

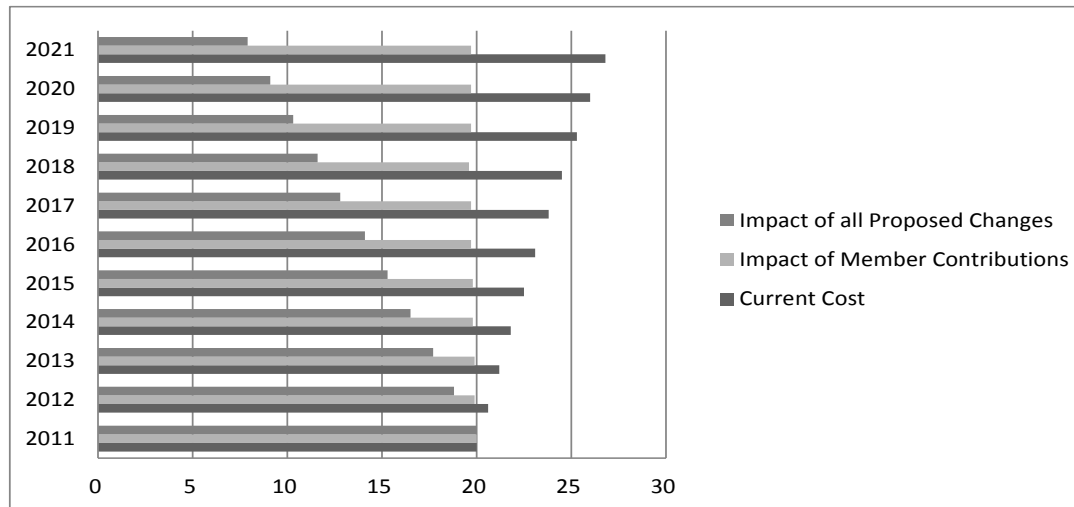
City of Milwaukee Employees Retirement System

Cost Estimates for Pension Task Force

Illustrative Impact of Various Changes on the Current Population

Scenario	Accrued Liability	Change from Baseline	Normal Cost	Change from Baseline	Normal Cost as a % of Payroll	Employee Contribution	Employer Contribution
2011 Valuation (Baseline)	731,000,000	n/a	39,000,000	n/a	11.10%	5.50%	5.60%
Change Retirement Eligibility only	643,000,000	-12%	36,000,000	-8%	10.10%	5.50%	4.60%
Change COLA only	691,000,000	-5%	37,000,000	-5%	10.50%	5.50%	5.00%
Change multiplier only	544,000,000	-26%	29,000,000	-26%	8.20%	5.50%	2.70%
All Changes (Eligibility, COLA, multiplier)	482,000,000	-34%	26,000,000	-33%	7.50%	5.50%	2.00%

Illustrative Impact of All Changes on City Normal Cost



- Costs to left are only for future benefit accruals for General City.
- Impact of changes occur as current employees are replaced.
- Approximately half of employees are expected to be replaced within 10 years.
- As a result, about half of the illustrative impact above is reflected.
- Costs in 2021 before member contributions for future hires projected to be \$26.8 in 2021.
- Member contributions for future hires projected to save \$7.1 million in 2021.
- All changes (including member contributions) for future hires projected to save \$18.9 million in 2021.

Results above are based on the results of the January 1, 2011 actuarial valuation.