2 \$81,135	3 \$88,242		1 \$64,653	4 \$67,357	2 \$80,095	2 \$95,694	1 \$73,324		15 \$79,065
Over 64	2 \$ 39,390	4 \$ 61,627			1 \$ 80,351				1 \$ 157,220	8 \$ 70,358
Total	56 \$61,311	38 \$71,347	17 \$82,156	36 \$63,677	27 \$73,646	39 \$74,357	23 \$80,133	2 \$74,994	1 \$157,220	239 \$70,595

ACTIVE MEMBERSHIP – VEOLIA
NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009

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			2 \$57,837							2 \$57,837
45-49				6 \$64,148	5 \$62,350	2 \$80,942				13 \$66,040
50-54			4 \$66,468	12 \$64,408	10 \$69,971	19 \$62,584	12 \$66,663			57 \$65,395
55-59				10 \$63,418	1 \$54,012	15 \$65,335	7 \$64,452	1 \$62,467		34 \$64,172
60-64			1 \$69,131	3 \$62,612	3 \$56,855	5 \$62,859	4 \$63,637			16 \$62,273
Over 64			1 \$ 68,029							1 \$ 68,029
Total			8 \$64,838	31 \$63,864	19 \$65,054	41 \$64,519	23 \$65,464	1 \$62,467		123 \$64,618

ACTIVE MEMBERSHIP – WISCONSIN CENTER DISTRICT

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	3 \$16,904									3 \$16,904
25-29	9 \$34,660									9 \$34,660
30-34	9 \$34,353	4 \$31,167								13 \$33,373
35-39	4 \$27,509	1 \$75,800	3 \$56,807							8 \$44,532
40-44	3 \$32,080	1 \$31,703	2 \$63,225	2 \$40,265						8 \$41,866
45-49	6 \$29,429	2 \$57,427	3 \$30,971		1 \$39,974	1 \$32,392	1 \$57,541			14 \$36,732
50-54	6 \$23,054	3 \$22,067	5 \$60,898	1 \$39,143	2 \$45,635					17 \$37,613
55-59	5 \$27,802	2 \$24,530		1 \$39,873	1 \$32,629		2 \$81,806			11 \$38,562
60-64	3 \$11,964	2 \$37,588	2 \$55,617			1 \$70,382				8 \$36,586
Over 64	3 \$ 31,040	1 \$ 8,941	3 \$ 81,579							7 \$ 49,542
Total	51 \$28,648	16 \$34,150	18 \$58,347	4 \$39,887	4 \$40,968	2 \$51,387	3 \$73,718			98 \$37,806

ACTIVE MEMBERSHIP – HOUSING AUTHORITY

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	7									7
	\$35,261									\$35,261
25-29	7									7
	\$49,092									\$49,092
30-34	14	4	1							19
	\$35,913	\$60,456	\$46,504							\$41,637
35-39	8	8	3							19
	\$34,706	\$57,536	\$52,784							\$47,173
40-44	13	8	6	2	3					32
	\$53,105	\$59,592	\$61,465	\$79,216	\$61,388					\$58,703
45-49	9	4	9	6	8	3	1			40
	\$53,122	\$52,503	\$58,775	\$73,853	\$71,329	\$67,863	\$73,414			\$62,696
50-54	4	2	2	3	5	1	3	3		23
	\$46,331	\$54,975	\$88,469	\$69,952	\$64,283	\$84,327	\$77,707	\$46,940		\$63,554
55-59	9	7	8	9	2	2	4			41
	\$54,361	\$62,743	\$57,752	\$67,434	\$90,461	\$63,590	\$60,499			\$62,133
60-64	1	2	6	3	3	1	2	3		21
	\$38,052	\$48,261	\$62,136	\$69,517	\$78,771	\$70,214	\$74,707	\$100,153		\$70,111
Over 64										
Total	72	35	35	23	21	7	10	6		209
	\$45,167	\$58,129	\$60,411	\$70,733	\$71,116	\$69,330	\$69,795	\$73,547		\$58,114

ACTIVE MEMBERSHIP – GENERAL EMPLOYEES

**NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009**

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	91 \$25,472										91 \$25,472
25-29	295 \$31,582	67 \$36,174	3 \$34,461								365 \$32,449
30-34	337 \$35,651	192 \$38,193	82 \$35,861	1 \$35,181							612 \$36,476
35-39	320 \$34,233	246 \$40,471	220 \$39,787	43 \$41,090	3 \$45,904						832 \$37,943
40-44	276 \$34,372	269 \$37,117	308 \$39,584	202 \$42,131	76 \$44,675	4 \$52,692					1,135 \$38,572
45-49	238 \$34,618	235 \$38,906	332 \$38,064	305 \$42,824	239 \$49,914	147 \$52,720	23 \$50,342				1,519 \$42,079
50-54	191 \$34,642	183 \$37,342	290 \$35,840	323 \$40,745	314 \$49,260	253 \$58,518	183 \$55,627	24 \$51,934			1,761 \$44,692
55-59	129 \$36,721	182 \$35,707	204 \$38,752	292 \$40,710	300 \$47,683	212 \$56,074	137 \$57,582	71 \$48,479	9 \$45,574		1,536 \$44,897
60-64	56 \$32,875	88 \$40,122	105 \$34,841	125 \$33,640	135 \$41,553	79 \$56,404	58 \$59,790	39 \$54,574	16 \$59,310		701 \$42,576
Over 64	25 \$ 43,197	34 \$ 37,955	41 \$ 33,955	40 \$ 34,669	35 \$ 44,212	12 \$ 51,764	15 \$ 46,231	9 \$ 41,032	9 \$ 71,156		220 \$ 41,005
Total	1,958 \$34,016	1,496 \$38,097	1,585 \$37,840	1,331 \$40,581	1,102 \$47,543	707 \$56,196	416 \$56,220	143 \$50,253	34 \$58,810		8,772 \$41,300

ACTIVE MEMBERSHIP – POLICEMEN
NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	117 \$41,539	12 \$63,673								129 \$43,598
25-29	134 \$57,624	65 \$66,497	15 \$66,519							214 \$60,943
30-34	91 \$58,788	143 \$66,663	53 \$68,534	12 \$68,664						299 \$64,678
35-39	43 \$58,736	124 \$66,539	190 \$68,233	84 \$69,430	5 \$70,116					446 \$67,093
40-44	13 \$58,757	62 \$66,509	117 \$67,998	211 \$69,568	53 \$72,753	5 \$72,511				461 \$68,852
45-49	4 \$57,703	24 \$65,898	31 \$67,638	106 \$69,239	53 \$70,563	25 \$74,658	3 \$74,688			246 \$69,426
50-54	2 \$57,763	9 \$65,751	10 \$67,227	37 \$67,801	38 \$70,715	34 \$74,948	9 \$74,695	1 \$102,773		140 \$70,704
55-59		1 \$68,567	6 \$68,661	11 \$68,091	11 \$68,722	13 \$73,524	7 \$71,812	1 \$74,097		50 \$70,362
60-64	1 \$152,560	1 \$65,727		3 \$66,285	2 \$72,924	2 \$70,372	1 \$79,200		2 \$77,279	12 \$78,125
Over 64										
Total	405 \$53,629	441 \$66,443	422 \$68,083	464 \$69,248	162 \$71,206	79 \$74,352	20 \$73,910	2 \$88,435	2 \$77,279	1,997 \$65,649

ACTIVE MEMBERSHIP – FIREMEN
NUMBER AND AVERAGE ANNUAL SALARY
AS OF DECEMBER 31, 2009

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	13 \$48,793	17 \$62,907								30 \$56,791
25-29	27 \$43,310	34 \$67,500	12 \$69,267							73 \$58,843
30-34	26 \$48,439	28 \$65,605	42 \$67,904							96 \$61,962
35-39	9 \$45,487	44 \$65,229	60 \$67,707	42 \$69,528						155 \$66,207
40-44	8 \$50,403	19 \$66,851	45 \$67,251	93 \$69,090	17 \$68,304	2 \$79,575				184 \$67,638
45-49		5 \$65,516	15 \$67,731	63 \$70,392	75 \$73,430	26 \$72,549	1 \$69,101			185 \$71,572
50-54		1 \$64,704	3 \$65,011	17 \$67,119	36 \$71,772	45 \$76,507	19 \$76,642	1 \$85,128		122 \$73,514
55-59				3 \$71,978	14 \$69,472	13 \$69,708	15 \$76,934	1 \$65,605		46 \$72,051
60-64				1 \$73,437	1 \$65,625			2 \$71,607		4 \$70,569
Over 64										
Total	83 \$46,695	148 \$65,769	177 \$67,700	219 \$69,455	143 \$71,961	86 \$74,354	35 \$76,551	4 \$73,487		895 \$67,554

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, 2009
GENERAL EMPLOYEES

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
20			2	\$ 37,626	2	\$ 37,626
21	1	\$ 14,477	6	152,297	7	166,774
22	6	181,611	16	393,961	22	575,572
23	8	238,476	17	400,388	25	638,864
24	12	370,650	23	528,484	35	899,134
25	25	763,732	35	990,043	60	1,753,775
26	29	1,072,170	45	1,188,263	74	2,260,433
27	26	934,490	40	1,099,946	66	2,034,436
28	31	1,199,165	47	1,449,209	78	2,648,374
29	36	1,374,985	51	1,771,786	87	3,146,771
30	50	1,968,404	60	1,937,959	110	3,906,363
31	46	1,879,174	75	2,571,755	121	4,450,929
32	65	2,632,113	90	2,856,335	155	5,488,449
33	46	1,843,166	63	2,161,348	109	4,004,514
34	51	2,185,823	66	2,287,262	117	4,473,085
35	65	3,080,871	79	2,341,943	144	5,422,814
36	52	2,290,308	71	2,238,706	123	4,529,014
37	70	2,983,735	85	2,765,071	155	5,748,806
38	78	3,377,429	123	4,097,734	201	7,475,162
39	102	4,806,204	107	3,586,217	209	8,392,421
40	78	3,416,340	121	4,207,980	199	7,624,320
41	99	4,642,489	120	3,804,839	219	8,447,328
42	112	4,881,940	113	3,628,946	225	8,510,885
43	117	5,579,621	121	3,831,795	238	9,411,417
44	114	5,203,849	140	4,581,758	254	9,785,607
45	127	5,761,834	147	5,172,899	274	10,934,733
46	118	5,918,815	160	5,722,322	278	11,641,137
47	123	6,404,112	187	6,615,336	310	13,019,448
48	172	9,050,528	181	6,566,676	353	15,617,203
49	136	6,702,009	168	6,003,062	304	12,705,071
50	168	8,818,870	170	5,833,337	338	14,652,207
51	169	8,913,063	195	7,022,604	364	15,935,667
52	177	9,149,396	157	5,671,798	334	14,821,194
53	168	9,026,513	182	6,537,076	350	15,563,589
54	191	10,783,583	184	6,947,100	375	17,730,683
55	170	9,208,321	194	7,209,206	364	16,417,526
56	156	8,083,378	157	5,887,791	313	13,971,168
57	145	8,238,360	170	6,111,371	315	14,349,731
58	133	7,214,807	153	5,684,384	286	12,899,191
59	114	6,037,583	144	5,286,914	258	11,324,497

TABLE 1
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2009
GENERAL EMPLOYEES

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
60	97	\$ 5,359,212	116	\$ 3,683,217	213	\$ 9,042,429
61	96	4,727,452	89	2,916,298	185	7,643,750
62	71	3,873,670	77	2,682,699	148	6,556,369
63	43	2,398,677	47	1,329,257	90	3,727,934
64	26	1,660,235	39	1,215,227	65	2,875,462
65	31	2,057,066	31	1,260,440	62	3,317,505
66	10	544,167	25	618,518	35	1,162,686
67	10	639,910	15	387,047	25	1,026,956
68	11	522,083	14	409,780	25	931,863
69	6	428,704	15	471,925	21	900,629
70	1	71,760	9	181,882	10	253,643
71	4	157,123	4	152,387	8	309,510
72	1	37,869	4	137,621	5	175,491
73	2	46,605	5	109,369	7	155,974
74	4	163,002	2	28,248	6	191,250
75			1	25,158	1	25,158
76	3	300,962	4	44,702	7	345,665
77	1	123,215	1	11,807	2	135,021
79			2	18,962	2	18,962
82	1	30,109			1	30,109
83			2	33,007	2	33,007
87	1	7,646			1	7,646
Total	4,005	\$ 199,381,859	4,767	\$ 162,901,074	8,772	\$ 362,282,933

TABLE 2
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2009
GENERAL EMPLOYEES

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	219	\$ 7,957,073	310	\$ 9,453,059	529	\$ 17,410,132
1	173	6,197,283	232	6,220,895	405	12,418,178
2	178	7,043,271	204	5,971,147	382	13,014,418
3	152	6,550,643	165	4,885,644	317	11,436,286
4	155	6,711,953	170	5,613,103	325	12,325,055
5	124	5,438,300	141	4,559,464	265	9,997,765
6	98	4,400,723	148	4,421,827	246	8,822,551
7	142	6,619,869	172	5,432,036	314	12,051,904
8	144	6,960,355	198	6,476,854	342	13,437,208
9	126	6,004,000	203	6,680,052	329	12,684,052
10	135	6,416,469	203	5,970,457	338	12,386,925
11	115	5,512,734	201	5,303,208	316	10,815,942
12	150	7,438,452	191	5,689,733	341	13,128,185
13	127	6,599,967	164	5,256,908	291	11,856,875
14	130	6,224,816	169	5,563,125	299	11,787,941
15	124	5,850,231	131	4,474,061	255	10,324,292
16	94	4,558,882	107	3,698,364	201	8,257,247
17	100	4,752,557	158	4,889,391	258	9,641,947
18	147	7,517,070	169	5,037,698	316	12,554,768
19	137	7,497,325	164	5,738,107	301	13,235,433
20	107	5,956,117	171	6,204,089	278	12,160,205
21	86	4,934,279	105	3,925,634	191	8,859,914
22	71	4,318,881	109	4,153,896	180	8,472,777
23	105	5,673,427	121	5,168,653	226	10,842,080
24	135	7,775,221	92	4,282,077	227	12,057,298
25	98	5,948,371	55	2,845,549	153	8,793,920
26	65	3,797,813	55	2,945,147	120	6,742,960
27	70	4,206,258	39	1,946,405	109	6,152,663
28	89	5,301,386	35	1,554,207	124	6,855,593
29	111	6,762,551	90	4,422,604	201	11,185,155
30	78	4,827,678	57	2,882,469	135	7,710,147
31	65	3,808,651	40	2,103,427	105	5,912,078
32	36	2,030,071	24	1,158,715	60	3,188,787
33	28	2,059,102	20	1,027,460	48	3,086,562
34	30	1,825,615	38	1,664,415	68	3,490,030
35	13	732,480	26	1,165,898	39	1,898,378
36	9	515,948	25	1,314,083	34	1,830,031
37	12	763,654	34	1,217,726	46	1,981,380
38	7	460,554	5	257,194	12	717,748
39	6	469,929	6	288,664	12	758,593

TABLE 2
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2009
GENERAL EMPLOYEES

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40	5	\$ 269,254	5	\$ 209,858	10	\$ 479,112
41	6	463,543	7	373,227	13	836,771
42	2	123,876	2	102,741	4	226,618
43	1	105,225	2	158,664	3	263,889
45			2	87,121	2	87,121
46			1	58,303	1	58,303
53			1	47,717	1	47,717
Total	4,005	\$ 199,381,859	4,767	\$ 162,901,074	8,772	\$ 362,282,933

TABLE 3
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2009
POLICEMEN

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
18	4	\$ 100,042	3	\$ 75,949	7	\$ 175,991
19	16	411,527	3	74,314	19	485,842
20	15	424,101	1	28,863	16	452,964
21	14	473,388	2	63,663	16	537,051
22	16	810,538	4	206,859	20	1,017,397
23	10	575,439	5	304,359	15	879,798
24	28	1,609,223	8	465,858	36	2,075,082
25	24	1,412,044	7	443,743	31	1,855,787
26	38	2,256,945	3	184,987	41	2,441,931
27	40	2,402,330	12	734,779	52	3,137,109
28	26	1,551,703	10	627,709	36	2,179,412
29	45	2,839,528	9	587,974	54	3,427,502
30	52	3,296,495	12	795,146	64	4,091,641
31	52	3,353,640	13	836,772	65	4,190,412
32	41	2,623,078	6	399,161	47	3,022,239
33	43	2,804,344	7	443,050	50	3,247,393
34	57	3,712,539	16	1,074,540	73	4,787,079
35	57	3,730,120	9	599,847	66	4,329,968
36	69	4,584,833	13	863,380	82	5,448,214
37	69	4,690,485	19	1,286,026	88	5,976,511
38	83	5,560,235	11	756,937	94	6,317,172
39	93	6,291,714	23	1,559,918	116	7,851,633
40	77	5,293,908	25	1,733,720	102	7,027,628
41	86	5,891,293	22	1,509,657	108	7,400,950
42	83	5,644,014	11	766,515	94	6,410,529
43	58	3,985,893	18	1,249,786	76	5,235,679
44	68	4,753,070	13	912,707	81	5,665,777
45	42	2,868,220	12	827,406	54	3,695,627
46	50	3,439,047	6	420,015	56	3,859,062
47	38	2,680,595	2	139,907	40	2,820,502
48	42	2,920,002	10	710,475	52	3,630,477
49	36	2,524,978	8	548,211	44	3,073,190
50	32	2,234,432	9	645,718	41	2,880,150
51	30	2,136,166	2	132,964	32	2,269,130
52	27	1,877,678	6	402,612	33	2,280,290
53	19	1,336,686	3	267,623	22	1,604,308
54	8	591,680	4	273,069	12	864,750
55	10	711,613	1	66,034	11	777,647
56	12	842,015	3	206,165	15	1,048,180
57	8	568,036	5	359,103	13	927,139

TABLE 3
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2009
POLICEMEN

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
58	4	\$ 280,773	2	\$ 135,055	6	\$ 415,828
59	2	140,029	3	209,261	5	349,289
60	3	211,203			3	211,203
61	3	295,063			3	295,063
62	2	145,848	2	132,938	4	278,786
63			1	66,290	1	66,290
64	1	86,151			1	86,151
Total	1,633	\$ 1,069,726,683	364	\$ 24,129,068	1,997	\$ 1,311,011,752

TABLE 4
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2009
POLICEMEN

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	42	\$ 1,609,420	7	\$ 199,180	49	\$ 1,808,599
1	34	1,550,775	2	80,695	36	1,631,470
2	120	6,453,436	20	1,092,223	140	7,545,658
3	96	5,629,610	25	1,504,953	121	7,134,563
4	48	2,966,678	11	632,784	59	3,599,462
5	69	4,559,232	9	586,935	78	5,146,167
6	43	2,834,894	11	723,243	54	3,558,138
7	87	5,777,688	19	1,259,372	106	7,037,060
8	100	6,668,873	33	2,210,623	133	8,879,496
9	59	3,947,536	11	732,801	70	4,680,337
10	43	2,868,325	13	882,581	56	3,750,906
11	31	2,084,371	7	488,735	38	2,573,107
12	71	4,808,474	17	1,154,449	88	5,962,923
13	94	6,449,882	17	1,182,365	111	7,632,247
14	102	6,962,164	27	1,849,804	129	8,811,968
15	51	3,455,135	12	823,523	63	4,278,658
16	59	4,070,528	20	1,386,019	79	5,456,547
17	106	7,276,123	32	2,202,862	138	9,478,985
18	93	6,426,610	22	1,565,544	115	7,992,154
19	60	4,266,378	9	658,175	69	4,924,553
20	16	1,093,745	6	405,279	22	1,499,024
21	25	1,781,826	3	221,820	28	2,003,646
22	20	1,415,450	3	215,021	23	1,630,471
23	21	1,502,899	5	348,099	26	1,850,998
24	53	3,815,428	10	735,756	63	4,551,184
25	13	994,094	3	278,228	16	1,272,322
26	15	1,063,929	1	74,097	16	1,138,026
27	11	820,502	2	133,309	13	953,811
28	13	955,601	1	65,778	14	1,021,379
29	17	1,273,418	3	214,841	20	1,488,259
30	6	454,521	1	66,648	7	521,170
31	3	228,738	1	79,230	4	307,968
32	7	508,324			7	508,324
33	2	140,745			2	140,745
35	1	102,773			1	102,773
38			1	74,097	1	74,097
40	2	154,558			2	154,558
Total	1,633	\$ 106,972,683	364	\$ 24,129,068	1,997	\$ 131,101,752

TABLE 5
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF DECEMBER 31, 2009
FIREMEN

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
21	1	\$ 43,007			1	\$ 43,007
22	4	206,078	1	\$ 51,761	5	257,839
23	10	546,104			10	546,104
24	13	793,078	1	63,688	14	856,766
25	16	931,048			16	931,048
26	11	634,652			11	634,652
27	14	850,934	1	66,116	15	917,050
28	17	903,495			17	903,495
29	14	909,311			14	909,311
30	23	1,476,687			23	1,476,687
31	15	948,448			15	948,448
32	21	1,318,790			21	1,318,790
33	19	1,114,893	1	69,192	20	1,184,085
34	17	1,020,304			17	1,020,304
35	20	1,303,131			20	1,303,131
36	20	1,275,479			20	1,275,479
37	23	1,549,376			23	1,549,376
38	39	2,545,054	1	65,310	40	2,610,364
39	49	3,310,890	3	212,812	52	3,523,703
40	21	1,395,678			21	1,395,678
41	45	2,989,239	2	130,828	47	3,120,068
42	32	2,208,488	1	65,380	33	2,273,868
43	39	2,653,330	2	129,888	41	2,783,219
44	37	2,527,574	5	345,003	42	2,872,577
45	44	3,142,797	1	65,355	45	3,208,151
46	37	2,645,333	5	395,153	42	3,040,486
47	30	2,179,308	3	232,792	33	2,412,100
48	30	2,129,615	1	73,837	31	2,203,452
49	32	2,228,993	2	147,660	34	2,376,653
50	21	1,491,252	2	176,545	23	1,667,797
51	37	2,763,562	1	65,625	38	2,829,187
52	17	1,240,213	1	73,795	18	1,314,008
53	30	2,157,710	1	65,267	31	2,222,977
54	11	870,282	1	64,439	12	934,721
55	14	1,005,873			14	1,005,873
56	16	1,109,693			16	1,109,693
57	8	597,918			8	597,918
58	6	420,841			6	420,841
59	2	180,038			2	180,038
60	1	69,419			1	69,419
61						
62	1	73,437			1	73,437
63	2	139,420			2	139,420
Total	859	\$ 57,900,770	36	\$ 2,560,448	895	\$ 60,461,217

TABLE 6
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF DECEMBER 31, 2009
FIREMEN

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	45	\$ 1,881,724			45	\$ 1,881,724
2	14	634,461			14	634,461
3	2	115,300			2	115,300
4	21	1,192,421	1	\$ 51,761	22	1,244,182
5	31	1,960,621	1	63,688	32	2,024,308
6	13	851,814			13	851,814
7	22	1,444,169	1	69,192	23	1,513,361
8	20	1,315,858			20	1,315,858
9	59	3,962,422	1	66,116	60	4,028,539
10	26	1,760,602			26	1,760,602
11	21	1,428,733	1	65,267	22	1,493,999
12	51	3,469,105	3	195,642	54	3,664,747
13	40	2,686,605			40	2,686,605
14	35	2,376,924			35	2,376,924
15	67	4,592,344	2	130,828	69	4,723,172
16	27	1,880,775	2	130,687	29	2,011,462
17	41	2,849,307	9	665,641	50	3,514,948
18	29	2,004,600			29	2,004,600
19	38	2,680,981	4	275,532	42	2,956,513
20	17	1,178,778	1	65,625	18	1,244,403
21	28	1,932,655			28	1,932,655
22	42	3,079,301	2	139,551	44	3,218,851
23	14	1,028,608	3	259,810	17	1,288,418
24	36	2,606,076			36	2,606,076
25	23	1,658,632	3	241,674	26	1,900,306
26	18	1,317,732	2	139,432	20	1,457,164
27	15	1,154,924			15	1,154,924
28	11	825,530			11	825,530
29	14	1,056,526			14	1,056,526
30	11	865,648			11	865,648
31	13	919,296			13	919,296
32	5	411,248			5	411,248
33	5	417,839			5	417,839
34	1	65,267			1	65,267
35	1	85,128			1	85,128
36	1	69,419			1	69,419
37	2	139,400			2	139,400
Total	859	\$ 57,900,770	36	\$ 2,560,448	895	\$ 60,461,217

TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING GENERAL EMPLOYEES FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
18			1	\$ 6,361	1	\$ 6,361
19			1	6,361	1	6,361
21			1	7,131	1	7,131
22			2	8,378	2	8,378
23			1	4,386	1	4,386
24			1	5,198	1	5,198
26			1	4,678	1	4,678
29			2	20,146	2	20,146
30			2	18,827	2	18,827
32	1	\$ 6,484	2	3,653	3	10,137
33			1	3,673	1	3,673
34	3	64,764			3	64,764
35			2	17,676	2	17,676
36	1	19,961	2	29,987	3	49,948
37			1	1,057	1	1,057
38	1	10,022	1	5,736	2	15,758
39	1	25,416	3	36,710	4	62,126
40	3	22,730			3	22,730
41	1	25,768	2	29,600	3	55,368
42			1	3,684	1	3,684
43	2	37,505	2		4	37,505
44	2	17,031	1	4,771	3	21,802
45	8	97,072	2	6,801	10	103,873
46	6	42,157	4	8,722	10	50,879
47	6	52,857	5	80,506	11	133,363
48	11	136,795	5	52,391	16	189,186
49	8	163,289	1	10,875	9	174,164
50	23	389,270	2	6,991	25	396,261
51	10	170,122	8	59,016	18	229,138
52	11	224,754	7	95,219	18	319,973
53	27	394,657	4	59,940	31	454,597
54	25	310,021	11	227,051	36	537,072
55	44	941,084	11	102,865	55	1,043,949
56	62	1,551,816	15	169,228	77	1,721,044
57	88	2,111,427	8	118,357	96	2,229,784
58	95	2,451,120	13	121,563	108	2,572,683
59	145	4,037,885	7	95,620	152	4,133,505
60	227	5,097,565	17	184,926	244	5,282,491
61	260	5,527,311	8	95,521	268	5,622,832
62	269	5,145,382	18	219,392	287	5,364,774

TABLE 7A

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING GENERAL EMPLOYEES FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
63	240	4,632,194	25	289,484	265	4,921,678
64	201	3,856,492	14	142,867	215	3,999,359
65	195	3,663,675	16	171,709	211	3,835,384
66	211	3,649,827	25	326,399	236	3,976,226
67	212	3,856,801	34	532,734	246	4,389,535
68	206	3,543,078	21	302,535	227	3,845,613
69	185	3,001,161	16	222,415	201	3,223,576
70	171	2,780,612	34	400,783	205	3,181,395
71	228	3,681,721	37	479,831	265	4,161,552
72	225	3,811,019	27	320,340	252	4,131,359
73	217	3,326,623	34	406,959	251	3,733,582
74	160	2,243,432	33	390,593	193	2,634,025
75	185	2,418,338	36	447,458	221	2,865,796
76	184	2,639,965	39	475,136	223	3,115,101
77	220	2,980,960	36	345,476	256	3,326,436
78	202	2,690,073	53	498,893	255	3,188,966
79	197	2,872,445	65	676,723	262	3,549,168
80	182	2,511,629	61	570,001	243	3,081,630
81	169	2,004,298	55	574,636	224	2,578,934
82	171	1,948,730	69	746,620	240	2,695,350
83	174	2,186,031	63	566,960	237	2,752,991
84	150	1,919,547	57	488,404	207	2,407,951
85	165	1,777,606	43	359,846	208	2,137,452
86	114	1,201,349	64	460,471	178	1,661,820
87	106	955,252	48	332,959	154	1,288,211
88	108	1,171,126	54	470,117	162	1,641,243
89	65	590,743	38	288,347	103	879,090
90	46	492,752	36	254,409	82	747,161
91	59	458,536	42	285,197	101	743,733
92	52	513,293	19	124,538	71	637,831
93	32	213,793	22	136,639	54	350,432
94	18	177,821	12	93,195	30	271,016
95	18	99,625	9	64,648	27	164,273
96	13	106,368	7	45,555	20	151,923
97	9	74,984	4	28,330	13	103,314
98	4	15,213	6	45,777	10	60,990
99	2	15,767	1	1,137	3	16,904
100			3	25,276	3	25,276
101			1	6,209	1	6,209
102			1	13,953	1	13,953
Total	6,436	\$ 103,157,144	1,436	\$ 14,346,556	7,872	\$ 117,503,700

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING FIREMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
31	1	\$ 37,348			1	\$ 37,348
37	1	42,937			1	42,937
38	2	80,502			2	80,502
39	1	21,539			1	21,539
40	5	238,269			5	238,269
41	3	130,213			3	130,213
42	4	195,924			4	195,924
43	1	45,533			1	45,533
44	3	148,162	1	\$ 19,647	4	167,809
45	3	135,152			3	135,152
46	4	198,343			4	198,343
47	1	46,374			1	46,374
48	6	286,972			6	286,972
49	6	297,092			6	297,092
50	15	704,369			15	704,369
51	16	796,783	2	72,929	18	869,712
52	30	1,354,178	3	82,538	33	1,436,716
53	32	1,664,618			32	1,664,618
54	23	1,088,307	4	125,043	27	1,213,350
55	30	1,461,427	1	6,591	31	1,468,018
56	29	1,433,770	2	61,623	31	1,495,393
57	28	1,322,147	4	46,829	32	1,368,976
58	17	796,982	1		18	796,982
59	21	833,889	2	83,127	23	917,016
60	38	1,928,549	3	25,141	41	1,953,690
61	35	1,709,509	3	46,743	38	1,756,252
62	40	2,136,365	5	70,531	45	2,206,896
63	38	1,922,927	2	29,518	40	1,952,445
64	21	978,684	5	143,320	26	1,122,004
65	22	1,004,290	5	114,538	27	1,118,828
66	39	1,729,028	7	162,684	46	1,891,712
67	22	1,066,118	2	43,643	24	1,109,761
68	32	1,562,405	6	158,525	38	1,720,930
69	22	1,023,567	5	64,474	27	1,088,041
70	18	726,772	1	53,995	19	780,767
71	24	954,043	5	77,724	29	1,031,767
72	21	884,338	2	39,138	23	923,476
73	20	906,117	13	264,847	33	1,170,964
74	17	626,637	9	250,349	26	876,986
75	12	486,215	8	129,556	20	615,771

TABLE 7B

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING FIREMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
76	11	388,271	6	127,523	17	515,794
77	18	659,429	18	329,943	36	989,372
78	30	1,059,938	22	387,781	52	1,447,719
79	26	985,585	15	185,950	41	1,171,535
80	31	1,088,471	10	210,093	41	1,298,564
81	16	546,657	24	474,719	40	1,021,376
82	16	510,108	12	226,116	28	736,224
83	17	552,572	9	124,277	26	676,849
84	9	340,110	8	110,183	17	450,293
85	10	292,076	3	66,644	13	358,720
86	10	272,639	2	12,182	12	284,821
87	4	121,437	6	112,287	10	233,724
88	4	108,719	5	63,976	9	172,695
89	6	130,604	4	38,572	10	169,176
90	2	41,653	5	73,145	7	114,798
94			1	12,534	1	12,534
Total	913	\$ 40,104,663	251	\$ 4,728,978	1,164	\$ 44,833,641

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING POLICEMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
12			2	\$ 27,569	2	\$ 27,569
28	1	\$ 47,586			1	47,586
31	1	45,663			1	45,663
34	1	45,930			1	45,930
36			1	8,687	1	8,687
37	1	45,930			1	45,930
38	2	93,516	1	3,623	3	97,139
39	4	187,181	1	8,687	5	195,868
40	2	81,162			2	81,162
41	1	24,897			1	24,897
42	2	87,652			2	87,652
43	2	29,779	1	27,805	3	57,584
44	4	131,827	2	54,453	6	186,280
45	9	426,510			9	426,510
46	8	360,726			8	360,726
47	17	787,884	1	35,369	18	823,253
48	10	512,560	6	131,368	16	643,928
49	17	799,373			17	799,373
50	22	1,091,706	1	13,552	23	1,105,258
51	33	1,542,200	1	46,542	34	1,588,742
52	20	924,229	3	27,454	23	951,683
53	39	1,962,577	2	57,400	41	2,019,977
54	50	2,418,058	3	103,656	53	2,521,714
55	50	2,423,318	2	53,002	52	2,476,320
56	47	2,291,274	2	57,307	49	2,348,581
57	56	2,571,433	2	67,444	58	2,638,877
58	47	2,327,108	7	149,139	54	2,476,247
59	58	2,896,633	3	82,430	61	2,979,063
60	68	3,135,722	8	194,578	76	3,330,300
61	70	3,613,273	3	51,236	73	3,664,509
62	82	4,012,543	4	59,056	86	4,071,599
63	70	3,272,304	10	291,293	80	3,563,597
64	47	2,317,411	9	250,003	56	2,567,414
65	57	2,735,632	6	109,222	63	2,844,854
66	66	2,901,378	9	262,086	75	3,163,464
67	78	3,381,563	14	386,352	92	3,767,915
68	49	2,222,407	5	119,373	54	2,341,780
69	54	2,166,125	10	211,577	64	2,377,702
70	45	1,811,055	4	56,564	49	1,867,619
71	41	1,532,913	11	205,323	52	1,738,236

TABLE 7C

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
CONSENTING POLICEMEN FROM THE COMBINED FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
72	40	1,585,410	7	181,890	47	1,767,300
73	38	1,415,652	14	299,927	52	1,715,579
74	30	1,092,034	14	276,788	44	1,368,822
75	32	1,153,925	17	300,917	49	1,454,842
76	25	738,994	15	308,153	40	1,047,147
77	35	1,212,405	23	299,197	58	1,511,602
78	44	1,406,451	16	313,915	60	1,720,366
79	29	955,148	18	262,262	47	1,217,410
80	40	1,268,625	22	338,329	62	1,606,954
81	35	1,072,658	29	463,673	64	1,536,331
82	44	1,350,152	22	325,005	66	1,675,157
83	21	581,165	19	248,691	40	829,856
84	21	503,096	13	148,505	34	651,601
85	11	258,646	14	149,238	25	407,884
86	25	544,188	9	99,654	34	643,842
87	9	210,006	7	80,232	16	290,238
88	8	172,150	9	100,106	17	272,256
89	3	61,190	5	56,021	8	117,211
90	4	73,016	2	20,478	6	93,494
91	2	34,007	2	19,514	4	53,521
92			1	3,953	1	3,953
93			2	13,455	2	13,455
94			1	8,512	1	8,512
Total	1,727	\$ 72,947,956	415	\$ 7,470,565	2,142	\$ 80,418,521

TABLE 8

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
NON-CONSENTERS FROM THE RETIREMENT FUND
AS OF DECEMBER 31, 2009**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
55			1	\$ 5,031	1	\$ 5,031
56			1	7,743	1	7,743
58	1	\$ 23,538			1	23,538
61	1	3,588			1	3,588
62	1	25,722			1	25,722
65	1	5,296			1	5,296
66	1	2,748			1	2,748
69	1	16,209			1	16,209
70			1	8,524	1	8,524
71	1	428			1	428
75	1	1,254			1	1,254
76			1	8,625	1	8,625
77	3	31,655			3	31,655
80	2	15,647	1	579	3	16,226
82	2	4,773			2	4,773
86	1	14,064			1	14,064
88	2	5,139			2	5,139
89	1	6,238			1	6,238
90	1	5,770			1	5,770
92	1	9,478			1	9,478
96	1	4,295			1	4,295
Total	22	\$ 175,842	5	\$ 30,502	27	\$ 206,344