

# Employes' Retirement System of the City of Milwaukee

## Actuarial Valuation Report

As of January 1, 2015

June 2015





June 11, 2015

Annuity and Pension Board  
Employees' Retirement System  
of the City of Milwaukee  
789 N. Water St., #300  
Milwaukee, WI 53202

**Larry Langer**  
*Principal and  
Consulting Actuary*

Buck Consultants, LLC.  
123 North Wacker Drive  
Suite 1000  
Chicago, IL 60606

[larry.langer@xerox.com](mailto:larry.langer@xerox.com)  
tel 312.846.3669  
fax 312.846.3502

## Certification of Actuarial Valuation

Members of the Board:

This report presents the results of the annual actuarial valuation of the assets and liabilities of the Employees' Retirement System of the City of Milwaukee ("ERS") as of January 1, 2015, prepared in accordance with Section 36-15-15 of the Milwaukee City Charter (MCC). The valuation takes into account all of the promised benefits to which members were entitled as of January 1, 2015.

Global Pension Settlement (GPS) benefits have been provided to twenty-two 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. An amendment to the MCC was adopted by the Common Council on April 30, 2013 to establish the Stable Employer Contribution Policy. Under the Stable Employer Contribution Policy, an actuarial contribution rate is separately calculated for policeman, fireman, and general employees of the Combined Fund and is applicable for the subsequent 5-year period. These rates are established every five years following the Experience Study based on a study performed by the actuary. The actuary establishes these rates based on the actuarial assumptions adopted by the Members of the Board of the Annuity and Pension Board of the ERS and the asset smoothing, asset corridor and amortization methods as specified in the Charter. These rates are established consistent with applicable Actuarial Standards of Practice and result in a funded status at the end of five years that is at least actuarially equivalent to the contribution that would result by calculating the employer contribution rates annually under the same assumptions and methods without limiting the contributions with the Full Funding Limit, which has been eliminated. Buck Consultants has determined actuarial contribution rates under the Stable Employer Contribution Policy for policeman, fireman, and general employees of 22.63%, 24.83% and 8.48% respectively. These rates are in effect for employer contributions through January 1, 2018.

Effective May 18, 2010, the asset smoothing, asset corridor and amortization methods were added as Section 36-15-15 of the MCC. The actuarial cost method is prescribed in Section 36-15-15. Full Funding Limit (Section 36-08-6-h) was eliminated with the implementation of the Stable Employer Contribution Policy. 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 required under Section 36-15-14, experience reviews are performed once every five year period. This valuation was prepared on the basis of the interest, salary and demographic assumptions that were determined from the Experience Study for the period January 1, 2007 to December 31, 2011 prepared by Buck Consultants and approved by the Board for use beginning with the January 1, 2013 actuarial valuation. These assumptions will remain in effect for valuation purposes until such time as the Board adopts revised assumptions, which is scheduled to be performed before the January 1, 2018 valuation.



Actuarial Standards of Practice now require that the likelihood and extent of future mortality improvements be considered for valuations performed on or after June 30, 2011. We have reflected future mortality improvements beginning with the January 1, 2013 annual actuarial valuation.

Future actuarial measurements may differ significantly from the current measurement presented in this report due to such factors as: plan experience different from that anticipated by the economic and demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements; and changes in plan provisions or applicable law. An analysis of the potential range of such future differences is beyond the scope of this report.

### **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. The validity of the actuarial valuation results is dependent upon the accuracy and correctness of the member data and asset information provided.

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

The results of the January 1, 2015 valuation are used to monitor the impact of the Stable Employer Contribution on the System. The Stable Employer Contribution Policy is designed to:

- (a) fully fund all current costs based on the normal contribution payable determined under the funding method irrespective of the funded status of the System, that is, the Employer Normal Cost is always funded; and
- (b) liquidate the unfunded accrued liability, if any, over the amortization period as adopted by the Board and specified in the MCC. 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 nineteen years as of January 1, 2015.

On this basis, the valuation indicates that the employer contribution of \$79,838,581 (payable January 31, 2016) to both the combined fund and the combined retirement & disability fund would be sufficient to provide for the payment of the promised pension and survivor benefits in accordance with the adopted funding policy.

### **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.

### **Events During 2014 that Impacted the 2015 Results**

Results of this valuation differ from what we were projecting in last year's valuation for many reasons:

- (a) Market value return of 4.72% compared to 8.25% assumed, resulting in a lower funded ratio than expected.
- (b) On the liability side of the equation, fewer benefits were paid than anticipated while payroll increased 1.59% compared to the payroll growth assumption of 3%; average individual pay decreased from last year resulting in a lower unfunded liability than anticipated.

- (c) Since the January 1, 2014 actuarial valuation was completed, twenty-two individuals who were eligible for ERS benefits as of June 28, 2000 – and who had not consented to GPS – have now consented.
- (d) Overall, the funded ratio was higher than anticipated as a result of the events of 2014.

Qualified actuaries completed the valuation in accordance with accepted actuarial procedures as prescribed by the Actuarial Standards Board. The qualified actuaries are members of the American Academy of Actuaries and are experienced in performing actuarial valuations of public employee retirement systems. To the best of our knowledge, this report is complete and accurate and has been prepared in accordance with generally accepted actuarial principles and practice. The undersigned with actuarial designations meet the Qualification Standard to render the opinions contained in this report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be "LL" or "Langer".

Larry Langer, ASA, EA, MAAA  
Principal, Consulting Actuary

A handwritten signature in black ink, reading "Chih-Hung Peng".

Kevin (Chih Hung) Peng, ASA, EA, MAAA  
Consultant, Retirement

A handwritten signature in black ink, reading "P. Tabernacki".

Patryk Tabernacki  
Associate, Retirement

# Table of Contents



<b>Introduction.....</b>	<b>1</b>
TABLE 1a - Summary Of Results Of Actuarial Valuation .....	9
TABLE 1b - Allocation of Total 2015 Contributions to Employee Groups .....	10
TABLE 1c - Allocation of Total 2015 Contributions to Employee Groups for Combined Fund.....	11
TABLE 2a - Determination of Employer Contributions to Retirement Fund .....	13
TABLE 2b - Determination of Employer Contributions to Combined Retirement & Disability Fund .....	14
TABLE 2c – Comparison of Stable Contribution Policy to Prior Contribution Requirement for Combined Fund .....	15
TABLE 3 - Determination of Employer Contributions to Duty Disability Funds .....	16
TABLE 4 - Determination of City Contributions to Firemen’s Heart & Lung Fund .....	17
TABLE 5 - Member Data.....	18
TABLE 6 - Summary of Market Value of Plan Assets as of January 1, 2015.....	22
TABLE 7 - Allocations Between Non-Consenters Who Consented to Global Settlement During 2014 and Those Who Did Not.....	23
TABLE 8 - Actuarial Value of Assets as of January 1, 2015.....	24
TABLE 9 - Allocation of Assets Among Funds as of January 1, 2015.....	25
TABLE 10 - Actuarial Methods and Assumptions for GASB 67/68 Disclosure Purpose .....	27
TABLE 11 - Schedule of the Net Pension Liability.....	28
TABLE 12a - Development of Discount Rate- Projection of the Fiduciary Net Position .....	29
TABLE 12b - Development of Discount Rate- Present Values of Projected Benefits .....	31
TABLE 13 - Schedule of Changes in the Net Pension Liability .....	33
TABLE 14 - Schedule of Contributions .....	34
TABLE 15 - Schedule of Pension Amounts by Employer .....	35
TABLE 16- January 1, 2015 Valuation Funded Status on Actuarial and Market Value of Assets.....	36
TABLE 17 - Actuarial Balance Sheet for Members at January 1, 2015.....	37
<b>Description Of Actuarial Methods And Assumptions For Pension Funding Purpose ....</b>	<b>38</b>
<b>Summary Of Plan Provisions .....</b>	<b>48</b>
<b>Exhibit 1 - Age/Service Distributions .....</b>	<b>68</b>
<b>Exhibit 2 - Detailed Tabulations of the Data .....</b>	<b>81</b>

## Introduction

The law governing the Employees' Retirement System (ERS) 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." (Section 36-15-15 of the MCC). Buck Consultants, as Actuary, has completed the seventy-seventh annual actuarial valuation of the ERS as of January 1, 2015.

In this report we present the results of the January 1, 2015 valuation and the recommended employer contributions for the year ending December 31, 2015. For purposes of disclosure, the report also includes the schedule of funding progress as required specifically by Governmental Accounting Standards Board (GASB) No. 25 – only to be used for comparison of relevant Statement No. 67 information.

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 38-47, were adopted as of January 1, 2013, and are based on the experience study for the five-year period ended December 31, 2011. However, the 3.0% inflation assumption was adopted as of January 1, 2003. The projected unit credit actuarial cost method was adopted as of January 1, 1995, and is prescribed in Section 36-08 of the MCC. The actuarial asset valuation method and the amortization method were adopted as of January 1, 2010 and are prescribed in Section 36-15 of the MCC. The next experience review will be performed in time for implementation in the January 1, 2018 actuarial valuation.

### Changes Since Last Year

The following changes have been made since the actuarial valuation dated January 1, 2014:

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, 2014 actuarial valuation was completed, twenty-two 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, 2015 valuation reflects the impact of this change.

General employees who enrolled on or after January 1, 2014 are eligible for Tier 2 benefits, which were described in the Summary of Plan Provisions and the COLA is 2% on the fifth anniversary of their retirement and each year thereafter, but only for service retirement.

### Fiscal Impact of Changes

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 ERS based upon the actuarial valuation as of January 1, 2015. Comparable results from the January 1, 2014 valuation are also shown.

Item	January 01, 2014	January 01, 2015
<b>Membership Data</b>		
<b>Active Members</b>		
➤ Number	10,675	10,964
➤ Total Annual Covered Payroll on the Valuation Date	\$521,651,000	\$529,939,000
➤ Average Pay	\$48,867	\$48,334
<b>Retirees and Beneficiaries</b>		
➤ Number	12,487	12,597
➤ Annual Benefit	\$305,612,655	\$315,699,301
➤ Average Benefit Payment	\$24,474	\$25,061
<b>Asset Values</b> (includes contributions receivable)		
➤ Actuarial Value	\$4,580,729,000	\$4,797,437,000
➤ Market Value	\$4,949,534,000	\$4,953,150,000
<b>Actuarially Determined Employer Contribution</b>		
	Due 1/31/2015	Due 1/31/2016
➤ Annual Cost	\$78,659,448	\$79,838,581
➤ As % of Covered Payroll	15.08%	15.07%
<b>Funded Status</b>		
➤ Accrued Liability	\$ 4,831,689,000	\$ 4,935,482,000
➤ Actuarial Value of Assets	<u>4,580,729,000</u>	<u>4,797,437,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$ 250,960,000	\$ 138,045,000
➤ Funded Ratio Based on Actuarial Value of Assets	94.8%	97.2%
➤ Accrued Liability	\$ 4,831,689,000	\$ 4,935,482,000
➤ Market Value of Assets	<u>4,949,534,000</u>	<u>4,953,150,000</u>
➤ Unfunded (Overfunded) Accrued Liability	\$ (117,845,000)	\$ (17,668,000)
➤ Funded Ratio Based on Market Value of Assets	102.4%	100.4%



Summarized below are the Actuarial Funding Results as of January 1, 2015 with a breakdown between agencies.  
(in thousands)

Actuarial Liabilities	General City *	Water Department	School Board	Milwaukee Technical College	Sewerage Commission	Veolia	Wisconsin Center District	Housing Authority	Redevelopment Authority	Policemen	Firemen	Total
<b>1. Present Value of Projected Benefits</b>												
Active Members												
• Retirement Benefits	504,834	50,715	226,500	365	47,911	21,448	8,830	26,929	2,366	698,860	299,053	1,887,811
• Withdrawal Benefits	25,823	1,975	15,202	-	2,104	108	491	1,447	234	113,863	14,522	175,769
• Disability Benefits	28,342	2,550	16,673	2	2,418	482	533	1,596	219	19,284	46,857	118,956
• Death Benefits	4,684	464	2,409	1	468	187	95	265	26	2,053	841	11,493
<b>Total</b>	<b>563,683</b>	<b>55,704</b>	<b>260,784</b>	<b>368</b>	<b>52,901</b>	<b>22,225</b>	<b>9,949</b>	<b>30,237</b>	<b>2,845</b>	<b>834,060</b>	<b>361,273</b>	<b>2,194,029</b>
2. Inactive Members with Deferred Benefits	29,289	1,473	30,182	-	3,050	528	896	1,611	83	18,893	3,746	89,751
3. Retired Members and Beneficiaries Receiving Benefits	874,723	66,399	388,814	16,137	116,221	33,742	7,492	17,905	445	1,170,640	652,085	3,344,603
<b>4. Total Present Value of Projected Benefits (1. + 2. + 3.)</b>	<b>1,467,695</b>	<b>123,576</b>	<b>679,780</b>	<b>16,505</b>	<b>172,172</b>	<b>56,495</b>	<b>18,337</b>	<b>49,753</b>	<b>3,373</b>	<b>2,023,593</b>	<b>1,017,104</b>	<b>5,628,383</b>
5. Present Value of Future Normal Costs	158,972	14,500	88,963	7	14,255	2,998	3,281	9,253	1,174	294,823	104,675	692,901
<b>6. Total Actuarial Accrued Liability (4. - 5.)</b>	<b>1,308,723</b>	<b>109,076</b>	<b>590,817</b>	<b>16,498</b>	<b>157,917</b>	<b>53,497</b>	<b>15,056</b>	<b>40,500</b>	<b>2,199</b>	<b>1,728,770</b>	<b>912,429</b>	<b>4,935,482</b>

Normal Cost Amount	General City *	Water Department	School Board	Milwaukee Technical College	Sewerage Commission	Veolia	Wisconsin Center District	Housing Authority	Redevelopment Authority	Policemen	Firemen	Total
<b>1. Active Members</b>												
• Retirement Benefits	17,175	1,683	8,420	7	1,607	638	340	1,060	84	24,272	9,900	65,186
• Withdrawal Benefits	1,519	123	988	-	139	4	31	89	14	6,318	732	9,957
• Disability Benefits	1,418	130	976	-	125	15	29	85	11	1,002	2,238	6,029
• Death Benefits	205	20	128	-	19	6	5	13	1	98	38	533
<b>2. Total Normal Cost</b>	<b>20,317</b>	<b>1,956</b>	<b>10,512</b>	<b>7</b>	<b>1,890</b>	<b>663</b>	<b>405</b>	<b>1,247</b>	<b>110</b>	<b>31,690</b>	<b>12,908</b>	<b>81,705</b>

\* Includes Elected Officials



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

Based on data provided to the actuary, twenty-two 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 \$2,447,000. 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 2014 was calculated as of January 1, 2014 (the beginning of the year of consent). Table 7 of this report provides the necessary details.

### Contribution Requirements for Fiscal Year 2015

**Actuarially Determined Employer Contributions:** The recommended contribution for 2015 payable January 31, 2016 is allocated to the different funds and employe groups as follows:

Item	General Employees	Policemen	Firemen	Total
Combined Fund	\$ 30,848,488	33,542,544	15,310,549	\$79,701,581
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	125,000	12,000	0	137,000
<b>Total Contribution</b>	<b>\$30,973,488</b>	<b>\$33,554,544</b>	<b>\$15,310,549</b>	<b>\$79,838,581</b>
Covered Compensation	\$ 337,248,000	\$ 136,104,000	\$ 56,587,000	\$ 529,939,000
<b>Total Contribution as a Percentage of Covered Compensation</b>	<b>9.2%</b>	<b>24.7%</b>	<b>27.1%</b>	<b>15.1%</b>

## Member Contributions to the Funds shown on page 5:

### Employer Paid

For Fire and Police employees hired prior to October 3, 2011, the City makes “member contributions” each pay period to the members’ individual accounts equal to the following percentages of earnable compensation:

General Employees      5.5%

Elected officials      7.0%

Fire                      7.0%

Policemen              7.0% less \$1.00 per year per policeman

Generally, for Elected Officials, General City employees, and Fire and Police employees hired on or after October 3, 2011, the City no longer makes member contributions on behalf of the employees, and the members pay their own contributions each pay period in the form of payroll deductions. For additional details please refer to page 57 of this report.

### Member Paid

General employees enrolled after 1999 who participate in the Combined Fund contribute 1.6% of earnable compensation during their first 8 years of employment. However, members who are obligated to make the member contribution are not also required to make the 1.6% contribution (see Section 36-08-7-m).

Under state law, per 2011 Wisconsin Act 10, as interpreted through case law, employers are no longer permitted to make contributions on the members behalf (with the exception of contractually agreed upon arrangements made prior to the law’s effective date).

Certain policeman commencing in 1999 contribute \$1 per year of their longevity in rank pay to their individual account.

Fire and Police employees hired on or after October 3, 2011 contribute 7.0% of their earnable compensation as member contributions each pay period. The City no longer makes contributions on behalf of these employees.

General employees enrolled on or after January 1, 2014, now contribute 4% of their earnable compensation as member contributions each pay period. These employees belong to the new Tier II benefit design that has a higher retirement age and a lower service credit multiplier. Currently, only General employees and Elected Officials belong to the Tier II benefit design; Fire and Police employees still follow the Tier I benefit design. For additional details please refer to page 57 of this report.

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 97.2% as of January 1, 2015. The funded ratio is based on an actuarial value of assets of \$4.797 billion and an accrued liability of \$4.935 billion.

## Reasons for Change in the Funded Ratio

The funded ratio increased from 94.8% as of January 1, 2014 to 97.2% as of January 1, 2015. A reconciliation of this change in funded ratio is as follows:

	Funded Ratio Based on	
	Actuarial Value of Asset	Market Value of Asset
January 1, 2014	94.8%	102.4%
Expected change	0.5%	1.0%
Change due to assumptions	0.0%	0.0%
Change due to asset return	1.4%	-3.4%
Change due to liabilities	0.5%	0.4%
Change due to plan	0.0%	0.0%
Total change	2.4%	-2.0%
January 1, 2015	97.2%	100.4%

## Schedule of Funding Progress

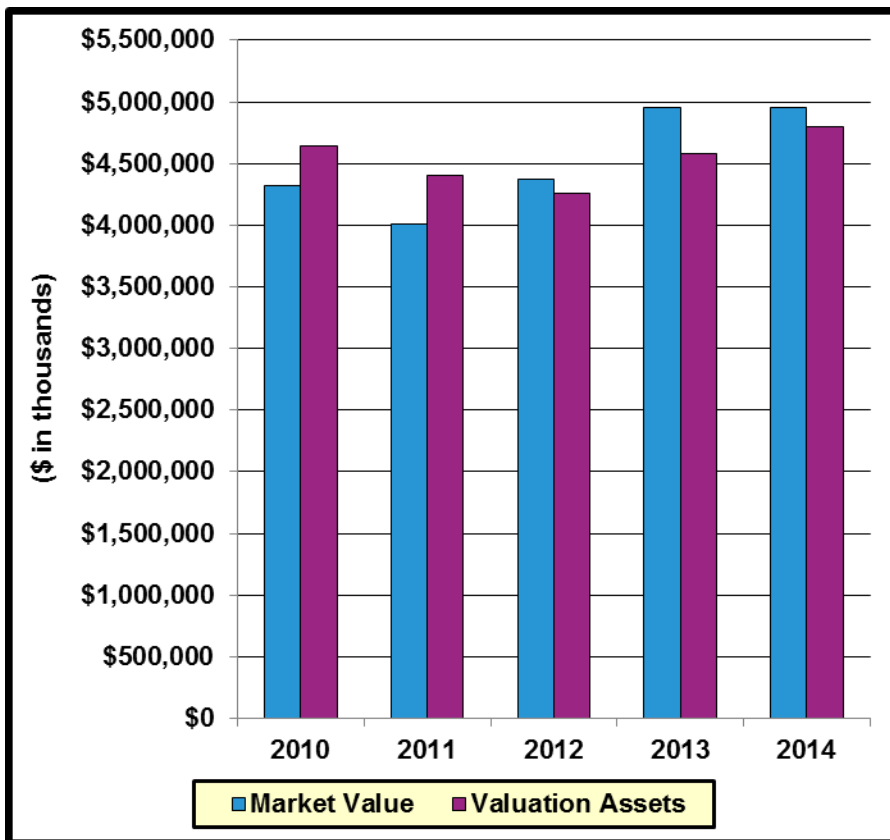
Valuation as of January 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2015	\$ 4,797,437	\$ 4,935,482	\$ 138,045	97.2%	\$ 529,939	26.0%
2014	4,580,729	4,831,689	250,960	94.8%	521,651	48.1%
2013	4,259,889	4,689,814	429,925	90.8%	523,738	82.1%
2012	4,404,635	4,587,915	183,280	96.0%	525,181	34.9%
2011	4,641,425	4,447,548	-	104.4%	538,218	0.0%
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%

### 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, 2014, was 4.72%. The return based on the actuarial value of assets used for determining the System's funded status was 9.91%. 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
2014	9.91 %	4.72 %
2013	12.85	18.44
2012	0.43	13.50
2011	(0.09)	(1.93)
2010	1.34	13.78

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



**TABLE 1a - Summary Of Results Of Actuarial Valuation**

**Allocation of Total 2015 Contributions to Employee Groups  
Members in Retirement and Duty Disability Funds  
Amount Due January 31, 2016**

Group	Active Members	Covered Compensation	Fund			January 31, 2016	
			Retirement	Duty Disability	Heart & Lung	Total Due	% of Pay
General City	13	\$ 635,635	\$ -	\$ -	\$ -	\$ -	0.00%
Water Department	1	48,054	-	-	-	-	0.00%
School Board	31	788,181	-	-	-	-	0.00%
Milwaukee Technical College	-	-	-	-	-	-	
Sewerage Commission	-	-	-	-	-	-	
Veolia	-	-	-	-	-	-	
Wisconsin Center District	-	-	-	-	-	-	
Housing Authority	-	-	-	-	-	-	
Redevelopment Authority	-	-	-	-	-	-	
Policemen	-	-	-	-	-	-	
Firemen	-	-	-	-	-	-	
<b>TOTAL</b>	<b>45</b>	<b>\$ 1,471,870</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>

**TABLE 1b - Allocation of Total 2015 Contributions to Employee Groups**

**Members in Combined Retirement and Disability Fund  
Amount Due January 31, 2016**

Group	Active Members	Covered Compensation	Fund		January 31, 2016	
			Combined Retirement & Disability	Heart & Lung	Total Due	% of Pay
General City	19	\$ 962,644	\$ 62,203	\$ -	\$ 62,203	6.46%
Water Department	-	-	-	-	-	-
School Board*	29	858,852	55,496	-	55,496	6.46%
Milwaukee Technical College	-	-	-	-	-	-
Sewerage Commission	-	-	-	-	-	-
Veolia	-	-	-	-	-	-
Wisconsin Center District	1	7,959	514	-	514	6.46%
Housing Authority	2	105,041	6,787	-	6,787	6.46%
Redevelopment Authority	-	-	-	-	-	-
Policemen	1	80,597	12,000	-	12,000	14.89%
Firemen	-	-	-	-	-	-
<b>TOTAL</b>	<b>52</b>	<b>\$ 2,015,093</b>	<b>\$ 137,000</b>	<b>\$ -</b>	<b>\$ 137,000</b>	<b>6.80%</b>

\* Breakdown of contributions for MPS by normal cost and past service portion as follows:

Payable at	January 31, 2016
Normal cost	35,689
Past service portion	19,807
<b>Total</b>	<b>55,496</b>



**TABLE 1c - Allocation of Total 2015 Contributions to Employee Groups for Combined Fund**

**Employer Contribution based on Stable Employer Contribution Policy**

Group	Active Members	Covered Compensation	Employer Rate**	Dollar Amount Payable***									
				January 1, 2015	June 1, 2015	July 1, 2015	August 1, 2015	September 1, 2015	October 1, 2015	November 1, 2015	December 1, 2015	January 31, 2016	
General City *	3,340	\$ 172,643,504	8.48%	\$ 14,640,169	\$ 15,131,816	\$ 15,232,109	\$ 15,333,067	\$ 15,434,694	\$ 15,536,995	\$ 15,639,974	\$ 15,743,635	\$ 15,953,023	
Water Department	296	15,720,461	8.48%	1,333,095	1,377,863	1,386,996	1,396,189	1,405,442	1,414,758	1,424,135	1,433,574	1,452,640	
School Board****	3,968	109,796,387	8.48%	9,310,734	9,623,407	9,687,191	9,751,397	9,816,029	9,881,089	9,946,581	10,012,507	10,145,672	
Milwaukee Technical College	1	57,048	8.48%	4,838	5,000	5,033	5,067	5,100	5,134	5,168	5,202	5,271	
Sewerage Commission	218	16,589,707	8.48%	1,406,807	1,454,051	1,463,688	1,473,389	1,483,155	1,492,985	1,502,881	1,512,842	1,532,962	
Veolia	53	4,121,292	8.48%	349,486	361,222	363,616	366,026	368,452	370,894	373,353	375,827	380,826	
Wisconsin Center District	82	3,841,653	8.48%	325,772	336,712	338,944	341,191	343,452	345,728	348,020	350,326	354,986	
Housing Authority	171	10,002,362	8.48%	848,200	876,685	882,495	888,344	894,232	900,159	906,125	912,131	924,262	
Redevelopment Authority	15	1,069,715	8.48%	90,712	93,758	94,380	95,005	95,635	96,269	96,907	97,549	98,846	
Policemen	1,919	136,023,688	22.63%	30,782,161	31,815,889	32,026,763	32,239,036	32,452,715	32,667,811	32,884,332	33,102,288	33,542,544	
Firemen	804	56,587,061	24.83%	14,050,567	14,522,414	14,618,668	14,715,560	14,813,095	14,911,275	15,010,107	15,109,593	15,310,549	
<b>TOTAL</b>	<b>10,867</b>	<b>\$ 526,452,878</b>		<b>\$ 73,142,541</b>	<b>\$ 75,598,817</b>	<b>\$ 76,099,883</b>	<b>\$ 76,604,271</b>	<b>\$ 77,112,001</b>	<b>\$ 77,623,097</b>	<b>\$ 78,137,583</b>	<b>\$ 78,655,474</b>	<b>\$ 79,701,581</b>	

\* Includes Elected Officials

\*\* Rates apply to Covered Compensation as of the beginning of the year then credited with interest to payable date

\*\*\* Actual contribution requirement will be adjusted for the actual payment date of the contribution.

\*\*\*\* Breakdown of contributions for MPS by normal cost and past service portion as follow:

Payable at	January 1, 2015	June 1, 2015	July 1, 2015	August 1, 2015	September 1, 2015	October 1, 2015	November 1, 2015	December 1, 2015	January 31, 2016
Normal cost	3,775,764	3,902,562	3,928,428	3,954,465	3,980,675	4,007,059	4,033,618	4,060,353	4,114,355
Past service portion	5,534,970	5,720,845	5,758,763	5,796,932	5,835,354	5,874,030	5,912,963	5,952,154	6,031,317
<b>Total</b>	<b>9,310,734</b>	<b>9,623,407</b>	<b>9,687,191</b>	<b>9,751,397</b>	<b>9,816,029</b>	<b>9,881,089</b>	<b>9,946,581</b>	<b>10,012,507</b>	<b>10,145,672</b>





TABLE 1c (Continued)\*\*\*\*

Allocation of Total Estimated 2016 Contributions to Employee Groups for Combined Fund

Employer Contribution based on Stable Employer Contribution Policy

Group	Estimated Active Members	Estimated Covered Compensation	Employer Rate**	Dollar Amount Payable***											
				January 1, 2016	June 1, 2016	July 1, 2016	August 1, 2016	September 1, 2016	October 1, 2016	November 1, 2016	December 1, 2016	January 31, 2017			
General City *	3,340	\$ 177,822,809	8.48%	\$ 15,079,374	\$ 15,585,771	\$ 15,689,073	\$ 15,793,059	\$ 15,897,735	\$ 16,003,105	\$ 16,109,173	\$ 16,215,944	\$ 16,431,614			
Water Department	296	16,192,075	8.48%	1,373,088	1,419,199	1,428,605	1,438,074	1,447,606	1,457,200	1,466,859	1,476,581	1,496,219			
School Board*****	3,968	113,090,279	8.48%	9,590,056	9,912,109	9,977,807	10,043,939	10,110,510	10,177,522	10,244,978	10,312,882	10,450,042			
Milwaukee Technical College	1	58,759	8.48%	4,983	5,150	5,184	5,219	5,253	5,288	5,323	5,358	5,430			
Sewerage Commission	218	17,087,398	8.48%	1,449,011	1,497,672	1,507,599	1,517,591	1,527,650	1,537,775	1,547,967	1,558,227	1,578,951			
Veolia	53	4,244,931	8.48%	359,970	372,059	374,525	377,007	379,506	382,021	384,553	387,102	392,250			
Wisconsin Center District	82	3,956,903	8.48%	335,545	346,814	349,112	351,426	353,755	356,100	358,460	360,836	365,635			
Housing Authority	171	10,302,433	8.48%	873,646	902,985	908,970	914,995	921,059	927,164	933,309	939,495	951,990			
Redevelopment Authority	15	1,101,806	8.48%	93,433	96,571	97,211	97,855	98,504	99,157	99,814	100,475	101,812			
Policemen	1,919	140,104,399	22.63%	31,705,625	32,770,366	32,987,566	33,206,207	33,426,297	33,647,845	33,870,862	34,095,357	34,548,820			
Firemen	804	58,284,673	24.63%	14,472,084	14,958,087	15,057,228	15,157,027	15,257,487	15,358,614	15,460,410	15,562,881	15,769,865			
<b>TOTAL</b>	<b>10,867</b>	<b>\$ 542,246,465</b>		<b>\$ 75,336,815</b>	<b>\$ 77,866,783</b>	<b>\$ 78,382,880</b>	<b>\$ 78,902,399</b>	<b>\$ 79,425,362</b>	<b>\$ 79,951,791</b>	<b>\$ 80,481,708</b>	<b>\$ 81,015,138</b>	<b>\$ 82,092,628</b>			

\* Includes Elected Officials

\*\* Rates apply to Covered Compensation as of the beginning of the year then credited with interest to payable date

\*\*\* Actual contribution requirement will be adjusted for the actual payment date of the contribution.

\*\*\*\* The amounts shown above are estimates of the employer contribution requirements due by January 31, 2017.

The actual employer contribution requirements due by January 31, 2017 will be based on the results of the January 1, 2016 actuarial valuation, which is scheduled to be approved at the June 2016 Board meeting.

To the extent that an employer wishes to contribute before the report is approved, the amounts above can serve as a guide. To the extent that the amount contributed is less than the final contribution requirements, the employer will be billed for the remainder, which is to be paid by the end of the year. To the extent that the amount already contributed is more than the required contribution, the employer will receive a credit, with interest, to the contribution for the next year.

\*\*\*\*\* Breakdown of contributions for MPS by normal cost and past service portion as follow:

Payable at:	January 1, 2016	June 1, 2016	July 1, 2016	August 1, 2016	September 1, 2016	October 1, 2016	November 1, 2016	December 1, 2016	January 31, 2017
Normal cost	3,889,037	4,019,638	4,046,281	4,073,099	4,100,096	4,127,271	4,154,626	4,182,163	4,237,785
Past service portion	5,701,019	5,892,471	5,931,526	5,970,840	6,010,414	6,050,251	6,090,352	6,130,719	6,212,257
<b>Total</b>	<b>9,590,056</b>	<b>9,912,109</b>	<b>9,977,807</b>	<b>10,043,939</b>	<b>10,110,510</b>	<b>10,177,522</b>	<b>10,244,978</b>	<b>10,312,882</b>	<b>10,450,042</b>

**TABLE 2a - Determination of Employer Contributions to Retirement Fund**

(in thousands)

Item	General Employes	Police	Fire	Total
1. Active Members	45	-	-	45
2. Covered Compensation	\$ 1,472	\$ -	\$ -	\$ 1,472
3. Normal Cost				
a. Total	205	-	-	205
b. Estimated Member Contributions	81	-	-	81
c. Employer Normal Cost (a) - (b), not less than zero	124	-	-	124
4. Active Actuarial Accrued Liability	5,287	-	-	5,287
5. Assets				
a. Actuarial value	11,033	-	-	11,033
b. Market value	11,518	-	-	11,518
(Net of Inactive Liabilities)				
6. Unfunded Accrued Liability				
a. Actuarial value	(5,746)	-	-	(5,746)
b. Market value	(6,231)	-	-	(6,231)
(4) - (5)				
7. Amortization of UAL				
a. Actuarial value	(462)	-	-	(462)
b. Market value	(501)	-	-	(501)
(Closed Amortization Years)	(19 years)			
8. Full Funding Limit*				
a. Actuarial value	-	-	-	-
b. Market value	-	-	-	-
(3) + (6), not less than zero, with interest to 1/31/2016				
9. Annual Contribution				
Payable January 31, 2016				
a. Actuarial value	\$ -	\$ -	\$ -	\$ -
b. Market value	\$ -	\$ -	\$ -	\$ -
(3) + (7), with interest to 1/31/2016, but not more than (8)				

\* The full funding limit is the contribution based on the January 1, 2015 valuation which, if made January 31, 2016, 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	51	1	-	52
2. Covered Compensation	\$ 1,934	\$ 81	\$ -	\$ 2,015
3. Normal Cost				
a. Total	201	16	-	217
b. Estimated Member Contributions	106	6	-	112
c. Employer Normal Cost (a) - (b), not less than zero	95	10	-	105
4. Active Actuarial Accrued Liability	3,347	238	-	3,585
5. Actuarial Assets				
a. Actuarial value	3,103	221	-	3,324
b. Market value (Net of Inactive Liabilities)	3,222	229	-	3,451
6. Unfunded Accrued Liability (UAL)				
a. Actuarial value	244	17	-	261
b. Market value (4) - (5)	125	9	-	134
7. Amortization of UAL				
a. Actuarial value	20	1	-	21
b. Market value (Closed Amortization Years)	10 (19 years)	1 (19 years)	-	11
8. Full Funding Limit*				
a. Actuarial value	369	29	-	398
b. Market value (3) + (6), not less than zero, with interest to 1/31/2016	240	21	-	261
9. Annual Contribution Payable January 31, 2016				
a. Actuarial value	\$ 125	\$ 12	\$ -	\$ 137
b. Market value (3) + (7), with interest to 1/31/2016, but not more than (8)	\$ 114	\$ 12	\$ -	\$ 126

\* The full funding limit is the contribution based on the January 1, 2015 valuation which, if made January 31, 2016, would bring the expected assets at that date equal to the expected Actuarial Accrued Liability at that date.

**TABLE 2c – Comparison of Stable Contribution Policy to Prior Contribution Requirement for Combined Fund**

(in thousands)

Item	General Employees	Police	Fire	Total
1. Active Members	8,144	1,919	804	10,867
2. Covered Compensation	\$ 333,842	\$ 136,024	\$ 56,587	\$ 526,453
3. Normal Cost				
a. Total	36,701	31,674	12,908	81,283
b. Estimated Member Contributions	<u>19,862</u>	<u>9,522</u>	<u>3,961</u>	<u>33,345</u>
c. Employer Normal Cost (a) - (b), not less than zero	16,839	22,152	8,947	47,938
4. Active Actuarial Accrued Liability	696,632	539,000	256,598	1,492,230
5. Assets				
a. Actuarial value	616,926	477,329	227,239	1,321,494
b. Market value (Net of Inactive Liabilities)	689,331	533,351	253,909	1,476,591
6. Unfunded Accrued Liability				
a. Actuarial value	79,706	61,671	29,359	170,736
b. Market value (4) - (5)	7,301	5,649	2,689	15,639
7. Amortization of UAL				
a. Actuarial value	6,409	4,959	2,361	13,729
b. Market value (Closed Amortization Years)	587 (19 years)	454 (19 years)	216 (19 years)	1,257
8. Full Funding Limit*				
a. Actuarial value	105,203	91,340	41,741	238,284
b. Market value (3) + (6), not less than zero, with interest to 1/31/2016	26,305	30,294	12,679	69,278
9. Annual Contribution Payable January 31, 2016				
a. Actuarial value	\$ 25,333	\$ 29,542	\$ 12,322	\$ 67,197
b. Market value (3) + (7), with interest to 1/31/2016, but not more than (8)	\$ 18,989	\$ 24,633	\$ 9,985	\$ 53,607
10. Employer rate as of January 1, 2015 based on				
a. Stable Employer Contribution Policy	8.48%	22.63%	24.83%	13.89%
b. Prior Contribution Requirement	6.96%	19.93%	19.98%	11.71%
c. Market Based Prior Contribution Requirement	5.22%	16.62%	16.19%	9.34%

\* The full funding limit is the contribution based on the January 1, 2015 valuation which, if made January 31, 2016, 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	45	-	-	45
2. Covered Compensation	\$ 1,472	\$ -	\$ -	\$ 1,472
3. Normal Cost				
a. Total	1	-	-	1
b. Estimated Member Contributions	-	-	-	-
c. Employer Normal Cost (a) - (b), not less than zero	1	-	-	1
4. Accrued Liability				
a. Actives	25	-	-	25
b. Annuitants	-	-	-	-
c. Total	25	-	-	25
5. Actuarial Value of Assets	122	-	-	122
6. Unfunded Accrued Liability (UAL) (4) - (5)	(97)	-	-	(97)
7. Amortization of UAL (Closed Amortization Years)	(8) (19 years)	-	-	(8)
8. Full Funding Limit* (3) + (6), not less than zero, with interest to 1/31/2016	-	-	-	-
9. Annual Contribution Payable January 31, 2016 (3) + (7), with interest to 1/31/2016, but not more than (8)	\$ -	\$ -	\$ -	\$ -

**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 1/31/2016	-
8. Annual Contribution Payable January 31, 2016	\$ -

\* The full funding limit is the contribution which, if made January 31, 2016, would bring the assets at that date equal to the expected Actuarial Accrued Liability at that date.

**TABLE 5 - Member Data**

Item	12/31/2013	12/31/2014		
		Vested	Non-Vested	Total
<b>Number of Members</b>	<b>Total</b>			
<b>Active</b>				
General Employes	7,993	5,912	2,328	8,240
Policemen	1,847	1,726	194	1,920
Firemen	835	718	86	804
<b>Total Active Members</b>	<b>10,675</b>	<b>8,356</b>	<b>2,608</b>	<b>10,964</b>
<b>Inactive</b>				
Deferred Retirees/Refunds	3,640			3,277
Deferred Fire & Police Survivors	3			2
<b>Total Inactive Members</b>	<b>3,643</b>			<b>3,279</b>
<b>Benefit Recipients</b>				
Combined Fund				
General Employes	8,949			9,052
Policemen	2,252			2,248
Firemen	1,267			1,280
Combined Fund Subtotal	12,468			12,580
Retirement Fund	19			17
Duty Disability Funds				
General Employes	-			-
Firemen	-			-
Policemen	-			-
Duty Disability Funds Subtotal	-			-
Firemen's Heart & Lung Fund	-			-
<b>Total Benefit Recipients</b>	<b>12,487</b>			<b>12,597</b>
<b>TOTAL Membership</b>	<b>26,805</b>			<b>26,840</b>

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	12/31/2014 Membership		
<b>Number of Members</b>	<b>Consenters</b>	<b>Others</b>	<b>Total</b>
<b>Active</b>			
General Employes	8,144	96	8,240
Policemen	1,919	1	1,920
Firemen	804	-	804
<b>Total Active Members</b>	<b>10,867</b>	<b>97</b>	<b>10,964</b>
<b>Inactive</b>			
Deferred Retirees/Refunds	3,069	208	3,277
Deferred Fire & Police Survivorship Fund	2	-	2
<b>Total Inactive Members</b>	<b>3,071</b>	<b>208</b>	<b>3,279</b>
<b>Benefit Recipients</b>			
Combined Fund	12,580		12,580
Retirement Fund		17	17
Duty Disability Funds			
General Employes	-	-	-
Firemen	-	-	-
Policemen	-	-	-
Duty Disability Funds Subtotal	-	-	-
Firemen's Heart & Lung Fund	-	-	-
<b>Total Benefit Recipients</b>	<b>12,580</b>	<b>17</b>	<b>12,597</b>
<b>TOTAL Membership</b>	<b>26,518</b>	<b>322</b>	<b>26,840</b>

Notes:

- (1) In addition to the above, there are members who have separated from service without vested rights to either a pension or a refund of accumulated contributions. There is no current actuarial liability for such individuals, and their membership will be terminated if they do not return to active service within 5 years of their date of separation from ERS covered employment.
- (2) 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



TABLE 5 - Member Data

(continued)

Item	12/31/2013	12/31/2014
<b>Annual Earnings</b>		
General Employes	\$ 331,738,000	\$ 337,248,000
Policemen	131,568,000	136,104,000
Firemen	58,345,000	56,587,000
<b>Total Annual Earnings</b>	<b>\$ 521,651,000</b>	<b>\$ 529,939,000</b>
<b>Average Earnings</b>		
General Employes	\$ 41,504	\$ 40,928
Policemen	\$ 71,233	\$ 70,888
Firemen	\$ 69,874	\$ 70,382
<b>Annual Benefit Payments Currently Being Made</b>		
Combined Fund	\$ 305,450,500	\$ 315,556,222
Retirement Fund	\$ 162,155	\$ 143,079
Duty Disability Funds		
General Employes	\$ -	\$ -
Firemen	-	-
Policemen	-	-
Duty Disability Funds Subtotal	\$ -	\$ -
Firemen's Heart & Lung Fund	\$ -	\$ -
<b>Total Benefit Payments</b>	<b>\$ 305,612,655</b>	<b>\$ 315,699,301</b>

Notes:

- (1) "Annual earnings" represent a rate of pay as of the valuation date, and can be considered as the approximate average of (a) earnable compensation for the year just ended, and (b) expected earnable compensation for the year following the valuation date.
- (2) "Annual benefit payments currently being made" equal 12 times the full December monthly payment. The amounts shown include all amounts payable by the ERS, 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 ERS for the year ended December 31, 2014.

The Global Pension Settlement (GPS) requires transfers between various funds as of January 1, 2014 for members who consented to GPS during 2014. 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, 2015**

(in thousands)

Item	Amount
1. Market Value of Assets as of December 31, 2013	\$ 4,951,058
2. Contributions During Year	
a. Member	43,663
b. City to Employers' Reserve Fund	-
c. Employer (receivable 1/31/2015)	72,844
d. Total	116,507
3. Disbursements During Year	
Benefit Payments and Refunds During Year	342,569
4. Investment Return (net of Administrative Expenses)	228,154
5. Market Value of Assets as of December 31, 2014 (1) + (2d) - (3) + (4)	4,953,150
6. Average Market Value During 2014 (1) + ((2d) - (3))/2	\$ 4,838,027
7. Rate of Return (4) / (6)	4.72%

**TABLE 7 - Allocations Between Non-Consenters Who Consented to Global Settlement During 2014 and Those Who Did Not**  
**Allocation of 1/1/2014 Market Value of Assets in Proportion to 1/1/2014 Accrued Liability**  
**Allocation of 1/31/2015 Employer Contribution in Proportion to 1/1/2014 Covered Compensation**

(in thousands)

Fund	Allocation of 1/1/2014 Market Value of Assets in Funds for Non-Consenters in Proportion to 1/1/2014 Accrued Liability			Allocation of 1/31/2015 Employer Contribution to Funds for Non-Consenters in Proportion to 1/1/2014 Covered Compensation		
	Consenters in 2014	Others	Total (Audited)	Consenters in 2014	Others	Total
1. Retirement Fund	\$ 3,642	\$ 14,245	\$ 17,887	\$ -	\$ -	\$ -
2. General Employees' Duty Disability Fund	26	114	140	-	-	-
3. Fire & Police Duty Disability Fund	-	-	-	-	-	-
4. Firemen's Heart & Lung Fund	-	-	-	-	-	-
5. Combined Retirement & Disability Fund	138	3,796	3,934	3	145	148
6. Total Funds for Non-Consenters	\$ 3,806	\$ 18,155	\$ 21,961	\$ 3	\$ 145	\$ 148

Notes:

- (1) January 1, 2014 Assets allocated to members who consented to Global Settlement during 2014 are transferred to the Global Combined Fund as of January 1, 2014.
- (2) January 31, 2015 Employer Contributions allocated to members who consented to Global Settlement during 2014 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, 2015**

(in thousands)

Item	Total
1. Preliminary Actuarial Value January 1, 2014	\$ 4,577,878
2. Market Value January 1, 2014 (Unaudited)	4,951,058
3. Market Value January 1, 2015 (Unaudited)	4,953,150
4. Contributions	
(a) Member	43,663
(b) Employer	72,844
(c) Total	116,507
5. Benefits and Refunds Paid	342,569
6. Actual Market Return Net of Administrative Expenses	228,154
7. Expected Market Return based on 8-1/4% Interest	399,137
8. Excess of Actual over Expected Return	
(a) 2014	(170,983)
(b) 2013	434,858
(c) 2012	196,296
(d) 2011	(437,672)
(e) 2010	206,031
9. Excess Recognized in the Current Valuation*	
(a) 2014	(34,197)
(b) 2013	86,972
(c) 2012	39,259
(d) 2011	(87,534)
(e) 2010	41,206
(f) Total	45,706
10. Preliminary Value January 1, 2015 (1) + 4(c) - (5) + (7) + 9(f)	4,796,659
11. Ratio of Preliminary Value to Market Value (10) / (3)	96.84%
12. Ratio Adjusted for 80%--120% Corridor**	96.84%
13. Balance in Employers' Reserve Fund	25,513
14. Market Value Excluding Employers' Reserve Fund (3) - (13)	4,927,637
15. Actuarial Value (12) x (14) + (13)	\$ 4,797,437
16. Rate of Return on Actuarial Value of Assets	9.91%

\* The Funding Policy was changed effective with the January 1, 2009 valuation from 3 year smoothing to 5 year smoothing.

\*\* 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 Methods and Assumptions beginning on page 39 of this report.

**TABLE 9 - Allocation of Assets Among Funds as of January 1, 2015**

(in thousands)

Fund	Market Value	Actuarial Value
1. Global Combined Fund	\$ 4,906,561	\$ 4,751,464
2. Employers' Reserve Fund	25,513	25,513
3. Retirement Fund	15,347	14,862
4. General Employes' Duty Disability Fund	126	122
5. Fire & Police Duty Disability Fund	-	-
6. Firemen's Heart & Lung Fund	-	-
7. Combined Retirement & Disability Fund	4,007	3,880
8. Securities Lending Fund	1,596	1,596
9. Total all Funds	\$ 4,953,150	\$ 4,797,437

Notes:

(1) Values shown include January 31, 2015 contributions receivable

## GABS 67/68 DISCLOSURE

GASB Statement No. 25 is no longer applicable beginning with the January 1, 2014 valuation and will be replaced by Statement No. 67. GASB Statement No. 27 is applicable for fiscal years ending prior to 2015 and has been replaced by Statement No. 68 for fiscal year ending 2015 and later. The disclosure under GASB 67/68 is to be determined as of the end of the Governmental Employers' fiscal year. It is permissible for the actuary to project the total pension liability to the end of year, based on beginning of the year results; however, the actuary should take into account any significant events that occurred during the year, such as plan changes. The plan fiduciary net position under GASB 67/68 disclosure should be the actual market value of assets as of the end of the year. The Actuarial cost method for GASB 67/68 disclosure is Entry Age Normal Cost Method.

Table 10 through 15 show the required accounting and financial reporting and disclosure items for fiscal year ending 12/31/2014 prepared based on valuation as of 1/1/2014. For historical purposes, Tables 16 shows the funded status of the Actuarial Accrued Liability. Table 17 provides an actuarial balance sheet for members, comparing the Actuarial Accrued Liability to the Market Value of Assets.

## TABLE 10 - Actuarial Methods and Assumptions for GASB 67/68 Disclosure Purpose

The total pension liability as of December 31, 2014 was determined by rolling forward the total pension liability as of January 1, 2014 to December 31, 2014 using the following actuarial methods and assumptions, applied to all periods included in the measurement. All other assumptions such as retirement rates, termination rates, and disability rates used to determine the total pension liability are set forth in “Description Of Actuarial Methods And Assumptions For Pension Funding Purpose” Section.

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal – Level Percentage of Pay
Amortization Method	For pension expense; the difference between expected and actual liability experience and changes of assumptions are amortized over the the average of the expected remaining service lives of all members. The differences between projected and actual earnings are amortized over a closed period of five years.
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	8.25% for calendar years through 2017, and 8.50% beginning with calendar year 2018
Projected Salary Increases	General City 3.0% - 7.5% Police & Fire 3.0% - 14.4%
Inflation Assumption	3.00%
Cost of Living Adjustments	Vary by Employee Group as explained in summary of plan provisions
Mortality Table	For regular retirees and for survivors, the RP-2000 Combined Mortality Table projected nine years using Scale AA. Future generational rates are projected from 2009 based on Scale AA. For duty and ordinary disability retirees, use the RP-2000 Disability Mortality Table. For death in active service, the rates are similar to those used for regular retirees and survivors with a 6-year setback.
Experience Study	The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2007-December 31, 2011.



**TABLE 11 - Schedule of the Net Pension Liability**

(in thousands)

Total pension liability	\$	5,066,621
Plan fiduciary net position		4,953,150
Net pension liability (asset)	\$	<u>113,471</u>

Plan fiduciary net position as a percentage of total pension liability	97.76%
--	--------

Covered employee payroll	\$	529,939
--------------------------	----	---------

Net pension liability (asset) as a percentage of covered employee payroll	21.41%
---	--------

Discount rate: The discount rate used to measure the total pension liability was 8.49 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from ERS agencies will be made at contractually required rates, actuarially determined. Based on those assumptions, the ERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The cross over analysis produces a single rate of 8.49 percent, which reflects the long-term expected rate of return on ERS investments. Therefore, the discount rate was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the ERS calculated using the discount rate of 8.49 percent, as well as what the ERS's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.49 percent) or 1-percentage-point higher (9.49 percent) than the current rate:

	1% Decrease (7.49%)	Current Discount (8.49%)	1% Increase (9.49%)
ERS's net pension liability	\$ <u>675,845</u>	<u>113,471</u>	<u>(360,259)</u>

**TABLE 12a - Development of Discount Rate- Projection of the Fiduciary Net Position**

This projection is used only for determining if the plan has a crossover point for developing the discount rate under GASB 67. For this projection, member contributions and benefit payments do not include amounts for future new members. Employer contributions include projected amounts for current members, plus amounts for new members to the extent the employer contribution rate exceeds the employer normal cost rate for the new members. Administrative expenses are based on the most recent fiscal year end, assumed to increase annually at an assumed inflation rate of 3.00 percent.

Projection of the Pension plan's Fiduciary Net Position								
Fiscal Year Ending 12/31/	Interest Rate	Projected Beginning Fiduciary Net Position	Member Contributions	Employer Contributions	Projected Benefit payments	Administrative Expenses	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2015	8.25%	4,953,150,000	30,457,456	73,964,518	337,587,939	10,800,000	398,571,279	5,107,755,314
2016	8.25%	5,107,755,314	29,424,138	75,577,431	352,784,953	11,124,000	410,709,884	5,259,557,814
2017	8.25%	5,259,557,814	28,321,355	77,175,038	369,552,172	11,457,720	422,548,588	5,406,592,903
2018	8.50%	5,406,592,903	27,136,772	66,285,676	386,070,086	11,801,452	446,621,310	5,548,765,124
2019	8.50%	5,548,765,124	25,956,149	64,336,717	402,548,790	12,155,495	457,857,550	5,682,211,254
2020	8.50%	5,682,211,254	24,760,992	62,298,716	418,705,674	12,520,160	468,360,896	5,806,406,025
2021	8.50%	5,806,406,025	23,577,135	60,239,695	435,294,349	12,895,765	478,058,648	5,920,091,389
2022	8.50%	5,920,091,389	22,333,641	58,006,347	452,164,879	13,282,638	486,840,698	6,021,824,559
2023	8.50%	6,021,824,559	21,053,737	55,750,681	468,190,550	13,681,117	494,639,729	6,111,397,039
2024	8.50%	6,111,397,039	19,809,011	53,542,084	483,233,657	14,091,550	501,449,849	6,188,872,776
2025	8.50%	6,188,872,776	18,623,193	51,479,928	497,176,674	14,514,297	507,286,702	6,254,571,628
2026	8.50%	6,254,571,628	17,464,144	49,497,371	510,944,616	14,949,726	512,133,943	6,307,772,744
2027	8.50%	6,307,772,744	16,334,559	47,570,535	523,702,981	15,398,218	515,964,849	6,348,541,489
2028	8.50%	6,348,541,489	15,205,174	45,716,575	536,602,037	15,860,164	518,735,557	6,375,736,593
2029	8.50%	6,375,736,593	14,096,605	43,862,270	547,126,968	16,335,969	520,453,688	6,390,686,220
2030	8.50%	6,390,686,220	13,019,400	42,189,808	557,297,610	16,826,048	521,154,465	6,392,926,235
2031	8.50%	6,392,926,235	11,977,832	40,610,338	567,138,095	17,330,830	520,793,798	6,381,839,278
2032	8.50%	6,381,839,278	10,956,825	39,069,200	575,435,853	17,850,754	519,367,764	6,357,946,460
2033	8.50%	6,357,946,460	9,893,863	37,520,887	583,597,191	18,386,277	516,856,279	6,320,234,021
2034	8.50%	6,320,234,021	8,774,848	35,726,234	590,356,950	18,937,865	513,216,158	6,268,656,446
2035	8.50%	6,268,656,446	7,757,648	34,223,982	597,593,855	19,506,001	508,393,273	6,201,931,493
2036	8.50%	6,201,931,493	6,820,709	32,922,546	601,251,169	20,091,181	502,446,215	6,122,778,612
2037	8.50%	6,122,778,612	5,900,749	31,708,841	605,903,794	20,693,917	495,404,187	6,029,194,678
2038	8.50%	6,029,194,678	5,057,292	30,784,741	608,139,083	21,314,734	487,253,047	5,922,835,940
2039	8.50%	5,922,835,940	4,260,068	29,961,155	609,249,788	21,954,176	478,069,288	5,803,922,486
2040	8.50%	5,803,922,486	3,544,600	29,794,551	606,229,610	22,612,802	468,024,523	5,676,443,749
2041	8.50%	5,676,443,749	2,919,952	29,778,569	604,301,429	23,291,186	457,214,720	5,538,764,375
2042	8.50%	5,538,764,375	2,384,745	29,943,016	599,420,573	23,989,921	445,673,956	5,393,355,598
2043	8.50%	5,393,355,598	1,907,036	30,352,648	593,200,784	24,709,619	433,545,070	5,241,249,950
2044	8.50%	5,241,249,950	1,485,194	30,851,459	586,396,743	25,450,907	420,877,028	5,082,615,980
2045	8.50%	5,082,615,980	1,124,168	31,447,778	576,634,083	26,214,435	407,785,604	4,920,125,012
2046	8.50%	4,920,125,012	834,081	32,102,591	565,840,534	27,000,868	394,414,675	4,754,634,957
2047	8.50%	4,754,634,957	621,197	32,843,865	553,887,520	27,810,894	380,844,054	4,587,245,659
2048	8.50%	4,587,245,659	455,133	33,661,375	541,072,924	28,645,221	367,152,811	4,418,796,834
2049	8.50%	4,418,796,834	325,280	34,445,585	526,473,627	29,504,577	353,446,419	4,251,035,914
2050	8.50%	4,251,035,914	231,572	35,230,121	511,215,241	30,389,715	339,826,964	4,084,719,615

**TABLE 12a - Development of Discount Rate- Projection of the Fiduciary Net Position  
(Continue)**

Projection of the Pension plan's Fiduciary Net Position								
Fiscal Year Ending 12/31/	Interest Rate	Projected Beginning Fiduciary Net Position	Member Contributions	Employer Contributions	Projected Benefit payments	Administrative Expenses	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2051	8.50%	4,084,719,615	163,108	36,025,853	495,083,128	31,301,406	326,367,855	3,920,891,897
2052	8.50%	3,920,891,897	118,374	36,830,437	478,356,890	32,240,448	313,145,749	3,760,389,119
2053	8.50%	3,760,389,119	80,838	37,713,733	461,110,542	33,207,662	300,230,821	3,604,096,307
2054	8.50%	3,604,096,307	53,450	38,610,967	443,441,877	34,203,891	287,691,479	3,452,806,435
2055	8.50%	3,452,806,435	34,051	39,489,527	425,433,708	35,230,008	275,590,091	3,307,256,388
2056	8.50%	3,307,256,388	21,443	40,378,358	407,174,549	36,286,908	263,986,673	3,168,181,405
2057	8.50%	3,168,181,405	13,737	41,317,303	388,759,910	37,375,516	252,941,233	3,036,318,253
2058	8.50%	3,036,318,253	7,499	42,323,796	370,239,247	38,496,781	242,514,850	2,912,428,369
2059	8.50%	2,912,428,369	4,409	43,433,788	351,694,428	39,651,685	232,770,325	2,797,290,778
2060	8.50%	2,797,290,778	2,442	44,493,598	333,200,756	40,841,235	223,764,013	2,691,508,840
2061	8.50%	2,691,508,840	1,006	45,541,364	314,825,396	42,066,472	215,545,898	2,595,705,240
2062	8.50%	2,595,705,240	374	46,641,734	296,640,275	43,328,466	208,168,564	2,510,547,172
2063	8.50%	2,510,547,172	91	47,751,153	278,707,707	44,628,320	201,684,156	2,436,646,544
2064	8.50%	2,436,646,544	30	48,936,923	261,088,831	45,967,170	196,144,897	2,374,672,392
2065	8.50%	2,374,672,392	0	50,133,404	243,830,711	47,346,185	191,602,805	2,325,231,705
2066	8.50%	2,325,231,705	0	51,441,899	226,964,812	48,766,571	188,112,392	2,289,054,614
2067	8.50%	2,289,054,614	0	52,860,859	210,512,510	50,229,568	185,734,690	2,266,908,085
2068	8.50%	2,266,908,085	0	54,361,461	194,496,119	51,736,455	184,532,665	2,259,569,638
2069	8.50%	2,259,569,638	0	55,950,385	178,950,571	53,288,548	184,571,148	2,267,852,052
2070	8.50%	2,267,852,052	0	57,607,863	163,881,460	54,887,205	185,918,090	2,292,609,340
2071	8.50%	2,292,609,340	0	59,326,459	149,294,139	56,533,821	188,645,480	2,334,753,319
2072	8.50%	2,334,753,319	0	61,114,490	135,207,672	58,229,836	192,830,304	2,395,260,606
2073	8.50%	2,395,260,606	0	62,942,301	121,641,167	59,976,731	198,553,439	2,475,138,448
2074	8.50%	2,475,138,448	0	64,805,923	108,636,185	61,776,033	205,898,501	2,575,430,654
2075	8.50%	2,575,430,654	0	66,690,639	96,236,874	63,629,314	214,951,645	2,697,206,751
2076	8.50%	2,697,206,751	0	68,592,037	84,497,070	65,538,193	225,801,237	2,841,564,762
2077	8.50%	2,841,564,762	0	70,519,537	73,488,195	67,504,339	238,537,902	3,009,629,667
2078	8.50%	3,009,629,667	0	72,454,708	63,253,404	69,529,469	253,254,575	3,202,556,077
2079	8.50%	3,202,556,077	0	74,417,377	53,836,775	71,615,353	270,048,290	3,421,569,616
2080	8.50%	3,421,569,616	0	76,412,456	45,279,886	73,763,814	289,021,590	3,667,959,963
2081	8.50%	3,667,959,963	0	78,433,023	37,611,484	75,976,728	310,282,501	3,943,087,275
2082	8.50%	3,943,087,275	0	80,480,956	30,835,586	78,256,030	333,946,465	4,248,423,080
2083	8.50%	4,248,423,080	0	82,566,821	24,939,979	80,603,711	360,139,445	4,585,585,656
2084	8.50%	4,585,585,656	0	84,700,997	19,892,304	83,021,822	389,000,723	4,956,373,250
2085	8.50%	4,956,373,250	0	86,903,165	15,638,066	85,512,477	420,686,213	5,362,812,085
2086	8.50%	5,362,812,085	0	89,155,153	12,116,502	88,077,851	455,369,861	5,807,142,746
2087	8.50%	5,807,142,746	0	91,449,059	9,253,712	90,720,186	493,244,828	6,291,862,734
2088	8.50%	6,291,862,734	0	93,796,432	6,962,363	93,441,792	534,527,504	6,819,782,515
2089	8.50%	6,819,782,515	0	96,197,524	5,159,904	96,245,046	579,460,198	7,394,035,286

There is no crossover point in this analysis.

After 2073, the projected Investment earnings will exceed the projected benefit payments and administrative expense

**TABLE 12b - Development of Discount Rate- Present Values of Projected Benefits**

Actuarial Present value of Projected Benefit payments								8.49%
Fiscal Year Ending	Interest Rate	Period	Projected	Projected Benefit Payments		Present value of Benefit payments		
			Beginning Fiduciary Net Position	"Funded" Portion	"UnFunded" Portion	Funded Portion at 8.25~8.5%*	Unfunded Portion at 3.34%	Using a Single Discount Rate of 8.49%
12/31/	i	(a)	(b)	(d)	(e)	(f)= (d)/(1+i)^a	(g)= (e)/(1+3.34%)^a	(h)=(c)/(1+8.49%)^a
2015	8.25%	1	4,953,150,000	337,587,939	0	311,859,528	0	311,158,758
2016	8.25%	2	5,107,755,314	352,784,953	0	301,060,822	0	299,709,332
2017	8.25%	3	5,259,557,814	369,552,172	0	291,334,585	0	289,375,047
2018	8.50%	4	5,406,592,903	386,070,086	0	278,578,246	0	278,642,000
2019	8.50%	5	5,548,765,124	402,548,790	0	267,713,230	0	267,789,817
2020	8.50%	6	5,682,211,254	418,705,674	0	256,643,587	0	256,731,693
2021	8.50%	7	5,806,406,025	435,294,349	0	245,909,248	0	246,007,742
2022	8.50%	8	5,920,091,389	452,164,879	0	235,428,438	0	235,536,208
2023	8.50%	9	6,021,824,559	468,190,550	0	224,675,129	0	224,790,836
2024	8.50%	10	6,111,397,039	483,233,657	0	213,727,199	0	213,849,501
2025	8.50%	11	6,188,872,776	497,176,674	0	202,667,273	0	202,794,848
2026	8.50%	12	6,254,571,628	510,944,616	0	191,962,753	0	192,094,578
2027	8.50%	13	6,307,772,744	523,702,981	0	181,342,020	0	181,476,933
2028	8.50%	14	6,348,541,489	536,602,037	0	171,252,130	0	171,389,341
2029	8.50%	15	6,375,736,593	547,126,968	0	160,931,867	0	161,070,023
2030	8.50%	16	6,390,686,220	557,297,610	0	151,081,528	0	151,219,879
2031	8.50%	17	6,392,926,235	567,138,095	0	141,704,379	0	141,842,256
2032	8.50%	18	6,381,839,278	575,435,853	0	132,513,959	0	132,650,483
2033	8.50%	19	6,357,946,460	583,597,191	0	123,864,875	0	123,999,581
2034	8.50%	20	6,320,234,021	590,356,950	0	115,483,494	0	115,615,700
2035	8.50%	21	6,268,656,446	597,593,855	0	107,741,154	0	107,870,666
2036	8.50%	22	6,201,931,493	601,251,169	0	99,908,329	0	100,034,148
2037	8.50%	23	6,122,778,612	605,903,794	0	92,793,957	0	92,916,132
2038	8.50%	24	6,029,194,678	608,139,083	0	85,839,899	0	85,957,836
2039	8.50%	25	5,922,835,940	609,249,788	0	79,259,610	0	79,373,047
2040	8.50%	26	5,803,922,486	606,229,610	0	72,688,206	0	72,796,402
2041	8.50%	27	5,676,443,749	604,301,429	0	66,780,657	0	66,883,886
2042	8.50%	28	5,538,764,375	599,420,573	0	61,051,871	0	61,149,742
2043	8.50%	29	5,393,355,598	593,200,784	0	55,685,139	0	55,777,598
2044	8.50%	30	5,241,249,950	586,396,743	0	50,734,035	0	50,821,180
2045	8.50%	31	5,082,615,980	576,634,083	0	45,981,001	0	46,062,617
2046	8.50%	32	4,920,125,012	565,840,534	0	41,585,548	0	41,661,746
2047	8.50%	33	4,754,634,957	553,887,520	0	37,518,047	0	37,588,942
2048	8.50%	34	4,587,245,659	541,072,924	0	33,778,838	0	33,844,603
2049	8.50%	35	4,418,796,834	526,473,627	0	30,292,547	0	30,353,261
2050	8.50%	36	4,251,035,914	511,215,241	0	27,110,231	0	27,166,121

**TABLE 12b - Development of Discount Rate- Present Values of Projected Benefits (Continue)**

Actuarial Present value of Projected Benefit payments									8.49%
Fiscal Year Ending	Interest Rate	Period	Projected Beginning Fiduciary Net Position	Projected Benefit Payments		Present value of Benefit payments			
				"Funded" Portion	"UnFunded" Portion	Funded Portion at 8.25-8.5%*	Unfunded Portion at 3.34%	Using a Single Discount Rate of 8.49%	
12/31/	i	(a)	(b)	(d)	(e)	(f)= (d)/(1+i)^(a)	(g)= (e)/(1+3.34%)^(a)	(h)=(c)/(1+8.49%)^(a)	
2051	8.50%	37	4,084,719,615	495,083,128	0	24,197,908	0	24,249,181	
2052	8.50%	38	3,920,891,897	478,356,890	0	21,548,745	0	21,595,640	
2053	8.50%	39	3,760,389,119	461,110,542	0	19,144,554	0	19,187,315	
2054	8.50%	40	3,604,096,307	443,441,877	0	16,968,645	0	17,007,519	
2055	8.50%	41	3,452,806,435	425,433,708	0	15,004,193	0	15,039,426	
2056	8.50%	42	3,307,256,388	407,174,549	0	13,235,234	0	13,267,072	
2057	8.50%	43	3,168,181,405	388,759,910	0	11,646,696	0	11,675,381	
2058	8.50%	44	3,036,318,253	370,239,247	0	10,222,897	0	10,248,661	
2059	8.50%	45	2,912,428,369	351,694,428	0	8,950,087	0	8,973,157	
2060	8.50%	46	2,797,290,778	333,200,756	0	7,815,163	0	7,835,756	
2061	8.50%	47	2,691,508,840	314,825,396	0	6,805,688	0	6,824,012	
2062	8.50%	48	2,595,705,240	296,640,275	0	5,910,207	0	5,926,458	
2063	8.50%	49	2,510,547,172	278,707,707	0	5,117,900	0	5,132,267	
2064	8.50%	50	2,436,646,544	261,088,831	0	4,418,770	0	4,431,427	
2065	8.50%	51	2,374,672,392	243,830,711	0	3,803,398	0	3,814,511	
2066	8.50%	52	2,325,231,705	226,964,812	0	3,262,963	0	3,272,684	
2067	8.50%	53	2,289,054,614	210,512,510	0	2,789,342	0	2,797,812	
2068	8.50%	54	2,266,908,085	194,496,119	0	2,375,227	0	2,382,576	
2069	8.50%	55	2,259,569,638	178,950,571	0	2,014,176	0	2,020,524	
2070	8.50%	56	2,267,852,052	163,881,460	0	1,700,061	0	1,705,516	
2071	8.50%	57	2,292,609,340	149,294,139	0	1,427,407	0	1,432,069	
2072	8.50%	58	2,334,753,319	135,207,672	0	1,191,452	0	1,195,412	
2073	8.50%	59	2,395,260,606	121,641,167	0	987,930	0	991,270	
2074	8.50%	60	2,475,138,448	108,636,185	0	813,187	0	815,983	
2075	8.50%	61	2,575,430,654	96,236,874	0	663,938	0	666,259	
2076	8.50%	62	2,697,206,751	84,497,070	0	537,277	0	539,186	
2077	8.50%	63	2,841,564,762	73,488,195	0	430,669	0	432,224	
2078	8.50%	64	3,009,629,667	63,253,404	0	341,649	0	342,903	
2079	8.50%	65	3,202,556,077	53,836,775	0	268,007	0	269,005	
2080	8.50%	66	3,421,569,616	45,279,886	0	207,751	0	208,537	
2081	8.50%	67	3,667,959,963	37,611,484	0	159,048	0	159,659	
2082	8.50%	68	3,943,087,275	30,835,586	0	120,179	0	120,648	
2083	8.50%	69	4,248,423,080	24,939,979	0	89,587	0	89,941	
2084	8.50%	70	4,585,585,656	19,892,304	0	65,857	0	66,121	
2085	8.50%	71	4,956,373,250	15,638,066	0	47,717	0	47,911	
2086	8.50%	72	5,362,812,085	12,116,502	0	34,075	0	34,216	
2087	8.50%	73	5,807,142,746	9,253,712	0	23,985	0	24,086	
2088	8.50%	74	6,291,862,734	6,962,363	0	16,632	0	16,703	
2089	8.50%	75	6,819,782,515	5,159,904	0	11,361	0	11,410	

\*8.25% through 2017, and 8.50% beginning with calendar year 2018

\*\*There is no crossover point in this analysis.

After 2073, the projected Investment earnings will exceed the projected benefit payments and administrative expense

**TABLE 13 - Schedule of Changes in the Net Pension Liability**

Total pension liability		
Service cost	\$	69,693
Interest		409,899
Changes in benefit items		0
Differences between expected and actual experience		0
Changes of assumptions		0
Benefit payments including refunds of member contributions		<u>(342,569)</u>
Net change in total pension liability		137,023
Total pension liability - beginning		<u>4,929,598</u>
Total pension liability - ending	\$	<u><u>5,066,621</u></u>
Plan fiduciary net position		
Contributions - employer	\$	72,844
Contributions - member		43,663
Net investment income		238,985
Benefit payments, including refunds of member contributions		<u>(342,569)</u>
Administrative expense		<u>(10,831)</u>
Other		<u>0</u>
Net change in plan fiduciary net pension		2,092
Plan fiduciary net position - beginning		<u>4,951,058</u>
Plan fiduciary net position - ending	\$	<u><u>4,953,150</u></u>
Net pension liability (asset) - ending	\$	<u><u>113,471</u></u>

**TABLE 14 - Schedule of Contributions**

Last 10 Fiscal Years (Dollar Amounts in thousands)	Fiscal Year Ending December 31									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially Determined Contributions	\$ 72,844	\$ 79,533	\$ 73,159	\$ 0	\$ 0	\$ 60,098	\$ 0	\$ 0	\$ 0	\$ 47
Contributions in relation to the actuarially determined contribution	72,844	79,533	73,159	0	0	60,098	0	0	0	47
Contribution deficiency (excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered employee payroll	\$ 529,939	\$ 521,651	\$ 523,738	\$ 525,181	\$ 538,218	\$ 553,846	\$ 536,558	\$ 532,412	\$ 528,854	\$ 515,934
Contributions as a percentage of covered-employee payroll	13.75%	15.25%	13.97%	0.00%	0.00%	10.85%	0.00%	0.00%	0.00%	0.01%

GASB 67 is applicable for fiscal years ending 2014 and later.

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, 2014 was contributed for the fiscal year ending December 31, 2014).



TABLE 15 - Schedule of Pension Amounts by Employer

(\$ in thousands)

Schedule of Pension Amounts by Employer As of and for the year ended													
Entity	Deferred Outflows of Resources					Deferred Inflows of Resources					Pension Expense		
	Net Pension Liability	Difference Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Difference Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Outflows of Resources	Proportionate Share of Pension Expense	Net Amortization Deferred Amount from Changes in Proportion and Differences Between Employer Contributions and Proportional Share of Contributions
General City	22,738	-	25,603	-	-	25,603	-	-	-	-	-	16,034	-
Water Department	2,147	-	2,417	-	-	2,417	-	-	-	-	-	1,514	-
School Board	14,021	-	15,787	-	-	15,787	-	-	-	-	-	9,887	-
Milwaukee Area Technical College	8	-	9	-	-	9	-	-	-	-	-	5	-
Sewerage Commission	2,189	-	2,464	-	-	2,464	-	-	-	-	-	1,543	-
Veolia	650	-	731	-	-	731	-	-	-	-	-	458	-
Wisconsin Center	534	-	601	-	-	601	-	-	-	-	-	376	-
Housing Authority	1,450	-	1,633	-	-	1,633	-	-	-	-	-	1,023	-
Redevelopment Authority	170	-	192	-	-	192	-	-	-	-	-	120	-
Policemen	46,792	-	52,686	-	-	52,686	-	-	-	-	-	32,994	-
Firemen	22,772	-	25,641	-	-	25,641	-	-	-	-	-	16,057	-
Total for All Entities	\$ 113,471	-	127,764	-	-	127,764	-	-	-	-	-	80,011	-



**TABLE 16- January 1, 2015 Valuation Funded Status on Actuarial and Market Value of Assets**

(\$ in thousands)

Fund	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets (AVA)	Market Value of Assets (MVA)	Unfunded Actuarial Accrued Liability Based on AVA ( UAAL)	Unfunded Actuarial Accrued Liability Based on MVA ( UAAL)	Percent Funded Based on AVA	Percent Funded Based on MVA
1. Global Combined Fund	\$ 4,922,200	\$ 4,751,464	\$ 4,906,561	\$ 170,736	\$ 15,639	96.5%	99.7%
2. Employers' Reserve Fund	-	25,513	25,513	(25,513)	(25,513)	N/A	N/A
3. Retirement Fund	9,116	14,862	15,347	(5,746)	(6,231)	163.0%	168.4%
4. General Employes' Duty Disability Fund	25	122	126	(97)	(101)	488.0%	504.0%
5. Fire & Police Duty Disability Fund	-	-	-	-	-	N/A	N/A
6. Firemen's Heart & Lung Fund	-	-	-	-	-	N/A	N/A
7. Combined Retirement & Disability Fund	4,141	3,880	4,007	261	134	93.7%	96.8%
8. Securities Lending Fund	-	1,596	1,596	(1,596)	(1,596)	N/A	N/A
8. Total All Funds	\$ 4,935,482	\$ 4,797,437	\$ 4,953,150	\$ 138,045	\$ (17,668)	97.2%	100.4%

**TABLE 17 - Actuarial Balance Sheet for Members at January 1, 2015**

(in thousands)

Item	2014	2015
<b>Assets:</b>		
Market Value of Assets	\$ 4,949,534	\$ 4,953,150
Market Adjustment	<u>(368,805)</u>	<u>(155,713)</u>
Actuarial Value of Assets	\$ 4,580,729	\$ 4,797,437
Present Value of Future Anticipated Contributions	<u>250,960</u>	<u>138,045</u>
Financial Resources for Actuarial Accrued Liability	\$ 4,831,689	\$ 4,935,482
<b>Liabilities:</b>		
Actuarial Accrued Liability		
Annuitants	\$ 3,254,212	\$ 3,344,604
Inactive Members		
Member Contributions	69,967	66,394
Employer Financed Portion	23,510	23,357
Active Members		
Member Contributions	501,712	510,917
Employer Financed Portion	<u>982,288</u>	<u>990,210</u>
Total Liabilities	\$ 4,831,689	\$ 4,935,482

## Description Of Actuarial Methods And Assumptions For Pension Funding Purpose

### **Actuarial Cost Method**

The method of financing the System is prescribed in Section 36-08 of the MCC.

#### **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 are 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 in Table 8 of this report. The numbers in parentheses denote the item number in 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 8.25% (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 8.25% (7) and the current year's amortization (9). The preliminary actuarial value (10) divided by the market value at year end (3) results in a ratio (11). The ratio shall not be less than 80% or more than 120% of the market value. If it is, a final adjustment to the preliminary actuarial value (9) will be made accordingly (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.)

### **Amortization Method**

Closed; Level Percent of Pay; Pay assumed to grow 3% per year

### **Remaining Amortization Period**

19 years as of January 1, 2015

### **Other Considerations**

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

**Actuarial Assumptions**

**Adopted Effective January 1, 2013 (except as noted)**

**Interest Rate and Inflation**

Interest: 8.50% return for calendar years 2000 through 2012, 8.25% for calendar years 2013 through 2017, and 8.50% beginning with calendar year 2018 (adopted 1/1/2013)

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

**Salary Increases**

Career average of 3.8% per annum for general employes and 4.5% per annum for police and fire, compounded annually (adopted 1/1/2013). Representative values are as follows:

<b>Age</b>	<b>General</b>	<b>Fire and Police</b>
25	6.9%	10.5%
30	5.8	6.7
35	4.8	4.8
40	3.9	3.7
45	3.3	3.3
50	3.0	3.1
55	3.0	3.0
60	3.0	3.0
65	3.0	3.0

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
42						10%
43						10
44						16
45						16
46						16
47						16
48				5%		16
49				8		19
50				8		20
51				10	44%	20
52				15	44	25
53				15	24	25
54		40%	26%	25	24	25
55	2%	50	30	25	24	25
56	2	35	20	25	40	25
57	2	32	18	25	35	25
58	2	30	28	30	35	25
59	2	22	23	35	35	25
60		21	19	45	35	25
61		25	20	50	35	25
62		30	25	50	50	50
63		26	19	100	100	100
64		20	19	100	100	100
65		23	25	100	100	100
66		23	23	100	100	100
67		20	19	100	100	100
68		20	13	100	100	100
69		20	13	100	100	100
70		100	100	100	100	100

**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 25% for males and 15% for females. The percentage of general employes assumed electing the 100% PSO option before retirement is 40% for males and 15% for females. For firemen and policemen, 95% are assumed to elect the 100% PSO option before retirement.

### Duty Deaths

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

- General 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
	Incurring in the Performance of Duty	Eligible For The 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 Employes: 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 Employes, Firemen, and Policemen**

Age	Less than 5 Years' Service		At least 5 Years' Service	
	Males	Females	Males	Females
<b>General Employes</b>				
20	13.55%	18.50%	-	-
25	12.25	18.55	9.75%	11.00%
30	8.70	12.90	5.32	6.50
35	8.20	12.00	5.53	5.59
40	6.75	8.00	3.47	6.50
45	7.00	7.10	2.30	3.59
50	6.40	6.60	1.83	2.60
55	5.25	6.00	1.53	2.80
60	-	-	-	-
<b>Fire and Police</b>				
20	8.20%	7.40%	-	-
25	3.10	6.20	1.92%	3.33%
30	2.20	5.90	1.62	4.77
35	2.70	5.30	1.57	2.69
40	4.40	4.40	1.29	1.39
45	5.40	4.40	1.54	2.18
50	8.80	4.40	5.79	9.57
55	10.00	4.40	-	-
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
<b>General Employees</b>		
20	0.050%	14.46%
25	0.050	9.45
30	0.060	5.94
35	0.077	4.02
40	0.146	2.80
45	0.180	1.75
50	0.284	0.96
55	0.585	0.26
60	0.077	-
65	0.200	-
<b>Fire</b>		
20	0.06%	14.46%
25	0.136	9.45
30	0.28	5.94
35	0.76	4.02
40	1.2	2.80
45	1.2	1.75
50	1.35	0.96
55	1.35	0.26
60	1.35	-
65	1.35	-
<b>Police</b>		
20	0.03%	14.46%
25	0.03	9.45
30	0.1	5.94
35	0.17	4.02
40	0.21	2.80
45	0.21	1.75
50	0.21	0.96
55	0.21	0.26
60	0.21	-
65	0.21	-

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

For regular retirees and for survivors, the RP-2000 Combined Mortality Table projected nine years using Scale AA. Future generational rates are projected from 2009 based on Scale AA. For duty and ordinary disability retirees, use the RP-2000 Disability Mortality Table. For death in active service, the rates are similar to those used for regular retirees and survivors with a 6-year setback.

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 that were in service as of January 1, 1938. New employees are automatically members as a condition of employment. Membership is optional for elected officials. Additionally, effective January 1, 2014, there are two tiers of benefits: Tier 1 is for General employees enrolled prior to January 1, 2014, and all Fire and Police employees; Tier 2 is for General employees enrolled on or after January 1, 2014. Please note that unless specifically stated, elected officials follow the same rules as General employees.

### **Participation in the Combined Fund**

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

### **Creditable Service**

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

- (a) For most employees, 2080 hours of service constitute one year of creditable service. For prevailing wage employes (carpenters and other tradespeople) 2000 hours constitute one year. For members employed by the school board for a 10-month school year, 1600 hours of service constitute a year of creditable service. After July 2006, for members serving as firefighters, 2590 hours of service constitutes one 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. A member must be described as in 36-04-1-c. An individual eligible for imputed military service credit must apply for the credit.
- (b) **Imputed fire and police service credit:** The member must be described as in 36-04-4-a. 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. To be eligible, the member must retire or die as a policeman or fireman and must have attained the minimum service retirement requirements as outlined in 36-05-1.
- (c) **Imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund, (the "Fund"):** The member must be described as in 36-04-4-b. 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, 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 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 the full years of creditable fire and police service, divided by 20.
- (c) **Imputed service credit under the dissolution of the Firemen and Policemen's Survivorship Fund:** 2 years.

### **Seasonal Service**

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

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

In order to be eligible for seasonal service credit, a member must be a General City employe with five or more years of City service credit, and a member of one of the groups as outlined in 36-04-1-d.

### **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.

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

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

### **Qualifying for an ERS Benefit**

Rules regarding qualifying time are encapsulated in the ERS Board Rules & Regulations, XV.G. The rules have been adopted and applied prospectively for enrollments prior to 1995, 1995 to 2001 and post 2001. All members are fully vested after attaining four years of qualifying time.

### **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 as described in 36-02-12. Earnable compensation for the calendar year preceding retirement may also include special pays as negotiated in labor agreements such as longevity in rank pay, (limited) variable shift assignment pay, police liaison officer pay, and/or certification pay for policemen; and emergency medical technician pay for firemen. Earnable compensation for school board employes represented by Local 950, OEIU, also includes site differential pay.

### **Final Average Salary**

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

### **Eligibility for Service Retirement**

For Tier 1 Benefits (applicable to General employes enrolled prior to January 1, 2014 and all Fire and Police employes), eligibility for service retirement is as defined under 36-05-01 as follows:

- (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 that have attained age 55 and completed 30 years of qualifying time are eligible for service retirement.
- (c) Policemen who participate in the Combined Fund are eligible for service retirement at any age after attaining 25 years of fire or police qualifying time.
- (d) Firemen who participate in the Combined Fund, who have attained age 49 and completed 22 years of fire or police qualifying time, 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 fire or police qualifying time.

For Tier 2 Benefits (applicable to General employees enrolled on or after January 1, 2014), eligibility for service retirement is as defined under 36-05-01 as follows:

- (a) A service retirement allowance is payable to any member who elects to retire after attaining the minimum service retirement age, which is age 65 for general employees.
- (b) General employees that have attained age 60 and completed 30 years of qualifying time are eligible for service retirement.

### **Amount of Service Retirement Allowance**

The amount of a member's service retirement allowance under 36-05-01 is equal to the following:

- (a) For general employees, enrolled prior to January 1, 2014, 2% of final average salary for each year of creditable service, imputed military service, or seasonal service limited to 70% of final average salary. For general employees, enrolled on or after January 1, 2014, 1.6% 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, and who were in active service on or after January 1, 1995, 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 enrolled prior to January 1, 2014, 2.6% of final average salary for each year of creditable service as an elected official for years before 1996, limited to 70% of the final average salary; 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%, limited to 70% of the final average salary, except for elected officials who were enrolled prior to 2014 and are first elected to office on or after January 1, 2014, in which case their accrual rate is 2% for each year if they contribute 5.5% of their earnable compensation, or 2.5% for each year if they contribute 7% of their earnable compensation. For elected officials enrolled on or after January 1, 2014, 1.6% of final average salary for each year of creditable service as an elected official limited to 70% of the final average salary

### **Funds Charged with Service Retirement Allowance**

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

### **Eligibility for Ordinary Disability Retirement Allowance**

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

### **Amount of Ordinary Disability Retirement Allowance**

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

- (a) For general employes, 90% of the service retirement allowance based on creditable service to date of disability retirement, but no less than 25% of final average salary, provided such amount does not exceed 90% of the retirement allowance payable had the member continued in service to the minimum service retirement age.
- (b) For policemen and firemen hired after January 1, 1971, who have 5 years of service, 25% of final average salary plus 2% thereof for each year of creditable service in excess of 5 years up to a maximum of 50% of final average salary.
- (c) For policemen and firemen hired before January 1, 1971, the greater of the benefit described in (a), or the benefit described in (b).
- (d) The benefit is payable for life while the member remains disabled, except that for general employes with less than 10 years of qualifying time, 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. Unless the member is beyond his/her conversion age, in which case the member would be eligible for an extended lifetime Duty Disability benefit. The medical certification is made by the Medical Council for general employes, for members of the MPA enrolled after June 28, 2005, and for members of the MPFFA enrolled after December 13, 2005 with disability based on a mental injury. For all other members, the medical certification is made by the Medical Panel. There are certain diseases that are considered presumptive for purposes of duty disabilities.

## **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 may choose between a service retirement or extended life duty disability retirement.

- (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, notwithstanding any cost of living adjustments. 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 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 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 convert at the highest conversion age agreed upon during their employment (Section 36-05-3). 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 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 if the member has one or more years of active service, one-half 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 amount remaining, if any, of the member's contributions with interest to retirement less 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 and completion of 22 years of qualifying time as a fireman or policeman, or age 52 and 25 years of qualifying time as a fireman or policeman, or age 57. 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 qualifying time as a policeman or fireman. 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 who enrolled prior to January 1, 2014, may elect a PSO during the 6 months that precede the earlier of attainment of age 60, or completion of 30 years of qualifying time and attainment of age 55. General employees who enrolled on or after January 1, 2014, may elect a PSO during the 6 months that precede the earlier of attainment of age 65, or completion of 30 years of qualifying time and attainment of age 60.

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. As of June 5, 2012, general employees may also reselect a PSO if they marry, or divorce, or select a different option and/or beneficiary at retirement.

The PSO may be 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 (payable in this order):

- (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% (tier 1 – enrolled prior to January 1, 2014)  
4.0% (tier 2 – enrolled on or after January 1, 2014)
- (b) Firemen and Policemen - 7.0%
- (c) Elected Officials - 7.0% (tier 1 – enrolled prior to January 1, 2014 and elected to an office prior to January 1, 2014; if enrolled prior to January 1, 2014, and elected or the first time to an office on or after January 1, 2014, and employee was paying contributions prior to being elected, employee pays contributions at the rate they were paying prior to becoming an elected official; if enrolled prior to January 1, 2014, and elected or the first time to an office on or after January 1, 2014, and employer was picking up contributions on behalf of the employee prior to being elected, employer pays 7.0%)  
4.0% (tier 2 – enrolled on or after January 1, 2014)

Under state law, per 2011 Wisconsin Act 10, participating employers are no longer permitted to make contributions on the members behalf (with the exception of contractually agreed upon arrangements).

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 as listed and described under section 36-05-1(h). 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.

Fire and Police \$50 escalators paid to participants in the Combined Fund are charged to the Combined Fund. Fire and Police \$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 that attained the minimum service retirement age and retired with a service retirement allowance prior to October 1, 1987, or who retired on a duty disability allowance and converted to a service retirement allowance prior to October 1, 1987.
- (b) Firemen and policemen who retired prior to October 1, 1987, who became eligible to retire on service retirement at age 57, or after attaining age 52 and completing 25 years of service. Also, firemen and policemen who retired on a duty disability allowance and converted to a service retirement allowance prior to October 1, 1987.
- (c) Surviving spouses of eligible retirees, or of members who elected a PSO and died prior to October 1 1987, after naming their spouse as the designated beneficiary under Option 2, Option 3, or Option 4 with a percentage to the beneficiary.

### **Timing and Amount of Increase:**

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

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

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

### **2% Escalator for pre-1993 Retirees**

#### **Eligible Group:**

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

### **Timing and Amount of Increase:**

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

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

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



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

**Eligible Group:**

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

**Timing and Amount of Increase:**

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

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

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

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

**Eligible Group:**

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

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

**Timing and Amount of Increases that occur after 1999:**

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

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

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

The CPI escalator is charged to the Combined Fund.

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

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

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

#### **Eligible Group:**

- (a) General employes 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 employes 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 Employee 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 employee retirees and their surviving spouses. The types of benefits that receive the 1.5%/2% escalator include:

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

**Timing and Amount of Increases that occur after 1999:**

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

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

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

Tier 2 employees receive an increase of 2% on the fifth anniversary of their retirement and on each anniversary that follows, but only for service retirement.

Benefits are charged to the Combined Fund.

### **Fire and Police Survivorship Benefits Prior to the Global Pension Settlement**

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.

### **Fire and Police Survivorship Benefits for Survivors Participating in the 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 a member will possibly be entitled to one of the options outlined below. Additional eligibility information about Separation Benefits is provided under 36-05-6.

- (a) If the member has less than four years of creditable service, a refund of member contributions (not paid by the member's employer). Interest on the 5.5% or 7% member paid contributions is also payable.
- (b) If the member has four years of creditable 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 4 years of creditable service, or (ii) firemen or policemen after 10 years of creditable service.

- (d) If the member's service is involuntarily terminated, or the member terminates voluntarily after attaining age 55 and completing 15 years of creditable 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 qualifying time 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 qualifying time 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) **5% lump sum bonus**  
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.

- (b) **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; (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; (iv) or retires as a fireman or policeman on an extended life duty disability.

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.

### **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) **5% lump sum bonus:**

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.

- (b) **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.

The 5% lump sum bonus and the 8.6% lump sum bonus are paid from the Combined Fund.

### **Benefits Not Valued**

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, 2014

Age	Years of Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	27 \$36,748										27 \$36,748
25-29	136 \$41,821	18 \$38,419									154 \$41,424
30-34	170 \$44,560	59 \$48,282	36 \$46,646	1 \$43,522							266 \$45,664
35-39	123 \$48,089	109 \$51,969	63 \$50,796	16 \$46,444	1 \$38,487						312 \$49,876
40-44	100 \$44,690	78 \$50,902	102 \$53,596	92 \$53,187	13 \$57,542	3 \$53,321					388 \$50,792
45-49	89 \$40,364	96 \$46,078	98 \$47,931	112 \$56,246	78 \$57,569	30 \$48,522	1 \$65,896				504 \$49,652
50-54	78 \$42,338	81 \$45,593	80 \$51,790	100 \$52,587	108 \$59,111	111 \$57,917	81 \$59,484	16 \$49,110			655 \$53,151
55-59	64 \$45,095	68 \$48,989	57 \$49,420	75 \$53,284	97 \$59,200	116 \$58,799	94 \$62,928	34 \$57,199	3 \$80,142		608 \$55,418
60-64	36 \$45,031	39 \$44,699	49 \$50,896	48 \$54,762	42 \$61,918	75 \$60,166	46 \$64,914	19 \$72,796	9 \$55,244		363 \$56,381
Over 64	3 \$42,959	19 \$50,748	23 \$52,447	12 \$43,114	9 \$56,780	11 \$70,673	4 \$74,550	5 \$70,001	9 \$78,096		95 \$57,434
<b>Total</b>	826 \$43,789	567 \$48,202	508 \$50,598	456 \$53,466	348 \$58,951	346 \$58,251	226 \$62,317	74 \$60,320	21 \$68,595		3,372 \$51,673

## Active Membership – Water Department

### Number And Average Annual Salary As Of December 31, 2014

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	9 \$44,724	1 \$38,612								10 \$44,113
30-34	10 \$40,966	3 \$59,495	4 \$47,247							17 \$45,714
35-39	13 \$40,616	11 \$50,620	5 \$57,894							29 \$47,390
40-44	16 \$43,189	13 \$50,755	8 \$51,735	1 \$80,486						38 \$48,558
45-49	6 \$41,523	13 \$42,198	11 \$51,684	5 \$49,979	8 \$63,026					43 \$49,310
50-54	12 \$44,131	7 \$46,597	10 \$51,069	3 \$51,774	4 \$56,830	16 \$64,627	11 \$59,481			63 \$54,562
55-59	3 \$41,723	5 \$41,968	4 \$59,482	5 \$68,312	13 \$55,517	17 \$63,064	15 \$65,009	5 \$53,039		67 \$58,935
60-64	4 \$43,276	3 \$44,163	1 \$49,458	2 \$89,173	4 \$60,618	5 \$74,382	2 \$56,352	2 \$69,310		23 \$60,831
Over 64			2 \$50,464	1 \$46,974	1 \$91,023	1 \$65,565	1 \$65,368	1 \$55,399		7 \$60,751
<b>Total</b>	73 \$42,578	56 \$47,336	45 \$52,441	17 \$61,917	30 \$59,558	39 \$65,220	29 \$62,327	8 \$57,402		297 \$53,093

## Active Membership – School Board

### Number And Average Annual Salary As Of December 31, 2014

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	73 \$23,589									73 \$23,589
25-29	329 \$22,919	10 \$28,635								339 \$23,088
30-34	251 \$25,143	59 \$26,021	8 \$36,783							318 \$25,599
35-39	218 \$25,649	108 \$23,866	43 \$26,789	26 \$41,400						395 \$26,322
40-44	203 \$25,865	109 \$24,664	89 \$27,322	45 \$35,653	6 \$51,071					452 \$27,171
45-49	205 \$26,184	126 \$23,970	130 \$24,368	112 \$35,089	41 \$35,703	16 \$52,126	1 \$63,291			631 \$28,283
50-54	164 \$25,246	104 \$24,395	150 \$24,071	134 \$33,605	83 \$37,273	50 \$47,769	24 \$49,707	6 \$42,018		715 \$30,375
55-59	121 \$26,087	79 \$22,736	144 \$23,818	139 \$27,981	84 \$32,589	51 \$44,698	21 \$61,896	14 \$53,790	1 \$48,653	654 \$29,649
60-64	56 \$26,314	54 \$20,049	84 \$25,781	67 \$26,035	42 \$30,566	27 \$46,409	10 \$49,705	1 \$58,737	2 \$37,046	343 \$28,084
Over 64	20 \$20,945	25 \$17,805	30 \$24,466	21 \$25,236	6 \$28,620	3 \$26,124	2 \$21,169		1 \$66,718	108 \$23,029
<b>Total</b>	1,640 \$24,983	674 \$23,692	678 \$25,053	544 \$31,760	262 \$34,568	147 \$46,486	58 \$53,370	21 \$50,662	4 \$47,366	4,028 \$27,667

Active Membership – Milwaukee Technical College

Number And Average Annual Salary  
As Of December 31, 2014

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										
Over 64									1	1
									\$57,048	\$57,048
<b>Total</b>									1	1
									\$57,048	\$57,048

## Active Membership – Sewerage Commission

### Number And Average Annual Salary As Of December 31, 2014

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	4 \$54,680									4 \$54,680
25-29	14 \$54,823									14 \$54,823
30-34	14 \$62,007	5 \$69,249								19 \$63,912
35-39	11 \$63,990	8 \$76,855	5 \$64,582							24 \$68,402
40-44	8 \$83,296	9 \$77,853	4 \$83,461							21 \$80,995
45-49	3 \$72,604	6 \$74,316	5 \$77,356	4 \$112,137	4 \$71,676	1 \$69,090				23 \$80,645
50-54	2 \$69,039	3 \$77,697	8 \$81,000	2 \$117,562	11 \$74,835	7 \$64,890	2 \$97,471	1 \$62,337		36 \$77,472
55-59	2 \$84,257	2 \$73,996	4 \$113,856	2 \$65,593	7 \$61,091	7 \$81,759	8 \$88,245	2 \$72,316		34 \$80,990
60-64	3 \$60,340	5 \$66,549	1 \$48,306	5 \$95,475	5 \$51,936	5 \$100,065	5 \$75,559	7 \$119,692		36 \$83,753
Over 64		2 \$88,292	3 \$88,342		1 \$98,482	1 \$93,946				7 \$90,577
<b>Total</b>	61 \$64,426	40 \$74,952	30 \$82,010	13 \$99,403	28 \$67,703	21 \$80,472	15 \$85,246	10 \$104,481		218 \$76,100

Active Membership – Veolia

Number And Average Annual Salary  
As Of December 31, 2014

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				1	1					2
				\$62,635	\$70,752					\$66,694
50-54					4	2	1			7
					\$72,851	\$70,805	\$121,171			\$79,169
55-59				2	8	10	11	1		32
				\$79,303	\$77,601	\$75,693	\$79,067	\$69,930		\$77,375
60-64				1	5	2	2	1		11
				\$79,345	\$79,011	\$75,701	\$94,191	\$71,764		\$80,541
Over 64						1				1
						\$71,764				\$71,764
<b>Total</b>				4	18	15	14	2		53
				\$75,147	\$76,557	\$74,780	\$84,235	\$70,847		\$77,760

Active Membership – Wisconsin Center District

Number And Average Annual Salary  
As Of December 31, 2014

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	5 \$39,842	1 \$36,652								6 \$39,310
30-34	1 \$39,714	3 \$51,367	1 \$43,516							5 \$47,466
35-39	6 \$51,024	3 \$49,479	4 \$42,526							13 \$48,053
40-44	4 \$34,468	1 \$74,650		2 \$62,448						7 \$48,203
45-49	1 \$15,549	2 \$46,018		2 \$62,607	2 \$50,266					7 \$47,619
50-54	4 \$24,185		3 \$58,658	2 \$70,670		1 \$44,189	1 \$36,220			11 \$44,951
55-59	3 \$22,613	4 \$33,726	1 \$21,887	4 \$72,052	1 \$46,798	2 \$50,590		1 \$88,320		16 \$46,821
60-64	4 \$27,064	4 \$37,640	1 \$49,414	1 \$142,693	1 \$44,202	1 \$36,141		1 \$102,647		13 \$48,762
Over 64	2 \$12,836	1 \$8,233	1 \$76,529	1 \$93,048						5 \$40,696
<b>Total</b>	30 \$33,233	19 \$42,083	11 \$48,857	12 \$76,283	4 \$47,883	4 \$45,378	1 \$36,220	2 \$95,484		83 \$46,381



## Active Membership – Housing Authority

### Number And Average Annual Salary As Of December 31, 2014

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 \$33,255									1 \$33,255
25-29	5 \$45,299	5 \$41,390								10 \$43,344
30-34	3 \$40,048	2 \$41,503								5 \$40,630
35-39	7 \$41,544	5 \$53,899	3 \$51,501	2 \$57,743						17 \$48,841
40-44	4 \$37,999	5 \$48,465	3 \$51,138	2 \$52,564						14 \$46,633
45-49	8 \$42,015	10 \$62,666	5 \$64,543	9 \$61,438		2 \$69,959	1 \$65,503			35 \$58,396
50-54	5 \$51,032	4 \$49,829	2 \$49,995	6 \$66,864	5 \$78,846	5 \$69,860	4 \$77,783			31 \$64,849
55-59	5 \$53,334	5 \$49,104	3 \$54,333	5 \$67,751	3 \$85,489	6 \$70,674		2 \$82,875		29 \$64,145
60-64	3 \$38,201	8 \$62,952	4 \$82,311	3 \$55,463	5 \$78,053				1 \$49,572	24 \$64,737
Over 64		1 \$44,330	1 \$59,452	3 \$78,860			2 \$72,992			7 \$69,478
<b>Total</b>	41 \$43,787	45 \$53,805	21 \$61,063	30 \$63,882	13 \$80,074	13 \$70,251	7 \$74,659	2 \$82,875	1 \$49,572	173 \$58,424

Active Membership – Redevelopment Authority

Number And Average Annual Salary  
As Of December 31, 2014

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		1 \$64,816	1 \$67,924							2 \$66,370
35-39	1 \$48,563	2 \$52,603	1 \$71,216							4 \$56,246
40-44										
45-49			2 \$104,025	1 \$64,071						3 \$90,707
50-54		2 \$77,299			1 \$94,731					3 \$83,110
55-59			1 \$64,598		1 \$79,947					2 \$72,273
60-64									1 \$45,996	1 \$45,996
Over 64										
<b>Total</b>	1 \$48,563	5 \$64,924	5 \$82,357	1 \$64,071	2 \$87,339				1 \$45,996	15 \$71,314

## Active Membership – General Employees

### Number And Average Annual Salary As Of December 31, 2014

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	105 \$28,249									105 \$28,249
25-29	498 \$29,767	35 \$36,003								533 \$30,176
30-34	449 \$34,128	132 \$39,474	50 \$45,479	1 \$43,522						632 \$36,158
35-39	379 \$35,314	246 \$40,394	124 \$43,228	44 \$43,977	1 \$38,487					794 \$38,608
40-44	335 \$33,931	215 \$38,773	206 \$42,717	142 \$47,945	19 \$55,498	3 \$53,321				920 \$39,701
45-49	312 \$31,342	253 \$36,193	251 \$37,255	246 \$47,695	134 \$51,615	49 \$50,993	3 \$64,897			1,248 \$39,767
50-54	265 \$31,933	201 \$35,538	253 \$36,318	247 \$43,298	216 \$52,355	192 \$56,461	124 \$59,104	23 \$47,835		1,521 \$43,437
55-59	198 \$33,691	163 \$35,986	214 \$33,596	232 \$39,414	214 \$49,688	209 \$57,544	149 \$65,543	59 \$58,163	4 \$72,270	1,442 \$45,088
60-64	106 \$34,638	113 \$34,914	140 \$36,685	127 \$42,654	104 \$50,154	115 \$59,350	65 \$64,030	31 \$83,637	13 \$51,297	814 \$46,232
Over 64	25 \$22,938	48 \$34,135	60 \$40,704	38 \$37,472	17 \$51,309	17 \$63,944	9 \$61,321	6 \$67,568	11 \$75,148	231 \$42,516
<b>Total</b>	2,672 \$32,568	1,406 \$37,335	1,298 \$38,321	1,077 \$43,825	705 \$51,120	585 \$57,160	350 \$62,867	119 \$63,277	28 \$63,663	8,240 \$40,928

## Active Membership – Policemen

### Number And Average Annual Salary As Of December 31, 2014

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	45 \$58,861	10 \$58,769								55 \$58,845
25-29	88 \$56,788	75 \$68,873	8 \$70,158							171 \$62,714
30-34	76 \$60,313	133 \$69,851	63 \$70,723	10 \$72,807						282 \$67,580
35-39	18 \$58,272	87 \$69,437	116 \$70,817	45 \$72,942	13 \$73,195					279 \$70,031
40-44	8 \$56,472	43 \$69,206	107 \$70,559	151 \$74,383	88 \$75,754	1 \$79,356				398 \$72,751
45-49	2 \$49,261	17 \$68,699	55 \$69,674	109 \$72,585	214 \$75,805	28 \$81,248	2 \$69,501			427 \$74,114
50-54	1 \$63,177	4 \$68,786	24 \$70,756	25 \$71,288	109 \$74,078	40 \$78,530	11 \$78,239			214 \$74,276
55-59		1 \$68,760	8 \$68,950	7 \$73,360	36 \$72,058	16 \$75,990	6 \$78,516	4 \$83,401		78 \$73,699
60-64				1 \$69,850	4 \$69,814	3 \$74,047	2 \$76,800			10 \$72,485
Over 64		1 \$151,825				2 \$83,823		1 \$89,209	2 \$84,481	6 \$96,273
<b>Total</b>	238 \$58,371	371 \$69,337	381 \$70,507	348 \$73,332	464 \$74,974	90 \$78,901	21 \$77,349	5 \$84,563	2 \$84,481	1,920 \$70,888

## Active Membership – Firemen

### Number And Average Annual Salary As Of December 31, 2014

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	11 \$57,131									11 \$57,131
25-29	23 \$48,938	11 \$69,789	12 \$72,469							46 \$60,063
30-34	46 \$50,949	27 \$63,251	38 \$71,915	8 \$75,542						119 \$62,089
35-39	23 \$49,458	20 \$65,502	25 \$72,314	46 \$73,821	1 \$68,826					115 \$67,131
40-44	9 \$47,755	9 \$63,463	31 \$71,000	64 \$74,213	28 \$73,619					141 \$71,014
45-49	3 \$53,238	4 \$67,550	16 \$71,801	51 \$73,347	83 \$75,205	14 \$72,915	1 \$77,887			172 \$73,605
50-54	1 \$77,849		5 \$75,468	16 \$75,222	52 \$74,934	47 \$77,664	17 \$79,139	1 \$72,777		139 \$76,429
55-59		1 \$139,087	1 \$77,238	3 \$68,409	13 \$71,443	15 \$81,771	19 \$77,432	4 \$87,413		56 \$78,531
60-64						3 \$73,159	2 \$86,622			5 \$78,544
Over 64										
<b>Total</b>	116 \$50,884	72 \$66,194	128 \$71,989	188 \$73,932	177 \$74,562	79 \$77,431	39 \$78,659	5 \$84,486		804 \$70,382

## 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, 2014  
General Employees**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
20		\$	1	\$ 29,290	1	\$ 29,290
21	2	49,533	3	65,330	5	114,863
22	5	159,466	9	217,355	14	376,821
23	13	379,153	19	497,314	32	876,467
24	21	694,220	32	874,527	53	1,568,747
25	30	820,404	54	1,439,484	84	2,259,888
26	45	1,404,289	58	1,527,884	103	2,932,173
27	41	1,387,906	60	1,623,682	101	3,011,588
28	52	1,964,362	80	2,403,423	132	4,367,785
29	41	1,339,915	72	2,172,646	113	3,512,561
30	57	2,195,852	69	2,159,148	126	4,355,000
31	61	2,485,374	67	2,046,891	128	4,532,265
32	53	2,416,730	65	2,082,660	118	4,499,390
33	68	2,891,907	70	2,254,262	138	5,146,169
34	51	2,049,326	71	2,269,418	122	4,318,744
35	61	2,527,431	86	3,076,978	147	5,604,409
36	70	3,315,548	91	3,297,522	161	6,613,070
37	76	3,404,472	107	3,786,975	183	7,191,447
38	69	2,943,825	93	3,333,261	162	6,277,086
39	64	2,820,051	77	2,148,422	141	4,968,473
40	83	4,069,602	93	2,947,373	176	7,016,975
41	71	3,498,210	78	2,693,663	149	6,191,873
42	69	3,130,164	93	2,884,459	162	6,014,623
43	85	4,140,560	113	3,749,961	198	7,890,521
44	116	5,554,261	119	3,856,894	235	9,411,155
45	119	5,642,303	136	4,655,842	255	10,298,145
46	101	4,921,750	120	3,911,455	221	8,833,205
47	117	5,521,469	143	4,727,995	260	10,249,464
48	124	6,021,775	123	4,014,157	247	10,035,932
49	122	5,878,659	143	4,333,862	265	10,212,521
50	122	5,774,680	145	4,940,910	267	10,715,590
51	125	6,210,188	161	5,963,042	286	12,173,230
52	140	7,000,465	186	6,491,682	326	13,492,147
53	150	8,319,814	169	6,441,747	319	14,761,561
54	164	8,945,961	159	5,978,508	323	14,924,469
55	144	7,398,143	161	5,607,866	305	13,006,009
56	157	8,345,474	174	6,680,651	331	15,026,125
57	138	7,378,051	145	5,013,055	283	12,391,106
58	133	7,397,249	150	5,360,404	283	12,757,653
59	136	7,501,880	104	4,333,993	240	11,835,873

**TABLE 1**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Age As Of December 31, 2014  
General Employees**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
60	122	\$ 7,035,142	136	\$ 4,422,131	258	\$ 11,457,273
61	86	5,088,462	107	4,209,857	193	9,298,319
62	78	4,305,907	75	3,012,844	153	7,318,751
63	54	3,112,601	74	2,818,495	128	5,931,096
64	41	2,340,118	41	1,287,232	82	3,627,350
65	27	1,498,538	34	892,170	61	2,390,708
66	23	1,273,173	28	1,214,849	51	2,488,022
67	14	673,066	9	354,396	23	1,027,462
68	10	544,915	21	717,752	31	1,262,667
69	8	586,718	7	246,374	15	833,092
70	4	187,191	6	224,094	10	411,285
71	4	169,252	4	129,885	8	299,137
72	5	357,453	4	121,790	9	479,243
73	2	121,622	4	102,126	6	223,748
74			2	55,951	2	55,951
75	1	65,917	1	12,447	2	78,364
76			1	8,517	1	8,517
77	1	14,704	2	90,141	3	104,845
78			1	40,475	1	40,475
79			3	49,095	3	49,095
80			1	18,896	1	18,896
81			1	12,596	1	12,596
82	1	18,245	1	10,712	2	28,957
92	1	8,233			1	8,233
<b>Total</b>	<b>3,778</b>	<b>\$ 185,301,679</b>	<b>4,462</b>	<b>\$ 151,946,816</b>	<b>8,240</b>	<b>\$ 337,248,495</b>



**TABLE 2**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Years Of Credited Service As Of December 31, 2014  
General Employees**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	264	\$ 8,921,382	394	\$ 10,465,460	658	\$ 19,386,842
1	339	11,932,566	485	12,037,892	824	23,970,458
2	221	8,611,622	259	7,760,888	480	16,372,510
3	182	7,990,465	184	5,973,602	366	13,964,067
4	140	6,824,233	204	6,503,102	344	13,327,335
5	134	5,360,665	176	4,710,993	310	10,071,658
6	132	5,862,849	163	5,014,816	295	10,877,665
7	113	5,111,698	158	4,813,523	271	9,925,221
8	123	6,038,097	145	4,731,521	268	10,769,618
9	132	6,511,712	130	4,337,306	262	10,849,018
10	89	4,343,413	127	4,085,161	216	8,428,574
11	93	4,190,811	142	3,922,946	235	8,113,757
12	95	4,345,281	165	4,963,807	260	9,309,088
13	124	6,622,277	166	5,103,080	290	11,725,357
14	119	5,946,179	178	6,218,167	297	12,164,346
15	93	4,681,151	124	4,112,007	217	8,793,158
16	86	4,926,191	115	4,012,492	201	8,938,683
17	113	5,855,063	111	3,635,576	224	9,490,639
18	124	6,741,404	94	3,595,979	218	10,337,383
19	108	5,287,489	109	4,351,909	217	9,639,398
20	78	4,117,997	70	2,598,950	148	6,716,947
21	67	3,623,095	64	2,735,623	131	6,358,718
22	58	3,259,148	66	2,698,087	124	5,957,235
23	89	5,237,409	55	2,644,399	144	7,881,808
24	93	6,100,888	65	3,023,911	158	9,124,799
25	75	4,225,945	64	3,455,302	139	7,681,247
26	56	3,546,091	59	2,741,043	115	6,287,134
27	52	3,392,783	53	2,780,103	105	6,172,886
28	49	3,155,242	41	2,117,930	90	5,273,172
29	78	4,818,953	58	3,204,935	136	8,023,888
30	72	4,887,154	37	2,223,228	109	7,110,382
31	40	2,597,593	40	2,494,364	80	5,091,957
32	27	1,575,498	25	1,467,962	52	3,043,460
33	27	1,870,400	12	614,890	39	2,485,290
34	34	2,407,998	36	1,864,249	70	4,272,247
35	23	1,602,984	29	1,765,031	52	3,368,015
36	14	970,680	20	1,069,187	34	2,039,867
37	6	432,869	5	282,897	11	715,766
38	5	420,942	7	379,521	12	800,463
39	3	212,987	7	392,884	10	605,871

**TABLE 2**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Years Of Credited Service As Of December 31, 2014  
General Employees**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
40	3	\$ 275,452	5	\$ 287,500	8	\$ 562,952
41			5	217,722	5	217,722
42	3	296,889	3	151,338	6	448,227
43			2	120,252	2	120,252
44			1	48,798	1	48,798
46	1	61,056			1	61,056
47			1	50,009	1	50,009
48	1	107,078			1	107,078
49			1	73,024	1	73,024
50			1	57,048	1	57,048
51			1	36,402	1	36,402
<b>Total</b>	<b>3,778</b>	<b>\$ 185,301,679</b>	<b>4,462</b>	<b>\$ 151,946,816</b>	<b>8,240</b>	<b>\$ 337,248,495</b>

**TABLE 3**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Age As Of December 31, 2014  
Policemen**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
21	1	\$ 69,466		\$	1	\$ 69,466
22	16	964,269	2	124,190	18	1,088,459
23	17	981,614	2	103,562	19	1,085,176
24	13	761,397	4	231,956	17	993,353
25	15	990,297	1	65,445	16	1,055,742
26	21	1,374,906			21	1,374,906
27	21	1,320,739	5	288,967	26	1,609,706
28	45	2,694,587	9	580,929	54	3,275,516
29	43	2,669,409	11	738,818	54	3,408,227
30	51	3,306,953	9	626,355	60	3,933,308
31	50	3,287,736	4	276,637	54	3,564,373
32	52	3,578,718	13	921,654	65	4,500,372
33	39	2,624,806	7	500,791	46	3,125,597
34	42	2,911,181	15	1,022,746	57	3,933,927
35	48	3,346,329	10	682,289	58	4,028,618
36	43	2,987,995	14	987,703	57	3,975,698
37	48	3,337,982	6	454,324	54	3,792,306
38	42	2,939,889	7	496,683	49	3,436,572
39	49	3,442,958	12	862,401	61	4,305,359
40	58	4,118,740	8	595,020	66	4,713,760
41	60	4,288,220	10	728,023	70	5,016,243
42	73	5,385,520	14	1,032,175	87	6,417,695
43	67	4,895,484	11	838,353	78	5,733,837
44	82	6,007,882	15	1,065,665	97	7,073,547
45	74	5,431,621	21	1,519,417	95	6,951,038
46	78	5,835,216	23	1,815,679	101	7,650,895
47	80	5,872,140	22	1,633,398	102	7,505,538
48	49	3,595,976	7	528,775	56	4,124,751
49	59	4,384,653	14	1,029,664	73	5,414,317
50	46	3,392,795	10	752,613	56	4,145,408
51	44	3,231,915	10	785,608	54	4,017,523
52	33	2,505,201	5	362,969	38	2,868,170
53	32	2,396,054	5	379,107	37	2,775,161
54	27	1,950,395	2	138,322	29	2,088,717
55	18	1,335,083	8	606,486	26	1,941,569
56	18	1,333,053	2	140,832	20	1,473,885
57	12	866,664	2	138,185	14	1,004,849
58	12	875,181	1	68,760	13	943,941
59	4	315,016	1	69,256	5	384,272

**TABLE 3**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Age As Of December 31, 2014  
Policemen**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
61	2	\$ 140,053	1	\$ 68,899	3	\$ 208,952
62	2	153,243	3	216,270	5	369,513
63			1	70,057	1	70,057
64			1	76,326	1	76,326
65	1	77,273			1	77,273
66	1	89,209			1	89,209
67	2	232,033			2	232,033
68	1	90,372			1	90,372
70	1	88,753			1	88,753
<b>Total</b>	1,592	\$ 112,478,976	328	\$ 23,625,309	1,920	\$ 136,104,285

**TABLE 4**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Years Of Credited Service As Of December 31, 2014  
Policemen**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	52	\$ 3,354,395	9	\$ 630,158	61	\$ 3,984,553
1	70	3,588,340	8	407,492	78	3,995,832
2	35	1,999,457	8	455,755	43	2,455,212
3	11	707,312	1	64,957	12	772,269
4	40	2,455,384	4	228,953	44	2,684,337
5	9	544,838	3	173,964	12	718,802
6	35	2,389,348	2	134,148	37	2,523,496
7	124	8,683,335	17	1,197,975	141	9,881,310
8	80	5,566,019	17	1,191,101	97	6,757,120
9	70	4,867,574	14	975,554	84	5,843,128
10	36	2,502,889	6	420,082	42	2,922,971
11	41	2,879,235	12	845,948	53	3,725,183
12	78	5,463,554	14	987,893	92	6,451,447
13	92	6,567,059	24	1,716,914	116	8,283,973
14	63	4,418,119	15	1,061,566	78	5,479,685
15	34	2,455,871	10	704,901	44	3,160,772
16	52	3,746,965	10	719,045	62	4,466,010
17	36	2,575,938	10	763,147	46	3,339,085
18	83	6,118,870	14	1,013,338	97	7,132,208
19	81	6,050,681	18	1,370,899	99	7,421,580
20	75	5,474,148	20	1,447,658	95	6,921,806
21	58	4,365,552	17	1,283,514	75	5,649,066
22	71	5,264,852	21	1,572,847	92	6,837,699
23	109	8,178,829	28	2,206,172	137	10,385,001
24	55	4,178,927	10	815,576	65	4,994,503
25	46	3,666,683	9	693,238	55	4,359,921
26	10	784,617	1	70,203	11	854,820
27	8	597,028	2	166,486	10	763,514
28	6	465,155	1	69,323	7	534,478
29	7	588,398			7	588,398
30	5	347,719			5	347,719
31	4	329,573			4	329,573
33	8	624,380	1	69,069	9	693,449
34	2	176,317	1	77,273	3	253,590
35	1	85,964			1	85,964
36	1	80,208	1	90,160	2	170,368
37	1	77,273			1	77,273
38	1	89,209			1	89,209
45	1	88,753			1	88,753
46	1	80,208			1	80,208
<b>Total</b>	<b>1,592</b>	<b>\$ 112,478,976</b>	<b>328</b>	<b>\$ 23,625,309</b>	<b>1,920</b>	<b>\$ 136,104,285</b>

**TABLE 5**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Age As Of December 31, 2014  
Firemen**

Age	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
21	5	\$ 260,850		\$	5	\$ 260,850
22	6	367,590			6	367,590
26	2	110,047			2	110,047
27	7	338,864	2	111,058	9	449,922
28	19	1,206,279			19	1,206,279
29	16	996,638			16	996,638
30	22	1,306,525	1	69,441	23	1,375,966
31	22	1,368,101			22	1,368,101
32	26	1,650,456			26	1,650,456
33	23	1,421,167	1	69,063	24	1,490,230
34	23	1,434,847	1	68,932	24	1,503,779
35	27	1,777,126			27	1,777,126
36	24	1,625,690	1	50,045	25	1,675,735
37	20	1,379,997			20	1,379,997
38	24	1,650,846			24	1,650,846
39	17	1,114,368	2	121,954	19	1,236,322
40	21	1,449,265			21	1,449,265
41	18	1,289,267			18	1,289,267
42	18	1,229,384			18	1,229,384
43	44	3,225,682	1	69,667	45	3,295,349
44	39	2,749,680			39	2,749,680
45	34	2,539,839	2	185,160	36	2,724,999
46	31	2,269,990	1	68,918	32	2,338,908
47	37	2,711,940	1	68,907	38	2,780,847
48	32	2,349,863	2	136,575	34	2,486,438
49	29	2,099,233	3	229,706	32	2,328,939
50	33	2,458,600	2	139,374	35	2,597,974
51	38	2,897,018			38	2,897,018
52	26	2,023,733	4	303,948	30	2,327,681
53	16	1,296,747			16	1,296,747
54	19	1,426,366	1	77,849	20	1,504,215
55	19	1,452,345	1	93,702	20	1,546,047
56	12	1,012,165			12	1,012,165
57	14	1,086,739			14	1,086,739
58	7	524,931			7	524,931
59	3	227,864			3	227,864
60	2	152,322			2	152,322
61	2	162,549			2	162,549
62	1	77,849			1	77,849
<b>Total</b>	<b>778</b>	<b>\$ 54,722,762</b>	<b>26</b>	<b>\$ 1,864,299</b>	<b>804</b>	<b>\$ 56,587,061</b>

**TABLE 6**

**The Number And Annual Salaries  
Of Members In Active Service Distributed By  
Years Of Credited Service As Of December 31, 2014  
Firemen**

Years of Service	Men		Women		Totals	
	Number	Compensation	Number	Compensation	Number	Compensation
0	11	\$ 628,440		\$	11	\$ 628,440
1	22	901,894	1	41,462	23	943,356
2	24	1,117,967			24	1,117,967
3	26	1,312,723	2	99,554	28	1,412,277
4	30	1,800,533			30	1,800,533
5	45	2,910,722			45	2,910,722
6	1	60,579			1	60,579
7	12	858,910			12	858,910
8	2	109,847			2	109,847
9	11	756,299	1	69,596	12	825,895
10	23	1,647,184			23	1,647,184
11	20	1,450,996	1	69,441	21	1,520,437
12	32	2,290,500	1	72,445	33	2,362,945
13	10	699,744			10	699,744
14	40	2,915,246	1	69,063	41	2,984,309
15	31	2,277,241	1	68,932	32	2,346,173
16	29	2,159,639			29	2,159,639
17	25	1,841,035	1	72,382	26	1,913,417
18	48	3,565,058	2	166,301	50	3,731,359
19	51	3,748,671			51	3,748,671
20	34	2,480,645			34	2,480,645
21	58	4,320,301	4	275,627	62	4,595,928
22	23	1,731,897	2	146,700	25	1,878,597
23	14	1,094,895	2	157,377	16	1,252,272
24	40	2,990,030			40	2,990,030
25	16	1,249,314	3	224,938	19	1,474,252
26	4	292,516			4	292,516
27	44	3,353,616	1	70,490	45	3,424,106
28			1	93,702	1	93,702
29	9	744,027	1	88,440	10	832,467
30	18	1,398,994			18	1,398,994
31	8	631,644	1	77,849	9	709,493
32	7	547,276			7	547,276
33	1	77,849			1	77,849
34	4	334,100			4	334,100
35	2	187,100			2	187,100
36	1	93,702			1	93,702
37	2	141,628			2	141,628
<b>Total</b>	<b>778</b>	<b>\$ 54,722,762</b>	<b>26</b>	<b>\$ 1,864,299</b>	<b>804</b>	<b>\$ 56,587,061</b>

TABLE 7A

The Number And Annual Benefits Payable To  
Consenting General Employes From The Combined Fund  
As Of December 31, 2014

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
10		\$	1	\$ 2,241	1	\$ 2,241
14			1	1,922	1	1,922
17			1	1,922	1	1,922
18			1	5,157	1	5,157
20			1	5,785	1	5,785
22			1	8,879	1	8,879
23			2	8,602	2	8,602
24			2	8,283	2	8,283
25			2	5,182	2	5,182
27			4	24,064	4	24,064
28			1	6,782	1	6,782
29			2	6,031	2	6,031
30			1	5,198	1	5,198
31			2	6,323	2	6,323
32			2	9,385	2	9,385
33			1	6,889	1	6,889
34			2	4,391	2	4,391
35			1	2,994	1	2,994
36			4	14,109	4	14,109
37			3	11,468	3	11,468
38	1	7,054	1	2,195	2	9,249
39	1	43,520	3	13,195	4	56,715
40	6	95,484	2	11,244	8	106,728
41	1	21,957	4	48,249	5	70,206
42	1	28,544	1	5,157	2	33,701
43	3	29,055	2	6,793	5	35,848
44	4	35,331	4	21,361	8	56,692
45	4	60,193	2	29,832	6	90,025
46	11	121,532	2	18,312	13	139,844
47	2	24,353	6	54,878	8	79,231
48	5	95,979	2	8,436	7	104,415
49	4	38,219	3	24,539	7	62,758
50	4	60,067	5	59,164	9	119,231
51	8	107,911	3	77,760	11	185,671
52	12	163,421	3	12,024	15	175,445
53	16	247,717	7	105,447	23	353,164
54	15	245,994	8	121,546	23	367,540
55	38	946,759	4	41,799	42	988,558
56	53	1,366,099	11	125,847	64	1,491,946
57	64	1,971,395	13	175,588	77	2,146,983
58	105	3,004,679	6	79,105	111	3,083,784
59	124	3,236,553	10	208,801	134	3,445,354
60	177	3,892,464	20	329,045	197	4,221,509



TABLE 7A

The Number And Annual Benefits Payable To  
Consenting General Employes From The Combined Fund  
As Of December 31, 2014

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
61	290	\$ 5,714,208	22	\$ 297,790	312	\$ 6,011,998
62	281	5,030,076	19	306,760	300	5,336,836
63	374	7,172,561	9	130,241	383	7,302,802
64	423	8,346,722	22	324,898	445	8,671,620
65	414	8,578,416	18	234,324	432	8,812,740
66	397	8,051,874	19	238,734	416	8,290,608
67	388	8,422,767	20	278,967	408	8,701,734
68	380	7,487,486	28	399,802	408	7,887,288
69	245	5,003,074	25	427,794	270	5,430,868
70	252	5,201,990	17	157,517	269	5,359,507
71	214	4,526,261	27	418,808	241	4,945,069
72	234	4,240,109	35	607,759	269	4,847,868
73	197	3,887,295	41	733,952	238	4,621,247
74	195	3,623,440	28	509,237	223	4,132,677
75	175	3,105,501	29	409,968	204	3,515,469
76	184	2,912,720	37	582,095	221	3,494,815
77	215	4,033,454	36	457,833	251	4,491,287
78	188	3,433,364	45	584,059	233	4,017,423
79	154	2,182,042	45	657,744	199	2,839,786
80	165	2,779,803	38	472,552	203	3,252,355
81	140	1,889,457	44	634,819	184	2,524,276
82	173	2,609,704	49	649,226	222	3,258,930
83	180	2,767,601	42	541,293	222	3,308,894
84	153	2,509,344	58	615,351	211	3,124,695
85	121	1,746,830	64	719,157	185	2,465,987
86	131	1,684,899	55	683,063	186	2,367,962
87	112	1,517,766	59	644,472	171	2,162,238
88	128	1,703,781	51	536,378	179	2,240,159
89	100	1,388,398	41	399,235	141	1,787,633
90	96	1,266,737	41	411,591	137	1,678,328
91	77	933,162	36	317,573	113	1,250,735
92	55	512,142	31	239,157	86	751,299
93	47	623,468	32	223,163	79	846,631
94	44	392,982	26	288,285	70	681,267
95	24	187,932	17	149,746	41	337,678
96	16	166,196	16	108,630	32	274,826
97	18	138,952	7	51,277	25	190,229
98	3	34,985	5	28,807	8	63,792
99	5	21,293	6	59,801	11	81,094
100	2	3,817	1	4,980	3	8,797
101	1	12,653	1	4,818	2	17,471
103			1	4,978	1	4,978
104	1	1,323			1	1,323
105	1	16,086			1	16,086
<b>Total</b>	<b>7,652</b>	<b>\$ 141,706,951</b>	<b>1,400</b>	<b>\$ 17,272,558</b>	<b>9,052</b>	<b>\$ 158,979,509</b>

TABLE 7B

The Number And Annual Benefits Payable To  
Consenting Firemen From The Combined Fund  
As Of December 31, 2014

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
32	1	\$ 48,942		\$	1	\$ 48,942
37	2	89,829			2	89,829
38	1	49,408			1	49,408
41	1	26,698			1	26,698
42	3	151,935			3	151,935
43	4	191,635			4	191,635
44	1	56,853			1	56,853
45	4	157,778	1	56,205	5	213,983
46	9	453,718			9	453,718
47	6	325,574			6	325,574
48	2	100,474			2	100,474
49	8	408,357	2	89,738	10	498,095
50	9	460,128	1	19,880	10	480,008
51	10	535,112	1	35,142	11	570,254
52	13	693,915			13	693,915
53	12	644,430			12	644,430
54	21	1,033,237			21	1,033,237
55	22	1,171,887			22	1,171,887
56	29	1,620,015	3	138,762	32	1,758,777
57	43	2,253,728	3	84,554	46	2,338,282
58	48	2,587,427	1	36,408	49	2,623,835
59	49	2,589,276	1	35,142	50	2,624,418
60	45	2,345,825	6	187,105	51	2,532,930
61	42	2,197,071	4	117,736	46	2,314,807
62	39	2,126,784	5	84,519	44	2,211,303
63	27	1,383,620	1	3,600	28	1,387,220
64	26	1,306,318			26	1,306,318
65	28	1,526,387	3	70,189	31	1,596,576
66	33	1,853,870	1	6,463	34	1,860,333
67	32	1,681,523	7	122,726	39	1,804,249
68	50	3,000,044	6	141,204	56	3,141,248
69	27	1,496,899	3	119,338	30	1,616,237
70	18	954,722	7	184,776	25	1,139,498
71	27	1,222,848	4	128,116	31	1,350,964
72	36	1,816,440	9	237,720	45	2,054,160
73	31	1,707,429	5	149,778	36	1,857,207
74	18	946,774	4	95,862	22	1,042,636
75	21	1,012,805	5	92,820	26	1,105,625
76	19	914,162	3	107,490	22	1,021,652
77	15	618,984	9	212,850	24	831,834
78	13	681,518	8	194,876	21	876,394
79	21	978,663	11	275,604	32	1,254,267

**TABLE 7B**

**The Number And Annual Benefits Payable To  
Consenting Firemen From The Combined Fund  
As Of December 31, 2014**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
80	9	\$ 387,304	11	\$ 305,634	20	\$ 692,938
81	12	501,613	8	165,378	20	666,991
82	11	437,464	13	343,304	24	780,768
83	17	699,793	12	213,539	29	913,332
84	28	1,042,180	20	386,464	48	1,428,644
85	12	537,640	18	392,996	30	930,636
86	20	765,997	14	252,002	34	1,017,999
87	12	409,823	20	471,695	32	881,518
88	11	377,416	8	161,504	19	538,920
89	1	21,498	10	168,973	11	190,471
90	7	252,917	2	16,677	9	269,594
91	7	237,665	1	13,546	8	251,211
92	3	83,712	4	50,535	7	134,247
93	2	68,565	1	22,243	3	90,808
94	3	85,601			3	85,601
95	1	4,591			1	4,591
96	1	19,453	1	3,600	2	23,053
<b>Total</b>	<b>1,023</b>	<b>\$ 51,356,274</b>	<b>257</b>	<b>\$ 5,996,693</b>	<b>1,280</b>	<b>\$ 57,352,967</b>

TABLE 7C

The Number And Annual Benefits Payable To  
Consenting Policemen From The Combined Fund  
As Of December 31, 2014

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
13		\$	1	\$ 10,542	1	\$ 10,542
18			2	27,569	2	27,569
30			1	10,542	1	10,542
32	1	59,574			1	59,574
34	1	50,126			1	50,126
35	1	50,126			1	50,126
36	3	167,056			3	167,056
37	2	95,761			2	95,761
38	1	50,126			1	50,126
39	3	135,523			3	135,523
40	1	50,437			1	50,437
41	2	85,708	1	43,017	3	128,725
42	3	127,984	1	8,687	4	136,671
43	5	224,775	2	55,630	7	280,405
44	5	256,700			5	256,700
45	5	243,663	1	8,687	6	252,350
46	8	453,253			8	453,253
47	9	482,322			9	482,322
48	14	790,962			14	790,962
49	15	729,233	2	62,464	17	791,697
50	9	500,297	3	90,505	12	590,802
51	14	729,624			14	729,624
52	22	1,199,427	1	38,659	23	1,238,086
53	21	1,269,205	3	101,780	24	1,370,985
54	28	1,576,366	3	88,081	31	1,664,447
55	37	2,102,446	2	41,941	39	2,144,387
56	48	2,651,151	3	92,012	51	2,743,163
57	45	2,357,674	3	72,950	48	2,430,624
58	55	3,030,872	2	33,270	57	3,064,142
59	55	2,997,515	6	200,479	61	3,197,994
60	66	3,352,170	4	217,168	70	3,569,338
61	64	3,314,918	5	139,832	69	3,454,750
62	72	3,836,943	4	213,212	76	4,050,155
63	53	2,729,580	5	260,512	58	2,990,092
64	53	3,199,636	8	267,216	61	3,466,852
65	68	3,574,125	6	253,846	74	3,827,971
66	63	3,441,310	7	192,247	70	3,633,557
67	90	5,177,870	4	160,474	94	5,338,344
68	72	3,862,651	16	486,307	88	4,348,958
69	55	3,012,488	8	209,087	63	3,221,575
70	49	2,663,560	10	372,974	59	3,036,534

**TABLE 7C**

**The Number And Annual Benefits Payable To  
Consenting Policemen From The Combined Fund  
As Of December 31, 2014**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
71	56	\$ 2,777,927	12	\$ 433,311	68	\$ 3,211,238
72	71	3,326,888	17	519,310	88	3,846,198
73	45	2,262,236	12	315,043	57	2,577,279
74	46	2,253,893	9	210,006	55	2,463,899
75	52	2,235,451	8	203,041	60	2,438,492
76	38	1,641,753	10	255,355	48	1,897,108
77	35	1,486,080	11	336,915	46	1,822,995
78	30	1,197,895	9	252,081	39	1,449,976
79	32	1,352,948	19	483,213	51	1,836,161
80	29	1,199,604	14	275,146	43	1,474,750
81	18	646,509	21	464,603	39	1,111,112
82	20	681,590	28	555,167	48	1,236,757
83	32	1,156,226	17	417,267	49	1,573,493
84	26	918,509	25	507,942	51	1,426,451
85	28	945,279	23	403,180	51	1,348,459
86	21	818,281	18	317,314	39	1,135,595
87	27	958,194	26	443,324	53	1,401,518
88	19	617,921	17	280,731	36	898,652
89	8	224,782	13	149,590	21	374,372
90	7	157,499	8	96,801	15	254,300
91	9	245,724	9	133,863	18	379,587
92	9	188,020	6	84,063	15	272,083
93	3	76,199	4	42,625	7	118,824
94	2	49,390	6	89,251	8	138,641
95	1	26,500	3	33,134	4	59,634
96			2	21,544	2	21,544
97	2	37,547	1	3,953	3	41,500
100			2	20,281	2	20,281
<b>Total</b>	<b>1,784</b>	<b>\$ 88,116,002</b>	<b>464</b>	<b>\$ 11,107,744</b>	<b>2,248</b>	<b>\$ 99,223,746</b>

**TABLE 8**

**The Number And Annual Benefits Payable To  
Non-Consenters From The Retirement Fund  
As Of December 31, 2014**

Age	Members		Beneficiaries		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
54	1	\$ 9,683		\$	1	\$ 9,683
62	1	1,813	1	7,743	2	9,556
64	1	24,009			1	24,009
66	1	3,588			1	3,588
70	1	5,296			1	5,296
71	1	2,748			1	2,748
72	1	17,091			1	17,091
74	1	18,198			1	18,198
77	1	473			1	473
80	1	1,254			1	1,254
82	1	3,474	1	9,523	2	12,997
83			1	10,446	1	10,446
85	1	9,349			1	9,349
86	1	7,926			1	7,926
98	1	10,465			1	10,465
<b>Total</b>	14	\$ 115,367	3	\$ 27,712	17	\$ 143,079