

**REGULAR MEETING OF THE ANNUITY AND PENSION BOARD  
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE  
789 N. WATER ST. (Employees' Retirement System)  
TUESDAY, NOVEMBER 23, 2021 – 9:00 A.M.**

*Special Notice: Due to the COVID-19 pandemic, the meeting will be held remotely via video conference. Instructions on how to observe the meeting will be available on ERS's website ([www.cmers.com](http://www.cmers.com)) prior to the meeting.*

**Please note and observe the following remote attendance etiquette to ensure a smooth and productive meeting:**

- In order to cut down on background noise, participants in the meeting should put their phones on mute when they are not participating.
- At the start of the meeting, the Chairman will announce the names of the members of the Board present on the call, as well as anyone else who will be participating.
- Please request to be recognized by the Chairman if you would like to speak.
- Those participating on the call should identify themselves whenever they speak, and should ensure that the other participants on the call can hear them clearly.

**REGULAR MEETING**

- I. Approval of Minutes.
  - A. Regular Meeting Held October 26, 2021.
- II. Chief Investment Officer Report.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (A.), as provided in Section 19.85(1)(e), Wisconsin State Statutes, to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Board may then vote to reconvene in open session following the closed session.

- A. Approval of Abbott Capital Private Equity Investors 2022, L.P. Side Letter.
- III. Investment Committee Report.
  - A. Approval of Fixed Income Structure.
- IV. New Business.
  - A. Retirements, Death Claims, and Refunds (October).
  - B. Conference Requests – November 2021 Board Meeting.
  - C. Pension Board Election Results – At Large Member Election.
  - D. Proposed 2022 Board and Committee Meeting Dates.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (E.), as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board may then vote to reconvene in open session following the closed session.

- E. Consider and potentially take action regarding DDR Benefits for Non-compliance with Re-exam Requirements of MCC-36 – DeRonn D. Gillum.
  - F. Review of Board Rule II.A.2.
- V. Medical Reports.
- A. All Duty & Ordinary Disability Applications & Re-examinations (November).
- VI. Unfinished Business.
- A. Pending Legal Opinions and Service Requests Report.
  - B. Pending Legislation Report.
  - C. Executive Director’s Report – Inventory of ERS Projects.
- VII. Informational.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (A.), as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board may then vote to reconvene in open session following the closed session.

- A. Pending Litigation Report.
- B. Conferences.
- C. Class Action Income 2021 YTD.
- D. Adjusted Quarterly Cost Basis of Equity.
- E. Report on Bills.
- F. Deployment of Assets.
- G. Securities Lending Revenue and Budget Report.
- H. Preliminary Performance Report/Asset and Manager Allocation Pie Charts.

## MEETING REMINDERS

### **INVESTMENT COMMITTEE MEETING**

**THURSDAY, DECEMBER 09, 2021 – 9:00 A.M.**  
789 N. WATER ST.

### **ADMINISTRATION & OPERATIONS COMMITTEE MEETING**

**WEDNESDAY, DECEMBER 15, 2021 – 9:00 A.M.**  
789 N. WATER ST.

### **REGULAR MEETING OF THE ANNUITY AND PENSION BOARD**

**TUESDAY, DECEMBER 21, 2021 – 9:00 A.M.**  
789 N. WATER ST.

## REGULAR MEETING

I.

APPROVAL OF MINUTES

- A. Regular Meeting Held October 26, 2021.

**EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE  
ANNUITY AND PENSION BOARD**

Minutes of the Regular Meeting  
held October 26, 2021 via teleconference during COVID-19

The meeting was called to order at 9:02 a.m.

Board Members Present:

Matthew Bell (excused)  
Joshua Benson  
James Campbell  
Deborah Ford  
Molly King  
Tom Klusman  
Rudolph Konrad, Chair  
Nik Kovac

Retirement System Staff Present:

Jerry Allen, Executive Director  
Melody Johnson, Deputy Director  
Daniel Gopalan, Chief Financial Officer  
David Silber, Chief Investment Officer  
Jeff Shober, Chief Technology Officer  
Erich Sauer, Deputy Chief Investment Officer  
Anthony Lubarsky, Pension Investment Analyst  
Gust Petropoulos, Deputy Director Disability  
Jan Wills, Board Stenographer

Others Present: Patrick McClain, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc., seven members of the public called in to the meeting.

**Regular Meeting.**

**Approval of Minutes.**

**Regular Meeting Held September 29, 2021.** It was moved by Mr. Benson, seconded by Mr. Campbell, and unanimously carried, to approve the Regular Meeting Held September 29, 2021.

**Chief Investment Officer Report.** Mr. Silber reminded the Board members of the November 11, 2021 Investment Committee Meeting. He said Callan will recommend candidates for the Hedge Fund-of-Funds Manager search. He said Callan is also putting together a Fixed Income Structure Review for the Fund's 23% Fixed Income allocation and will be providing a Real Estate Review. Staff will be providing the Committee with the 3<sup>rd</sup> Quarter Performance Report. As a matter of information, Board members received the October 26, 2021 Performance Update. Mr. Sauer noted the Fund as of September 30, 2021, had a value of \$6.03 billion. He said the Fund return of -0.2%, net of fees, outperformed the blended benchmark by 54 basis points. Mr. Sauer commented that the Fund's returns outperformed in the year-to-date, one-, five-, 10- and 20-year periods, and matched in the 15-year period, net of fees. He said the September relative performance drivers were Manager Selection with Private Equity adding 56 basis points, William Blair detracting 12 basis points, and Style Bias adding 15 basis points, primarily from small and value. Mr. Sauer stated as of October 22, the Fund return was 2.2% in October, bringing the year-to-date return to 15.9%, net of fees. He noted the Fund's approximate value is \$6.16 billion and 12 out of the Fund's 15 active mandates are outperforming year to date, net of fees. Mr. Sauer said the Total Fund, along with all of the Fund's assets classes, are

exceeding their respective benchmarks year to date, net of fees. He commented that year-to-date, the Fund has generated investment gains of \$871.1 million, paid benefits and expenses of \$344.1 million and received contributions of \$101.9 million. Mr. Sauer said the monthly withdrawals for October were \$8.5 million from the NT S&P 500 Index, \$7 million from DFA US Small Cap Value, \$5.5 million from Polen, \$5 million from BlackRock Global Alpha Tilts, \$4 million from Earnest, \$3 million from BlackRock R1000 Value, \$3 million from CastleArk, and \$2 million from DFA US Large Cap Value. He also commented on a proxy vote for Prologis, noting the only change to vote on was the election of a different arrangement for the performance fee. He said the change was only to the timing of the fee. It gave investors the option for a third of the performance fee to hit each year instead of a three-year fee all at one time. Mr. Sauer said Callan noted this better aligns the incentives to keep the performance of the Fund consistent over time.

### **New Business.**

**Retirements, Death Claims, and Refunds (September).** Mr. Allen presented the following activity for the months of September 2021.

Active Death Benefits reported	\$0.00
Deferred Death	\$37,721.83
Deferred Death – Member Only Refund	\$0.00
Ordinary Death Benefits reported	\$29,875.81
Retired Death Benefits reported	\$90,361.53
Survivor Death – Termination Benefits reported	\$8,496.39
Refund of Member Contributions paid	\$96,144.62

It was moved by Ms. Ford, seconded by Mr. Campbell, and unanimously carried, to approve the Retirements, Death Claims, and Refunds (September).

### **Conference Requests – October 2021 Board Meeting.**

James Campbell	2022 Vision, Insights, and Perspectives Conference
Sponsor:	Institutional Real Estates, Inc.
Location:	Carlsbad, CA
Date:	January 24 – 26, 2022
Estimated Cost:	\$2,000.00

It was moved by Ms. King, seconded by Mr. Klusman, and unanimously carried, to approve the Conference Requests – October 2021 Board Meeting.

**Proposed 2022 Board and Committee Meeting Dates.** Staff noted the proposed 2022 Board Meetings are tentatively proposed for the 4<sup>th</sup> Tuesday of the month instead of the 4<sup>th</sup> Monday of the month due to a Board member's conflict with his meetings on the 4<sup>th</sup> Monday of the month. Mr. Klusman requested the proposed 2022 Board and Committee Meeting Dates be held until the November 23, 2021 Board Meeting pending the results of the November 5, 2021 At Large Member Election. He thought the newly-elected candidate might have some meeting date conflicts.

It was moved by Mr. Klusman, seconded by Mr. Benson, and unanimously carried, to hold the Proposed 2022 Board and Committee Meeting Dates until the November Board meeting.

### **Medical Reports.**

**All Duty & Ordinary Disability Applications & Re-examinations (October).** Staff presented certifications (October 2021) of the Fire and Police Medical Panel Physicians and the Medical Council relative to Duty & Ordinary Disability Retirement benefits as follows:

<u>Police – Re-examinations – Duty</u>	<u>Recommendation</u>
Willie Huerta	Approval
<u>Fire – Re-examinations – Duty</u>	<u>Recommendation</u>
Kenneth Berget	Approval
Bradley Davis	Approval
Derek Geppert	Approval
Martin Kozlowski	Approval
Mark Tesch	Approval
Phillip Quigley	Approval
<u>Police – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Lisa Heath	Approval
<u>GC – Re-examinations – Duty</u>	<u>Recommendation</u>
Augusto Gamboa	Approval
<u>GC – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Harold Cross	Approval
Kelly Pope	Approval

It was moved by Mr. Klusman, seconded by Mr. Kovac, and unanimously carried, to approve the Duty & Ordinary Disability Applications & Re-examinations (October).

### **Unfinished Business.**

**Pending and Legal Opinions and Service Requests Report.** As a matter of information, Board members received the Pending Legal Opinions and Service Requests Report. Mr. McClain said there were no outstanding Legal Opinions. Staff noted the service requests for the Abbott Capital Private Equity Investors regarding the Limited Partner Agreement and the LaSalle Property Fund have both been assigned to outside legal counsel for review.

**Pending Legislation Report.** As a matter of information, Board members received the Pending Legislation Report. Staff noted the communication transmitting the report of the Mayor's Task Force on the City of Milwaukee's Pension System was presented on October 06, 2021 in closed session. Staff noted there was no further action on the report but was referred to the Steering & Rules Committee. Staff said they are watching it closely to see if there is further draft legislation. Mr. Konrad

accepted the report and placed it on file.

**Executive Director's Report – Inventory of ERS Projects.** As a matter of information, Staff presented a report on the ERS projects and updated the Board on ERS activities, a copy of which is on file with the ERS.

### **Informational.**

Mr. Konrad advised that the Annuity and Pension Board may vote to convene in closed session on the following item (1), as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board may then vote to reconvene in open session following the closed session.

It was moved by Mr. Benson and seconded by Ms. Ford, to convene in closed session. The motion prevailed by the following roll call vote. AYES: Mses. Ford and King; Messrs. Benson, Campbell, Klusman, Kovac, and Konrad. NOES: None.

The Board convened in closed session at 9:29 a.m.

The Board reconvened in open session at 9:51 a.m.

The following is a list of informational items:

- 1) Pending Litigation Report.
- 2) Conferences.
- 3) Class Action Income 2021 YTD.
- 4) Minutes of the Investment Committee Meeting Held September 2, 2021.
- 5) Minutes of the Administration and Operations Committee Meeting Held September 22, 2021.

The following is a list of activities since the last Board meeting, copies sent with meeting notice and attached to minutes:

- 6) Report on Bills.
- 7) Deployment of Assets.
- 8) Securities Lending Revenue and Budget Report.
- 9) Preliminary Performance Report/Asset and Manager Allocation Pie Charts.

It was moved by Mr. Klusman and seconded by Ms. Ford to adjourn the meeting. Mr. Konrad adjourned the meeting at 9:52 a.m.

Bernard J. Allen  
Secretary and Executive Director

**(NOTE:** All proceedings of the Annuity and Pension Board Meetings and related Committee Meetings are recorded. All recordings and material mentioned herein are on file in the office of the Employees' Retirement System, 789 N. Water Street, Suite 300.)



## II.

### CHIEF INVESTMENT OFFICER REPORT

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (A.), as provided in Section 19.85(1)(e), Wisconsin State Statutes, to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. The Board may then vote to reconvene in open session following the closed session.

- A. Approval of Abbott Capital Private Equity Investors 2022, L.P. Side Letter.

## **Summary**

The ERS Fund had an estimated return of 2.2% in October, gross of fees, that underperformed the blended benchmark by approximately 10 basis points. The Fund's style bias detracted from relative performance, while manager selection contributed to relative performance. As of November 15, 2021, the Fund's estimated value was \$6.19 billion, which represented a year-to-date capital market gain of approximately \$932.8 million.

## **October Relative Performance Summary**

### **Manager Selection (+13 basis points)**

Outperformance within the Fund's Real Assets allocation was responsible for the positive relative performance within this category during the month. Within Real Assets, outperformance was the result of a very strong quarterly return reported by **Prologis**, one of the Fund's core real estate managers. Prologis invests solely in the industrial/logistics sector, and its reported return of 11.8% was driven primarily by appreciation, as record demand in the logistics market pushed vacancy rates to all-time lows. Rent growth in the space remained strong, and strong investor capital flows pushed cap rates down, both of which are reflected in higher appraisals. This outperformance was partially offset by underperformance within the Fund's Public Equity allocation. While the Fund's Public Equity return of 4.1% in October was very good in terms of total return, it trailed the Public Equity benchmark return of 4.9%. While most of this underperformance came from Style Bias (see Style Bias section below), the largest detractor within this category was **Brandes**, the Fund's international value manager who incidentally is benchmarked to a core benchmark. Brandes' 0.4% return underperformed its benchmark by 2.0%. This underperformance was driven by stock selection in the healthcare, REIT, and materials sectors.

### **Broad Category Group Allocation (+1 basis points)**

The Fund went into the month with a significant overweight allocation to Private Equity and a significant underweight allocation to Absolute Return. The returns of both the Absolute Return benchmark, which represents a premium above the 90-day Treasury bill interest rate, and the Private Equity benchmark, which only reports its return at quarter-end, were lower than the Fund's blended benchmark, which benefitted from the strong stock market returns in October. As a result, the benefit of being underweight Absolute Return was mostly offset by the Fund's overweight to Private Equity.

### **Style Bias (-24 basis points)**

The Fund's strategic **Small Cap** and **Value Biases** within Public Equity both detracted from relative performance during the month. U.S. value stocks, as represented by the Russell 3000 Value index, had a return of 5.0%, which trailed the 8.4% return of the Russell 3000 Growth index. Similarly, U.S. small cap stocks, as represented by the Russell 2000 index, had a return of 4.3%, which trailed the 6.9% return of U.S. large cap stocks, as represented by the Russell 1000 index. Furthermore, non-U.S. public equity markets underperformed the U.S. broad market, and as a result the Fund's exposure to non-U.S. public equity also ended up detracting from the Fund's returns.

## **KEY ATTRIBUTION DESCRIPTIONS**

**Broad Category Group Allocation** – This compares the Fund’s actual Asset Class allocation to its policy benchmark allocation. If the Fund’s actual Asset Class allocation was always equal to the policy benchmark allocations of 44% Public Equity, 23% Fixed Income, 13% Real Assets, 10% Absolute Return, and 10% Private Equity, this amount would be 0. In reality, market movements mean that the Fund almost always has some deviation from the policy benchmark. The impact of this deviation is measured here.

Deviations are usually within the allowed range. If market movements cause an asset class to move outside of an allowed range, triggering a rebalance, the Board would be notified, and the calculation in this section would be adjusted to incorporate the impact of the rebalance.

If the Fund is overweight (underweight) an Asset Class that has a higher (lower) return than the Fund’s Blended Benchmark return, the contribution to return is positive (negative). Similarly, if the Fund is underweight (overweight) an Asset Class that has a lower (higher) return than the Fund’s Blended Benchmark return, the contribution is also positive (negative). Note: The actual return of the Fund and its investment managers does not impact this amount.

**Manager Selection** – This compares the return of each of the Fund’s investment managers to the manager’s designated benchmark. If all of the Fund’s investment managers delivered a return equal to their designated benchmark, the amount in this category would be 0.

If a manager outperforms (underperforms) its designated benchmark, the contribution to return is positive (negative).

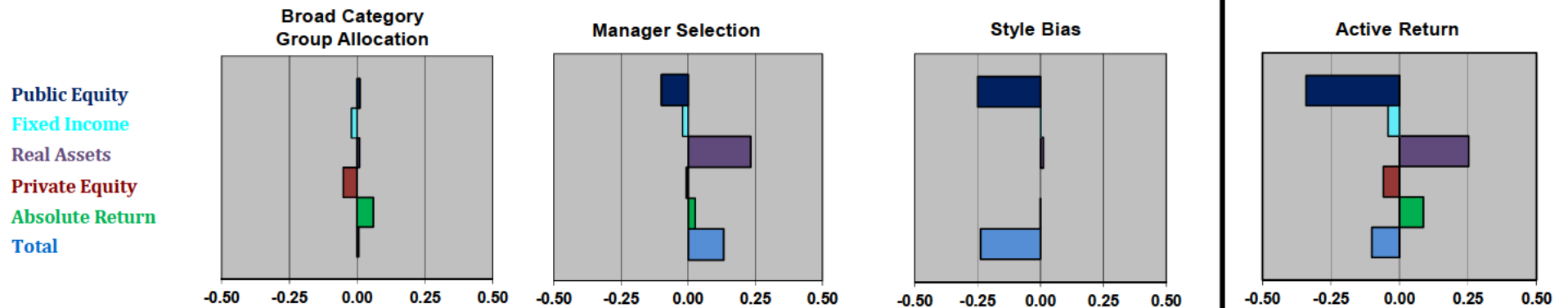
**Style Bias** – This compares the Fund’s investment managers’ designated benchmarks to the Asset Class benchmarks designated by the Fund. If all of the Fund’s investment managers had a designated benchmark that was the same as the Asset Class benchmark designated by the Fund, this amount would be 0. For example, if every public equity manager’s designated benchmark was the ACWI IMI, and every fixed income manager’s designated benchmark was the Barclays U.S. Aggregate, the amount in this category would be 0. However, many of the Fund’s investment managers have a designated benchmark that is reflective of their specific mandate rather than the Asset Class benchmark designated by the Fund. The impact of this deviation is measured here.

If an investment manager’s designated benchmark outperforms (underperforms) the designated Asset Class benchmark, the contribution is positive (negative). Note: The actual return of the Fund and its investment managers does not impact this amount.

**Active Return** – This amount is the sum of the 3 components described above. The Total Active Return amount equals the difference between the ERS Fund Return and the Fund’s Blended Benchmark Return.

## October Performance Summary

	October
ERS Fund Return	2.2%
Blended Benchmark Return	2.3%
Over(Under) Performance	-0.1%



### Manager Selection

Name	Asset Class	Attribution Effect
<b>Contributors</b>		
Real Estate	Real Estate	0.21
William Blair	Public Equity	0.07
CastleArk	Public Equity	0.04
DFA (International)	Public Equity	0.03
<b>Detractors</b>		
Brandes	Public Equity	-0.13
AQR	Public Equity	-0.03
DFA Large Value	Public Equity	-0.03
BlackRock Global Tilts	Public Equity	-0.03
All Other	Various	0.01

### Style Bias

Name	Asset Class	Style Bias
<b>Contributors</b>		
NTGI S&P 500	Public Equity	0.12
Principal	Real Assets	0.09
Polen	Public Equity	0.06
Earnest	Public Equity	0.02
<b>Detractors</b>		
Brandes	Public Equity	-0.15
William Blair	Public Equity	-0.12
DFA (International)	Public Equity	-0.11
Real Estate	Real Estate	-0.08
All Other	Various	-0.07

III.

INVESTMENT COMMITTEE REPORT

A. Approval of Fixed Income Structure.

## Summary of Mix Characteristics and the Case for Each Mix

Manager	6/30 MV (\$mm)	Current	Mix 1: Agg	Mix 1: Govt	Mix 2	Mix 3
BLK Agg Index	\$478	36%	25%			
Reams	\$397	32%	25%	25%	35%	45%
Loomis	\$410	32%	25%	25%	15%	30%
Govt Index				25%	25%	25%
New Core Manager			25%	25%	25%	
	\$1,285	100%	100%	100%	100%	100%

Historical Excess Rtn vs. Agg	2.0%	1.7%	1.5%	1.4%	2.0%
Tracking Error vs. Agg	1.8%	1.5%	1.1%	0.8%	1.3%
Historical Information Ratio	1.1	1.1	1.4	1.8	1.5

Estimated Tier 1 Liquidity (\$mm)	377	280	391	391	391
Correlation with Equity (ACWI)	0.46	0.40	0.30	0.18	0.35

The current mix has performed very well historically and remains a solid choice.

All the candidate mixes have a lower correlation with equity than the current portfolio, and so can be expected to provide greater equity diversification.

All candidate mixes also have greater liquidity than the current portfolio, with the exception of Mix 1: Agg

- **Mix 1 Agg** adds a new core manager to further diversify the structure and improves equity diversification. It is more conservative than the current structure and therefore may not generate as much outperformance.
- **Mix 1 Govt** increases equity diversification and improves liquidity but may slightly underperform Mix 1: Agg
- **Mix 2** is the most conservative mix with the best historical risk-adjusted return (information ratio) and best equity diversification. It has the lowest historical outperformance relative to the plan's Aggregate benchmark.
- **Mix 3** has attractive characteristics across all dimensions. 75% core plus active and 25% index in the Gov't index.

Statistics based on past five years. See the Appendix for detail on estimated Tier 1 liquidity calculation.

#### IV.

##### NEW BUSINESS

- A. Retirements, Death Claims, and Refunds (October).
- B. Conference Requests – November 2021 Board Meeting.
- C. Pension Board Election Results – At Large Member Election.
- D. Proposed 2022 Board and Committee Meeting Dates.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (E.), as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board may then vote to reconvene in open session following the closed session.

- E. Consider and potentially take action regarding DDR Benefits for Non-compliance with Re-exam Requirements of MCC-36 – DeRonn D. Gillum.
- F. Review of Board Rule II.A.2.

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Deferred	CARTAGENA	WANDA	11/2/2014	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	TORRES	TRINIDAD	5/27/2017	MAX	CITY TREASURER
Regular	Service	SPEARS	TERRY	9/3/2021	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	DOYNE	SHAUN	9/4/2021	50	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	DUE	JILL	9/6/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	ECKERSTORFER	MICHAEL	9/8/2021	100	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	LAPPEN	SUSAN	9/8/2021	50	CITY ATTORNEY
Regular	Service	FRANK	DAVID	9/9/2021	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	VALLE	AMALIA	9/10/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	WOOD	RICHARD	9/10/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	BRONEK	PETER	9/11/2021	MAX	ASSESSOR'S OFFICE
Regular	Service	FULFER	KATHERINE	9/12/2021	100	MILWAUKEE POLICE DEPARTMENT
Regular	Service	KOPCHA	KEITH	9/15/2021	100	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	HINSENKAMP	BARBARA	9/19/2021	MAX	CITY OF MILWAUKEE
Regular	Service	SHERWOOD	MARY	9/19/2021	MAX	LIBRARY - NEIGHBORHOOD SRVC
Regular	Service	GONZALEZ	STEPHEN	9/22/2021	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	GONZALEZ-EDWARDS	MARIA	9/23/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	HUETTEL	GAIL	9/25/2021	75	LIBRARY
Regular	Service	BOSTON SMITH	SHUNTA	9/25/2021	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	FULGENZI	MATTHEW	9/25/2021	100	HACM
Regular	Service	JONES	JEFFREY	9/25/2021	100	DPW-OPS-SANITATION
Regular	Service	VILLARREAL	PATRICIA	9/25/2021	100	PARKING
Regular	Deferred	KUNATH	KARL	9/26/2021	MAX	FIRE - FIREFIGHTING
Regular	Service	HERRMANN	STEVEN	9/29/2021	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	MCCARTHY	STEPHEN	9/29/2021	MAX	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	SOCHA	MICHAEL	9/29/2021	100	DPW-INFRASTRUCTURE-ELECTRICAL
Regular	Service	MISH	GLENN	9/30/2021	MAX	FIRE - FIREFIGHTING
Regular	Service	REED	VANESSA	9/30/2021	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Conversion (Duty Disability to Regular)	MARUSIC	JEANNE	10/1/2021	100	HEALTH DEPARTMENT
Regular	Service	CORNEJO RODRIGUEZ	LORENA	10/1/2021	75	HEALTH-LABORATORIES
Regular	Service	DANIELS	LINDA	10/1/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	FISHER	LEAH	10/1/2021	MAX	LIBRARY - CENTRAL LIBRARY
Regular	Service	HODNETT	REGINA	10/1/2021	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	HOLST	CHARLES	10/1/2021	100	DEPT OF NEIGHBORHOOD SRVCS
Regular	Service	NOWAK	ROSS	10/1/2021	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	O'BRIEN	KERRI	10/1/2021	1	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	RADEN	CHAD	10/1/2021	50	MILWAUKEE POLICE DEPARTMENT
Regular	Service	REWOLINSKI	STANLEY	10/1/2021	MAX	DPW-OPS-FORESTRY
Regular	Service	SCHOENECKER	TAMMY	10/1/2021	100	MILWAUKEE POLICE DEPARTMENT
Regular	Service	WARREN	PENNY	10/1/2021	MAX	MILWAUKEE PUBLIC SCHOOLS



**Board Report - October 2021**
**Deaths**

Type	Last Name	First Name	Death Date	Payment Date	Amount
Deferred Death	NEYLON JR	ROBERT	2/8/2021	10/29/2021	\$ 7,796.03
Deferred Death	ROTAR	SANDRA	8/30/2021	10/29/2021	\$ 179,559.27
Ordinary Death	ROJAS	HUGO	6/1/2020	10/29/2021	\$ 10,790.36
Retiree Death-Termination	BAUER	LOIS	7/25/2021	10/29/2021	\$ 538.27
Retiree Death-Termination	BIRD	DELBERT	8/13/2021	10/29/2021	\$ 262.94
Retiree Death-Termination	BLALOCK	MATTIE	2/21/2021	10/29/2021	\$ 276.73
Retiree Death-Termination	DZIEGIELEWSKI	CAROLE	4/27/2021	10/29/2021	\$ 2,102.10
Retiree Death-Termination	ESCH	JANET	8/8/2021	10/29/2021	\$ 393.33
Retiree Death-Termination	FARMER	EUGENE	4/17/2021	10/29/2021	\$ 2,382.88
Retiree Death-Termination	FINK	JOAN	8/21/2021	10/29/2021	\$ 516.19
Retiree Death-Termination	HARDRICK	WILLIE	8/6/2021	10/29/2021	\$ 89.05
Retiree Death-Termination	JABLONSKI	ROBERT	9/18/2021	10/29/2021	\$ 446.63
Retiree Death-Termination	KOEPP	GEORGE	9/8/2021	10/29/2021	\$ 913.17
Retiree Death-Termination	KRAUSE	PHILIP	9/13/2021	10/29/2021	\$ 768.95
Retiree Death-Termination	KUBISIAK	LAWRENCE	4/9/2020	10/29/2021	\$ 388.88
Retiree Death-Termination	MORGAN	RICHARD	3/30/2020	10/29/2021	\$ 280.50
Retiree Death-Termination	PERLBERG	LYNN	5/29/2021	10/29/2021	\$ 1,392.40
Retiree Death-Termination	PHILYAW	CLEMENTINE	6/26/2018	10/29/2021	\$ 277.75
Retiree Death-Termination	PREUSCHL	JUDITH	7/28/2021	10/29/2021	\$ 304.21
Retiree Death-Termination	RASH	EDSEL	7/27/2021	10/29/2021	\$ 451.00
Retiree Death-Termination	ROBY-JONES	VERNISTEEN	2/12/2021	10/29/2021	\$ 435.58
Retiree Death-Termination	SCHOEN	JOYCE	7/15/2019	10/29/2021	\$ 234.97
Retiree Death-Termination	STUPEK	JAMES	10/20/2020	10/29/2021	\$ 1,388.89
Retiree Death-Termination	TORRES	IRENE	9/18/2021	10/29/2021	\$ 792.79
Retiree Death-Termination	WATERS	DANIEL	9/5/2021	10/29/2021	\$ 812.75
Retiree Death-Termination	WEBER	KENNETH	9/26/2021	10/29/2021	\$ 832.60
Surv Death-Termination	CONDROSKI	RICHARD	7/23/2021	10/29/2021	\$ 164.89
Surv Death-Termination	ENSINGER	NANCY JO	5/12/2021	10/29/2021	\$ 370.10
Surv Death-Termination	FISCHBACH	FRANCES	7/11/2021	10/29/2021	\$ 86.05
Surv Death-Termination	KENNEY	CAROLYN	9/8/2021	10/29/2021	\$ 340.73

Type	Last Name	First Name	Death Date	Payment Date	Amount
Surv Death-Termination	KETELSEN	JEANETTE	8/15/2021	10/29/2021	\$ 1,084.82
Surv Death-Termination	NADOLNY	DORIS	6/22/2021	10/29/2021	\$ 213.67
Surv Death-Termination	POPP	BARBARA	7/7/2021	10/29/2021	\$ 236.59
Surv Death-Termination	RIEDER	ELISE	1/7/2021	10/29/2021	\$ 95.58
Surv Death-Termination	ROLLER	REBECCA	1/24/2020	10/29/2021	\$ 503.09
Surv Death-Termination	SEMON	DELORES	2/12/2021	10/29/2021	\$ 396.05
Surv Death-Termination	STRUCK	BEVERLY	2/15/2020	10/29/2021	\$ 741.83
Surv Death-Termination	VON DE LINDE	CAROL	10/6/2019	10/29/2021	\$ 105.32
Surv Death-Termination	WESOLOWSKI	GRACE	11/17/2019	10/29/2021	\$ 404.78

**TOTAL \$ 219,171.72**

Retiree Death-Cont Opt	BACZANSKI	RICHARD	9/28/2021	10/1/2021
Retiree Death-Cont Opt	BAEZ	CARLOS	9/23/2021	10/1/2021
Retiree Death-Cont Opt	BENNETT	JOHN	9/23/2021	10/1/2021
Retiree Death-Cont Opt	BOELTER	DONALD	10/7/2021	10/1/2021
Retiree Death-Cont Opt	GIBSON	WILLIAM	9/24/2021	10/1/2021
Retiree Death-Cont Opt	HAMMER	GERALD	10/7/2021	10/1/2021
Retiree Death-Cont Opt	KOPPLIN	ELEANOR	10/4/2021	10/1/2021
Retiree Death-Cont Opt	NEUSTROM	MARY	10/4/2021	10/1/2021
Retiree Death-Cont Opt	PEDERSON	JOHN	10/11/2021	10/1/2021
Retiree Death-Cont Opt	RINGE	GARY	10/10/2021	10/1/2021
Retiree Death-Cont Opt	RUTKOWSKI	MARVIN	9/25/2021	10/1/2021
Retiree Death-Cont Opt	SHARP	GORDON	10/17/2021	10/1/2021
Retiree Death-Cont Opt	SIKORA	THOMAS	9/19/2021	10/1/2021
Retiree Death-Cont Opt	SOBCZAK	THOMAS	10/1/2021	10/1/2021
Retiree Death-Cont Opt	VETTER	JASON	10/2/2017	10/1/2021

## Board Report - October 2021

## Withdrawals

Type	Last Name	First Name	Payment Date	Amount
Administrative Withdrawal	AVALOS	DIANA	10/29/2021 \$	265.39
Administrative Withdrawal	FERGUSON	CARLEESHA	10/29/2021 \$	2,242.89
Administrative Withdrawal	GAINES	SARAH	10/29/2021 \$	1,460.95
Administrative Withdrawal	GLISCH	AMANDA	10/29/2021 \$	3,911.83
Administrative Withdrawal	GLOWINSKI-HAMILTON	JESSICA	10/29/2021 \$	555.96
Administrative Withdrawal	GRIHALVA	JOSEPH	10/29/2021 \$	977.74
Administrative Withdrawal	HOUSTON	ANTHONY	10/29/2021 \$	3,180.74
Administrative Withdrawal	JOHNSON	DIAMONIQUE	10/29/2021 \$	1,751.17
Administrative Withdrawal	JONES	FREDERICK	10/29/2021 \$	2,508.83
Administrative Withdrawal	LEATHERWOOD-GARRE	BENITO	10/29/2021 \$	2,761.25
Administrative Withdrawal	LUEDTKE	MICHELLE	10/29/2021 \$	1,899.34
Administrative Withdrawal	MERCEDES	SUAGNYS	10/29/2021 \$	219.81
Administrative Withdrawal	OVERTON	MONIE	10/29/2021 \$	857.10
Administrative Withdrawal	SILVEYRA	CASSANDRA	10/29/2021 \$	113.55
Full Refund	AMES	TERRY	10/29/2021 \$	13,410.16
Full Refund	BRIDGES	LAKISHA	10/29/2021 \$	30,411.64
Full Refund	CRUMP	SHENETHIA	10/29/2021 \$	5,829.01
Full Refund	GRAY	NAKIDA	10/29/2021 \$	8,906.18
Full Refund	MANASRAH	TAMARA	10/29/2021 \$	13,146.15
Full Refund	MCCULLA	ROSE	10/29/2021 \$	14,986.05
Full Refund	NASH	MONICA	10/29/2021 \$	6,135.98
Full Refund	OCON	TAGNI	10/29/2021 \$	16,583.40
Full Refund	RIVERS	JEFFREY	10/29/2021 \$	65,504.54
Full Refund	SANDERS	IRIS	10/29/2021 \$	7,856.98
Full Refund	THOMAS	NICOLE	10/29/2021 \$	2,601.71
Member Only Refund	AIKENS	TYRONE	10/29/2021 \$	3,082.58
Member Only Refund	ALDRIDGE	KEVIN	10/29/2021 \$	3,879.18
Member Only Refund	ALEXANDER	WYNONA	10/29/2021 \$	3,543.91
Member Only Refund	ALSTON	AJAREA	10/29/2021 \$	1,183.74
Member Only Refund	BROWN	KIM	10/29/2021 \$	1,474.33
Member Only Refund	BROWN	MILAN	10/29/2021 \$	1,831.94
Member Only Refund	CHESIR	CIERRA	10/29/2021 \$	4,518.86

Type	Last Name	First Name	Payment Date	Amount
Member Only Refund	CLAYTON	KEYANDRE	10/29/2021 \$	3,303.93
Member Only Refund	DAVIS	REGINA	10/29/2021 \$	2,486.47
Member Only Refund	DEVOUGAS	GABRIEL	10/29/2021 \$	7,062.30
Member Only Refund	DREIBELBIS	RACHEL	10/29/2021 \$	3,132.22
Member Only Refund	FENDT	GEENA	10/29/2021 \$	402.81
Member Only Refund	GRIFFIN	BRANDON	10/29/2021 \$	1,695.98
Member Only Refund	HAGANS	KAMILLE	10/29/2021 \$	2,633.91
Member Only Refund	HARRIS	TONY	10/29/2021 \$	2,063.32
Member Only Refund	HASSE	AMANDA	10/29/2021 \$	3,749.59
Member Only Refund	HERNANDEZ-GARCIA	MARIA	10/29/2021 \$	1,071.74
Member Only Refund	JACKSON	DEASIA	10/29/2021 \$	994.54
Member Only Refund	JOHNSON	DENZEL	10/29/2021 \$	2,428.12
Member Only Refund	LENSON	CYNTHIA	10/29/2021 \$	6,177.44
Member Only Refund	LUSIS	KARL	10/29/2021 \$	6,089.90
Member Only Refund	MUNROE	GRADY	10/29/2021 \$	2,308.02
Member Only Refund	SCOTT	NINA	10/29/2021 \$	1,666.66
Member Only Refund	SKEE	BENJAMIN	10/29/2021 \$	611.54
Member Only Refund	STASE	TRAVIS	10/29/2021 \$	2,011.68
Member Only Refund	TARDIFF	EARL	10/29/2021 \$	1,383.87
Member Only Refund	WALKER	KIMBERLY	10/29/2021 \$	3,604.06
Member Only Refund	WILLIAMS	CANDICE	10/29/2021 \$	1,154.06
<b>TOTAL \$</b>				<b>283,625.05</b>

**PLEASE POST**

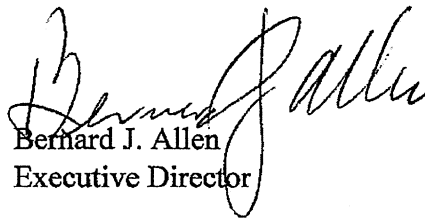
## **ANNUITY AND PENSION BOARD**

### **RESULTS OF NOVEMBER 5, 2021 AT LARGE MEMBER ELECTION**

The results of the Annuity and Pension Board At Large Member Election held November 5, 2021 are as follows:

<u>Name of Candidate</u>	<u>Number of Votes</u>
Mickie (Michelle) Pearsall	782
Matthew Bell	1,279

**ANNUITY AND PENSION BOARD**

  
Bernard J. Allen  
Executive Director

November 5, 2021

Bulletin 195-b

**2022**

**Board and Committee Meeting Dates**

All meetings begin at 9:00 a.m. unless otherwise noted.

**January**      TBD      Investment  
26/27      Board (*Wednesday/Thursday*)

**February**      10      Investment (*Thursday*)  
22      Board (*Tuesday*)

**March**      17      A&O (*Thursday*)  
29      Board (*Tuesday*)

**April**      14      Investment (*Thursday*)  
27      Board (*Wednesday*)

**May**      24      Board (*Tuesday*)

**June**      09      Investment (*Thursday*)  
15      A&O (*Wednesday*)  
29/30      Board (*Wednesday/Thursday*)

**July**      27      Board (*Wednesday*)

**September**      08      Investment (*Thursday*)  
21      A&O (*Wednesday*)  
28/29      Board (*Wednesday/Thursday*)

**October**      25      Board (*Tuesday*)

**November**      10      Investment (*Thursday*)  
23      Board (*Wednesday*)

**December**      08      Investment (*Thursday*)  
20      Board (*Tuesday*)  
21      A&O

4. MEMBER means any person eligible for membership as follows who has not otherwise waived, terminated or been denied membership:
  - a. Any employee who is entitled to and who elected membership at the time of the creation of the retirement system;
  - b. Any person who became an employee after January 1, 1938, and who is eligible under the provisions of Chapter 36 and who is:
    - i. a full-time employee;
    - ii. a part-time employee eligible for membership under the Board's Rules and Regulations; or
    - iii. an elected official who has evidenced an intention to join the ERS.
6. RETIRED MEMBER means a person who had been a member but who has retired from the retirement system and receives a retirement allowance.

Source: Milwaukee City Charter § 36-02-8; § 36-03; § 36-02-21; City Attorney Opinion Letter, November 19, 1984.

7. An APPLICATION FOR DUTY DISABILITY shall consist of the Duty Disability Application Form, A Physician Statement, copies of appropriate Worker's Compensation EB-49's, and properly executed medical authorizations.
8. An Application for Duty Disability is filed when all documentation set forth in I.F.7 above is submitted and certified as complete by the ERS.

## **II. MEMBERSHIP ON THE BOARD**

### **A. NUMBER OF BOARD MEMBERS AND TERMS**

The Board shall consist of:

1. Three Board members to be appointed by the President of the Common Council subject to the confirmation of such common council for a term of 2 years.

Commencing in 1997, when terms expire for members appointed by the President of the Common Council, members shall be appointed for terms expiring the 3rd Tuesday of April 2000. Thereafter, the President of the Common Council shall appoint members for a term of 2 years within 60 days of the commencement of a new Common Council term, and then within 60 days following 2 years of the commencement of a Common Council term. If a vacancy occurs in a Board position, the President shall appoint within 60 days after the vacancy occurs.

2. The City Comptroller, ex-officio, or, in case of sickness or absence, his or her deputy.
3. Three employe Board members who shall be members of the ERS and who shall be elected at large by the members of the ERS for a term of 4 years according to such rules and regulations as the Board shall adopt from time to time to govern such election.
4. One retired Board member elected each fourth year by members of the ERS who are retired and are receiving a retirement allowance for a term of 4 years, which term shall begin on the first day of January following election and that person shall serve until his or her successor has been elected and qualifies.

Source: Milwaukee City Charter 36-15-2; Rules and Regulations, II Officers and Employees)

## **B. SELECTION PROCESS AND ELECTIONS**

### **1. Chair and Vice-Chair**

The members of the Board shall elect from its membership at each annual meeting a Chair and a Vice-Chair who shall serve until their successors are elected.

Source: Milwaukee City Charter § 36-15-7; Rules and Regulations, § I.4 (a) (Officers and Employees)

### **2. Employe Board Member**

The following rules shall govern the election of an employe member of the Board:

To be eligible for nomination and election, candidates must be in active service. A regularly scheduled election to fill a Board member vacancy due to expiration of the term of office will be held on the first Friday in November. A special election may be called at any time to fill a vacancy which occurs due to the removal, resignation, retirement or death of an employee Board member. Such special election shall be conducted as determined by the Board under rules published in the election bulletin adopted by the Board.

In the event that only two candidates file for a regularly scheduled election, the election will be held in November. In the event there are more than two candidates and one candidate receives one more than half the number of the legal votes cast at the election, then the person receiving said vote shall be declared elected to the office. In the event of failure of any one candidate to receive one more than half the number of the legal votes cast, then the two candidates having the highest number of votes shall have their names placed on a ballot for a run-off election to be held five weeks after the primary



V.

MEDICAL REPORTS

A. All Duty & Ordinary Disability Applications & Re-examinations (November).

MERITS	CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM	Page Number: 1 OF 1
	Medical Panel Approvals Report	DATE RAN : 11/11/2021
Approved by Executive Director	Pension Board Meeting Date 11/23/2021	TIME RAN : 13:00

DOCTOR DECISION											
<u>Case Number</u>	<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Employer</u>	<u>Case Type</u>	<u>Case Sub-Type</u>	<u>City</u>	<u>Union</u>	<u>Third</u>	<u>Disability Date</u>	<u>Comments</u>
1063	ADAMSKI, NICHOLAS		FIREFIGHTER	FIRE	DD 75%	Re-Examination	Approved	Approved		04/23/2013	
691	DANNIES, KYLE		FIRE FIGHTER	FIRE	DD 75%	Re-Examination	Approved	Approved		11/21/2008	
684	ASHWORTH, MARK		HEAVY EQUIPMENT OPERATOR	MILWAUKEE FIRE DEPT	DD 75%	Re-Examination	Approved	Approved		07/01/2021	
1004	RILEY, JILL		POLICE OFFICER	POLICE	DD 75%	Re-Examination	Approved	Approved		03/23/2012	

Number of Cases: 4

*This report includes Fire duty disabilities with an application date prior to July 29, 2016; Police MPA duty disabilities with an application date prior to June 19, 2016; and Police MPSO duty disabilities with an application date prior to January 1, 2016.*

MERITS	CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM	Page Number: 1 OF 1
	Medical Council Approvals Report	DATE RAN : 11/15/2021
	Board Meeting: 11/22/2021	TIME RAN : 06:19

<u>Name</u>	<u>DOB</u>	<u>Title</u>	<u>Employer</u>	<u>CaseType</u>	<u>Case Sub-Type</u>	<u>Disability Date</u>	<u>Medical Council Meeting Date</u>
CHAPMAN, VALERIE		PARA ED ASST	MPS	Ordinary Disability	Re-Examination	11/09/2015	11/04/2021
HEIKKINEN, BONNIE		EDUCATIONAL ASST - PARA	MPS	Ordinary Disability	Re-Examination	07/22/2017	11/04/2021
KOWALSKI, DENNIS		FIRE LIEUTENANT X	MFD	Ordinary Disability	Re-Examination	06/25/2019	11/04/2021
NELSON, EDWARD		CITY LABORER	DPW-INFRASTRUCTURE	Ordinary Disability	Re-Examination	12/14/2012	11/04/2021
NORBERG, BRYAN		POLICE OFFICER	MPD	Duty Disability 75%	Re-Examination	11/21/2018	11/04/2021

Number of Cases: 5

*This report includes all GC disabilities; all ordinary disabilities; Fire duty disabilities with an application date on/after July 29, 2016; Police MPA duty disabilities with an application date on/after June 19, 2016; and Police MPDO duty disabilities with an application date on/after January 1, 2016.*

VI.

UNFINISHED BUSINESS

- A. Pending Legal Opinions and Service Requests Report.
- B. Pending Legislation Report.
- C. Executive Director's Report – Inventory of ERS Projects.



## November 23, 2021 Board Meeting

### PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT

#### **PART 1. LEGAL OPINIONS - OFFICE OF CITY ATTORNEY**

None.

#### **PART 2. LEGAL OPINIONS - OUTSIDE LEGAL COUNSEL**

None.

#### **PART 3. SERVICE REQUESTS - OFFICE OF CITY ATTORNEY**

09/10/21      **Request for Mailing Services**  
ERS staff requests assistance of legal counsel in the RFQ process for mailing services.

#### **PART 4. SERVICE REQUESTS - OUTSIDE LEGAL COUNSEL**

10/05/21      **Abbott Capital Private Equity Investors**  
ERS staff requests legal counsel to review Limited Partner Agreement and amending the side letter with Abbott Capital private equity investor.  
10/14/21 Matter assigned to outside legal counsel, Reinhart Boerner Van Deuren, SC.  
**11/23/21 On Pension Board Agenda.**

10/12/21      **LaSalle Property Fund**  
ERS is utilizing an option within its current investment agreement with LaSalle to conduct a review of other investors' side letters and elect any terms that are more favorable than existing terms.  
10/14/21 Matter assigned to outside legal counsel, Reinhart Boerner Van Deuren, SC.  
**ERS Staff, with the advice of the City Attorney's Office and Outside Legal Counsel, utilized the delegated authority outlined within the Statement of Investment Policy that allows Staff to take actions that are unable to be reviewed and executed within the confines of the regular Board schedule, to select more favorable terms from other investors' side letters.**



## November 23, 2021 Board Meeting

### **PENDING LEGISLATION REPORT**

#### **PART 1. PENDING CHARTER ORDINANCES FOR COMMON COUNCIL ACTION**

**CCFN 210918 Communication transmitting the report of the Mayor's Task Force on the City of Milwaukee's Pension System.**

09/21/21 Council file assigned to the Finance & Personnel Committee.

10/06/21 Finance & Personnel Committee referred report to the Steering & Rules Committee.

10/18/21 Held to Call of the Chair.

#### **PART 2. PENDING CHANGES TO THE RULES & REGULATIONS**

None.

#### **PART 3. PENDING LEGISLATIVE COMMITTEE REFERRALS**

**Pension Contribution Offset.**

12/13/16 ERS requested legal guidance on whether the 5.8% pension contribution offset for public safety employees pursuant to recent labor contract settlements or interest arbitration, is includable as "salary" for adjusting duty disability retirement allowance.

02/16/17 City Attorney issued a legal opinion advising that since members receiving a duty disability retirement allowance have not paid the member contributions, they are not entitled to the 5.8% pension contribution offset.

02/27/17 Opinion referred to Legislative Committee for consideration on whether the pension contribution offset received by general city and protective service members should be included in the calculation of the Conversion to Service Retirement and Extended Life retirement allowances.

07/31/17 Committee recommended this matter be held pending resolution of litigation.

## **Employees' Retirement System – Executive Director's Report**

### **November 2021**

#### **I. Personnel Update**

- A. ERS is working with DER to fill the Network Administrator position and Program Assistant II position.

#### **II. Member Services**

- A. New retirees on payroll in October - 43; 56 are currently anticipated for the November payroll.
- B. All Retirement seminars are being done virtually until further notice. A Retirement Workshop for Police was held 10/15/21 and 35 attended and one for Fire was held 10/22/21 and 6 attended.
- C. The in person Open Enrollment Fairs for this year have been cancelled. DER set up and had a number of virtual open enrollment sessions, which we were a part of. Like last year, ERS set up and had two virtual Open Enrollment sessions, which were well attended. Each ERS session had a short presentation, then we were available for questions.
- D. Below is a breakdown of to-date ERS benefits payouts/active/deferred counts:

<b>Category</b>	<b>Count</b>
<b>Annuitants</b>	
Death - Duty	28
Death - Ordinary	89
Disability - Duty	396
Disability - Ordinary	602
Retirement	12,622
Separation	37
<b>Total Annuitants</b>	<b>13,774</b>
<b>Active</b>	<b>10,806</b>
<b>Deferred</b>	<b>3,017</b>
<b>Total Population</b>	<b>27,597</b>

#### **III. Financial Services**

- A. Staff met with CavMac and Baker Tilly to outline the schedule and work necessary to complete both the actuarial valuation and financial audit.
- B. We are working on calculating the retro's for MPSO due to the 5.8% pension offset lawsuit ruling by the WI Court of Appeals. We expect to have the retro's completed for the December benefit payroll.
- C. We are working with Clifton Larsen Allen (CLA) on Finance and Accounting internal audit and expect to have it wrapped up by the end of the year.

#### **IV. Information Services**

- A. Proof of Concept (POC) for FileNet to BAW Upgrade in progress.
- B. Struts Upgrade and Modernize MERITS Website in progress.
- C. MERITS & FileNet Databases Patching in process.
- D. Desktop PC Upgrade in progress.
- E. Network Infrastructure Upgrade in progress.
- F. Implement Multi-Factor Authentication Capabilities in progress.
- G. Implement Security Incident and event Management Capabilities in progress.
- H. WUG Upgrade in process.
- I. Symantec Endpoint Protection Upgrade in progress.
- J. Vulnerability Assessment - 2021 in progress.

#### **V. Administration**

- A. The Pension Task Force final report was circulated to the Trustees. The report makes no recommendations because the group by its charter was not intended to arrive at consensus but merely outline and analyze potential actions for consideration by the city with regard to pension funding and includes both financial and legal considerations.
- B. A draft bill for introduction to the State Legislature is being developed by a coalition among the City, County, Greater Milwaukee Committee and others. This bill contemplates additional sales tax revenues for the City and County of Milwaukee, but closes the ERS to new hires. New hires would be part of the WRS. The draft bill also includes provisions for a statutory rate of return (7.25%) and amortization period (30 years) for the unfunded liability and normal costs accrued in the future. Staff will report further, if the bill is introduced into the legislature.





State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-4525/P3  
JK&MIM:cjs

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

1     **AN ACT** *to renumber and amend* 77.70; *to amend* 59.875 (2) (a), 62.623 (1),  
2           66.0621 (3m), 77.76 (3) and 79.05 (2) (c); *to create* 40.02 (48) (am) 23., 40.02 (48)  
3           (am) 24., 40.21 (4g), 40.21 (4r), 59.875 (2) (c), 62.623 (3) and 77.70 (2) of the  
4           statutes; and *to affect* Laws of 1937, chapter 201, section 1 (4), Laws of 1937,  
5           chapter 201, section 14A (1), Laws of 1937, chapter 201, section 21, Laws of  
6           1937, chapter 396, section 1 (4) (e) 2m., Laws of 1937, chapter 396, section 15  
7           (1) and Laws of 1937, chapter 396, section 16A (1); **relating to:** imposing an  
8           additional county sales tax and requiring newly hired city and county  
9           employees to be enrolled in the Wisconsin Retirement System.

---

***Analysis by the Legislative Reference Bureau***

This bill authorizes a county in which a first class city is located to impose a 1 percent sales and use tax, with the revenue used to provide property tax relief and fund the county and city retirement systems, and requires newly hired county and city employees to be enrolled in the Wisconsin Retirement System.

***Additional sales and use tax***

Under current law, a county may impose a sales and use tax at the rate of 0.5 percent of the sales price of tangible personal property, goods, and services sold or

used in the county. The tax may be imposed only for the purpose of reducing the property tax levy.

Under the bill, a county in which a first class city is located may impose an additional sales and use tax at the rate of 1 percent of the sales price of tangible personal property, goods, and services sold or used in the county. Under the bill, the Department of Revenue keeps 1.75 percent of the revenue from the additional tax for administrative expenses. The bill requires that the remaining revenue be used as follows:

1. Thirty-three percent of the revenue must be used to provide property tax relief, divided evenly between county and municipal property tax relief.

2. Thirty-three and one-half percent of the revenue must be used to fund the county's retirement system. If the system is determined to be fully funded, then the revenue must be used to make investments to promote the county's financial sustainability, such as by addressing critical deferred maintenance backlogs and eliminating outdated assets.

3. Thirty-three and one-half percent of the revenue must be used to fund the first class city's retirement system. If the system is determined to be fully funded, then the revenue must be used to provide property tax relief in the first class city.

Under the bill, if the county and city retirement systems are fully funded, the additional tax is repealed on October 1 of the following year. However, the county may extend the tax for a period of up to 20 years. If the tax is extended, the revenue must be used for the purposes described above.

The bill provides that the expenditure by a municipality of the distributed tax revenue will not affect the municipality's payment under the expenditure restraint program and that the revenue and expenditures will not impact any local government funding formula.

Under the bill, a county in which a first class city is located may not impose the additional tax unless the county contributes to its retirement system from sources other than the tax at least \$54,663,000 in 2021 and in each year thereafter until the retirement system is determined by the county's actuary to be fully funded. In addition, no first class city may receive its share of the proceeds from the tax unless the city complies with all of the following:

1. The ratio of law enforcement officers and fire fighters employed by the city to the city's total population in any year in which the tax is imposed is at least equal to the ratio, as of December 31, 2019, of law enforcement officers and fire fighters to the city's total population.

2. Beginning on the first day on which the tax is imposed the city expends none of its general revenue on the operation, maintenance, or expansion of a rail fixed guideway transportation system in the city.

3. The city contributes to its retirement system from sources other than the tax at least \$55,200,000 in each year beginning with 2021 and ending with 2023 and at least \$84,500,000 in 2024 and in each year thereafter until the retirement system is determined by the city's actuary to be fully funded.

***Enrollment of new employees in Wisconsin Retirement System***

Under current law, Milwaukee County and the City of Milwaukee each operate their own retirement system, providing retirement benefits to individuals employed by the county or city. This bill provides that employees initially hired by Milwaukee County and the City of Milwaukee after December 31, 2022, may not be covered under the county's or city's retirement system. Instead, the bill requires that these newly hired employees be covered under the Wisconsin Retirement System.

The bill also prohibits an employee organization and employer from collectively bargaining over employer contributions to a retirement system in a county with a population of 750,000 or more or employer contributions to a retirement system of a first class city.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1       **SECTION 1.** 40.02 (48) (am) 23. of the statutes is created to read:

2       40.02 **(48)** (am) 23. AUpon the adoption of an ordinance  
under s. 77.70(2)(a), a fire fighter, sheriff, undersheriff, deputy  
sheriff, or jailer

3       in a county with a population of at least 750,000 who is initially hired by the county  
4       after December 31, 2022.

5       **SECTION 2.** 40.02 (48) (am) 24. of the statutes is created to read:

6       40.02 **(48)** (am) 24. Upon the adoption of an ordinance  
under s. 77.70(2)(a), a police officer, fire fighter, or jailer in a 1st  
class city in a

7       county with a population of at least 750,000 who is initially hired by the city after  
8       December 31, 2022.

9       **SECTION 3.** 40.21 (4g) of the statutes is created to read:

10       40.21 **(4g)** Upon the adoption of an ordinance under s.  
77.70(2)(a), a county having a population of 750,000 or more that is  
covered by

11       a retirement system established under chapter 201, laws of 1937, is a participating

12 employer with respect to (a) any eligible employee who was never an employee of the county on

or before December 31, 2022, and who is hired by the county after that date., and (b) any eligible employee who was employed prior to December 31, 2022 that has withdrawn their contributions to the retirement system. Such a county is not a participating employer with respect to any employee eligible to participate in a retirement plan established by a county under the Omnibus Budget Reconciliation Act of 1990.

**SECTION 4.** 40.21 (4r) of the statutes is created to read:

40.21 **(4r)** Upon the adoption of an ordinance under s. 77.70(2)(a), a 1st class city covered by a retirement system established under

chapter 396, laws of 1937, is a participating employer with respect to any eligible employee

who, as of December 31, 2022, had never been an employee of any of the following entities, and who is hired after that date:

(a) The city.

(b) A housing authority in a 1st class city in a county with a population of at least 750,000.

(c) A redevelopment authority in a 1st class city in a county with a population of at least 750,000.

(d) The Milwaukee Metropolitan Sewerage District.

(e) The board of a public school district in a 1st class city in a county with a population of at least 750,000.

(f) A special purpose district created under subch. II of. ch. 229 for which the sole sponsoring municipality is a 1st class city in a county with a population of at least 750,000.

\*\*\*\*NOTE: I have moved the effective date forward two years. Please let me know if that is not consistent with your intent.

**SECTION 5.** 59.875 (2) (a) of the statutes is amended to read:

59.875 **(2)** (a) Beginning on July 1, 2011, and ending on December 31, 2022, upon the adoption of an ordinance under s. 77.70(2)(a) in

any employee retirement system of a county, except as otherwise provided in a collective bargaining agreement entered into under subch. IV of ch. 111 and except as provided in par. (b), employees shall pay half of all actuarially required contributions for funding benefits under the retirement system. The employer may

**SECTION 4**

not pay on behalf of an employee any of the employee's share of the actuarially required contributions.

**SECTION 6.** 59.875 (2) (c) of the statutes is created to read:

59.875 **(2)** (c) Upon the adoption of an ordinance under s. 77.70(2)(a), beginning on January 1, 2023, in any employee retirement

system of a county, except as otherwise provided in a collective bargaining agreement entered into under subch. IV of ch. 111 and except as provided in par. (b), employees shall pay half of all actuarially required normal cost contributions for funding benefits under the retirement system. The employer may not pay on behalf of an employee any of the employee's share of the actuarially required contributions. The Regardless of funding status of the retirement system, t employer shall pay the remaining balance of actuarially required normal cost contributions each year that is not covered by the employee contributions.

**SECTION 7.** 62.623 (1) of the statutes is amended to read:

62.623 **(1)** Beginning on July 1, 2011, and ending on December 31, 2022 upon the adoption of an ordinance under s. 77.70(2)(a), in any

employee retirement system of a 1st class city, except as otherwise provided in a collective bargaining agreement entered into under subch. IV of ch. 111 and except as provided in sub. (2), employees shall pay all employee required contributions for funding benefits under the retirement system. The employer may not pay on behalf of an employee any of the employee's share of the required contributions.

**SECTION 8.** 62.623 (3) of the statutes is created to read:

62.623 **(3)** Upon the adoption of an ordinance under s. 77.70(2)(a), beginning on January 1, 2023, in any employee retirement system

of a 1st class city, except as otherwise provided in a collective bargaining agreement entered into under subch. IV of ch. 111 and except as provided in sub. (2), employees shall pay half of all actuarially required normal cost contributions for funding

**SECTION 5**

- 24        benefits under the retirement system. The employer may not pay on behalf of an
- 25        employee any of the employee's share of the actuarially required contributions.  
      Regardless of funding status of the retirement system, the

1 employer shall pay the remaining balance of actuarially required normal cost  
2 contributions each year that is not covered by the employee contributions.

3 **SECTION 9.** 66.0621 (3m) of the statutes is amended to read:

4 66.0621 **(3m)** A county in which an electronics and information technology  
5 manufacturing zone designated under s. 238.396 (1m) exists may issue bonds under  
6 this section whose principal and interest are paid only through sales and use tax  
7 revenues imposed by the county under s. 77.70 (1). The county shall be and continue  
8 without power to repeal such tax or obstruct the collection of the tax until all such  
9 payments have been made or provided for.

10 **SECTION 10.** 77.70 of the statutes is renumbered 77.70 (1) and amended to read:

11 77.70 **(1)** Any county ~~desiring to~~ may impose county sales and use taxes under  
12 this subchapter ~~may do so~~ by the adoption of an ordinance, stating its purpose and  
13 referring to this subchapter. The rate of the tax imposed under this ~~section~~  
14 subsection is 0.5 percent of the sales price or purchase price. Except as provided in  
15 s. 66.0621 (3m), the county sales and use taxes imposed under this subsection may  
16 be imposed only for the purpose of directly reducing the property tax levy and only  
17 in their entirety as provided in this subchapter. That ordinance shall be effective on  
18 ~~the first day of January, the first day of April, the first day of July or the first day of~~  
19 ~~October~~ January 1, April 1, July 1, or October 1. A certified copy of that ordinance  
20 shall be delivered to the secretary of revenue at least 120 days prior to its effective  
21 date. The repeal of any such ordinance shall be effective on December 31. A certified  
22 copy of a repeal ordinance shall be delivered to the secretary of revenue at least 120  
23 days before the effective date of the repeal. Except as provided under s. 77.60 (9), the  
24 department of revenue may not issue any assessment ~~nor~~ or act on any claim for a  
25 refund or any claim for an adjustment under s. 77.585 after the end of the calendar



1 year that is 4 years after the year in which the county has enacted a repeal ordinance  
2 under this ~~section~~ subsection.

3 **SECTION 11.** 77.70 (2) of the statutes is created to read:

4 77.70 **(2)** (a) In addition to the taxes imposed under sub. (1), a county in which  
5 a 1st class city is located may adopt an ordinance to impose sales and use taxes under  
6 this subchapter at the rate of 1 percent of the sales price or purchase price. An  
7 ordinance adopted under this paragraph shall be effective on October 1 of the year  
8 following adoption of the ordinance. No county may impose a tax under this  
9 subsection unless the county contributes to its retirement system's unfunded  
10 actuarially accrued liability from sources other than the tax at least \$54,663,000 in  
11 2021 and in each year thereafter until the retirement system is determined by the  
12 county's actuary to be fully funded. The required unfunded actuarial accrued  
liability payments, amortization, assumed rate of return and other elements of this  
section shall only take place if there is a successful ordinance.

13 (b) The taxes imposed under par. (a) may be imposed only in their entirety as  
14 provided in this subchapter and the revenue from the taxes shall be used as follows:

15 1. Beginning with the first full calendar year after the first full calendar year  
16 that taxes are imposed under this subsection, the county shall use 16.5 percent of the  
17 revenue for a direct property tax relief credit to appear on the property tax bills of  
18 all property subject to taxation in the county. The county shall allocate to each such  
19 property a credit equal to the property's proportionate share of the amount to be  
20 distributed under this subdivision, determined on the basis of the property's  
21 assessed value. In order to calculate the proportionate share to be allocated to each  
22 property, the county shall use the gross equalized value for all properties in the  
23 county, including properties in a tax incremental district. Credit amounts  
24 attributable to property in a tax incremental district shall be distributed to each of

1 the taxing jurisdictions overlying the tax incremental district, in addition to the  
2 amounts listed in subd. 2.

3 2. Beginning with the first full calendar year after the first full calendar year  
4 that taxes are imposed under this subsection, the county shall distribute 16.5  
5 percent of the revenue to the municipalities in the county for a direct property tax  
6 relief credit to appear on the property tax bills of all property subject to taxation in  
7 each such municipality. The county shall distribute to each municipality its  
8 proportionate share of the amount to be distributed under this subdivision on the  
9 basis of the equalized value of all taxable property in municipality. The municipality  
10 shall allocate to each such property in the municipality a credit equal to the  
11 property's proportionate share of the amount to be distributed by the municipality  
12 under this subdivision, determined on the basis of the property's assessed value.  
13 Credits for properties in a tax incremental district may be retained by the  
14 municipality as if those credits were payments made by the property owner.  
15 Payments by the county to municipalities under this subdivision shall be made in 3  
16 equal installments on February 15, May 15, and July 15 of each year. The county  
17 shall use the estimated amount of sales tax revenue collected under this subsection  
18 in the previous year to determine the amount of the payments to distribute each year  
19 under this subdivision. The county shall reconcile any underpayment or  
20 overpayment under this subdivision in the year following the year of the  
21 underpayment or overpayment.

22 3. In addition to the payment required under par. (a), the county shall use 33.5  
23 percent of the revenue to reduce the unfunded actuarial accrued liability of the  
24 retirement system established under chapter 201, laws of 1937. If the retirement  
25 system is determined by the county's actuary to be fully funded, the county shall

1 notify the department of revenue and shall use the amount under this subdivision  
2 to make investments that promote the county's financial sustainability, including by  
3 addressing critical deferred maintenance backlogs and eliminating or replacing  
4 outdated assets. For purposes of making the determination under this subdivision,  
5 the unfunded actuarial accrued liability shall be amortized over a period that is no  
6 longer than 30 years, and the county's retirement system may direct its actuary to  
7 reduce the investment return assumption at any time, but the investment return  
8 assumption may not be reduced below 5.0 percent, nor increased above 7.25  
percent. Notwithstanding any

9 actuarial rule to the contrary, the amortization period shall be 30 years. The  
10 amortization of the unfunded actuarial accrued liability existing at the time of the  
passage of the ordinance shall be amortized so that the unfunded actuarial accrued  
liability is expected to be paid

11 within 30 years from the first day after the first full year of tax collection under this  
12 subsection, but may be paid sooner based on the accelerated payments provided by  
13 the tax imposed under this subsection. Future unfunded actuarial accrued liability due  
to factors such as market returns

14 and standard accounting practices may be . amortized based on standard accounting  
practice. Each year the county shall pay the full annual amortization payment of  
unfunded actuarially accrued

15 liability that is not otherwise paid by the contributions under this subdivision. The  
16 county may begin using the revenue from the tax imposed under this subsection for  
17 the purpose of this subdivision in the first full calendar year that the taxes are  
18 imposed.

19 4. The county shall distribute 33.5 percent of the revenue to the 1st class city  
20 located within the county, and the 1st class city shall use the amount to reduce the  
21 unfunded actuarial accrued liability of the retirement system established under  
22 chapter 396, laws of 1937. If the retirement system is determined by the  
retirement system's

23 actuary to be fully funded, the city shall notify the department of revenue and

1 shall use the amount under this subdivision to make investments that promote the  
2 city's financial sustainability, including by addressing critical deferred  
3 maintenance backlogs and eliminating or replacing outdated assets. For purposes  
4 of making the determination under this subdivision, the unfunded actuarial accrued  
5 liability shall be amortized over a period that is no longer than 30 years, and the city's  
6 retirement system may direct its actuary to reduce the investment return  
7 assumption at any time, but the investment return assumption may not be reduced

8 below .5.0% nor increased above

9 7.25 percent. The amortization of the unfunded actuarial accrued liability  
existing at the time of the passage of the ordinance shall be amortized so that  
the unfunded actuarial accrued liability

10 is expected to be paid within 30 years from the first day after the first full year of tax  
11 collection under this subsection, but may be paid sooner based on the accelerated

12 payments provided by the tax imposed under this subsection. Future unfunded  
actuarial accrued liability due to factors such as market returns and standard  
accounting practices may be . amortized according to standard accounting  
principalsE a c h y e a r the city shall pay the full annual amortization  
payment of

13 unfunded actuarially accrued liability that is not otherwise paid by the contributions  
14 under this subdivision. The city may begin using the revenue received under this  
15 subdivision for the purpose of this subdivision in the first full calendar year that the  
16 taxes under this subsection are imposed. Payments by the county to a 1st class city  
17 under this subdivision shall be made in 3 equal installments on February 15, May

18 15, and July 15 of each year. TheFor the first year of sales tax  
collected the County will distribute the proportionate  
amount of actual sales tax collected, and include any  
unpaid amounts in the next year's estimate. For  
subsequent years, t county shall use the estimated amount of sales tax

19 revenue collected under this subsection in the previous year to determine the amount  
20 of the payments to distribute each year under this subdivision. The county shall

- 21      reconcile any underpayment or overpayment under this subdivision in the year
- 22      following the year of the underpayment or overpayment.

1           5. Notwithstanding subds. 2. and 4., no 1st class city may receive revenue  
2     under subd. 2. or 4. unless it complies with all of the following:

3           a. The ratio of law enforcement officers and members of the paid fire  
4     department, as defined in s. 213.10 (1g), employed by the city to the city's total  
5     population in any year in which the tax is imposed under par. (a) is at least equal to  
6     the ratio, as of December 31, 2021, of law enforcement officers and members of the  
7     paid fire department to the city's total population.

8           b. the city  
9     expends none of therevenue from the tax imposed under par. (a) on the operation,  
10    maintenance, or expansion of  
11    a rail fixed guideway transportation system, as defined in s. 85.066 (1), in the city.

12          c. The city and its agencies contributes to its retirement system from sources  
13     other than the tax  
14     imposed under par. at least \$84,500,000 in 2023and in each year thereafter until  
15     the retirement system is determined by the city's actuary to be fully funded.

16          (c) The ordinance imposing the taxes under par. (a) shall be repealed on October  
17     1 of the year following the year in which the department of revenue receives  
18     notification under par. (b) 3. and 4. that (i) the county retirement system total unfunded  
19     actuarily accrued liability is less than one year of projected sales tax received by the county  
20     under par (b)(3), and that (ii) the city retirement system total unfunded actuarily accrued  
21     laibiltiy is less than one year of projected sales tax received by the city under par (b)(4).

22          Except as provided under s. 77.60 (9), the department of revenue may not issue an  
23     assessment or act on a claim for a refund or for an adjustment under s. 77.585 after  
24     the end of the calendar year that is 4 years after the year in which the ordinance is  
25     repealed.

26          (d) After the date on which the department of revenue receives notification  
27     under par. (b) 3. and 4. that both retirement systems are fully funded, the county may  
28     adopt an ordinance to extend the imposition of the taxes imposed under par. (a) for  
29     a period not to exceed 20 years. The taxes imposed under this paragraph are subject

1 to the requirements under par. (b). An ordinance adopted under this paragraph shall  
2 be effective on October 1 of the year following the year in which the ordinance is  
3 adopted. The repeal of any such ordinance shall be effective on December 31, and  
4 a certified copy of a repeal ordinance shall be delivered to the secretary of revenue  
5 at least 120 days before the effective date. Except as provided under s. 77.60 (9), the  
6 department of revenue may not issue an assessment or act on a claim for a refund  
7 or a claim for an adjustment under s. 77.585 after the end of the calendar year that  
8 is 4 years after the year in which the county has enacted a repeal ordinance under  
9 this paragraph.

\*\*\*\*NOTE: This provision provides that, if the tax is extended, the revenue must be  
used as provided under par. (b). Please let us know if that is not consistent with your  
intent.

10 **SECTION 12.** 77.76 (3) of the statutes is amended to read:

11 77.76 **(3)** From the appropriation under s. 20.835 (4) (g) the department of  
12 revenue shall distribute 98.25 percent of the county taxes reported for each enacting  
13 county, minus the county portion of the retailers' discounts, to the county and shall  
14 indicate the taxes reported by each taxpayer, no later than 75 days following the last  
15 day of the calendar quarter in which such amounts were reported. In this subsection,  
16 the "county portion of the retailers' discount" is the amount determined by  
17 multiplying the total retailers' discount by a fraction the numerator of which is the  
18 gross county sales and use taxes payable and the denominator of which is the sum  
19 of the gross state and county sales and use taxes payable. The county taxes  
20 distributed shall be increased or decreased to reflect subsequent refunds, audit  
21 adjustments, and all other adjustments of the county taxes previously distributed.  
22 Interest paid on refunds of county sales and use taxes shall be paid from the  
23 appropriation under s. 20.835 (4) (g) at the rate paid by this state under s. 77.60 (1)





1 (a). ~~The~~ Except as provided in s. 77.70 (2) (b) and (d), a county may retain the amount  
2 it receives or it may distribute all or a portion of the amount it receives to the towns,  
3 villages, cities, and school districts in the county. After receiving notice from the  
4 department of revenue, a county shall reimburse the department for the amount by  
5 which any refunds, including interest, of the county's sales and use taxes that the  
6 department pays or allows in a reporting period exceeds the amount of the county's  
7 sales and use taxes otherwise payable to the county under this subsection for the  
8 same or subsequent reporting period. Any county receiving a report under this  
9 subsection is subject to the duties of confidentiality to which the department of  
10 revenue is subject under s. 77.61 (5) and (6).

11 **SECTION 13.** 79.05 (2) (c) of the statutes, as affected by 2021 Wisconsin Act 61,  
12 is amended to read:

13 79.05 **(2)** (c) Its municipal budget; exclusive of principal and interest on  
14 long-term debt and exclusive of revenue sharing payments under s. 66.0305,  
15 payments of premiums under s. 66.0137 (5) (c) 1. and 1m., expenditures of payments  
16 due to the termination of a tax incremental district under s. 79.096 (3), recycling fee  
17 payments under s. 289.645, expenditures of grant payments under s. 16.297 (1m),  
18 unreimbursed expenses related to an emergency declared under s. 323.10,  
19 expenditures from moneys received pursuant to P.L. 111-5, expenditures from  
20 moneys received pursuant to s. 77.70 (2) (b) 2. or 4., and expenditures made pursuant  
21 to a purchasing agreement with a school district whereby the municipality makes  
22 purchases on behalf of the school district; for the year of the statement under s.  
23 79.015 increased over its municipal budget as adjusted under sub. (6); exclusive of  
24 principal and interest on long-term debt and exclusive of revenue sharing payments  
25 under s. 66.0305, payments of premiums under s. 66.0137 (5) (c) 1. and 1m.,

1 expenditures of payments due to the termination of a tax incremental district under  
2 s. 79.096 (3), recycling fee payments under s. 289.645, expenditures of grant  
3 payments under s. 16.297 (1m), unreimbursed expenses related to an emergency  
4 declared under s. 323.10, expenditures from moneys received pursuant to P.L. 111-5,  
5 expenditures from moneys received pursuant to s. 77.70 (2) (b) 2. or 4., and  
6 expenditures made pursuant to a purchasing agreement with a school district  
7 whereby the municipality makes purchases on behalf of the school district; for the  
8 year before that year by less than the sum of the inflation factor and the valuation  
9 factor, rounded to the nearest 0.10 percent.

10 **SECTION 14.** Laws of 1937, chapter 201, section 1 (4), as last affected by chapter  
11 357, laws of 1947, is amended to read:

12 [Laws of 1937, chapter 201] Section 1 (4) "U p o n t h e a d o p t i o n o f a n  
o r d i n a n c e u n d e r s . 7 7 . 7 0 ( 2 ) ( a ) , e m p l o y e e " s h a l l m e a n a n y p e r s o n  
13 regularly employed by the county at an annual wage or salary payable at stated  
14 intervals, including any person who is employed by the state but who receives part  
15 of his wage or salary from the county, but not including any person in the service of  
16 a county with a population of at least 750,000 who was never an employee of the  
17 county on or before December 31, 2022, and who is hired after that date. In the event  
18 of a question arising as to the right of any person in the service of the county to be  
19 classified as an employee under this act, the decision of the board shall be final. This  
paragraph does not impact any employee eligible to participate in a retirement  
plan established by a county under the Omnibus Budget Reconciliation Act of  
1990.

20 **SECTION 15.** Laws of 1937, chapter 201, section 14A (1) is created to read:

21 [Laws of 1937, chapter 201] Section 14A (1) The board of a system in a county  
22 with a population of at least 750,000 shall terminate the retirement system within  
23 a practicable time after the final payment has been made to members or their  
24 beneficiaries, in accordance with any requirements of the federal Internal Revenue  
25 Code. This paragraph only applies if an ordinance has been adopted under s.

77.70(2)(a).

This paragraph does not impact any employee eligible to participate in a retirement plan established by a county under the Omnibus Budget Reconciliation Act of 1990.

**SECTION 16.**

**SECTION 16.** Laws of 1937, chapter 201, section 21, as created by chapter 405, laws of 1965, is amended to read:

[Laws of 1937, chapter 201] Section 21. For the purpose of best protecting the employese subject to this act by granting supervisory authority over each retirement system created hereunder to the governmental unit most involved therewith, it is declared to be the legislative policy that the future operation of each such retirement system is a matter of local affair and government and shall not be construed to be a matter of state-wide concern. Each county which is required to establish and maintain a retirement system pursuant to this act is hereby empowered, by county ordinance, to make any changes in such retirement system which hereafter may be deemed necessary or desirable for the continued operation of such retirement system, but no such change shall operate to diminish or impair the annuities, benefits or other rights of any person who is a member of such retirement system prior to the effective date of any such change. In a county that has established a retirement system pursuant to this act, upon the adoption of an ordinance under s. 77.70(2)(a), a the county and board shall continue to amend, create, and repeal ordinances and rules, administer benefits, discharge their duties with respect to the retirement system, and take any other actions necessary to administer the system and maintain the qualified tax status of the system under the Internal Revenue Code until the plan is terminated under section 14A (1) of this act.

**SECTION 17.** Laws of 1937, chapter 396, section 1 (4) (e) 2m. is created to read:

[Laws of 1937, chapter 396] Section 1 (4) (e) 2m. Who are in the service of a 1st class city in a county with a population of at least 750,000; who as of December 31, 2022, had never been employees of the city, a housing authority in a 1st class city in a county with a population of at least 750,000, a redevelopment authority in a 1st

1 class city in a county with a population of at least 750,000, the Milwaukee  
2 Metropolitan Sewerage District, the board of a public school district in a 1st class city  
3 in a county with a population of at least 750,000, or a special purpose district created  
4 under subch. II of. ch. 229 for which the sole sponsoring municipality is a 1st class  
5 city in a county with a population of at least 750,000; and who are hired after  
6 December 31, 2022.

7 **SECTION 18.** Laws of 1937, chapter 396, section 15 (1), as created by chapter  
8 441, laws of 1947, is amended to read:

9 [Laws of 1937, chapter 396] Section 15 (1) For the purpose of giving to cities of  
10 the first class the largest measure of self-government with respect to pension  
11 annuity and retirement systems compatible with the constitution and general law,  
12 it is hereby declared to be the legislative policy that all future amendments and  
13 alterations to this act are matters of local affair and government and shall not be  
14 construed as an enactment of statewide concern. Cities of the first class are hereby  
15 empowered to amend or alter the provisions of this act in the manner prescribed by  
16 section 66.01 of the statutes; provided that no such amendment or alteration shall  
17 modify the annuities, benefits or other rights of any persons who are members of the  
18 system prior to the effective date of such amendment or alteration. In a city that has  
19 established a retirement system pursuant to this act, upon the adoption of  
20 an ordinance under s. 77.70(2)(a), the city and board shall  
21 continue to amend, create, and repeal ordinances and rules, administer benefits,  
22 discharge their duties with respect to the retirement system, and take any other  
23 actions necessary to administer the system and maintain the qualified tax status of  
24 the system under the Internal Revenue Code until the plan is terminated under  
25 section 16A (1) of this act.

**SECTION 19.** Laws of 1937, chapter 396, section 16A (1) is created to read:

[Laws of 1937, chapter 396] Section 16A (1) The retirement system shall be terminated within a practicable time after the final payment has been made to members or their beneficiaries, in accordance with any requirements of the federal Internal Revenue Code.

**SECTION 20. Nonstatutory provisions.**

(1) LOCAL GOVERNMENT FUNDING FORMULAS. Revenue collected from a sales and use tax imposed under s. 77.70 (2) (a) or (d) and expenditures made pursuant to s. 77.70 (2) (b) shall have no effect on any local government funding formula or municipal aid payments.

(2) STATEWIDE CONCERN. Notwithstanding any provision of chapter 201, laws of 1937, and chapter 396, laws of 1937, and subsequent amendments to those laws, the treatment of ss. 40.02 (48) (am) 23. and 24. and 40.21 (4g) and (4r), chapter 201, laws of 1937, sections 1 (4), 3 (1), 14A (1), and 21, and chapter 396, laws of 1937, sections 1 (4) (e) 2m., 3 (1), 15 (1), and 16A (1) is a matter of statewide concern and is not a matter of local affair or government.

**SECTION 21. Initial applicability.**

(1) COLLECTIVE BARGAINING AGREEMENTS. The treatment of ss. 59.875 (2) (a) and (c) and 62.623 (1) and (3) first applies to an employee who is affected by a collective bargaining agreement that contains provisions inconsistent with this act on the day on which the collective bargaining agreement expires or is extended, modified, or renewed.

SECTION X.1. Laws of 1937, chapter 66, section 16A (1) is amended to read:

66.0602 (2) (b) For purposes of par. (a), in 2018, and in each year thereafter, the base amount to which the limit under this section applies is the actual levy for the immediately preceding year, plus the amount of the payment under s. 79.096, **77.70 (2) (b) (1), and 77.70 (2) (b) (2)** and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment under s. 79.096, **77.70 (2) (b) (1), and 77.70 (2) (b) (2)**, except that the

adjustments for payments received under s. 79.096, 77.70 (2) (b) (1), and 77.70 (2) (b)

(2) do not apply to payments received under s. 79.096 (3) for a tax incremental district that has been terminated.

SECTION X.2 59.60 (5) (g) of the statutes is amended to read:

59.60 (5) (g) A complete summary of all the budget estimates and a statement of the

property tax levy required if funds were appropriated on the basis of these estimates. In

determining the property tax levy required, the director shall deduct from the total

estimated expenditures the estimated amount of revenue from sources other than the

property tax levy and shall deduct the amount of any surplus at the close of the preceding

fiscal year not yet appropriated and sales tax collected in the current year, which is to

be paid under 77.70 (2) (b) (1), and 77.70 (2) (b) . The board, by two-thirds vote, may

adopt a resolution before the adoption of the tax levy authorizing the use of the surplus

fund in whole or in part as a sinking fund for the redemption or repurchase of bonds or to

provide funds for emergency needs under sub. (9), but for no other purposes, except as

<b>Proration based upon employer contrib. due for 1/31/2023 (from 1/1/2021 valuation) assuming contribution rates of 17.22% GC, 47.47% PD, 51.44% FD</b>	<b>GC</b> 18.53%	<b>Police</b> 43.70%	<b>Fire</b> 18.36%	<b>Water</b> 2.02%	<b>MPS</b> 13.91%	<b>MMSD</b> 2.13%	<b>Veolia</b> 0.13%	<b>WCD</b> 0.43%	<b>HACM</b> 0.80%
--	---------------------	-------------------------	-----------------------	-----------------------	----------------------	----------------------	------------------------	---------------------	----------------------



**EST. FOR PROPOSED LEGISLATION** -- Basis: 30 yr amort.; rate = 7.25%; City = GC, PD, FD; based upon spreadsheet from Budget Office dated around 10-26-2021; breakdown by agency based upon projected 2023 employer contributions (due 1/1/2022) from valuation dated 1/1/2021

Year	Contributions: UAAL + Normal - City only	Contributions: UAAL + Normal - Full (est.) (million)	GC	Police	Fire	Water	MPS	MMSD	Veolia	WCD	HACM	Total
2021	68,375,000	84.84	15.72	37.07	15.58	1.71	11.80	1.81	0.11	0.36	0.68	<b>84.84</b>
2022	69,973,000	86.83	16.09	37.94	15.94	1.75	12.08	1.85	0.11	0.37	0.69	<b>86.83</b>
2023	152,681,000	189.45	35.11	82.79	34.78	3.82	26.36	4.03	0.24	0.81	1.51	<b>189.45</b>
2024	143,712,000	178.32	33.05	77.92	32.74	3.60	24.81	3.80	0.23	0.76	1.42	<b>178.32</b>
2025	143,503,000	178.07	33.00	77.81	32.69	3.59	24.77	3.79	0.23	0.76	1.42	<b>178.07</b>
2026	143,414,000	177.95	32.98	77.76	32.67	3.59	24.76	3.79	0.23	0.76	1.42	<b>177.95</b>
2027	143,045,000	177.50	32.90	77.56	32.59	3.58	24.69	3.78	0.23	0.76	1.42	<b>177.50</b>
2028	142,455,000	176.76	32.76	77.24	32.45	3.57	24.59	3.76	0.23	0.75	1.41	<b>176.76</b>
2029	141,900,000	176.08	32.63	76.94	32.33	3.55	24.50	3.75	0.22	0.75	1.40	<b>176.08</b>
2030	141,409,000	175.47	32.52	76.68	32.21	3.54	24.41	3.74	0.22	0.75	1.40	<b>175.47</b>
2031	140,893,000	174.83	32.40	76.40	32.10	3.53	24.32	3.72	0.22	0.75	1.39	<b>174.83</b>
2032	140,147,000	173.90	32.23	75.99	31.93	3.51	24.19	3.70	0.22	0.74	1.39	<b>173.90</b>
2033	138,892,000	172.34	31.94	75.31	31.64	3.48	23.98	3.67	0.22	0.74	1.37	<b>172.34</b>
2034	137,300,000	170.37	31.57	74.45	31.28	3.44	23.70	3.63	0.22	0.73	1.36	<b>170.37</b>
2035	135,926,000	168.66	31.26	73.70	30.97	3.40	23.46	3.59	0.22	0.72	1.35	<b>168.66</b>
2036	134,612,000	167.03	30.96	72.99	30.67	3.37	23.24	3.56	0.21	0.71	1.33	<b>167.03</b>
2037	133,421,000	165.56	30.68	72.34	30.39	3.34	23.03	3.53	0.21	0.71	1.32	<b>165.56</b>
2038	132,577,000	164.51	30.49	71.89	30.20	3.32	22.89	3.50	0.21	0.70	1.31	<b>164.51</b>
2039	131,692,000	163.41	30.28	71.41	30.00	3.30	22.73	3.48	0.21	0.70	1.30	<b>163.41</b>
2040	130,829,000	162.34	30.09	70.94	29.80	3.27	22.58	3.46	0.21	0.69	1.29	<b>162.34</b>
2041	129,905,000	161.19	29.87	70.44	29.59	3.25	22.42	3.43	0.21	0.69	1.29	<b>161.19</b>
2042	128,785,000	159.80	29.62	69.83	29.34	3.22	22.23	3.40	0.20	0.68	1.27	<b>159.80</b>
2043	127,490,000	158.20	29.32	69.13	29.04	3.19	22.01	3.37	0.20	0.67	1.26	<b>158.20</b>
2044	125,988,000	156.33	28.97	68.31	28.70	3.15	21.75	3.33	0.20	0.67	1.25	<b>156.33</b>
2045	124,284,000	154.22	28.58	67.39	28.31	3.11	21.45	3.28	0.20	0.66	1.23	<b>154.22</b>
2046	122,491,000	151.99	28.17	66.42	27.90	3.07	21.15	3.24	0.19	0.65	1.21	<b>151.99</b>
2047	120,564,000	149.60	27.73	65.37	27.47	3.02	20.81	3.19	0.19	0.64	1.19	<b>149.60</b>
2048	118,401,000	146.92	27.23	64.20	26.97	2.96	20.44	3.13	0.19	0.63	1.17	<b>146.92</b>
2049	115,988,000	143.92	26.67	62.89	26.42	2.90	20.02	3.06	0.18	0.61	1.15	<b>143.92</b>
2050	113,501,000	140.84	26.10	61.54	25.86	2.84	19.59	3.00	0.18	0.60	1.12	<b>140.84</b>
2051	110,916,000	137.63	25.51	60.14	25.27	2.78	19.15	2.93	0.18	0.59	1.10	<b>137.63</b>

For comparison												
Estimate for 2022 (1/1/2021 val. - due 1/1/22)	13.78	39.74	16.39	1.50	10.34	1.58	0.09	0.32	0.61	84.35		
Estimate for 2023 using model from CavMac (using 7.5% return; 15 yr amort.; stable contrib policy in place)	31.13	81.60	33.22	3.47	23.95	3.67	0.22	0.73	1.37	179.37		

**EST. FOR ACTUARIAL STANDARDS FOR PLAN CLOSURE --** Basis: 10 yr amort.; rate = 7.00%; City = GC, PD, FD; based upon Actuary's estimated calculations dated around 9-14-2021; breakdown by agency based upon projected 2022 wages from valuation

Year	Contributions: UAAL + Normal - City only (millions)	Contributions: UAAL + Normal - Full (est.)	GC	Police	Fire	Water	MPS	MMSD	Veolia	WCD	HACM	Total
2022	250.34	310.63	57.57	135.74	57.03	6.26	43.22	6.61	0.40	1.33	2.48	310.63
2023	250.43	310.75	57.59	135.79	57.05	6.27	43.23	6.62	0.40	1.33	2.48	310.75
2024	250.63	310.99	57.64	135.90	57.10	6.27	43.27	6.62	0.40	1.33	2.48	310.99
2025	250.62	310.98	57.63	135.89	57.09	6.27	43.26	6.62	0.40	1.33	2.48	310.98
2026	250.89	311.32	57.70	136.04	57.16	6.28	43.31	6.63	0.40	1.33	2.48	311.32
2027	250.89	311.32	57.70	136.04	57.16	6.28	43.31	6.63	0.40	1.33	2.48	311.32
2028	250.48	310.81	57.60	135.82	57.06	6.27	43.24	6.62	0.40	1.33	2.48	310.81
2029	250.01	310.22	57.49	135.56	56.96	6.26	43.16	6.61	0.40	1.32	2.47	310.22
2030	249.62	309.74	57.40	135.35	56.87	6.25	43.09	6.60	0.40	1.32	2.47	309.74
2031	249.39	309.45	57.35	135.23	56.81	6.24	43.05	6.59	0.39	1.32	2.47	309.45
2032	54.86	68.07	12.62	29.75	12.50	1.37	9.47	1.45	0.09	0.29	0.54	68.07
2033	53.08	65.86	12.21	28.78	12.09	1.33	9.16	1.40	0.08	0.28	0.53	65.86
2034	50.82	63.06	11.69	27.56	11.58	1.27	8.77	1.34	0.08	0.27	0.50	63.06
2035	48.85	60.62	11.23	26.49	11.13	1.22	8.43	1.29	0.08	0.26	0.48	60.62
2036	47.09	58.43	10.83	25.53	10.73	1.18	8.13	1.24	0.07	0.25	0.47	58.43
2037	45.31	56.22	10.42	24.57	10.32	1.13	7.82	1.20	0.07	0.24	0.45	56.22
2038	43.77	54.31	10.07	23.73	9.97	1.10	7.56	1.16	0.07	0.23	0.43	54.31
2039	42.32	52.51	9.73	22.95	9.64	1.06	7.31	1.12	0.07	0.22	0.42	52.51
2040	40.73	50.54	9.37	22.08	9.28	1.02	7.03	1.08	0.06	0.22	0.40	50.54
2041	39.22	48.67	9.02	21.27	8.93	0.98	6.77	1.04	0.06	0.21	0.39	48.67
2042	37.53	46.57	8.63	20.35	8.55	0.94	6.48	0.99	0.06	0.20	0.37	46.57
2043	35.75	44.36	8.22	19.38	8.14	0.89	6.17	0.94	0.06	0.19	0.35	44.36
2044	33.92	42.09	7.80	18.39	7.73	0.85	5.86	0.90	0.05	0.18	0.34	42.09
2045	31.94	39.63	7.35	17.32	7.28	0.80	5.51	0.84	0.05	0.17	0.32	39.63
2046	29.90	37.10	6.88	16.21	6.81	0.75	5.16	0.79	0.05	0.16	0.30	37.10
2047	27.95	34.68	6.43	15.16	6.37	0.70	4.82	0.74	0.04	0.15	0.28	34.68
2048	25.81	32.03	5.94	13.99	5.88	0.65	4.46	0.68	0.04	0.14	0.26	32.03
2049	23.92	29.68	5.50	12.97	5.45	0.60	4.13	0.63	0.04	0.13	0.24	29.68
2050	22.14	27.47	5.09	12.00	5.04	0.55	3.82	0.58	0.04	0.12	0.22	27.47
2051	20.59	25.55	4.73	11.16	4.69	0.52	3.55	0.54	0.03	0.11	0.20	25.55

**For comparison**

Estimate for 2022 (1/1/2021 val. - due 1/1/22)	13.78	39.74	16.39	1.50	10.34	1.58	0.09	0.32	0.61	84.35
Estimate for 2023 using model from CavMac (using 7.5% return; 15 yr amort.; stable contrib policy in place)	31.13	81.60	33.22	3.47	23.95	3.67	0.22	0.73	1.37	179.37

**EST. FOR CURRENT BASE -- Basis: 15 yr amort.; rate = 7.50%; City = GC, PD, FD; based upon Actuary's model dated around 8-31-2021; breakdown by agency based upon projected 2022 wages from valuation**

Year	Contributions: UAAL + Normal - City only (millions)	Contributions: UAAL + Normal - Full (est.)	GC	Police	Fire	Water	MPS	MMSD	Veolia	WCD	HACM	Total
2022	69.97	84.47	13.50	40.12	16.36	1.51	10.39	1.59	0.10	0.32	0.60	<b>84.47</b>
2023	145.95	179.37	31.13	81.60	33.22	3.47	23.95	3.67	0.22	0.73	1.37	<b>179.37</b>
2024	149.24	183.13	31.57	83.78	33.89	3.52	24.29	3.72	0.22	0.74	1.39	<b>183.13</b>
2025	152.53	186.95	32.06	85.88	34.59	3.58	24.67	3.78	0.23	0.76	1.41	<b>186.95</b>
2026	156.07	191.02	32.56	88.14	35.36	3.63	25.05	3.83	0.23	0.77	1.44	<b>191.02</b>
2027	159.48	195.01	33.10	90.28	36.10	3.69	25.47	3.90	0.23	0.78	1.46	<b>195.01</b>
2028	140.74	168.41	25.78	82.03	32.93	2.88	19.84	3.04	0.18	0.61	1.14	<b>168.41</b>
2029	143.49	171.65	26.24	83.58	33.67	2.93	20.19	3.09	0.19	0.62	1.16	<b>171.65</b>
2030	146.41	175.09	26.72	85.28	34.42	2.98	20.55	3.15	0.19	0.63	1.18	<b>175.09</b>
2031	149.55	178.76	27.21	87.15	35.19	3.04	20.94	3.20	0.19	0.64	1.20	<b>178.76</b>
2032	152.58	182.34	27.72	88.82	36.04	3.09	21.33	3.26	0.20	0.65	1.22	<b>182.34</b>
2033	151.61	178.91	25.43	89.45	36.73	2.84	19.57	2.99	0.18	0.60	1.12	<b>178.91</b>
2034	153.74	181.57	25.93	90.39	37.41	2.89	19.95	3.05	0.18	0.61	1.14	<b>181.57</b>
2035	156.34	184.74	26.46	91.83	38.06	2.95	20.36	3.12	0.19	0.62	1.17	<b>184.74</b>
2036	159.42	188.42	27.02	93.72	38.68	3.01	20.79	3.18	0.19	0.64	1.19	<b>188.42</b>
2037	162.48	192.10	27.59	95.65	39.25	3.08	21.22	3.25	0.19	0.65	1.22	<b>192.10</b>
2038	134.56	157.63	21.50	80.53	32.53	2.40	16.54	2.53	0.15	0.51	0.95	<b>157.63</b>
2039	137.72	161.29	21.96	82.53	33.23	2.45	16.89	2.59	0.15	0.52	0.97	<b>161.29</b>
2040	140.78	164.85	22.43	84.30	34.06	2.50	17.25	2.64	0.16	0.53	0.99	<b>164.85</b>
2041	144.10	168.70	22.92	86.19	35.00	2.56	17.63	2.70	0.16	0.54	1.01	<b>168.70</b>
2042	147.37	172.51	23.42	87.89	36.06	2.61	18.02	2.76	0.17	0.55	1.03	<b>172.51</b>
2043	186.23	217.36	29.00	111.51	45.73	3.23	22.31	3.41	0.20	0.68	1.28	<b>217.36</b>
2044	190.33	222.16	29.66	113.53	47.14	3.31	22.82	3.49	0.21	0.70	1.31	<b>222.16</b>
2045	194.38	226.94	30.33	115.53	48.52	3.38	23.34	3.57	0.21	0.72	1.34	<b>226.94</b>
2046	198.55	231.86	31.03	117.60	49.91	3.46	23.88	3.65	0.22	0.73	1.37	<b>231.86</b>
2047	202.95	237.03	31.76	119.84	51.36	3.54	24.43	3.74	0.22	0.75	1.40	<b>237.03</b>
2048	134.67	160.28	25.48	75.19	33.99	2.66	18.36	2.81	0.17	0.56	1.05	<b>160.28</b>
2049	137.66	163.88	26.09	76.66	34.91	2.72	18.80	2.88	0.17	0.58	1.08	<b>163.88</b>
2050	140.68	167.53	26.71	78.27	35.69	2.79	19.25	2.95	0.18	0.59	1.10	<b>167.53</b>
2051	143.86	171.36	27.36	80.02	36.48	2.86	19.71	3.02	0.18	0.60	1.13	<b>171.36</b>



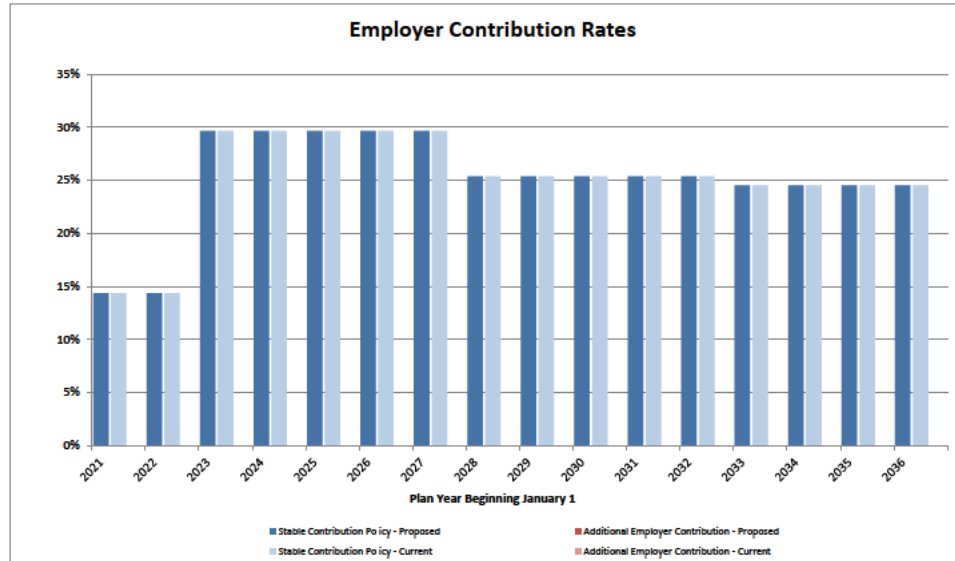
Group: Total

Graph: Employer Contribution Rate

Show baseline

15 Amortization period (experience bases)  
(note: the amortization period for the 2019 UAAL Base remains unchanged at 25 years)

Investment Return			
Single Rate of: 7.50%			
Rates from below:			
FY	Return	FY	Return
2021	7.50%	2035	7.00%
2022	7.50%	2036	7.00%
2023	7.00%	2037	7.00%
2024	7.00%	2038	7.00%
2025	7.00%	2039	7.00%
2026	7.00%	2040	7.00%
2027	7.00%	2041	7.00%
2028	7.00%	2042	7.00%
2029	7.00%	2043	7.00%
2030	7.00%	2044	7.00%
2031	7.00%	2045	7.00%
2032	7.00%	2046	7.00%
2033	7.00%	2047	7.00%
2034	7.00%	Thereafter	7.00%



15 Graph years shown (max 30)

Discount Rate Effective 1/1/2023

50% for all years

100% for all years

Note: This assumption will affect liabilities starting 1/1/2023. The assumption will remain at 7.50% until 2023. The UAAL increase will be amortized over the same period as the experience bases (cell B15).

Additional Contributions (As a % of Payroll)

Year	General	Police	Fire
2021	0.00%	0.00%	0.00%
2022	0.00%	0.00%	0.00%
2023	0.00%	0.00%	0.00%
2024	0.00%	0.00%	0.00%
2025	0.00%	0.00%	0.00%
2026	0.00%	0.00%	0.00%
2027	0.00%	0.00%	0.00%
2028	0.00%	0.00%	0.00%
2029	0.00%	0.00%	0.00%
2030	0.00%	0.00%	0.00%
2031	0.00%	0.00%	0.00%
2032	0.00%	0.00%	0.00%
2033	0.00%	0.00%	0.00%
2034	0.00%	0.00%	0.00%
2035	0.00%	0.00%	0.00%
2036	0.00%	0.00%	0.00%
2037	0.00%	0.00%	0.00%
2038	0.00%	0.00%	0.00%
2039	0.00%	0.00%	0.00%
2040	0.00%	0.00%	0.00%
2041	0.00%	0.00%	0.00%
After	0.00%	0.00%	0.00%

City of Milwaukee Employees' Retirement System Model  
Results are Shown for: All Members Participating in CMERS  
Discount Rate: 7.50%

	Market Value	Return on	Actuarial Value	Actuarial	Unfunded	Effective	Additional											
	of Assets	Assets	of Assets	Accrued Liability	Act. Accrued Liability	Funded Ratio	Member Rate	Employer Rate	Contribution Rate	Member Contributions	Employer Contributions	Additional Contributions	Total Employer Contributions	Benefit Payments	Administrative Expenses	Net Cash Flow	Normal Cost Rate	
2021	5,597,607,000	7.50%	5,389,377,000	6,732,479,000	1,343,102,000	80.1%	5.62%	14.35%	0.00%	32,836,000	82,695,000	-	82,695,000	441,722,000	6,730,000	(332,921,000)	15.81%	
2022	5,676,658,000	7.50%	5,553,512,000	6,870,157,000	1,316,645,000	80.8%	5.58%	14.35%	0.00%	33,165,000	84,467,000	-	84,467,000	452,341,000	6,898,000	(341,607,000)	15.66%	
2023	5,752,713,000	7.50%	5,618,609,000	7,008,659,000	1,390,050,000	80.2%	5.55%	29.65%	0.00%	33,553,000	179,370,000	-	179,370,000	466,269,000	7,070,000	(260,416,000)	15.54%	
2024	5,922,290,000	7.50%	5,921,295,000	7,144,087,000	1,222,792,000	82.9%	5.51%	29.65%	0.00%	33,962,000	183,133,000	-	183,133,000	480,261,000	7,247,000	(270,413,000)	15.42%	
2025	6,094,380,000	7.50%	6,094,380,000	7,276,127,000	1,181,747,000	83.8%	5.48%	29.65%	0.00%	34,399,000	186,948,000	-	186,948,000	493,236,000	7,428,000	(279,317,000)	15.32%	
2026	6,270,307,000	7.50%	6,270,307,000	7,405,744,000	1,135,437,000	84.7%	5.45%	29.65%	0.00%	34,881,000	191,023,000	-	191,023,000	506,716,000	7,628,000	(288,426,000)	15.22%	
2027	6,450,158,000	7.50%	6,450,158,000	7,532,390,000	1,082,232,000	85.6%	5.43%	29.65%	0.00%	35,368,000	195,005,000	-	195,005,000	520,449,000	7,804,000	(297,880,000)	15.14%	
2028	6,633,866,000	7.50%	6,633,866,000	7,655,620,000	1,021,754,000	86.7%	5.40%	25.38%	0.00%	35,831,000	198,412,000	-	198,412,000	534,782,000	8,000,000	(338,538,000)	15.05%	
2029	6,788,200,000	7.50%	6,788,200,000	7,774,416,000	986,216,000	87.3%	5.37%	25.38%	0.00%	36,321,000	171,650,000	-	171,650,000	549,184,000	8,199,000	(349,412,000)	14.98%	
2030	6,942,977,000	7.50%	6,942,977,000	7,888,493,000	945,516,000	88.0%	5.35%	25.38%	0.00%	36,858,000	175,088,000	-	175,088,000	562,238,000	8,404,000	(358,696,000)	14.92%	
2031	7,099,888,000	7.50%	7,099,888,000	7,999,111,000	899,223,000	88.8%	5.33%	25.38%	0.00%	37,445,000	178,758,000	-	178,758,000	575,328,000	8,614,000	(367,739,000)	14.87%	
2032	7,259,354,000	7.50%	7,259,354,000	8,106,092,000	846,738,000	89.6%	5.31%	25.38%	0.00%	38,029,000	182,342,000	-	182,342,000	588,050,000	8,829,000	(376,508,000)	14.82%	
2033	7,421,847,000	7.50%	7,421,847,000	8,209,572,000	787,725,000	90.4%	5.29%	24.52%	0.00%	38,593,000	178,908,000	-	178,908,000	601,512,000	9,050,000	(393,061,000)	14.75%	
2034	7,579,255,000	7.50%	7,579,255,000	8,308,449,000	729,194,000	91.2%	5.27%	24.52%	0.00%	39,087,000	181,573,000	-	181,573,000	614,022,000	9,276,000	(402,638,000)	14.69%	
2035	7,738,660,000	7.50%	7,738,660,000	8,403,032,000	664,372,000	92.1%	5.25%	24.52%	0.00%	39,683,000	184,744,000	-	184,744,000	625,219,000	9,508,000	(410,300,000)	14.65%	
2036	7,902,220,000	7.50%	7,902,220,000	8,494,704,000	592,484,000	93.0%	5.23%	24.52%	0.00%	40,383,000	188,419,000	-	188,419,000	635,577,000	9,746,000	(416,521,000)	14.61%	
2037	8,071,764,000	7.50%	8,071,764,000	8,584,459,000	512,695,000	94.0%	5.22%	24.52%	0.00%	41,089,000	192,095,000	-	192,095,000	645,512,000	9,990,000	(422,318,000)	14.59%	
2038	8,248,180,000	7.50%	8,248,180,000	8,672,595,000	424,415,000	95.1%	5.21%	19.60%	0.00%	41,892,000	157,632,000	-	157,632,000	653,908,000	10,240,000	(464,624,000)	14.58%	
2039	8,392,678,000	7.50%	8,392,678,000	8,760,996,000	368,318,000	95.8%	5.20%	19.60%	0.00%	42,759,000	161,288,000	-	161,288,000	661,923,000	10,496,000	(468,372,000)	14.58%	
2040	8,544,301,000	7.50%	8,544,301,000	8,850,359,000	306,058,000	96.5%	5.19%	19.60%	0.00%	43,614,000	164,854,000	-	164,854,000	669,238,000	10,758,000	(471,528,000)	14.59%	
2041	8,704,192,000	7.50%	8,704,192,000	8,941,422,000	237,230,000	97.3%	5.18%	19.60%	0.00%	44,541,000	168,703,000	-	168,703,000	675,601,000	11,027,000	(473,384,000)	14.59%	
2042	8,874,333,000	7.50%	8,874,333,000	9,035,488,000	161,155,000	98.2%	5.18%	19.60%	0.00%	45,471,000	172,506,000	-	172,506,000	681,929,000	11,303,000	(475,255,000)	14.60%	
2043	9,055,475,000	7.50%	9,055,475,000	9,132,949,000	77,474,000	99.2%	5.17%	24.22%	0.00%	46,411,000	217,363,000	-	217,363,000	687,801,000	11,586,000	(435,613,000)	14.61%	
2044	9,293,053,000	7.50%	9,293,053,000	9,234,555,000	(58,498,000)	100.6%	5.16%	24.22%	0.00%	47,390,000	222,161,000	-	222,161,000	694,011,000	11,876,000	(436,336,000)	14.62%	
2045	9,547,920,000	7.50%	9,547,920,000	9,340,369,000	(207,551,000)	102.2%	5.16%	24.22%	0.00%	48,380,000	226,942,000	-	226,942,000	699,477,000	12,173,000	(436,328,000)	14.63%	
2046	9,822,131,000	7.50%	9,822,131,000	9,451,493,000	(370,638,000)	103.9%	5.15%	24.22%	0.00%	49,410,000	231,863,000	-	231,863,000	704,635,000	12,477,000	(435,839,000)	14.64%	
2047	10,117,642,000	7.50%	10,117,642,000	9,568,758,000	(548,884,000)	105.7%	5.15%	24.22%	0.00%	50,495,000	237,034,000	-	237,034,000	710,118,000	12,789,000	(435,378,000)	14.67%	
2048	10,436,033,000	7.50%	10,436,033,000	9,692,485,000	(743,548,000)	107.7%	5.15%	15.99%	0.00%	51,591,000	160,280,000	-	160,280,000	715,457,000	13,109,000	(516,695,000)	14.68%	
2049	10,691,103,000	7.50%	10,691,103,000	9,823,306,000	(867,797,000)	108.8%	5.14%	15.99%	0.00%	52,743,000	163,879,000	-	163,879,000	721,110,000	13,437,000	(517,925,000)	14.70%	
2050	10,964,210,000	7.50%	10,964,210,000	9,961,693,000	(1,002,517,000)	110.1%	5.14%	15.99%	0.00%	53,923,000	167,526,000	-	167,526,000	726,671,000	13,773,000	(518,995,000)	14.72%	
2051	11,256,875,000	7.50%	11,256,875,000	10,108,318,000	(1,148,557,000)	111.4%	5.14%	15.99%	0.00%	55,165,000	171,359,000	-	171,359,000	732,420,000	14,117,000	(520,013,000)	14.74%	
										1,295,268,000	5,528,020,000	-	5,528,020,000			(12,512,996,000)		

# Basic Website Metrics

2020 | 2021

	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.
Visits	5,408	4,692	5,041	5,153	4,673	5,542	5,405	4,842	4,479	4,188	4,592	4,678	<b>5,442</b>
Users	3,962	3,604	3,794	3,872	3,563	4,050	4,029	3,816	3,440	3,203	3,566	3,533	<b>4,015</b>
Page Views	17,983	14,468	15,407	16,062	13,815	17,353	15,863	13,287	11,539	11,411	11,868	12,240	<b>16,046</b>
Pages/ Visit	3.33	3.08	3.06	3.12	2.96	3.13	2.93	2.74	2.58	2.72	2.58	2.62	<b>1.36</b>
Ave. Visit	3:03	2:35	2:15	2:38	2:21	2:40	2:19	2:07	2:07	2:10	2:10	2:23	<b>2:35</b>

## VII.

### INFORMATIONAL

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (A.), as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Board may then vote to reconvene in open session following the closed session.

- A. Pending Litigation Report.
- B. Conferences.
- C. Class Action Income 2021 YTD.
- D. Adjusted Quarterly Cost Basis of Equity.
- E. Report on Bills.
- F. Deployment of Assets.
- G. Securities Lending Revenue and Budget Report.
- H. Preliminary Performance Report/Asset and Manager Allocation Pie Charts.

# Client Conferences 2021-2022

Board Meeting: November 23, 2021

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
December 1 – 2, 2021	“Callan College” Intro. to Investments Chicago, IL	Callan Associates
December 8, 2021 11:30 am – Noon	Dissecting the Overlap Between Listed Real Assets Categories and Broad Benchmarks Virtual	Callan Associates
April 25 – 27, 2022	Callan Institute’s 2022 National Conference San Francisco, CA	Callan Associates



# Trustee Conferences 2021-2022

**Board Meeting: November 23, 2021**

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
December 1, 2021 Noon – 1:00 pm	Business Illusions: A Path to Better Decisions – Dr. Marty Singer Virtual	CFA Society of Milwaukee
December 2, 2021	II Discussions: Rethinking Bond Allocations – An Asset Allocation and Fixed Income Perspective Virtual	Institutional Investor
January 24 – 26, 2022	2022 Visions, Insights & Perspectives (VIP) Americas Carlsbad, CA	Institutional Real Estate, Inc.
February 1 – 2, 2022	Global Real Assets Forum 2022 Austin, TX	Institutional Investor
March 2 – 3, 2022	Certificate Series – Investment Basics San Diego, CA	International Foundation of Employee Benefit Plans
March 7 – 9, 2022	CII Spring 2022 Conference Washington, DC	Council of Institutional Investors
May 10 – 11, 2022	8 <sup>th</sup> Annual Redefining Fixed Income Forum Chicago, IL	Institutional Investor
May 21 – 22, 2022	Trustee Educational Seminar (TEDS); NCPERS Accredited Fiduciary (NAF) Program Washington, DC	NCPERS
May 22 – 25, 2022	Annual Conference & Exhibition (ACE) Washington, DC	NCPERS
June 6 – 7, 2022	Certificate of Achievement in Public Plan Policy (CAPPP®): Pensions Part I Santa Monica, CA	International Foundation of Employee Benefit Plans
June 8 – 9, 2022	Certificate of Achievement in Public Plan Policy (CAPPP®): Pensions Part II Santa Monica, CA	International Foundation of Employee Benefit Plans
July 21, 2022	ALTSCHI Chicago, IL	Markets Group

## Trustee Conferences 2021-2022

Board Meeting: November 23, 2021

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
September 14, 2022	6 <sup>th</sup> Annual Midwest Institutional Real Estate Investor Forum Chicago, IL	Markets Group
September 20 – 22, 2022	CII Fall 2022 Conference Boston, MA	Council of Institutional Investors
October 22 – 23, 2022	Certificate of Achievement in Public Plan Policy (CAPPP®): Pension Part II Las Vegas, NV	International Foundation of Employee Benefit Plans
October 22 – 23, 2022	NCPERS Accredited Fiduciary (NAF) Program Nashville, TN	NCPERS
October 23 – 26, 2022	Public Safety Conference Nashville, TN	NCPERS

## Class Action Income 2021 YTD

Asset Description	Date(s)	Amount
American Realty Cap Properties, Inc.	1/19/2021 \$	4,562
Affiliated Computer Services, Inc.	2/11/2021 \$	46
Zimmer Biomet	3/1/2021 \$	262
PPG Industries, Inc.	4/21/2021 \$	123
HP Company	6/8/2021 \$	1,430
Alibaba Group Holding, Ltd.	6/21/2021 \$	3,314
Equifax, Inc.	7/8/2021 \$	5,154
Constant Contact, Inc.	8/5/2021 \$	2,622
Lehman Bros.	8/9/2021 \$	131
Lehman Bros.	8/10/2021 \$	211
Intuitive Surgical, Inc.	8/12/2021 \$	29,740
Northern Trust	8/16/2021 \$	2,778
Extreme Networks, Inc.	9/8/2021 \$	979
Keurig Green Mountain	9/24/2021 \$	164
American Realty Cap Properties, Inc.	9/27/2021 \$	5,995
Bank of New York Mellon	9/28/2021 \$	1,347
Bank of America	10/6/2021 \$	56
Flowers Foods, Inc.	10/14/2021 \$	1,903
Bank of New York Mellon	10/25/2021 \$	357
Bank of New York Mellon	11/4/2021 \$	6,526
General Motors Co.	11/9/2021 \$	8,966
<b>Total Class Action Income Received in 2021 YTD</b>	<b>\$</b>	<b>76,666</b>

## Adjusted Quarterly Cost Basis of Equity September 30, 2021

Date	Market Value of Total Fund	Equity as Percent of Portfolio on a Market Value Basis %	Cost Value of Total Fund	Equity as Percent of Portfolio on Cost Basis %
Mar-13	4,518,098,635	63.1%	3,887,600,880	61.2%
Jun-13	4,471,726,294	63.9%	3,946,616,529	61.0%
Sep-13	4,688,661,616	64.6%	3,951,036,515	60.2%
Dec-13	4,897,130,515	64.8%	4,024,350,672	59.2%
Mar-14	4,985,621,325	64.5%	4,087,689,251	59.3%
Jun-14	5,095,089,178	62.9%	4,111,302,019	57.6%
Sep-14	4,912,492,650	59.9%	4,160,475,665	55.8%
Dec-14	4,915,599,704	58.5%	4,164,683,084	54.0%
Mar-15	5,008,199,817	58.7%	4,212,168,649	53.9%
Jun-15	4,974,456,735	57.8%	4,213,135,754	53.1%
Sep-15	4,659,927,006	55.7%	4,188,522,173	53.5%
Dec-15	4,711,796,883	57.4%	4,160,594,964	54.1%
Mar-16	4,777,710,957	58.4%	4,201,741,347	55.8%
Jun-16	4,753,379,711	58.9%	4,167,278,877	56.8%
Sep-16	4,878,963,087	59.2%	4,265,248,439	52.6%
Dec-16	4,875,173,931	58.7%	4,259,899,650	51.6%
Mar-17	5,054,238,404	59.5%	4,296,075,081	54.0%
Jun-17	5,141,650,168	59.6%	4,238,775,000	54.0%
Sep-17	5,253,079,121	60.3%	4,219,738,169	54.0%
Dec-17	5,356,413,868	60.7%	4,347,067,963	54.6%
Mar-18	5,360,763,834	54.5%	4,493,669,234	48.5%
Jun-18	5,364,526,404	52.8%	4,508,052,439	47.2%
Sep-18	5,416,752,057	53.2%	4,475,388,278	47.5%
Dec-18	4,952,685,618	50.7%	4,457,976,536	48.9%
Mar-19	5,287,164,709	52.5%	4,458,818,165	48.5%
Jun-19	5,368,388,543	52.2%	4,439,503,880	48.5%
Sep-19	5,336,312,140	51.6%	4,409,684,126	48.6%
Dec-19	5,525,553,595	53.1%	4,370,713,537	48.7%
Mar-20	4,532,932,039	47.6%	4,421,955,418	47.5%
Jun-20	4,904,369,177	52.6%	4,216,408,115	50.3%
Sep-20	5,077,501,527	52.0%	4,228,679,409	49.0%
Dec-20	5,531,306,606	53.5%	4,270,905,026	47.9%
Mar-21	5,693,916,321	53.5%	4,338,199,305	46.1%
Jun-21	6,012,966,775	52.3%	4,337,113,221	45.0%
Sep-21	6,026,295,778	48.4%	4,378,190,704	42.2%

Fiscal Year  
2021  
Department  
Employees' Retirement System

City of Milwaukee  
Departmental  
Appropriation Budget Balances

As of: 2021-10-31

	Budget	2021-8	2021-9	2021-10	Year to Date Expended	Life to Date Commitments	Remaining Budget
Regular Departmental Appropriations:							
Employee Salaries & Wages	\$ 3,570,428.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,570,428.00
Base Pay-Salary & Wage	\$ -	\$ 220,891.18	\$ 226,684.95	\$ 240,787.29	\$ 2,408,309.18	\$ -	\$ (2,408,309.18)
Overtime Premium	\$ -	\$ 68.51	\$ 348.08	\$ 336.78	\$ 1,656.05	\$ -	\$ (1,656.05)
Other Worked Compensation	\$ -	\$ -	\$ -	\$ -	\$ 1,497.70	\$ -	\$ (1,497.70)
Non-Worked Compensation	\$ -	\$ 5,946.39	\$ -	\$ -	\$ 12,798.39	\$ -	\$ (12,798.39)
Time Paid Not Worked	\$ -	\$ 43,498.73	\$ 33,868.65	\$ 27,744.77	\$ 329,025.58	\$ -	\$ (329,025.58)
Employee Salaries & Wages	\$ 3,570,428.00	\$ 270,404.81	\$ 260,901.68	\$ 268,868.84	\$ 2,753,286.90	\$ -	\$ 817,141.10
Fringe Benefits Applied	\$ 1,642,397.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,642,397.00
Fringe Benefits Applied	\$ -	\$ 104,614.06	\$ 106,348.75	\$ 114,036.87	\$ 1,139,566.10	\$ -	\$ (1,139,566.10)
Applied Employee Benefits	\$ 1,642,397.00	\$ 104,614.06	\$ 106,348.75	\$ 114,036.87	\$ 1,139,566.10	\$ -	\$ 502,830.90
Operating Expenditures	\$ 14,577,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,577,000.00
Office Supplies	\$ -	\$ 79.99	\$ 300.23	\$ 1,125.60	\$ 5,547.17	\$ -	\$ (5,547.17)
Magazines, Subscription	\$ -	\$ 38.63	\$ 149.97	\$ 2,202.00	\$ 12,562.72	\$ -	\$ (12,562.72)
Postal and Mailing Services	\$ -	\$ 18,044.11	\$ 9,248.39	\$ 9,378.59	\$ 105,768.30	\$ -	\$ (105,768.30)
Electricity	\$ -	\$ -	\$ -	\$ 9,849.03	\$ 22,285.55	\$ -	\$ (22,285.55)
Other Operating Supply	\$ -	\$ -	\$ -	\$ -	\$ 39,374.48	\$ -	\$ (39,374.48)
Building Rental	\$ -	\$ 30,941.34	\$ 30,778.12	\$ 34,076.76	\$ 358,023.29	\$ -	\$ (358,023.29)
Passenger Vehicle Rental	\$ -	\$ -	\$ -	\$ -	\$ 69.01	\$ -	\$ (69.01)
Printing & Dupl Machine Rental	\$ -	\$ 1,348.36	\$ 937.18	\$ 951.74	\$ 13,978.83	\$ -	\$ (13,978.83)
Consulting	\$ -	\$ 43,583.33	\$ 50,452.33	\$ 42,833.33	\$ 417,110.07	\$ -	\$ (417,110.07)
Medical, Surgical & Lab	\$ -	\$ 25,489.70	\$ 12,542.96	\$ 9,839.94	\$ 124,754.63	\$ -	\$ (124,754.63)
Administrative Charges	\$ -	\$ 69,342.91	\$ 42,943.58	\$ 18,678.40	\$ 486,206.89	\$ -	\$ (486,206.89)
Other Professional Services	\$ -	\$ 168,333.48	\$ 312,399.13	\$ 1,044,350.22	\$ 3,913,304.51	\$ -	\$ (3,913,304.51)
Systems Support	\$ -	\$ 21,825.00	\$ 47,974.00	\$ 72,075.95	\$ 465,394.45	\$ -	\$ (465,394.45)
IT Infrastructure	\$ -	\$ 49.06	\$ 34,189.72	\$ 301.50	\$ 47,568.36	\$ -	\$ (47,568.36)
Infrastructure	\$ -	\$ 538.26	\$ -	\$ 577.45	\$ 6,933.72	\$ -	\$ (6,933.72)
Telephone, Communications	\$ -	\$ 11,880.97	\$ 138.98	\$ 145.78	\$ 45,607.95	\$ -	\$ (45,607.95)
Bldgs-Machinery & Equip Repair	\$ -	\$ -	\$ 1,186.34	\$ -	\$ 5,431.34	\$ -	\$ (5,431.34)
Travel & Subsistence	\$ -	\$ -	\$ 141.84	\$ -	\$ 216.57	\$ -	\$ (216.57)
Equipment Repair (Parts & Labor)	\$ -	\$ -	\$ -	\$ -	\$ 276.00	\$ -	\$ (276.00)
Printing Services	\$ -	\$ 553.34	\$ 580.40	\$ 1,119.21	\$ 6,292.78	\$ -	\$ (6,292.78)
Insurance-Non Health	\$ -	\$ -	\$ -	\$ 317,455.00	\$ 329,242.00	\$ -	\$ (329,242.00)
Other Misc Services	\$ -	\$ 4,190.53	\$ 1,970.30	\$ 1,401.70	\$ 48,593.83	\$ -	\$ (48,593.83)
Operating Expenditures	\$ 14,577,000.00	\$ 396,239.01	\$ 545,933.47	\$ 1,566,362.20	\$ 6,454,542.45	\$ -	\$ 8,122,457.55
All Equipment	\$ 875,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 875,000.00
Computer Server & Components	\$ -	\$ -	\$ 21,759.00	\$ -	\$ 342,287.97	\$ -	\$ (342,287.97)
Total Equipment	\$ 875,000.00	\$ -	\$ 21,759.00	\$ -	\$ 342,287.97	\$ -	\$ 532,712.03
Total Regular Class	\$ 20,664,825.00	\$ 771,257.88	\$ 934,942.90	\$ 1,949,267.91	\$ 10,689,683.42	\$ -	\$ 9,975,141.58
Other Departmental Appropriations:							
Pol Pension Lump-Sum Sup Cont	\$ 10,000.00	\$ -	\$ -	\$ -	\$ 10,000.00	\$ -	\$ -
PABF Payroll	\$ 83,250.00	\$ -	\$ 13,732.50	\$ 4,577.63	\$ 48,850.51	\$ -	\$ 34,399.49
Group Life Insurance Premium	\$ 4,560,000.00	\$ 374,482.21	\$ 371,755.75	\$ 374,050.09	\$ 3,758,878.16	\$ -	\$ 801,121.84
Retiree's Benefit Adjustment	\$ 41,000.00	\$ 3,748.00	\$ 455.34	\$ 910.68	\$ 17,673.42	\$ -	\$ 23,326.58
Other Classes	\$ 4,694,250.00	\$ 378,230.21	\$ 385,943.59	\$ 379,538.40	\$ 3,835,402.09	\$ -	\$ 858,847.91
Total Dept Appropriations	\$ 25,359,075.00	\$ 1,149,488.09	\$ 1,320,886.49	\$ 2,328,806.31	\$ 14,525,085.51	\$ -	\$ 10,833,989.49

# Monthly Board Report

31-Oct-21

Account number COMALL

CITY OF MILW ALL ACCTS

Page 1 of 3

## Manager Mix Report

Account Name/ Account Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total Market Value/ % of consolidation
MILWAUKEE-TOWNSEND CASH 2602846	0.00 0.00%	2,653,408.06 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	2,653,408.06 0.04%
MILWAUKEE-CASH ACCOUNT 2605491	0.00 0.00%	43,744,391.01 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	31.99 0.00%	43,744,423.00 0.71%
MILWAUKEE-THE NORTHERN TRS 2605496	0.00 0.00%	0.00 0.00%	344,312,877.70 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	344,312,877.70 5.59%
MILWAUKEE-ERS EXPENSE FUND 2605504	0.00 0.00%	465,772.07 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	465,772.07 0.01%
MILWAUKEE-PABF BENEFIT PAYMENT 2610128	0.00 0.00%	2,500.00 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	2,500.00 0.00%
MILWAUKEE-DFA INTERNATIONAL 2619838	0.00 0.00%	0.00 0.00%	199,021,727.80 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	199,021,727.80 3.23%
MILWAUKEE-EARNEST -SL 2630942	0.00 0.00%	1,795,368.29 1.44%	123,593,449.10 98.94%	0.00 0.00%	0.00 0.00%	-474,435.38 -0.38%	124,914,382.00 2.03%
MILWAUKEE - UBS A&Q 2637239	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	432,477,406.80 100.00%	0.00 0.00%	432,477,406.80 7.02%
MILWAUKEE-DFA 2637848	0.00 0.00%	0.00 0.00%	205,328,327.70 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	205,328,327.70 3.33%
MILWAUKEE-BAIRD 2674604	0.00 0.00%	10,001,678.01 23.73%	0.00 0.00%	32,792,376.65 77.81%	0.00 0.00%	-649,829.74 -1.54%	42,144,224.92 0.68%
MILWAUKEE-CASTLEARK 2697782	0.00 0.00%	931,985.33 0.93%	99,346,190.89 99.31%	0.00 0.00%	0.00 0.00%	-237,840.87 -0.24%	100,040,335.40 1.62%
MILWAUKEE-BLACKROCK US AGG-SL 4467868	0.00 0.00%	0.00 0.00%	0.00 0.00%	495,245,432.40 100.00%	0.00 0.00%	0.00 0.00%	495,245,432.40 8.04%
MILWAUKEE - BLACKROCK R1000V 4472746	0.00 0.00%	0.00 0.00%	162,169,786.40 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	162,169,786.40 2.63%
MILWAUKEE-LOOMIS SAYLE CME01	8,934,168.73 2.02%	0.00 0.00%	15,564,061.60 3.52%	419,445,352.00 94.78%	0.00 0.00%	-1,391,508.13 -0.31%	442,552,074.20 7.18%
MILWAUKEE-BRANDES INT'L EQUITY CME03	8,441,982.34 2.18%	0.00 0.00%	377,252,115.80 97.46%	250,623.26 0.06%	1,139,121.38 0.29%	0.00 0.00%	387,083,842.80 6.28%

# Monthly Board Report

31-Oct-21

Account number COMALL

CITY OF MILW ALL ACCTS

Page 2 of 3

## Manager Mix Report

Account Name/ Account Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total Market Value/ % of consolidation
MILWAUKEE-REAMS CME04	30,617,335.25 6.89%	0.00 0.00%	0.00 0.00%	427,864,489.70 96.30%	2,086,882.50 0.47%	-16,244,147.74 -3.66%	444,324,559.70 7.21%
MILWAUKEE-BLAIR CME05	3,393,934.49 1.14%	0.00 0.00%	294,357,360.30 98.67%	0.00 0.00%	629,770.55 0.21%	-42,789.00 -0.01%	298,338,276.30 4.84%
MILWAUKEE-MFS CME12	1,972,336.61 0.98%	0.00 0.00%	198,160,885.00 98.47%	0.00 0.00%	461,129.21 0.23%	655,138.05 0.33%	201,249,488.80 3.27%
MILWAUKEE-POLEN 2644553	0.00 0.00%	4,353,049.17 2.62%	161,654,343.60 97.38%	0.00 0.00%	0.00 0.00%	0.00 0.00%	166,007,392.80 2.69%
MILWAUKEE - PRINCIPAL DRA -SL 2677436	0.00 0.00%	0.00 0.00%	255,270,719.80 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	255,270,719.80 4.14%
MILWAUKEE-BLACKROCK GLOBAL-SL 2683493	0.00 0.00%	0.00 0.00%	303,182,741.70 98.38%	0.00 0.00%	0.00 0.00%	5,000,000.00 1.62%	308,182,741.70 5.00%
MILWAUKEE- AQR-SL 4468331	0.00 0.00%	0.00 0.00%	94,749,006.00 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	94,749,006.00 1.54%
MILWAUKEE-INV TRAN CME08	0.04 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.04 0.00%
MILWAUKEE - DFA US LCV CME15	457,058.99 0.29%	0.00 0.00%	159,151,217.70 99.71%	0.00 0.00%	0.00 0.00%	0.00 0.00%	159,608,276.70 2.59%
MILWAUKEE-REAL ESTATE MULTIPLE	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	512,952,355.76 100.00%	-10,153.00 0.00%	512,942,202.76 8.32%
MILWAUKEE-PRIVATE EQUITY MULTIPLE	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	739,501,153.00 100.00%	0.00 0.00%	739,501,153.00 12.00%

# Monthly Board Report

31-Oct-21

Account number COMALL

CITY OF MILW ALL ACCTS

Page 3 of 3

## Manager Mix Report

Account Name/ Account Number	Cash/ % of account	Short Term/ % of account	Equity/ % of account	Fixed/ % of account	R.E. and Other/ % of account	Pendings/ % of account	Total Market Value/ % of consolidation
<b>Total for consolidation</b>	<b>53,816,816.45</b>	<b>63,948,151.94</b>	<b>2,993,114,811.09</b>	<b>1,375,598,274.01</b>	<b>1,689,247,819.20</b>	<b>-13,395,533.82</b>	<b>6,162,330,338.85</b>
<b>% for consolidation</b>	<b>0.87%</b>	<b>1.04%</b>	<b>48.57%</b>	<b>22.32%</b>	<b>27.41%</b>	<b>-0.22%</b>	<b>100.00%</b>

Please note that this report has been prepared using best available data. This report may also contain information provided by third parties, derived by third parties or derived from third party data and/or data that may have been categorized or otherwise reported based upon client direction - Northern Trust assumes no responsibility for the accuracy, timeliness or completeness of any such information. Northern Trust assumes no responsibility for the consequences of investment decisions made in reliance on information contained in this report. If you have questions regarding third party data or direction as it relates to this report, please contact your Northern Trust relationship team.

IRS CIRCULAR 230 NOTICE: To the extent that this message or any attachment concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law. For more information about this notice, see <http://www.northerntrust.com/circular230>



**Employees' Retirement System**  
**Securities Lending Income and Expenses: 2021**  
**As of October 31, 2021**

Date	Income From Lending	<u>Amounts Expended</u>		Balance
		Fees	Administrative Transfers	
<b>Balance 12-31-20</b>				<b>\$797,198.15</b>
<b>Quarter 1 Totals</b>	\$133,847.42	\$26,724.45	\$798,000.00	106,321.12
<b>Quarter 2 Totals</b>	\$204,353.89	\$40,853.13	\$0.00	269,821.88
<b>Quarter 3 Totals</b>	\$195,607.05	\$39,086.26	\$0.00	426,342.67
10/05/21	\$20.54	\$0.00	\$0.00	\$426,363.21
10/15/21	\$49,224.95	\$9,839.65	\$0.00	\$465,748.51
<b>Current Totals</b>	<b>\$583,053.85</b>	<b>\$116,503.49</b>	<b>\$798,000.00</b>	<b>\$465,748.51</b>

Note: Expenses for Board Travel/Education, Computer Equipment, Publications and Consulting are now paid from the Operations/Management account

**MERS PERFORMANCE ESTIMATES**  
**October 31, 2021**

Account	2020 Return	1st Quarter 2021	2nd Quarter 2021	3rd Quarter 2021	Oct 2021	YTD Thru 10/31/21
<b>Northern Trust S&amp;P 500 Index</b>	18.42%	6.18%	8.55%	0.59%	7.00%	24.04%
S&P 500	18.40%	6.18%	8.55%	0.58%	7.01%	24.04%
Difference	0.02%	0.00%	0.00%	0.01%	-0.01%	0.00%
<b>BlackRock Russell 1000 Value Index</b>	3.00%	11.27%	5.20%	-0.79%	5.11%	22.07%
Russell 1000 Value	2.80%	11.25%	5.21%	-0.78%	5.08%	22.03%
Difference	0.20%	0.02%	-0.01%	-0.01%	0.03%	0.04%
<b>DFA US Large Cap Value</b>	-1.56%	15.05%	5.25%	-1.50%	3.95%	23.98%
Russell 1000 Value	2.80%	11.25%	5.21%	-0.78%	5.08%	22.03%
Difference	-4.35%	3.80%	0.04%	-0.72%	-1.13%	1.95%
<b>Polen</b>	35.14%	1.79%	13.22%	2.89%	6.24%	25.97%
S&P 500	18.40%	6.18%	8.55%	0.58%	7.01%	24.04%
Difference	16.74%	-4.39%	4.67%	2.31%	-0.77%	1.93%
<b>Earnest</b>	21.61%	9.62%	4.10%	-0.94%	5.62%	19.39%
Russell MidCap	17.10%	8.14%	7.50%	-0.93%	5.95%	22.02%
Difference	4.51%	1.48%	-3.40%	-0.01%	-0.33%	-2.63%
<b>CastleArk</b>	45.10%	6.41%	5.34%	-4.54%	6.95%	14.44%
Russell 2000 Growth	34.63%	4.88%	3.92%	-5.65%	4.68%	7.64%
Difference	10.47%	1.53%	1.42%	1.11%	2.27%	6.80%
<b>DFA US Small Cap Value</b>	3.84%	26.82%	4.64%	-0.66%	3.84%	36.88%
Russell 2000 Value	4.63%	21.17%	4.56%	-2.98%	3.81%	27.60%
Difference	-0.79%	5.65%	0.08%	2.32%	0.03%	9.28%
<b>Brandes</b>	-1.45%	9.05%	6.17%	-1.43%	0.42%	14.61%
EAFE	7.82%	3.48%	5.17%	-0.45%	2.46%	11.01%
Difference	-9.26%	5.57%	1.00%	-0.98%	-2.04%	3.60%
<b>William Blair</b>	30.50%	-0.66%	9.86%	0.91%	3.81%	14.31%
ACWI ex US	11.13%	3.60%	5.64%	-2.88%	2.41%	8.86%
Difference	19.38%	-4.26%	4.22%	3.79%	1.40%	5.45%
<b>DFA Int'l Small Cap Value</b>	0.82%	8.05%	4.57%	0.59%	2.45%	16.45%
EAFE Small Cap	12.34%	4.50%	4.34%	0.90%	1.57%	11.75%
Difference	-11.53%	3.55%	0.23%	-0.31%	0.88%	4.70%
<b>AQR</b>	17.39%	5.02%	6.51%	-9.29%	-1.08%	0.37%
MSCI EM	18.31%	2.29%	5.05%	-8.09%	0.99%	-0.27%
Difference	-0.92%	2.73%	1.46%	-1.20%	-2.07%	0.64%
<b>BlackRock Global Alpha Tilts</b>	16.44%	5.07%	7.09%	-1.52%	4.56%	15.86%
ACWI	16.25%	4.57%	7.39%	-1.05%	5.10%	16.79%
Difference	0.18%	0.50%	-0.30%	-0.47%	-0.54%	-0.93%
<b>MFS</b>	22.23%	3.77%	7.65%	-1.33%	5.66%	16.46%
ACWI	16.25%	4.57%	7.39%	-1.05%	5.10%	16.79%
Difference	5.97%	-0.80%	0.26%	-0.28%	0.56%	-0.33%
<b>BlackRock US Agg. Index</b>	7.67%	-3.40%	1.85%	0.08%	-0.03%	-1.56%
Barclays US Aggregate	7.51%	-3.37%	1.83%	0.05%	-0.03%	-1.58%
Difference	0.16%	-0.03%	0.02%	0.03%	0.00%	0.02%
<b>Reams</b>	17.27%	-3.53%	1.94%	0.05%	-0.13%	-1.73%
Barclays US Aggregate	7.51%	-3.37%	1.83%	0.05%	-0.03%	-1.58%
Difference	9.76%	-0.16%	0.11%	0.00%	-0.10%	-0.15%
<b>Loomis Sayles</b>	7.26%	-0.83%	2.94%	0.13%	-0.20%	2.02%
Barclays US Aggregate	7.51%	-3.37%	1.83%	0.05%	-0.03%	-1.58%
Difference	-0.25%	2.54%	1.11%	0.08%	-0.17%	3.60%
<b>Newton</b>	11.69%	2.19%	3.16%	2.44%		8.00%
One Month Libor + 4%	4.49%	1.02%	1.01%	0.75%		2.80%
Difference	7.20%	1.17%	2.15%	1.69%		5.20%
<b>UBS A&amp;Q</b>	12.29%	2.28%	0.13%	2.97%	0.63%	6.12%
One Year Libor + 4%	6.63%	1.16%	1.13%	1.09%	0.24%	3.67%
Difference	5.67%	1.12%	-1.00%	1.88%	0.39%	2.45%
<b>Principal</b>	4.08%	4.16%	6.24%	1.50%	3.56%	16.32%
Blended Benchmark	2.08%	3.99%	5.88%	1.20%	3.06%	14.83%
Difference	1.99%	0.17%	0.36%	0.30%	0.50%	1.49%
<b>Baird</b>	2.65%	-0.06%	0.13%	0.03%	-0.20%	-0.10%
Barclays Govt/Credit 1-3 Year	3.33%	-0.04%	0.04%	0.09%	-0.33%	-0.24%
Difference	-0.69%	-0.02%	0.09%	-0.06%	0.13%	0.14%
<b>Total MERS</b>	<b>6.62%</b>	<b>3.54%</b>	<b>7.45%</b>	<b>1.92%</b>	<b>2.18%</b>	<b>15.86%</b>

The calculation for the Fund's total rate of return is based on the Modified Dietz method. Although periodic cash flows (i.e., contributions, redemptions) are not time weighted, they are accounted for in the Fund's total rate of return. Therefore, this estimated rate of return may vary slightly from the rate of return reported by the custodian.

The returns shown are gross of fees (except Total MERS, DFA International Small Cap Value, William Blair International Growth, AQR, Principal, and UBS A&Q)

The returns for Newton are through 9/7/21.

# ACTUAL ALLOCATIONS

October 31, 2021

		Target	Market Value	Allocation
<b>EQUITY</b>				
<b>Public Equity</b>				
<b>Domestic</b>				
Passive Large Cap Equity	Northern Trust (S&P 500)	5.40%	\$ 344,312,878	5.62%
	BlackRock (Russell 1000 Value)	2.60%	\$ 162,205,996	2.65%
	Sub-Total Passive Large Cap Equity	8.00%	\$ 506,518,874	8.27%
Active Large Cap Equity	Polen (S&P 500)	2.60%	\$ 166,007,393	2.71%
	DFA (Russell 1000 Value)	2.60%	\$ 159,608,277	2.61%
	Sub-Total Active Large Cap Equity	5.20%	\$ 325,615,669	5.32%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.00%	\$ 124,914,382	2.04%
	CastleArk (Russell 2000 Growth)	1.60%	\$ 100,040,335	1.63%
	DFA (Russell 2000 Value)	3.20%	\$ 205,249,410	3.35%
	Sub-Total Active Mid/Small Cap Equity	6.80%	\$ 430,204,127	7.03%
Total Domestic		20.00%	\$ 1,262,338,671	20.62%
<b>International</b>				
Active International Equity	Brandes (EAFE)	6.40%	\$ 387,083,843	6.32%
	William Blair (ACWI ex US)	4.80%	\$ 298,338,276	4.87%
	DFA (EAFE Small Cap)	3.20%	\$ 199,021,728	3.25%
	AQR (MSCI EM)	1.60%	\$ 94,749,006	1.55%
Total International		16.00%	\$ 979,192,853	15.99%
<b>Global</b>				
Active Global Equity	BlackRock (ACWI)	4.80%	\$ 308,182,742	5.03%
	MFS (ACWI)	3.20%	\$ 201,249,489	3.29%
Total Global		8.00%	\$ 509,432,230	8.32%
Total Public Equity		44.00%	\$ 2,750,963,754	44.93%
<b>Private Equity</b>				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 343,590,394	5.61%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 298,689,069	4.88%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 29,463,590	0.48%
	Private Advisors (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 67,758,100	1.11%
Total Private Equity		10.00%	\$ 739,501,153	12.08%
TOTAL EQUITY (Public Equity + Private Equity)		54.00%	\$ 3,490,464,907	57.01%
<b>FIXED INCOME &amp; ABSOLUTE RETURN</b>				
<b>Fixed Income</b>				
Cash		1.00%	\$ 46,866,103	0.77%
Passive Fixed Income	BlackRock (Barclays US Aggregate)	7.92%	\$ 495,245,432	8.09%
	Reams (Barclays US Aggregate)	7.04%	\$ 444,324,560	7.26%
Active Fixed Income	Loomis Sayles (Barclays US Aggregate)	7.04%	\$ 442,552,074	7.23%
	Sub-Total Active Fixed Income	14.08%	\$ 886,876,634	14.49%
Total Fixed Income		23.00%	\$ 1,428,988,169	23.34%
<b>Absolute Return</b>				
	Hedge Fund of Funds Manager	3.00%	\$ -	0.00%
	UBS (1 Year Libor + 4%)	7.00%	\$ 435,202,014	7.11%
Total Absolute Return		10.00%	\$ 435,202,014	7.11%
TOTAL FIXED INCOME & ABSOLUTE RETURN		33.00%	\$ 1,864,190,184	30.45%
<b>REAL ASSETS</b>				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	3.03%	\$ 127,349,944	2.08%
	Morgan Stanley (NFI-ODCE)	3.03%	\$ 154,800,441	2.53%
	LaSalle (NFI-ODCE)	1.52%	\$ 87,357,122	1.43%
	Prologis (NFI-ODCE)	1.52%	\$ 109,844,979	1.79%
	Sub-Total Private Real Estate - Core	9.10%	\$ 479,352,487	7.83%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 33,335,860	0.54%
Public Real Assets	Principal (Blended Benchmark)	3.90%	\$ 255,270,720	4.17%
TOTAL REAL ASSETS		13.00%	\$ 767,959,066	12.54%
TOTAL ERS			\$ 6,122,614,157	100.00%
Total City Reserve Fund			R. W. Baird	42,144,225

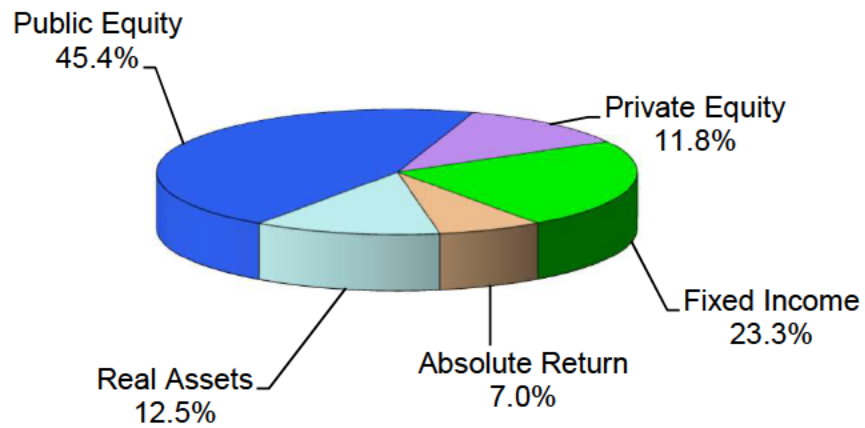
# PROJECTED TARGET ALLOCATIONS

Nov 15, 2021

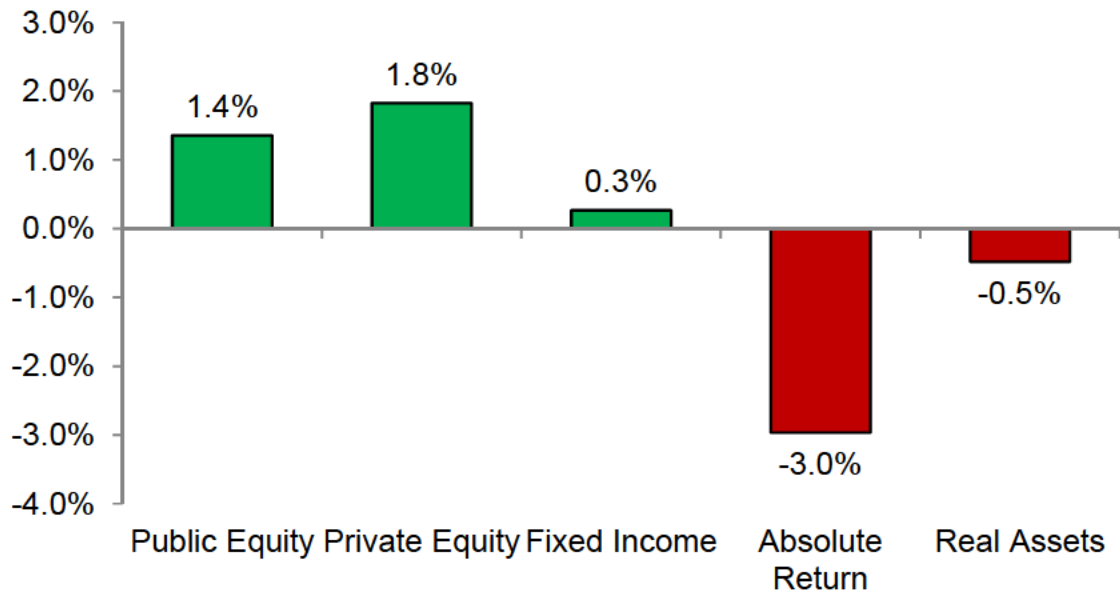
		Target	Market Value	Allocation
<b>EQUITY</b>				
<b>Public Equity</b>				
<b>Domestic</b>				
Passive Large Cap Equity	Northern Trust (S&P 500)	5.40%	\$ 350,340,943	5.66%
	BlackRock (Russell 1000 Value)	2.60%	\$ 164,770,986	2.66%
	Sub-Total Passive Large Cap Equity	8.00%	\$ 515,111,929	8.33%
Active Large Cap Equity	Polen (S&P 500)	2.60%	\$ 169,388,706	2.74%
	DFA (Russell 1000 Value)	2.60%	\$ 163,688,765	2.65%
	Sub-Total Active Large Cap Equity	5.20%	\$ 333,077,471	5.38%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.00%	\$ 129,249,794	2.09%
	CastleArk (Russell 2000 Growth)	1.60%	\$ 104,714,281	1.69%
	DFA (Russell 2000 Value)	3.20%	\$ 217,511,714	3.52%
	Sub-Total Active Mid/Small Cap Equity	6.80%	\$ 451,475,789	7.30%
Total Domestic		20.00%	\$ 1,299,665,189	21.01%
<b>International</b>				
Active International Equity	Brandes (EAFE)	6.40%	\$ 392,409,401	6.34%
	William Blair (ACWI ex US)	4.80%	\$ 305,547,568	4.94%
	DFA (EAFE Small Cap)	3.20%	\$ 199,471,190	3.22%
	AQR (MSCI EM)	1.60%	\$ 96,435,129	1.56%
Total International		16.00%	\$ 993,863,288	16.06%
<b>Global</b>				
Active Global Equity	BlackRock (ACWI)	4.80%	\$ 309,044,602	4.99%
	MFS (ACWI)	3.20%	\$ 203,679,290	3.29%
Total Global		8.00%	\$ 512,723,892	8.29%
Total Public Equity		44.00%	\$ 2,806,252,369	45.36%
<b>Private Equity</b>				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 336,510,394	5.44%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 298,689,069	4.83%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 28,620,325	0.46%
	Private Advisors (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 67,758,100	1.10%
Total Private Equity		10.00%	\$ 731,577,888	11.82%
TOTAL EQUITY (Public Equity + Private Equity)		54.00%	\$ 3,537,830,257	57.18%
<b>FIXED INCOME &amp; ABSOLUTE RETURN</b>				
<b>Fixed Income</b>				
Cash		1.00%	\$ 61,665,981	1.00%
Passive Fixed Income	BlackRock (Barclays US Aggregate)	7.92%	\$ 493,097,445	7.97%
Active Fixed Income	Reams (Barclays US Aggregate)	7.04%	\$ 442,799,369	7.16%
	Loomis Sayles (Barclays US Aggregate)	7.04%	\$ 441,980,625	7.14%
	Sub-Total Active Fixed Income	14.08%	\$ 884,779,995	14.30%
Total Fixed Income		23.00%	\$ 1,439,543,420	23.27%
<b>Absolute Return</b>				
	Hedge Fund of Funds Manager	3.00%	\$ -	0.00%
	UBS (1 Year Libor + 4%)	7.00%	\$ 435,202,014	7.03%
Total Absolute Return		10.00%	\$ 435,202,014	7.03%
TOTAL FIXED INCOME & ABSOLUTE RETURN		33.00%	\$ 1,874,745,435	30.30%
<b>REAL ASSETS</b>				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	3.03%	\$ 127,353,203	2.06%
	Morgan Stanley (NFI-ODCE)	3.03%	\$ 154,800,441	2.50%
	LaSalle (NFI-ODCE)	1.52%	\$ 92,161,764	1.49%
	Prologis (NFI-ODCE)	1.52%	\$ 109,844,979	1.78%
	Sub-Total Private Real Estate - Core	9.10%	\$ 484,160,387	7.83%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 32,816,657	0.53%
Public Real Assets	Principal (Blended Benchmark)	3.90%	\$ 257,647,883	4.16%
TOTAL REAL ASSETS		13.00%	\$ 774,624,926	12.52%
TOTAL ERS			\$ 6,187,200,618	100.00%
Total City Reserve Fund	R. W. Baird		42,110,129	

## PROJECTED VERSUS POLICY ALLOCATIONS

### Asset Mix Using Projected Balances



### Asset Allocation vs. Current Policy Benchmark



## YTD Market Value Change

December 31, 2020 Market Value including City Reserve & PABF Accounts			\$ 5,565,502,643
Monthly Cash Outflows thru	<u>November 15, 2021</u>		
Retiree Payroll Expense		\$ (358,386,488)	
PABF Payroll Expense		\$ (57,067)	
Expenses Paid		\$ (11,383,152)	
GPS Benefit Payments		\$ (11,885,784)	
Sub-Total Monthly Cash Outflows			\$ (381,712,491)
Monthly Cash Inflows thru	<u>November 15, 2021</u>		
Contributions		\$ 104,627,778	
PABF Contribution		\$ 64,660	
Sub-Total Monthly Contributions			\$ 104,692,438
City Reserve Fund Contribution			\$ 8,000,000
Capital Market Gain/(Loss)			<u>\$ 932,828,156</u>
Value including City Reserve & PABF Accounts as of	<u>November 15, 2021</u>		<u>\$ 6,229,310,747</u>
Less City Reserve Account <sup>1</sup>			\$ 42,110,129
Less PABF Fund <sup>2</sup>			\$ 2,500
Net Projected ERS Fund Value as of	<u>November 15, 2021</u>		<u><u>\$ 6,187,198,118</u></u>

1 The City Reserve Account balance equals the market value currently held in the Baird account.

2 PABF Fund balance equals the market value currently held in the PABF account.

# 2021 ESTIMATED MONTHLY CASH FLOWS

Revised 11/16/2021

(in 000's)

	12/31/2020	1/31/2021	2/29/2021	3/31/2021	4/30/2021	5/31/2021	6/30/2021	7/31/2021	8/31/2021	9/30/2021	10/31/2021	11/30/2021	
<b><u>Beginning Cash Account Balance</u></b>													
Townsend Cash Account	1,651	2,167	2,545	745	1,296	1,123	1,349	2,023	2,339	2,520	2,653		
Cash Contribution Account	-	-	-	-	-	-	-	-	-	-	-		
Milwaukee Cash Account	55,214	72,286	91,120	41,489	34,409	39,511	62,165	43,486	32,895	55,098	43,742		
Total Cash Available	56,865	74,453	93,665	42,234	35,705	40,634	63,514	45,509	35,234	57,617	46,395		
Less: Appropriate Level of Cash on Hand	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000		
Cash Available for Payroll and Other Outflows	19,865	37,453	56,665	5,234	(1,295)	3,634	26,514	8,509	(1,766)	20,617	9,395		
<b><u>For Monthly Cash Outflows of:</u></b>													
	Jan-2021	Feb-2021	Mar-2021	Apr-2021	May-2021	Jun-2021	Jul-2021	Aug-2021	Sep-2021	Oct-2021	Nov-2021	Dec-2021	Total 2021
Retiree Payroll Expense	(36,436)	(37,021)	(37,046)	(36,104)	(36,914)	(37,357)	(36,809)	(37,477)	(37,507)	(37,600)	(37,925)	(38,017)	(446,214)
Normal Retirement Payroll	(35,334)	(35,311)	(35,478)	(35,453)	(35,930)	(35,930)	(35,840)	(36,291)	(36,253)	(36,585)	(36,677)	(36,788)	(431,852)
Retiree Lump Sum Payments	(1,101)	(1,710)	(1,568)	(651)	(984)	(1,427)	(969)	(1,186)	(1,254)	(1,015)	(1,248)	(1,248)	(14,363)
Real Estate Capital Calls	-	(57)	(33,000)	-	(227)	(39)	(23,000)	-	-	(200)	-	-	(56,523)
Private Equity Capital Calls	(2,269)	(6,212)	(8,819)	(5,390)	(3,243)	(18,098)	(7,086)	(2,952)	(11,038)	(17,989)	(3,008)	-	(86,104)
Expenses Paid through City	(1,722)	(1,489)	(2,464)	(1,732)	(133)	(482)	(769)	(1,657)	(395)	(540)	(2,285)	(1,722)	(15,390)
PABF Payroll	(5)	(15)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(66)
Sub-Total Monthly Cash Outflows	(40,432)	(44,794)	(81,333)	(43,230)	(40,522)	(55,982)	(67,668)	(42,091)	(48,944)	(56,334)	(43,223)	(39,743)	(604,298)
<b><u>For Monthly Cash Inflows:</u></b>													
Sponsoring Agency Contribution	2,548	2,482	2,472	3,680	2,466	2,420	2,203	2,275	3,261	2,971	2,292	2,298	31,368
Real Estate Distributions	516	435	200	550	55	264	1,674	316	180	334	553	-	5,077
Private Equity Distributions	6,471	14,806	9,209	8,461	4,924	32,169	7,615	18,697	19,078	16,958	10,979	-	149,166
Miscellaneous Income	12	10	6	5	2	3	2	27	18	2	12	3	103
Security Lending Transfer	798	-	-	-	-	-	-	-	-	-	-	-	798
City Required Contribution Inflow	71,668	1,469	-	-	-	-	3,166	-	-	327	-	-	76,630
PABF Inflow	8	5	15	5	5	5	5	-	-	14	5	5	69
Sub-Total Monthly Cash Inflows	82,021	19,006	11,903	12,701	7,451	34,861	14,664	21,315	22,537	20,606	13,841	2,305	263,210
Net Monthly Cash Inflows/(Outflows) Before Withdrawals	41,588	(25,788)	(69,431)	(30,530)	(33,071)	(21,120)	(53,005)	(20,776)	(26,408)	(35,728)	(29,382)	(37,438)	(341,087)
Net Monthly Cash Surplus (Need)	61,453	11,665	(12,766)	(25,295)	(34,366)	(17,486)	(26,491)	(12,266)	(28,174)	(15,111)	(19,987)	(37,438)	(156,262)
<b><u>Monthly Cash Withdrawals (Additions)</u></b>													
Allianz 1000 Plus													
Allianz AGG 250													
AQR	8,000	4,000		3,000	4,000		3,000						
BlackRock Global Alpha Tilts								9,000		5,000			
BlackRock Russell 1000 Value Index				2,000	6,000		3,000	2,000		3,000			
BlackRock US Aggregate Index	(27,000)	(26,000)							(17,000)				
Brandes					4,000	15,500			10,000				
CastleArk	10,000		4,000	2,000		3,500				3,000	3,500		
Dimensional Fund Advisors US Large Cap			5,000	6,000	6,000		3,000	5,000		2,000	2,000		
Dimensional Fund Advisors International						7,500			7,000				
Dimensional Fund Advisors US Small Cap			9,000	8,000	8,000	8,000		7,000		7,000	7,500		
Earnest				4,000		4,500				4,000	4,500		
Loomis Sayles									(33,000)				
MFS					7,000		4,000	3,000	4,000		3,000		
Newton		93,000							98,797				
Northern Trust S&P 500 Index							19,000	4,000		8,500	12,000		
Polen				2,000			6,000	6,000	6,000	5,500	5,500		
Principal		(5,000)											
Reams		(13,000)							(47,000)				
Transition Account													
UBS A&Q	(11,000)	(12,000)						(21,500)		(8,500)			
William Blair						5,000		2,000	11,000				
Sub-Total Monthly Cash Withdrawals	(20,000)	41,000	18,000	27,000	35,000	44,000	38,000	16,500	39,797	29,500	38,000		
<b><u>Estimated Month-End Cash Balance</u></b>													
Cash Available	41,453	52,665	5,234	1,705	634	26,514	11,509	4,234	11,623	14,389	18,013		
Appropriate Level of Cash on Hand	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000		
Total Cash Estimated on Hand For Next Month	78,453	89,665	42,234	38,705	37,634	63,514	48,509	41,234	48,623	51,389	55,013		