



The Employees' Retirement System of the City of Milwaukee
Annual Report of the Annuity and Pension Board
88th Edition • December 31, 2025

Dated July 31, 2026

STATEMENT OF PLAN NET POSITION
FOR THE YEAR ENDED 12/31/2025
(in thousands)

ASSETS	
Cash & Cash Equivalents	\$ 112,323
Investments at Estimated Fair Value	
Public Equity	\$ 2,337,339
Fixed Income	2,120,808
Private Equity	836,684
Real Assets	695,372
Absolute Return	<u>523,968</u>
Total Investments	\$ 6,514,171
Receivables and Other Assets	
Employer	\$ 255
Member	216
Actuarially determined contributions	2,622
Interest, dividends and foreign tax recoverable	20,139
Investments sold	154,759
Software & equipment, net of depreciation	168
Securities lending collateral	309,497
Lease assets, net of amortizations	1,108
Subscription-based IT arrangements, net of amort.	<u>168</u>
Total Receivables and Other Assets	\$ 488,932
TOTAL ASSETS	<u>\$ 7,115,426</u>
LIABILITIES	
Benefits payable	\$ 1,572
Unearned contributions	32,879
City of Milwaukee	1,018
Securities lending obligation	309,426
Investments purchased	310,719
Lease liability	<u>1,303</u>
TOTAL LIABILITIES	<u>\$ 656,917</u>
NET POSITION RESTRICTED	
FOR PENSIONS & OTHER GOV'TS:	<u>\$ 6,458,509</u>

STATEMENT OF CHANGES IN PLAN NET POSITION
FOR THE YEAR ENDED 12/31/2025
(in thousands)

	<u>2025</u>	<u>2024</u>
ADDITIONS		
Contributions		
Employer	\$ 220,940	\$ 217,640
Member	<u>33,628</u>	<u>34,089</u>
Total Contributions	\$ 254,568	\$ 251,729
Investment Income		
Net appreciation in fair value of investments	\$ 664,730	\$ 323,564
Interest, dividends, and other investment income	171,101	155,222
Less: Investment expense	(78,830)	(70,262)
Securities lending income	14,336	15,924
Less: Sec. Lending expenses	<u>(15,313)</u>	<u>(15,924)</u>
Net Investment Income	<u>\$ 756,024</u>	<u>\$ 408,524</u>
TOTAL ADDITIONS	\$1,010,592	\$ 660,253
DEDUCTIONS		
Administrative expenses	\$ (10,126)	\$ (9,287)
Benefits paid	(493,298)	(487,977)
Refund of contributions	<u>(4,478)</u>	<u>(3,672)</u>
TOTAL DEDUCTIONS	<u>\$(507,902)</u>	<u>\$(500,936)</u>
FUND BALANCE CHANGES		
Net increase before fund balance transfers	\$ 502,690	\$ 159,317
Fund balance transfers	-	-
Net increase after fund balance transfers	<u>\$ 502,690</u>	<u>\$ 159,317</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS & OTHER GOVERNMENTS:		
Beginning of year	<u>\$5,955,819</u>	<u>\$5,796,502</u>
End of year	<u>\$6,458,509</u>	<u>\$5,955,819</u>

ACTUARIAL BALANCE SHEET as of January 1, 2026
(in thousands)

ASSETS		LIABILITIES	
Market value of assets	\$ 6,458,509	Present value of future benefits	
Market adjustment	<u>(156,188)</u>	Annuityants	\$ 5,978,363
Actuarial value of assets	\$ 6,302,321	Inactive members	204,252
Unfunded actuarial accrued liability	1,934,315	Active members	<u>2,970,453</u>
Present value of future anticipated contributions	<u>916,432</u>	TOTAL LIABILITIES	<u>\$ 9,153,068</u>
Financial resources for actuarial accrued liability	<u>\$ 9,153,068</u>		

MEMBERSHIP STATISTICS as of 12/31/2025

	<u>2025</u>	<u>2024</u>
Active members	8,296	9,119
Retired, disability, and Survivorship	13,953	13,901
Deferred status members	<u>5,945</u>	<u>6,203</u>
TOTAL MEMBERSHIP	<u>28,194</u>	<u>29,223</u>

See Notes to the Basic Financial Statements

Section 36.15 (9) of the Milwaukee City Charter provides that the Annuity and Pension Board “shall publish annually a report showing the fiscal transactions of the retirement system for the preceding year, the amount of the assets of the system, and the financial condition of the system as disclosed by an actuarial valuation of the retirements system.”

The Annuity and Pension Board submits herewith its annual report for the year ending December 31, 2025.

ANNUITY AND PENSION BOARD

as of 12/31/2025

Elected Representatives – Active Members

Matthew Bell
Justin DeCleene
Timothy Heling

Elected Representatives – Retirees

Thomas Klusman, Retired

Appointed by the President of the Common Council

Nik Kovac, City of Milwaukee
Budget & Management Director
Deborah Ford, Retired
Rudolph Konrad, Retired

Ex-Officio Member

Bill Christianson, City of Milwaukee
Comptroller

ADMINISTRATIVE PERSONNEL

as of 12/31/2025

Bernard J. Allen - Executive Director
and Secretary

Melody Johnson - Deputy Director

David M. Silber, CFA, CAIA –
Chief Investment Officer

Daniel Gopalan, CPA –
Chief Financial Officer

G. Spencer Coggs – Custodian of
Funds, City of Milwaukee Treasurer

Evan Goyke – Legal Advisor, City of
Milwaukee Attorney

INVESTMENT MANAGERS

Abbott Capital Management LLC
Almanac Realty Investors, LLC
Apogem Capital LLC
Apollo Global Real Estate Management, L.P.
AQR Capital Management, LLC
BlackRock Institutional Trust Company, N.A.
Brandes Investment Partners, LP
Dimensional Fund Advisors LP
EARNEST Partners LLC
Fortress Investment Group
Goldman Sachs Asset Management
H/2 Capital Partners
Harrison Street Core Property Fund, L.P.
J.P. Morgan Asset Management
LaSalle Investment Management, Inc.
Loomis, Sayles & Company, L.P.
Mesirow Financial, Inc.
MFS Investment Management
Morgan Stanley Real Estate Advisor, Inc.
Neuberger Berman Group LLC
Northern Trust Corporation
Polen Capital Management, LLC
Principal Global Investors, LLC
Prologis, LP
Reams Asset Management
Robert W. Baird & Co. Inc.
Stockbridge Capital Partners, LLC
UBS Hedge Fund Solutions, LLC
Walton Street Capital, L.L.C.
William Blair Investment Management, LLC

A list of investments held by the Employees' Retirement System as of December 31, 2025 is available for inspection at the System's office. The financial records of the Employees' Retirement System have been audited by the Wisconsin Legislative Audit Bureau for the year ending December 31, 2025. Complete audited Basic Financial Statements are available for inspection at the System's office or online at www.cmers.com

CONSULTANTS

Adviser Compliance Associates, LLC
Callan LLC
Cavanaugh Macdonald Consulting, LLC
CliftonLarsonAllen LLP
Ice Miller LLP
Northern Trust Corporation
Reinhart Boerner Van Deuren
State of Wisconsin Legislative Audit Bureau
U.S. Bank National Association, NA

MEDICAL COUNCIL

Gregory Brotzman, M.D.
William Buchta, M.D.
David L. Drury, M.D.
William Greaves, M.D.

Please check that your Beneficiary Designation is current.

Change of Beneficiary Designation forms are available at the ERS office at 789 North Water Street, Suite 300, Milwaukee, WI 53202 or by calling 414-286-3557 or 1-800-815-8418 or online at www.cmers.com