

**REGULAR MEETING OF THE ANNUITY AND PENSION BOARD
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
789 N. WATER ST. (Employees' Retirement System)
TUESDAY, MAY 24, 2022 – 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) 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 April 27, 2022.
- II. Chief Investment Officer Report.
- III. New Business.
 - A. Retirements, Death Claims, and Refunds (April).
 - B. Conference Requests – May 2022 Board Meeting.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (C.), as provided in Section 19.85 (1)(c), for considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The Board may then vote to reconvene in open session following the closed session.

- C. ERS Executive Staff Compensation.
- IV. Medical Reports.
 - A. All Duty & Ordinary Disability Applications & Re-examinations (May).

V. Unfinished Business.

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

VI. 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 2022 YTD.
- D. Adjusted Quarterly Cost Basis of Equity.
- E. Minutes of the Investment Committee Meeting Held April 14, 2022.
- F. Minutes of the A&O Committee Meeting Held April 20, 2022.
- G. Report on Bills.
- H. Deployment of Assets.
- I. Securities Lending Revenue and Budget Report.
- J. Preliminary Performance Report and Asset Allocation.

MEETING REMINDERS

INVESTMENT COMMITTEE MEETING

THURSDAY, JUNE 9, 2022 – 9:00 A.M.

789 N. WATER ST.

ADMINISTRATION & OPERATIONS COMMITTEE MEETING

THURSDAY, JUNE 16, 2022 – 9:00 A.M.

789 N. WATER ST.

REGULAR MEETING OF THE ANNUITY AND PENSION BOARD

THURSDAY, JUNE 30, 2022 – 9:00 A.M.

789 N. WATER ST.

REGULAR MEETING

I.

APPROVAL OF MINUTES

- A. Regular Meeting Held April 27, 2022.

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

Minutes of the Regular Meeting
held April 27, 2022 via teleconference during COVID-19

The meeting was called to order at 8:30 a.m.

Board Members Present: Matthew Bell, Chair
 James Campbell
 Deborah Ford
 Molly King
 Tom Klusman
 Rudolph Konrad
 Nik Kovac
 Aycha Sawa

Retirement System Staff Present: Jerry Allen, Executive Director
 Daniel Gopalan, Chief Financial Officer
 David Silber, Chief Investment Officer
 Erich Sauer, Deputy Chief Investment Officer
 Thomas Courtright, Pension Investment Analyst
 Gust Petropoulos, Deputy Director - Disability
 Mary Turk, Business Operations Analyst
 Jan Wills, Board Stenographer

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

Regular Meeting.

Approval of Minutes.

Regular Meeting Held March 29, 2022. It was moved by Mr. Campbell, seconded by Mr. Konrad, and unanimously carried, to approve the Minutes of the Regular Meeting Held March 29, 2022.

Chief Investment Officer Report. As a matter of information, Board members received the April 27, 2022 Performance Update. Mr. Sauer noted the Fund as of March 31, 2022, had a value of \$6.16 billion. He said the March Fund return was 0.3%, net of fees. The fund outperformed in all time periods shown except for March. He noted 10 out of 15 active mandates are outperforming year to date through March. Mr. Sauer stated the Fixed Income and Absolute Return asset classes, along with the Total Fund, are outperforming their respective benchmarks year to date through March. Mr. Sauer said the Fund, through March 31, had seen a year-to-date change in the value of its investments of -\$27.1 million, paid benefits & expenses of \$115.6 million, and received contributions of \$81.2 million. He noted the Fund is down approximately 3.6% month to date through April 26th, bringing the year-to-date return down to 4.0% with the value of the Fund at

\$5.9 billion. He added that the majority of benefit payments would come from the Fund's Cash Balance with \$9 million being withdrawn from Principal for benefit payments.

Mr. Silber added some additional market commentary and context, and emphasized that while the global markets are down 7%+ month-to-date in April, it is especially important in times like this to remember that CMERS is a long-term investor and is performing relatively well so far in this volatile market.

Investment Committee Report. At its April 14 meeting, Chairman Klusman noted the Investment Committee unanimously elected Mr. Kovac as its Vice-Chair. Mr. Klusman said Staff then discussed with the Committee two requested investment manager Guideline changes and one Statement of Investment Policy Update. He said the Committee approved the investment manager Guideline changes which involved two items: changing the UBS Hedge Fund Solutions' benchmark from 1-Year LIBOR plus 4% to SOFR plus 4%, effective March 1, 2022, and changing the weights of Principal's benchmark components to match the changes Principal recently notified the Fund about, effective April 1, 2022. Mr. Klusman commented that the Committee also approved the Statement of Investment Policy Update that changes the Fund's 3.9% blended benchmark weight to Principal to match Principal's guideline change, also effective April 1, 2022. He said Callan then provided a 2022 Work Plan, and discussed their most up-to-date capital market assumptions and how the assumptions impact the Fund's 10-year expected rate of return and standard deviation. Callan also spent some time presenting Phase 1 of the Fund's Public Equity Structure Review, and wrapped up by providing the Committee with an update regarding their Investment Manager Due Diligence efforts on the Fund's investment managers. Mr. Klusman noted that Staff provided a routine due diligence report on Reams Asset Management, and Staff provided a Fund update on performance and upcoming initiatives. Mr. Klusman concluded that the Investment Committee recommends approval of the following items: Approval of UBS Hedge Fund Solutions Guideline Change, Approval of Principal Global Investors Guideline Change, and Approval of Statement of Investment Policy Update.

Approval of UBS Hedge Fund Solutions Guideline Change. It was moved by Mr. Konrad, seconded by Ms. King, and unanimously carried, to approve the Approval of UBS Hedge Fund Solutions Guideline Change.

Approval of Principal Global Investors Guideline Change. It was moved by Mr. Konrad, seconded by Ms. Sawa, and unanimously carried, to approve the Approval of Principal Global Investors Guideline Change.

Approval of Statement of Investment Policy Update. It was moved by Mr. Campbell, seconded by Mr. Kovac, and unanimously carried, to approve the Approval of Statement of Investment Policy Update.

Administration & Operations Committee Report. Ms. Sawa said that at its April 20, 2022 Administration & Operations Committee Meeting, the Committee has two items for Board approval – the Contract Extension (with fee structure change) through August 31, 2025 for Managed Medical Review Organization, Inc., the Disability Claims Vendor and the Approval of Draft ERS 2023 City Budget Request. Ms. Sawa said the total ERS budget went up 10%, with a part of that related to salaries, which is related to a DER salary study. She noted the Committee

voted to approve both items. Mr. Gopalan added that there is a \$1.4 million increase for IT equipment for infrastructure upgrades and software. Discussion ensued.

Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor. As a matter of information, Board members received the Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor materials. It was moved by Mr. Konrad, seconded by Ms. Ford, and unanimously carried, to approve the Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor.

Approval of Draft ERS 2023 City Budget Request. As a matter of information, Board members received the Draft ERS 2023 City Budget Request materials. It was moved by Mr. Campbell, seconded by Mr. Konrad, and unanimously carried, to approve the Approval of Draft ERS 2023 City Budget Request.

New Business.

Retirements, Death Claims, and Refunds (March). Mr. Allen presented the following activity for the month of March 2022.

| | |
|--|--------------|
| Active Death Benefits reported | \$0.00 |
| Deferred Death | \$111,383.04 |
| Deferred Death-Member Only Refund | \$0.00 |
| Ordinary Death Benefits reported | \$230,580.03 |
| Retired Death Benefits reported | \$23,175.50 |
| Survivor Death – Termination Benefits reported | \$14,388.28 |
| Refund of Member Contributions paid | \$222,228.71 |

It was moved by Mr. Kovac, seconded by Ms. King, and unanimously carried, to approve the Retirements, Death Claims, and Refunds (March 2022).

Conference Requests – April 2022 Board Meeting. Staff presented the Conference Requests this month.

| | |
|-----------------|--|
| David Silber | Roundtable for Consultants & Institutional Investors |
| Sponsor: | Institutional Investor |
| Location: | Chicago, IL |
| Date: | June 20-22, 2022 |
| Estimated Cost: | \$1,000.00 |

Mr. Allen also requested to attend an investor conference by the Markets Group in Chicago at \$50.00 for transportation expenses.

It was moved by Mr. Konrad, seconded by Ms. Ford, and unanimously carried, to approve the Conference Requests – April 2022 Board Meeting.

Medical Reports.

All Duty & Ordinary Disability Applications & Re-examinations (March). Staff presented certifications (March 2022) 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> |
| De Ronn Gillum | Approval |
| <u>Police – Application – Ordinary</u> | <u>Recommendation</u> |
| Amy Skenadore Effective 08/04/2021 | Approval |
| <u>Fire – Re-examinations – Duty</u> | <u>Recommendation</u> |
| Julie Hall | Approval |
| Maurya Lomen | Approval |
| Scott Van Roo | Approval |
| <u>GC – Re-examinations – Duty</u> | <u>Recommendation</u> |
| Joseph Alferi | Approval |
| <u>GC – Application – Duty</u> | <u>Recommendation</u> |
| Dewayne Brown | Denial |
| <u>GC – Application – Ordinary</u> | <u>Recommendation</u> |
| Dewayne Brown Effective 7/22/2021 | Approval |
| <u>GC – Re-examinations – Ordinary</u> | <u>Recommendation</u> |
| Sharodnick Brown | Approval |
| Camille Cole | Approval |
| Darvin McKnight | Approval |

Jewel Springfield
Demertha Wilder

Approval
Approval

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

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 presented an update to a legal opinion originally issued in 1959. He noted the opinion reaffirms the authority of the Deputy Comptroller to serve in the place of the Comptroller as a voting member of the Board. Discussion ensued. Staff noted the 1959 legal opinion would be sent to the Board members.

Pending Legislation Report. As a matter of information, Board members received the Pending Legislation Report. Staff said there were no new updates.

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. Discussion ensued.

Informational.

The following is a list of informational items:

Mr. Bell advised that the Annuity and Pension Board may vote to convene in closed session on the following item 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.

- 1) Pending Litigation Report.
- 2) Conferences.
- 3) Class Action Income 2022 YTD.
- 4) Minutes of the A&O Committee Held March 17, 2002.

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

- 5) Report on Bills.
- 6) Deployment of Assets.
- 7) Securities Lending Revenue and Budget Report.
- 8) Preliminary Performance Report and Asset Allocation.

There being no further business to come before the meeting, it was moved by Mr. Campbell and seconded by Mr. Kovac to adjourn the meeting.

Mr. Bell adjourned the meeting at 9:15 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

Milwaukee Employees' Retirement System - May 24, 2022

Fund as of April 30, 2022

*Fund value of \$5.92b.

*Fund return of -3.2% in April, gross of fees, outperformed by approximately 1.2%.

*Primary Relative Perf. Drivers:
Manager Selection

Real Estate 49 bp

UBS 19 bp

Style Bias

US Large Cap Value 16 bp

*Fund has outperformed benchmark in all time periods shown.

May Update (5/17/22 estimates)

*Fund return -0.6% MTD

*Fund return -4.2% YTD

*Fund value \$5.89b

*9 out of 15 active mandates outperforming YTD.

*Public Equity, Fixed Income, and Absolute Return asset classes, along with Total Fund, outperforming their respective benchmarks YTD.

*Investment Change: - \$262.7m

*Benefits & Expenses: 154.6m

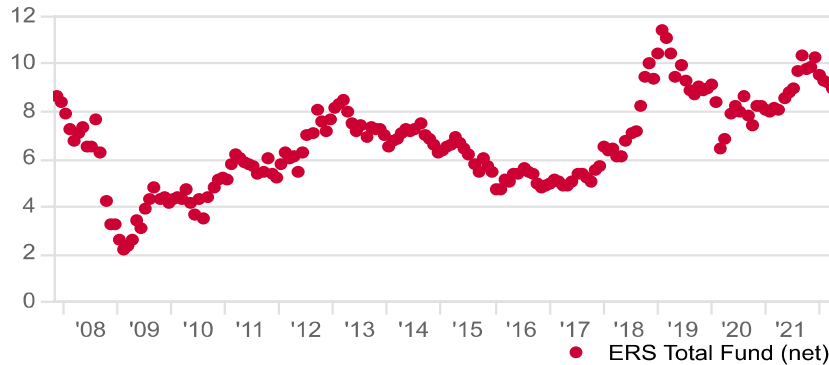
*Contributions: 85.8m

Monthly Withdrawals:

US Gov't Bond Index \$21 m
Principal 8 m

Total Fund - 10-Year Rolling Returns

11/28/1997 to 4/30/2022



Return Data

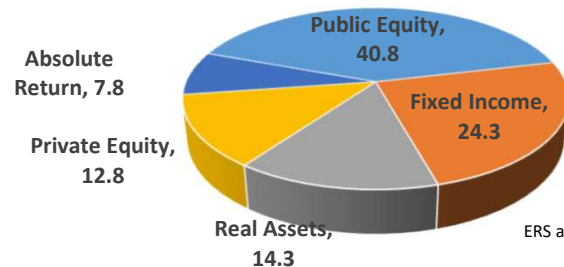
Source Data: Monthly Return

| | 1 Month | YTD | 1 Year | 5 Year | 10 Year | 15 Year | 20 Year |
|------------------|---------|------|--------|--------|---------|---------|---------|
| Total Fund (net) | -3.2 | -3.7 | 7.7 | 9.1 | 8.9 | 6.3 | 7.5 |
| ERS Benchmark | -4.4 | -6.2 | 0.4 | 8.0 | 8.3 | 6.1 | 7.0 |

Total Fund - 20-Year Risk & Return Data

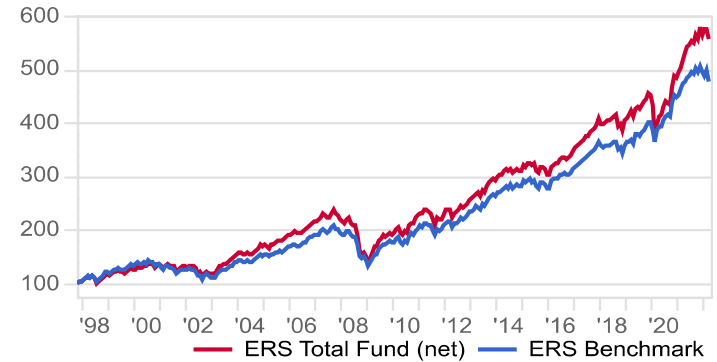
| | Return | Std Dev | Tracking Error | Info Ratio (arith) | Sharpe Ratio | Alpha | Beta |
|------------------|--------|---------|----------------|--------------------|--------------|-------|------|
| Total Fund (net) | 7.5 | 10.4 | 2.5 | 0.2 | 0.6 | -0.1 | 1.1 |
| ERS Benchmark | 7.0 | 9.2 | -- | -- | 0.6 | 0.0 | 1.0 |

ERS Allocation as of April 30, 2022



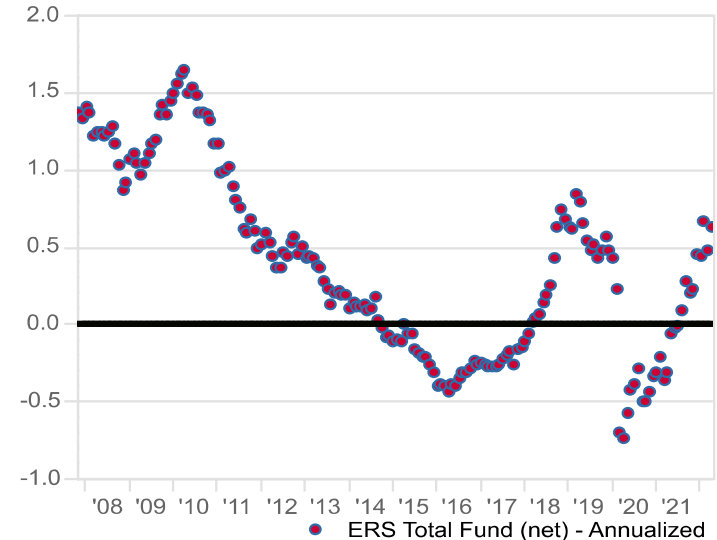
Growth of \$100 - Total Fund & ERS Benchmark

11/28/1997 to 4/30/2022

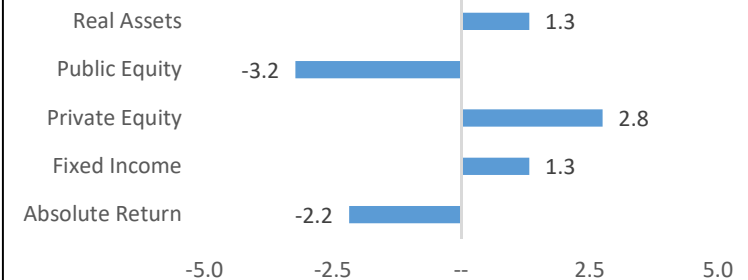


Total Fund - 10-Year Rolling Excess Returns

11/28/1997 to 4/30/2022



Asset Allocation vs Policy as of April 30, 2022



III.

NEW BUSINESS

- A. Retirements, Death Claims, and Refunds (April).
- B. Conference Requests – May 2022 Board Meeting.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (C.), as provided in Section 19.85 (1)(c), for considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The Board may then vote to reconvene in open session following the closed session.

- C. ERS Executive Staff Compensation.

Board Report - April 2022

Retirements

| Retirement Type | Retirement SubType | Last Name | First Name | Retirement Date | Option | Department |
|-----------------|---|------------|------------|-----------------|--------|--|
| Regular | Deferred | HAWLEY | DOREEN | 4/24/2016 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | MALONE | CRYSTAL | 4/15/2020 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | CORNWALL | CEDRIC | 1/2/2021 | MAX | DEPARTMENT OF ADMINISTRATION |
| Regular | Service | RUZICKA | FRANK | 3/10/2021 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | SUNDQUIST | DAVID | 6/7/2021 | 100 | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | PIERCE | KAREN | 12/15/2021 | 100 | HEALTH DEPARTMENT |
| Regular | Service | SERRANO | ANDREA | 1/6/2022 | 100 | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | GARDNER | JEFFERY | 3/2/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | JAFFE | JOHN | 3/2/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Service | BRISTER | LEONARD | 3/5/2022 | MAX | DPW - SEWER - UNDERGROUND |
| Regular | Service | FREDA | JUDITH | 3/5/2022 | 100 | ASSESSOR'S OFFICE |
| Regular | Deferred | WHITE | JACQUELINE | 3/9/2022 | 50 | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Early | BROOKS | WILLIAM | 3/10/2022 | MAX | DPW-INFRASTRUCTURE-BRIDGES & BLDGS |
| Regular | Service | GARNER | NORMA | 3/12/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Service | MISHEFSKE | THOMAS | 3/12/2022 | 100 | DEPT OF NEIGHBORHOOD SRVCS |
| Regular | Service | KEARNEY | BETTY | 3/18/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | SILMAN | THOMAS | 3/19/2022 | 100 | DEPT OF NEIGHBORHOOD SRVCS |
| Regular | Service | WITKOWSKI | STEPHEN | 3/19/2022 | 100 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Deferred | SAYAOVANG | HOYU | 3/20/2022 | MAX | MAYOR |
| Regular | Service | HARRIS | RUFARO | 3/20/2022 | MAX | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | SOUSEK | GREGORY | 3/20/2022 | 100 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | LANGER | BRIAN | 3/21/2022 | 75 | FIRE - FIREFIGHTING |
| Regular | Deferred | OJEDA | RICHARD | 3/23/2022 | 100 | DPW |
| Regular | Service | GOLDAPP | DAVID | 3/26/2022 | 50 | DPW-WATER-DISTRIBUTION |
| Regular | Service | SCHERER | BARBARA | 3/26/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Service | CALVIN | MICHELLE | 3/27/2022 | MAX | PARKING |
| Regular | Service | FUNK | CURT | 3/30/2022 | 50 | FIRE - FIREFIGHTING |
| Regular | Service | PRITCHETT | DAVID | 3/30/2022 | 50 | DPW-INFRASTRUCTURE-ELECTRICAL |
| Regular | Early | GENTRY | JAMES | 3/31/2022 | 100 | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Early | THIEDE | GAIL | 3/31/2022 | 100 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Conversion (Duty Disability to Regular) | FAIRBANKS | CRAIG | 4/1/2022 | 50 | DPW - OPERATIONS |
| Regular | Deferred | DAHL | MICHAEL | 4/1/2022 | MAX | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Deferred | PRADARELLI | MICHAEL | 4/1/2022 | 100 | DPW - OPERATIONS |
| Regular | Service | AGUILAR | LUIS | 4/1/2022 | MAX | FIRE - FIREFIGHTING |
| Regular | Service | EGGERT | CYNTHIA | 4/1/2022 | 50 | MILWAUKEE PUBLIC SCHOOLS |
| Regular | Service | GUDYNOWSKI | BRADLEY | 4/1/2022 | 100 | FIRE - FIREFIGHTING |
| Regular | Service | HOLMBLAD | STEVEN | 4/1/2022 | 75 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | KLEPACH | KERRY | 4/1/2022 | MAX | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | LOPEZ | DAVID | 4/1/2022 | 100 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | MARTIN | LAVAIGO | 4/1/2022 | MAX | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | RHINEHART | ROXANNE | 4/1/2022 | MAX | MILWAUKEE METROPOLITAN SEWERAGE DISTRICT |
| Regular | Service | SCHMERSE | PATRICE | 4/1/2022 | MAX | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | SCHMIDT | MARK | 4/1/2022 | 100 | MILWAUKEE POLICE DEPARTMENT |
| Regular | Service | SCHNEIDER | JAMES | 4/1/2022 | 75 | FIRE - FIREFIGHTING |
| Regular | Service | TERRIS | SCOTT | 4/1/2022 | MAX | FIRE - FIREFIGHTING |
| Regular | Service | VANDRE | TODD | 4/1/2022 | 100 | DEPT OF NEIGHBORHOOD SRVCS |

Board Report - April 2022

Deaths

| Type | Last Name | First Name | Death Date | Payment Date | Amount |
|---------------------------|------------|------------|------------|--------------|---------------------|
| Deferred Death | DIRDEN | JAY | 2/24/2021 | 4/29/2022 | \$ 25,031.35 |
| Retiree Death-Termination | BLAIR | ROBERT | 2/5/2022 | 4/29/2022 | \$ 1,086.72 |
| Retiree Death-Termination | CROSSMAN | JOAN | 12/9/2021 | 4/29/2022 | \$ 107.24 |
| Retiree Death-Termination | HERBERT | BARBARA | 6/18/2021 | 4/29/2022 | \$ 416.94 |
| Retiree Death-Termination | KAINE | JENNIFER | 9/11/2021 | 4/29/2022 | \$ 474.95 |
| Retiree Death-Termination | KLEEMANN | BARBARA | 12/3/2021 | 4/29/2022 | \$ 109.57 |
| Retiree Death-Termination | KRAUSE | FREDERICK | 2/22/2022 | 4/29/2022 | \$ 1,759.61 |
| Retiree Death-Termination | LORD | EUGENE | 3/4/2022 | 4/29/2022 | \$ 345.28 |
| Retiree Death-Termination | MC MURRAY | WORLEY | 12/21/2021 | 4/29/2022 | \$ 303.53 |
| Retiree Death-Termination | NARLOCH | JUDITH | 2/26/2022 | 4/29/2022 | \$ 669.46 |
| Retiree Death-Termination | STENGLEIN | ALICE | 11/27/2018 | 4/29/2022 | \$ 463.28 |
| Retiree Death-Termination | SWEENEY | RICHARD | 3/18/2022 | 4/29/2022 | \$ 1,530.26 |
| Retiree Death-Termination | SZPARA | KATHY | 1/13/2022 | 4/29/2022 | \$ 229.04 |
| Retiree Death-Termination | TAPPENDORF | KENNETH | 1/24/2022 | 4/29/2022 | \$ 1,738.19 |
| Retiree Death-Termination | WASSENBERG | DEAN | 2/24/2022 | 4/29/2022 | \$ 1,316.83 |
| Retiree Death-Termination | WOLF | PATRICIA | 1/19/2022 | 4/29/2022 | \$ 105.14 |
| Surv Death-Termination | BUB | DARLENE | 2/24/2022 | 4/29/2022 | \$ 3,674.92 |
| Surv Death-Termination | HINSENKAMP | VALERIE | 3/2/2022 | 4/29/2022 | \$ 235.28 |
| Surv Death-Termination | JOHNSON | JANET | 2/19/2022 | 4/29/2022 | \$ 1,907.23 |
| Surv Death-Termination | KRUEGER | JANET | 9/28/2021 | 4/29/2022 | \$ 3,323.61 |
| Surv Death-Termination | STEUBER | BARBARA | 3/23/2022 | 4/29/2022 | \$ 962.06 |
| Surv Death-Termination | THOMAS | HATTIE | 1/24/2022 | 4/29/2022 | \$ 1,473.66 |
| Surv Death-Termination | WALDEN | MARY ANN | 2/26/2022 | 4/29/2022 | \$ 566.48 |
| Surv Death-Termination | WASHINGTON | HERBERT | 11/26/2021 | 4/29/2022 | \$ 351.35 |
| TOTAL | | | | | \$ 48,181.98 |
| Retiree Death-Cont Opt | ASHLEY | DAVID | 4/8/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | BOYCE | THOMAS | 3/29/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | EBERHARDT | ALAN | 3/24/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | FOERSTER | LEE | 3/26/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | GRAEBERT | GERALD | 3/7/2022 | 4/1/2022 | |

| Type | Last Name | First Name | Death Date | Payment Date | Amount |
|------------------------|-------------|------------|------------|--------------|--------|
| Retiree Death-Cont Opt | KOLLER | GEORGE | 4/10/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | KONINGS | SCOT | 4/2/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | LORECK | RICHARD | 4/8/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | MALMAROWSKI | DARRELL | 4/16/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | MCCOY | WILLIE | 4/13/2022 | 4/1/2022 | |
| Retiree Death-Cont Opt | SULLIVAN | WILLIAM | 3/19/2022 | 4/1/2022 | |

Board Report - April 2022**Withdrawals**

| Type | Last Name | First Name | Payment Date | Amount |
|---------------------------|---------------|----------------|--------------|-----------|
| Administrative Withdrawal | HAWLEY | IAN | 4/29/2022 \$ | 1,170.81 |
| Administrative Withdrawal | KILPS | CHRISTINE | 4/29/2022 \$ | 1,312.96 |
| Administrative Withdrawal | LEWIS | COURTNEY | 4/29/2022 \$ | 1,072.72 |
| Administrative Withdrawal | REESE | CHARLES | 4/29/2022 \$ | 681.03 |
| Administrative Withdrawal | VAZQUEZ ROSAS | AMBAR | 4/29/2022 \$ | 944.18 |
| Administrative Withdrawal | WILLIAMS | KRISTEN | 4/29/2022 \$ | 2,377.60 |
| Full Refund | DENSON | FLOY | 4/29/2022 \$ | 7,193.23 |
| Full Refund | GARCIA | LAURA | 4/29/2022 \$ | 4,335.90 |
| Full Refund | GOLDEN | JENNIFER | 4/29/2022 \$ | 8,319.24 |
| Full Refund | GUTIERREZ | CHARLES | 4/29/2022 \$ | 6,775.70 |
| Full Refund | MCKINLEY | LOREAL | 4/29/2022 \$ | 10,786.10 |
| Full Refund | MITCHELL | ANITA | 4/29/2022 \$ | 16,391.43 |
| Full Refund | TAYLOR | MARK | 4/29/2022 \$ | 6,364.23 |
| Full Refund | TUCKER | DANIEL | 4/29/2022 \$ | 9,650.74 |
| Full Refund | WARD | NICOLE | 4/29/2022 \$ | 16,797.60 |
| Full Refund | YARBROUGH | NICOLE | 4/29/2022 \$ | 46,831.56 |
| Member Only Refund | BACHI | SAMIRA | 4/29/2022 \$ | 241.86 |
| Member Only Refund | BAKER | BIANCA | 4/29/2022 \$ | 3,017.10 |
| Member Only Refund | BARRIOS | RONALD | 4/29/2022 \$ | 1,271.76 |
| Member Only Refund | BLUE | TRACIE | 4/29/2022 \$ | 1,635.46 |
| Member Only Refund | BYERSON | SWAVETTE | 4/29/2022 \$ | 3,375.22 |
| Member Only Refund | CABREZA | PHILIPP-JEROME | 4/29/2022 \$ | 287.23 |
| Member Only Refund | COOPER | LASHAWNDR | 4/29/2022 \$ | 1,949.65 |
| Member Only Refund | COOPER | LEIGHTON | 4/29/2022 \$ | 2,993.51 |
| Member Only Refund | EARL | ZENITHIA | 4/29/2022 \$ | 5,479.30 |
| Member Only Refund | ERBY | SHACODA | 4/29/2022 \$ | 1,406.33 |
| Member Only Refund | GARRETT | MEGAN | 4/29/2022 \$ | 3,348.02 |
| Member Only Refund | GIESE | JILHANA | 4/29/2022 \$ | 4,800.46 |
| Member Only Refund | HONEYCUTT | DARLA | 4/29/2022 \$ | 2,175.49 |
| Member Only Refund | HUDSON | EARNESTINE | 4/29/2022 \$ | 2,544.79 |
| Member Only Refund | HUNTER | IMANI | 4/29/2022 \$ | 4,567.95 |
| Member Only Refund | JACKSON | MARLAINA | 4/29/2022 \$ | 4,463.40 |
| Member Only Refund | JEMISON | CARNIE | 4/29/2022 \$ | 958.31 |

| Type | Last Name | First Name | Payment Date | Amount |
|--------------------|------------|------------|-----------------|-------------------|
| Member Only Refund | MAURER | JOAN | 4/29/2022 \$ | 986.03 |
| Member Only Refund | MUELLER | BRANDON | 4/29/2022 \$ | 3,936.29 |
| Member Only Refund | NAVARRO | FRANCISCO | 4/29/2022 \$ | 147.58 |
| Member Only Refund | PIERCE | DEONTAE | 4/29/2022 \$ | 1,788.69 |
| Member Only Refund | RIEKKOFF | RYAN | 4/29/2022 \$ | 356.58 |
| Member Only Refund | SERNA | ROCIO | 4/29/2022 \$ | 4,324.51 |
| Member Only Refund | STEWARD | LAWANDA | 4/29/2022 \$ | 1,919.13 |
| Member Only Refund | WARD | DOMINQUE | 4/29/2022 \$ | 772.67 |
| Member Only Refund | WASHINGTON | CARLISSA | 4/29/2022 \$ | 1,150.73 |
| Member Only Refund | WHITTLEY | AKILAH | 4/29/2022 \$ | 1,342.31 |
| | | | TOTAL \$ | 202,245.39 |

Conference Requests – May 2022 Board Meeting

| | |
|-------------------|---|
| Thomas Courtright | Neuberger Berman 2022 LP Annual Meeting |
| Sponsor: | Neuberger Berman |
| Location: | New York, NY |
| Date: | June 22-23, 2022 |
| Estimated Cost: | \$1,500.00 |

IV.

MEDICAL REPORTS

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

MERITS**CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM**

Page Number: 1 OF 1

Medical Panel Approvals Report

DATE RAN : 05/17/2022

Approved by Executive Director

Pension Board Meeting Date 05/24/2022

TIME RAN : 15:25

DOCTOR DECISION

| <u>Case Number</u> | <u>Name</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> |
|---------------------------|---------------------|---------------------|------------------------|-------------------------|-----------------------------|--------------------|---------------------|---------------------|-------------------------------|------------------------|
| 927 | MICHALOWSKI, BRETT | FIRE LIEUTENANT | FIRE | DD 75% | Re-Examination | Approved | Approved | | 05/01/2022 | |
| 901 | PRICE, WALTER | FIRE FIGHTER | FIRE | DD 75% | Re-Examination | Approved | Approved | | 02/29/2012 | |
| 1205 | PENDERGAST, MICHAEL | POLICE OFFICER | MPD | DD 75% | Re-Examination | Approved | Approved | | 09/11/2014 | |
| 120 | HENRY, ROBERT | POLICE OFFICER | POLICE | DD 75% | Re-Examination | Approved | Approved | | 03/26/2003 | |

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 : 05/17/2022

Board Meeting: 05/24/2022

TIME RAN : 08:11

| <u>Name</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> |
|--------------------|---------------------------|--------------------------|---------------------|----------------------|------------------------|-------------------------------------|
| FENNING, GREGORY | URBAN FORESTRY SPECIALIST | DPW - FORESTRY | Duty Disability 75% | Application | 10/08/2021 | 05/13/2022 |
| GRANBERRY, JEFFREY | Operations Driver/Worker | DPW-Operations | Ordinary Disability | Re-Examination | 11/20/2020 | 05/13/2022 |
| KAZIK, CHARLES | FIREFIGHTER | MFD | Extended Life | Application | 12/22/2021 | 05/13/2022 |
| KEMOS, TELLY | DETECTIVE | MPD | Ordinary Disability | Application | 12/06/2021 | 05/13/2022 |
| WILDER, KATHY | BLDG SERVICE HELPER I | MPS | Ordinary Disability | Re-Examination | 05/29/2013 | 05/13/2022 |
| WYTCH, MATTHEW | EDUCATIONAL ASSISTANT | MILWAUKEE PUBLIC SCHOOLS | Ordinary Disability | Application | 10/05/2021 | 05/13/2022 |

Number of Cases: 6

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 MPSO duty disabilities with an application date on/after January 1, 2016.

V.

UNFINISHED BUSINESS

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



May 24, 2022 Board Meeting

PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT

PART 1. LEGAL OPINIONS - OFFICE OF CITY ATTORNEY

01/28/22 Same Sex Spouse Retirees

The Employees' Retirement System received an inquiry from a retiree as it relates to a post-retirement election of a same gender spouse survivor where state law was found to unconstitutionally prohibit same gender marriages previous to the retirement of the retiree.

PART 2. LEGAL OPINIONS - OUTSIDE LEGAL COUNSEL

None.

PART 3. SERVICE REQUESTS - OFFICE OF CITY ATTORNEY

12/16/21 Contract for Banking Services

ERS staff requests assistance of legal counsel in drafting and negotiating a contract for banking services with vendor.

01/14/22 Contract for Office Space

ERS staff requests the services of the City Attorney's in the negotiation and drafting of a contract for office space.

03/01/22 Annuity & Pension Board Direct Hires

The City Attorney's Office is asked to revise the Inter-Governmental Cooperation Agreement between the ERS/APB and City of Milwaukee that would authorize the Board to directly hire employees who are not subject to the City's Salary Ordinance.

PART 4. SERVICE REQUESTS - OUTSIDE LEGAL COUNSEL

02/14/22 Hedge Fund Investment Manager

ERS Investment staff requests legal counsel to assist with the negotiation and drafting of an investment manager agreement with a newly-selected hedge fund manager.
03/11/22 Matter referred to Reinhart Boerner Van Deuren S.C. by City Attorney's Office.



May 24, 2022 Board Meeting

PENDING LEGISLATION REPORT

PART 1. PENDING CHARTER ORDINANCES FOR COMMON COUNCIL ACTION

None.

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

May 2022

I. Personnel Update

- A. ERS is working with DER to fill the following positions: Pension Investment Analyst – Sr., ERS Network Security Administrator and Office Assistant III.

II. Member Services

- A. New retirees on payroll in April - 47; 35 are currently anticipated for the May payroll.
B. Retiree deaths in April – 36.
C. There was a New Employee Orientation for a new Police Recruit Class on 4/19/22 and 63 attended.
D. Below is a breakdown of to-date ERS benefits payouts/active/deferred counts:

| Category | Count |
|-------------------------|---------------|
| Annuitants | |
| Death - Duty | 27 |
| Death - Ordinary | 93 |
| Disability - Duty | 386 |
| Disability - Ordinary | 587 |
| Retirement | 12,652 |
| Separation | 37 |
| Total Annuitants | 13,782 |
| Active | 10,699 |
| Deferred | 3,087 |
| Total Population | 27,568 |

III. Financial Services

- A. Staff continues to work with the actuary and financial auditor to review and substantiate the actuarial valuation.
B. The financial audit fieldwork has been completed and the Annual Comprehensive Financial Report (ACFR) is being reviewed.
C. The City has settled contracts with MPA, Local 215 and MPSO recently. We plan to recalculate the MPA duty disability recipients and issue retro payments by 5/31/22 and MPA service retirements will be recalculated and retro's paid by 6/30/22. We plan to recalculate and pay the Local 215 and MPSO duty disability recipients by 7/31/22 and will have the Local 215 and MPSO service retirements recalculated and paid by 9/30/22 at the latest.

IV. Information Services

- A. Proof of Concept (POC) for FileNet to BAW Upgrade completed.
B. Struts Upgrade and Modernize MERITS Website in progress.
C. Network Infrastructure Upgrade in progress.
D. IP Address Review and Cleanup – 2021 in progress.
E. DNS Review and Cleanup – 2021 in progress.

- F. AD Review and Cleanup – 2021 in progress.
- G. Firewall Review and Cleanup – 2021 in progress.
- H. SAN Firmware and DSM Upgrade completed.
- I. MERITS-WebSphere Application Server Upgrade completed.
- J. Backup Exec Upgrade in progress.
- K. FileNet P8-WebSphere Application Server Upgrade in progress.
- L. Altiris/Symantec IT Management Suite Upgrade in progress.
- M. SQL SentryOne Upgrade in progress.
- N. SQL LiteSpeed Upgrade in progress.

V. Administration

- A. A copy of the draft January 1, 2022 actuarial valuation prepared by CMERS independent actuary, Cavanaugh MacDonald, is expected to be available by the end of the month and will be forwarded to Trustees for their information. Larry Langer of that firm will present the valuation results at the Annuity & Pension Board's June 27, 2022 meeting.

Cavanaugh MacDonald will compile and present CMERS 5 year Experience study mandated by MCC-36 at a special Board meeting scheduled for August 24, 2022. The study will recommend any changes to CMERS economic and demographic plan assumptions (e.g. expected return/discount rate, mortality tables, etc.) for consideration by the Board.

The presentation at the August meeting is intended to initially focus on economic assumptions with the potential for discussion and deliberation by the Board to extend to the September 26, 2022 meeting.

Previous 5 year studies were presented in an October – November time frame. The process is being accelerated for this cycle with the objective of determining assumptions for the reset of the Stable Contribution Policy percentage of covered pay employer contributions for the period 2023-2027 in time to inform the 2023 City budget hearing deliberations given the actuary's previous forecast for potential significant change from current levels with attendant fiscal impact on CMERS sponsors.

Basic Website Metrics

| | 2021 | | | | | | | | | 2022 | | | |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|
| | Apr. | May | June | July | Aug. | Sep. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. |
| Visits | 5,405 | 4,842 | 4,479 | 4,188 | 4,592 | 4,678 | 5,442 | 5,180 | 4,728 | 5,053 | 4,698 | 5,107 | 4,872 |
| Users | 4,029 | 3,816 | 3,440 | 3,203 | 3,566 | 3,533 | 4,015 | 3,813 | 3,667 | 3,810 | 3,551 | 3,375 | 3,751 |
| Page Views | 15,863 | 13,287 | 11,539 | 11,411 | 11,868 | 12,240 | 16,046 | 13,712 | 12,305 | 13,532 | 12,267 | 13,227 | 12,458 |
| Pages/ Visit | 2.93 | 2.74 | 2.58 | 2.72 | 2.58 | 2.62 | 2.95 | 2.65 | 2.60 | 2.68 | 2.61 | 2.59 | 2.56 |
| Ave. Visit | 2:19 | 2:07 | 2:07 | 2:10 | 2:10 | 2:23 | 2:35 | 2:10 | 2:09 | 2:18 | 2:10 | 2:10 | 2:14 |

VI.

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 2022 YTD.
- D. Adjusted Quarterly Cost Basis of Equity.
- E. Minutes of the Investment Committee Meeting Held April 14, 2022.
- F. Minutes of the A&O Committee Meeting Held April 20, 2022.
- G. Report on Bills.
- H. Deployment of Assets.
- I. Securities Lending Revenue and Budget Report.
- J. Preliminary Performance Report and Asset Allocation.



May 24, 2022 Board Meeting

PENDING LITIGATION REPORT

Part 1. ERS Litigation through the City Attorney

MPSO, Local 215, et al. v City of Milwaukee, et al; Case Nos. 2019AP001319; 2018CV001274

MPSO and Local 215 have filed suit on behalf of certain duty disability retirees against the City of Milwaukee and the Employees' Retirement System alleging the defendants violated the collective bargaining agreements as it relates to the payment of the 5.8% pension offset.

****See prior Reports for case history****

- **04/14/22** Motion hearing rescheduled to May 26, 2022 at 10:30 am.
- **05/04/22** Defendants' Response to Plaintiffs' Motion for Attorney Fees filed.

Faith Wooden v. City of Milwaukee, et al; Case No. 2022CV001119

Widow of a deceased public safety employee filed a Petition for Certiorari Review of the Annuity & Pension Board's Decision denying the petitioner's Application for Accidental Death Benefits.

****See prior Reports for case history****

- **03/22/22** Notice of Appearance by Defendants.
- **04/26/22** Affidavit filed by Defendants.

MPA and Kurt Lacina v. City of Milwaukee, et al; Case No. 2022CV001965

Kurt Lacina alleges his DDRA was wrongfully offset by a worker's compensation permanent partial disability award by defendants.

****See prior Reports for case history****

- **04/25/22** Answer and Affirmative Defense filed by defendants.
- **05/04/22** Matter set for a Scheduling Conference on May 31, 2022.

Part 2. ERS Administrative Appeal Hearings through the City Attorney

Jason Rodriguez; Administrative Case No. 1443

Status: Hearing stayed pending outcome of Appellant's state workers compensation appeal hearing scheduled for May 10, 2022. Status conference ordered for mid-May. Date pending.

Sandrah Crawford; Administrative Case No. 1457

Status: Judge Moroney appointed as new Hearing Examiner. Stay of hearing granted to allow Appellant to retain legal counsel. Status Conference to be scheduled for May, 2022.

Part 3. Notice of Claim filed with ERS

None.

Part 4. ERS Litigation through Outside Legal Counsel

None.

Client Conferences 2022

Board Meeting: May 24, 2022

| DATE(S) | CONFERENCE(S) / LOCATION(S) | SPONSOR(S) |
|---|---|-------------------|
| | | |
| June 22 – 23, 2022 | 2022 Neuberger Berman Private Markets Limited Partners Annual Meeting New York, NY | Neuberger Berman |
| July 26 – 27, 2022 | “Callan College” Introduction to Investments San Francisco, CA | Callan Associates |
| September 20 – 21, 2022 | 2022 USLF Annual Investor Meeting Miami, FL | ProLogis |
| September 20 – 22, 2022 10:30 am – 1:30 pm | “Callan College” Introduction to Investments Virtual | Callan Associates |
| November 8, 2022 | Abbott Capital Management Advisory Board Meetings New York, New York | Abbott Capital |

Trustee Conferences 2022

Board Meeting: May 24, 2022

| DATE(S) | | |
|-------------------------|---|---|
| June 1, 2022 | 2022 Madison Investment Conference Madison, WI | CFA Society of Madison, SWIB, Wisconsin School of Business |
| 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 7 – 9, 2022 | 2022 Visions, Insights & Perspectives (VIP) Infrastructure Austin, TX | Institutional Real Estate, Inc. |
| June 8 – 9, 2022 | Certificate of Achievement in Public Plan Policy (CAPPP®): Pensions Part II Santa Monica, CA | International Foundation of Employee Benefit Plans |
| June 20 – 22, 2022 | Roundtable for Consultants & Institutional Investors Chicago, IL | Institutional Investor |
| June 28, 2022 | IREI : Live – A Global Look at Office Virtual | Institutional Real Estate, Inc. |
| July 21, 2022 | ALTSCHI Chicago, IL | Markets Group |
| August 21 – 23, 2022 | Public Pension Funding Forum Los Angeles, CA | NCPERS |
| August 23, 2022 | Private Equity Chicago Forum Chicago, IL | Markets Group |
| August 30, 2022 | IREI : Live – A Global Look at Multifamily Virtual | Institutional Real Estate, Inc. |
| September 13, 2022 | 8 th Annual Great Plains Institutional Forum Minneapolis, MN | Markets Group |
| September 14, 2022 | 6 th Annual Midwest Institutional Real Estate Investor Forum Chicago, IL | Markets Group |
| September 21 – 23, 2022 | CII Fall 2022 Conference Boston, MA | Council of Institutional Investors |

Trustee Conferences 2022

Board Meeting: May 24, 2022

| DATE(S) | CONFERENCE(S) / LOCATION(S) | SPONSOR(S) |
|-------------------------|---|--|
| | | |
| September 23 - 24, 2022 | Certificate Series – Investment Basics Washington DC | International Foundation of Employee Benefit Plans |
| 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 | 2022 Public Safety Conference Nashville, TN | NCPERS |
| November 29, 2022 | IREI : Live – Topic of the Day: ESG Virtual | Institutional Real Estate, Inc. |

Upcoming Due Diligence Meetings

| Date | Manager(s) | Team |
|---------------------------|---|---------------|
| July or August, 2022 | William Blair, JP Morgan (Chicago, IL) | Erich and Tom |
| August or September, 2022 | AQR, UBS, Morgan Stanley (New York, NY and Greenwich, CT) | Erich |
| September 2022 | DFA and Brandes (Santa Monica and San Diego, CA) | David |

Class Action Income 2022 YTD

| Asset Description | Date(s) | Amount |
|---|--------------|----------------|
| Foreign Exchange Benchmark Rates Antitrust Litigation | 1/18/2022 \$ | 4,007 |
| First Solar | 2/4/2022 \$ | 14,395 |
| Foreign Exchange Benchmark Rates Antitrust Litigation | 2/28/2022 \$ | 150 |
| LIBOR-Based Securities Litigation | 2/28/2022 \$ | 871 |
| AAC Holdings, Inc. | 3/22/2022 \$ | 79 |
| Equifax, Inc. | 4/22/2022 \$ | 624 |
| Royal Bank of Scotland | 5/16/2022 \$ | 84,200 |
| Total Class Action Income Received in 2022 YTD | \$ | 104,327 |

Adjusted Quarterly Cost Basis of Equity

March 31, 2022

| 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-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% |
| Dec-21 | 6,218,053,813 | 47.6% | 4,473,429,725 | 41.0% |
| Mar-22 | 6,156,069,941 | 46.5% | 4,642,000,891 | 41.1% |

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

Minutes of the Investment Committee Meeting
held April 14, 2022 via teleconference during COVID-19

The meeting was called to order at 9:00 a.m.

Committee Members Present: James Campbell
 Deborah Ford
 Molly King
 Thomas Klusman, Chair
 Rudy Konrad
 Nik Kovac
 Aycha Sawa

Committee Members Not Present: Matthew Bell, excused

ERS Staff Present: Jerry Allen, Executive Director
 David Silber, Chief Investment Officer
 Erich Sauer, Deputy Chief Investment Officer
 Thomas Courtright, Pension Investment Analyst
 Gust Petropoulos, Deputy Director - Disability
 Jan Wills, Board Stenographer

Others Present: Jim Van Heuit, John Jackson, Mike Joecken, Callan; Patrick McClain, City Attorney's office; Terry Siddiqui, DS Consulting, Inc.; three members of the public called in.

Election of Vice Chair. Mr. Klusman asked for a motion for nominations for the Vice Chair. It was moved by Mr. Konrad and seconded by Mr. Campbell to nominate Mr. Kovac for Vice Chair. Mr. Klusman asked three more times for any further nominations. There being no further nominations, nominations were closed, and a unanimous vote was cast for Mr. Kovac as Vice Chair of the Investment Committee.

Approval of UBS Hedge Fund Solutions Guideline Change. As a matter of information, Committee members received from Mr. Silber a memo regarding the UBS and Principal Guideline Changes as well as the Statement of Investment Policy Update. As a matter of information, Committee members received a redlined and updated copy of the UBS Hedge Fund Solutions Guideline Change. Mr. Sauer noted LIBOR (London Interbank Offered Rate) is phased out on a global basis and is being replaced by SOFR (Secured Overnight Financing Rate), which is based on actual repo borrowing in the Treasury market. He said Northern Trust is no longer able to report on LIBOR for CMERS. Mr. Sauer said CMERS is changing the UBS benchmark from LIBOR+400bp to SOFR+400bp, effective March 1, 2022. He said he also corrected UBS' name in the document.

It was moved by Mr. Campbell, seconded by Ms. King, and unanimously carried, to approve the Approval of UBS Hedge Fund Solutions Guideline Change.

Approval of Principal Global Investors Guideline Change. As a matter of information, Committee members received a redlined and updated copy of the Principal Global Investors Guideline Change. Mr. Sauer commented that CMERS is in a commingled fund with Principal and Principal is the one driving the benchmark change. He noted Principal said the change would better align with the strategic policy of the strategy. He said CMERS is recommending this be effective April 1, 2022 for April reporting, rather than January 1, 2022, so reports do not have to be redone from the beginning of the year.

It was moved by Mr. Konrad, seconded by Ms. Sawa, and unanimously carried, to approve the Approval of Principal Global Investors Guideline Change.

Approval of Statement of Investment Policy Update. As a matter of information, Committee members received a redlined and updated copy of the April 2022 Statement of Investment Policy Update. Mr. Silber noted Principal's benchmark shows up in two different places, with one of them being the Fund's blended benchmark. He recommended updating the Fund's 3.9% blended benchmark weight to Principal to match Principal's guideline change, with this change also being effective on April 1, 2022.

Discussion ensued.

It was moved by Mr. Kovac, seconded by Mr. Konrad, and unanimously carried, to approve the Approval of Statement of Investment Policy Update.

Callan 2022 Work Plan. As a matter of information, Committee members received from Callan their 2022 Work Plan for the ERS. Mr. Jackson went over the presentation topics Callan will discuss at the 2022 Investment Committee meetings, including today's Asset Allocation Review and Public Equity Structure Review – Phase I. Mr. Jackson said the remaining months' topics for 2022 include a Real Estate Performance Review and Public Equity Structure Review – Phase II in June, a Private Equity Pricing Review and Infrastructure Opportunities Review in September, a Callan Performance Reporting Overview in November, and a Real Estate Performance and Structure Review in December. Discussion ensued.

Callan 2022 Asset Allocation Review. As a matter of information, Committee members received from Callan their 2022 Asset Allocation Review booklet. Mr. Van Heut discussed an Economic Outlook, Asset Class Outlooks for Equity and Fixed Income, and Detailed 2022 Assumptions for Returns, Risks, and Correlations. Finally, he discussed Asset Allocation, including Target and Alternatives and Ranges of Returns and Standard Deviations.

Callan Public Equity Structure Review – Phase 1. As a matter of information, Committee members received from Callan their Public Equity Structure Review booklet. Mr. Van Heut gave a presentation on Public Equity Structure Philosophy and Process, and a Review of CMERS' Current Structure.

Callan Investment Manager Diligence Overview. As a matter of information, Committee members received from Callan their Investment Manager Diligence Overview schedule from the last 12 months and their 4th Quarter Manager Review Report for CMERS. Mr. Joecken gave the Investment Committee an update on all the CMERS' managers that Callan has had meetings with over the last 12 months. He also noted the Private Equity managers are reviewed every September with the Investment Committee, the Real Estate managers are reviewed twice a year, and the

Hedge Fund managers are reviewed several times a year. Mr. Joecken also went over all the Public Equity managers listed on Callan's report. Discussion ensued.

Reams Asset Management Due Diligence Report. As a matter of information, Committee members received from Mr. Courtright his memo on a due diligence meeting he, and Messrs. Sauer and Lubarsky had with Reams Asset Management on October 1, 2021. Mr. Courtright went over the highlights from their due diligence visit, including discussion of three retirements from 2020 through 2023, the Reams office move from Columbus, Indiana to Indianapolis, Indiana, non-compete contracts moving to a perpetual plan, Reams continuing autonomy and independence for managing the business under ownership of Carillon Tower Advisers, and Reams outperforming its benchmark over the one-year through 10-year time periods.

Chief Investment Officer Report. Mr. Silber gave a performance update and said while the numbers for March are not final yet, he estimates for Q1 a decline of 0.4% and noted the net returns over the three-, five-, seven, and 10-year periods are all above 8.50% annualized, rank in the top quartile, and have generated approximately 50 basis points or more of outperformance. He said that markets have continued to decline in April, and estimated the Fund's return year-to-date as of April 13 to be about -1.50%, net of fees, with a market value of approximately \$6.1 billion. Mr. Silber added that Staff is currently having conversations with Callan regarding the Private Real Estate allocation. He noted the Real Assets allocation performance has been very strong over the last 12 months and is now overweight its target.

Informational.

As a matter of information, Committee members received from Callan the 4th Quarter 2021 Performance Report for CMERS.

It was moved by Ms. King and seconded by Mr. Klusman to adjourn the meeting.

There being no further business, Mr. Klusman adjourned the meeting at 10:54 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.)

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

Minutes of the Administration and Operations Committee Meeting
held April 20, 2022 via teleconference during COVID-19

The meeting was called to order at 9:01 a.m.

Committee Members Present: Tom Klusman
 Aycha Sawa, Chair

Committee Members Not Present: Molly King

ERS Staff Present: Bernard Allen, Executive Director
 Jeff Shober, Chief Technology Officer
 Daniel Gopalan, Chief Financial Officer
 David Silber, Chief Investment Officer
 Mary Turk, Business Operations Analyst

Others Present: Andrea Fowler, City Attorney's Office; Terry Siddiqui, DS Consulting Partners, Inc., no member of the public called in to the meeting.

Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor. As a matter of information, Committee members received the "Third Amendment to the Contract" and the "Cost Proposal – Fees Worksheet." Ms. Turk reminded Committee members at the last meeting that the Committee wanted to extend the contract for three years. She noted only the fee structure changed and the "amount to exceed" was reduced by half a million dollars due to the ERS not needing their services as much. Ms. Turk said the new fee structure eliminates a monthly fee but has a reasonable price increase comparable to one of the other responders. Mr. Gopalan said \$275,000 was budgeted for 2023 toward medical exams but only \$142,000 had been spent on medical exams during 2021. Discussion ensued.

It was moved by Mr. Klusman and seconded by Ms. Sawa to approve the Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor. The motion prevailed by the following roll call vote: AYES: Mr. Klusman, Ms. Sawa. NOES: None.

Approval of Draft ERS 2023 City Budget Request. As a matter of information, Committee members received materials related to the Draft ERS 2023 City Budget Request, which included a letter from Mr. Gopalan, a "Summary of 2023 Draft Budget Request as compared to 2022 Adopted Budget and 2021 Actual Expenditures," and "Analysis of 2023 Operating Expenditure and Equipment Draft Budget Request as compared to 2022 Authority and 2021 Actual Expenditures."

Mr. Gopalan said the Budget Request for 2023 is just under \$2.4 million dollars. He noted the request is due to three items – the salaries and fringe due to reclasses for a number of positions as

DER is doing a review of lower-level positions. Mr. Gopalan is projecting 5% and 3% increases. Mr. Allen noted DER is doing a market study to evaluate all positions and is starting with Business Operations. He said DER asked for job descriptions and they were submitted for all positions. He added some of the employees' duties have changed so reclassifications were requested. Mr. Gopalan noted that for the fringe benefit rate he used the same rate of 47% as used for 2022. He said the increase in the fringe is dependent on the total salaries. Mr. Gopalan said another large increase is for Other Operating Services. He said the biggest item in that category is fiduciary and cyber insurance as well as employee training. He said the other major item is Equipment due to IT infrastructure upgrades, the largest being the FileNet upgrade. Mr. Gopalan added that the building lease is up for renewal in 2023 so the facility rent was bumped up by \$23,000. He noted he reduced Legal Services by \$85,000 since it had not been utilized as much. Mr. Gopalan said Legal Services had been \$200,000 for 2022 but he reduced it to \$115,000 for 2023. Discussion ensued.

It was moved by Mr. Klusman and seconded by Ms. Sawa to approve the Approval of Draft ERS 2023 City Budget Request. The motion prevailed by the following roll call vote: AYES: Mr. Klusman, Ms. Sawa. NOES: None.

It was moved by Mr. Klusman, seconded by Ms. Sawa, and unanimously carried, to adjourn the meeting.

There being no further business, Ms. Sawa adjourned the meeting at 9:25 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.)

Fiscal Year
2022
Department
Employees' Retirement System

City of Milwaukee
Departmental
Appropriation Budget Balances

As of: 2022-05-31

| | Budget | 2022-1 | 2022-2 | 2022-3 | 2022-4 | Year to Date Expended | Life to Date Commitments | Remaining Budget |
|---|---------------|----------------|--------------|--------------|--------------|--------------------------|-----------------------------|---------------------|
| <i>Regular Departmental Appropriations:</i> | | | | | | | | |
| Employee Salaries & Wages | 3,583,222.00 | - | - | - | - | - | - | 3,583,222.00 |
| Base Pay-Salary & Wage | - | 179,295.09 | 234,035.61 | 236,138.18 | 217,273.48 | 866,742.36 | - | (866,742.36) |
| Overtime Premium | - | 304.88 | 193.65 | 42.97 | 97.03 | 638.53 | - | (638.53) |
| Other Worked Compensation | - | - | 484.43 | - | 4,355.94 | 4,840.37 | - | (4,840.37) |
| Time Paid Not Worked | - | 89,142.97 | 19,875.09 | 17,848.60 | 37,413.24 | 164,279.90 | - | (164,279.90) |
| Employee Salaries & Wages \$ | 3,583,222.00 | 268,742.94 | 254,588.78 | 254,029.75 | 259,139.69 | \$ 1,036,501.16 | \$ - | \$ 2,546,720.84 |
| Fringe Benefits Applied | 1,648,282.00 | - | - | - | - | - | - | 1,648,282.00 |
| Fringe Benefits Applied | - | 92,498.35 | 120,738.99 | 121,823.67 | 112,091.39 | 447,152.40 | - | (447,152.40) |
| Applied Employee B \$ | 1,648,282.00 | 92,498.35 | 120,738.99 | 121,823.67 | 112,091.39 | \$ 447,152.40 | \$ - | \$ 1,201,129.60 |
| Operating Expenditures | 15,558,400.00 | - | - | - | - | - | - | 15,558,400.00 |
| Office Supplies | - | 45.90 | 64.36 | (478.35) | 405.23 | 37.14 | - | (37.14) |
| Magazines, Subscription | - | 28.17 | 12.36 | (276.53) | 454.52 | 218.52 | - | (218.52) |
| Postal and Mailing Services | - | 3.95 | 9,649.31 | 9,490.48 | 19,367.28 | 38,511.02 | - | (38,511.02) |
| Electricity | - | - | - | - | 2,274.45 | 2,274.45 | - | (2,274.45) |
| Films & Other Educational Item | - | - | - | - | 7,653.31 | 7,653.31 | - | (7,653.31) |
| Other Operating Supply | - | - | - | - | 6,903.27 | 6,903.27 | - | (6,903.27) |
| Building Rental | - | 62,153.52 | 31,076.76 | 31,567.83 | 31,269.28 | 156,067.39 | - | (156,067.39) |
| Printing & Dupl Machine Rental | - | 2,754.43 | 1,159.99 | 2,379.75 | 1,498.52 | 7,792.69 | - | (7,792.69) |
| Consulting | - | (87,916.66) | 68,966.27 | 43,852.05 | 15,750.00 | 40,651.66 | - | (40,651.66) |
| Medical, Surgical & Lab | - | 203.30 | 3,044.84 | 9,569.56 | 2,570.61 | 15,388.31 | - | (15,388.31) |
| Administrative Charges | - | (3,763.00) | 66,412.39 | 33,433.32 | 50,822.20 | 146,904.91 | - | (146,904.91) |
| Other Professional Services | - | (1,149,043.22) | 936,365.43 | 397,073.43 | 8,679.96 | 193,075.60 | - | (193,075.60) |
| Systems Support | - | - | 48,377.00 | 22,057.00 | 61,890.50 | 132,324.50 | - | (132,324.50) |
| IT Infrastructure | - | - | 51,900.00 | - | 46,303.16 | 98,203.16 | - | (98,203.16) |
| Infrastructure | - | - | 502.96 | - | 47,115.58 | 47,618.54 | - | (47,618.54) |
| Telephone, Communications | - | 244.11 | 4,424.11 | 4,793.15 | 8,595.26 | 18,056.63 | - | (18,056.63) |
| Travel & Subsistence | - | - | (2,321.20) | (218.97) | 8,725.16 | 6,184.99 | - | (6,184.99) |
| Printing Services | - | - | - | 35.66 | 1,085.88 | 1,121.54 | - | (1,121.54) |
| Insurance-Non Health | - | 12,724.00 | - | - | - | 12,724.00 | - | (12,724.00) |
| Other Misc Services | - | 762.25 | 943.56 | 12,420.79 | 4,850.03 | 18,976.63 | - | (18,976.63) |
| Operating Expenditures \$ | 15,558,400.00 | (1,161,803.25) | 1,220,578.14 | 565,699.17 | 326,214.20 | \$ 950,688.26 | \$ - | \$ 14,607,711.74 |
| All Equipment | 598,000.00 | - | - | - | - | - | - | 598,000.00 |
| Total Equipment \$ | 598,000.00 | - | - | - | - | \$ - | \$ - | \$ 598,000.00 |
| Total Regular Class \$ | 21,387,904.00 | (800,561.96) | 1,595,905.91 | 941,552.59 | 697,445.28 | \$ 2,434,341.82 | \$ - | \$ 18,953,562.18 |
| <i>Other Departmental Appropriations:</i> | | | | | | | | |
| Poi Pension Lump-Sum Sup Cont | 10,000.00 | - | 10,000.00 | - | - | 10,000.00 | - | - |
| PABF Payroll | 55,000.00 | 4,577.60 | 4,577.63 | 4,077.01 | - | 13,232.24 | - | 41,767.76 |
| Group Life Insurance Premium | 4,560,000.00 | - | 779,888.80 | 373,340.13 | 364,990.11 | 1,518,219.04 | - | 3,041,780.96 |
| Retiree's Benefit Adjustment | 32,000.00 | 1,560.77 | 2,434.36 | 1,889.92 | 1,114.44 | 6,999.49 | - | 25,000.51 |
| Other Classes \$ | 4,657,000.00 | 6,138.37 | 796,900.79 | 379,307.06 | 366,104.55 | \$ 1,548,450.77 | \$ - | \$ 3,108,549.23 |
| Total Dept Appropriations \$ | 26,044,904.00 | (794,423.59) | 2,392,806.70 | 1,320,859.65 | 1,063,549.83 | \$ 3,982,792.59 | \$ - | \$ 22,062,111.41 |

Monthly Board Report

30-Apr-22

Account number COMALL

CITY OF MILW ALL ACCTS

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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% | 1,604,187.75 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 1,604,187.75 0.03% |
| MILWAUKEE-CASH ACCOUNT 2605491 | 0.00 0.00% | 43,745,503.48 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 43,745,503.48 0.73% |
| MILWAUKEE-THE NORTHERN TRS 2605496 | 0.00 0.00% | 0.00 0.00% | 303,134,152.90 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 303,134,152.90 5.07% |
| MILWAUKEE-ERS EXPENSE FUND 2605504 | 0.00 0.00% | 242,637.29 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 242,637.29 0.00% |
| MILWAUKEE-PABF BENEFIT PAYMENT 2610128 | 0.00 0.00% | 3,000.62 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 3,000.62 0.00% |
| MILWAUKEE-DFA INTERNATIONAL 2619838 | 0.00 0.00% | 0.00 0.00% | 176,656,435.60 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 176,656,435.60 2.96% |
| MILWAUKEE-EARNEST -SL 2630942 | 0.00 0.00% | 1,982,287.31 1.81% | 107,604,367.40 98.19% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 109,586,654.80 1.83% |
| MILWAUKEE - UBS A&Q 2637239 | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 449,877,177.50 100.00% | 0.00 0.00% | 449,877,177.50 7.53% |
| MILWAUKEE-DFA 2637848 | 0.00 0.00% | 0.00 0.00% | 187,191,223.80 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 187,191,223.80 3.13% |
| MILWAUKEE-BAIRD 2674604 | 0.00 0.00% | 23,314,589.68 28.95% | 0.00 0.00% | 58,915,081.55 73.15% | 0.00 0.00% | -1,688,536.55 -2.10% | 80,541,134.68 1.35% |
| MILWAUKEE-CASTLEARK 2697782 | 0.00 0.00% | 1,441,586.40 1.69% | 83,821,591.19 98.39% | 0.00 0.00% | 0.00 0.00% | -65,919.18 -0.08% | 85,197,258.41 1.43% |
| MILWAUKEE - BLACKROCK R1000V 4472746 | 0.00 0.00% | 0.00 0.00% | 152,023,630.60 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 152,023,630.60 2.54% |
| MILWAUKEE-LOOMIS SAYLE CME01 | 15,682,124.27 3.61% | 0.00 0.00% | 12,873,543.48 2.96% | 405,421,882.90 93.33% | 0.00 0.00% | 431,036.94 0.10% | 434,408,587.60 7.27% |
| MILWAUKEE-BRANDES INT'L EQUITY CME03 | 7,722,076.62 2.21% | 0.00 0.00% | 340,883,703.70 97.73% | 0.00 0.00% | 1,337,012.61 0.38% | -1,133,583.64 -0.32% | 348,809,209.30 5.84% |
| MILWAUKEE-REAMS CME04 | 22,720,267.80 3.98% | 0.00 0.00% | 0.00 0.00% | 701,899,058.50 122.90% | 3,574,440.58 0.63% | -157,058,145.60 -27.50% | 571,135,621.20 9.56% |

Monthly Board Report

30-Apr-22

Account number COMALL

CITY OF MILW ALL ACCTS

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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-BLAIR CME05 | 6,689,103.16 2.81% | 0.00 0.00% | 230,455,397.90 96.84% | 0.00 0.00% | 608,422.65 0.26% | 214,375.06 0.09% | 237,967,298.70 3.98% |
| MILWAUKEE-MFS CME12 | 2,317,073.27 1.31% | 0.00 0.00% | 174,601,358.60 98.48% | 0.00 0.00% | 374,028.99 0.21% | 0.00 0.00% | 177,292,460.80 2.97% |
| MILWAUKEE-POLEN 2644553 | 0.00 0.00% | 2,239,095.70 1.67% | 131,543,673.20 98.33% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 133,782,768.90 2.24% |
| MILWAUKEE - PRINCIPAL DRA -SL 2677436 | 0.00 0.00% | 0.00 0.00% | 248,355,755.20 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 248,355,755.20 4.16% |
| MILWAUKEE-BLACKROCK GLOBAL-SL 2683493 | 0.00 0.00% | 0.00 0.00% | 265,400,952.40 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 265,400,952.40 4.44% |
| MILWAUKEE- AQR-SL 4468331 | 0.00 0.00% | 0.00 0.00% | 86,236,498.00 100.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 86,236,498.00 1.44% |
| MILWAUKEE- NEUBERGER SOF V-SL 4479679 | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 7,028,145.00 100.00% | 0.00 0.00% | 7,028,145.00 0.12% |
| MILWAUKEE - ABBOTT 2022-SL 4479680 | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 1,225,000.00 100.00% | 0.00 0.00% | 1,225,000.00 0.02% |
| MILWAUKEE - DFA US LCV CME15 | 529,279.26 0.35% | 0.00 0.00% | 150,723,207.10 99.65% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 151,252,486.40 2.53% |
| MILWAUKEE-REAL ESTATE MULTIPLE | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 585,603,733.49 100.00% | 0.00 0.00% | 585,603,733.49 9.80% |
| MILWAUKEE - BLACKROCK US G-SL MULTIPLE | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 389,449,426.30 100.00% | 0.00 0.00% | 0.00 0.00% | 389,449,426.30 6.52% |
| MILWAUKEE-PRIVATE EQUITY MULTIPLE | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 0.00 0.00% | 747,039,737.00 100.00% | 0.00 0.00% | 747,039,737.00 12.50% |

Monthly Board Report

30-Apr-22

Account number COMALL

CITY OF MILW ALL ACCTS

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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 |
|---------------------------------|-----------------------|-----------------------------|-------------------------|------------------------|---------------------------------|---------------------------|---|
| Total for consolidation | 55,659,924.38 | 74,572,888.23 | 2,651,505,491.07 | 1,555,685,449.25 | 1,796,667,697.82 | -159,300,772.97 | 5,974,790,677.72 |
| % for consolidation | 0.93% | 1.25% | 44.38% | 26.04% | 30.07% | -2.67% | 100.00% |

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: 2022
As of April 30, 2022

| Date | <u>Amounts Expended</u> | | | Balance |
|-------------------------|-------------------------|--------------------|-----------------------------|---------------------|
| | Income From Lending | Fees | Administrative Transfers | |
| Balance 12-31-21 | | | | \$552,798.88 |
| Quarter 1 Totals | \$205,746.26 | \$41,117.46 | \$553,000.00 | \$164,427.68 |
| 04/05/22 | \$27.10 | \$0.00 | \$0.00 | \$164,454.78 |
| 04/15/22 | \$97,645.66 | \$19,521.99 | \$0.00 | \$242,578.45 |
| | \$0.00 | \$0.00 | \$0.00 | \$242,578.45 |
| | \$0.00 | \$0.00 | \$0.00 | \$242,578.45 |
| | \$0.00 | \$0.00 | \$0.00 | \$242,578.45 |
| | \$0.00 | \$0.00 | \$0.00 | \$242,578.45 |
| Current Totals | \$303,419.02 | \$60,639.45 | \$553,000.00 | \$242,578.45 |

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

MERS PERFORMANCE ESTIMATES
April 30, 2022

| Account | 2021 Return | 1st Quarter 2022 | Apr 2022 | YTD Thru 4/30/22 |
|---|---------------|---------------------|----------------|---------------------|
| Northern Trust S&P 500 Index | 28.69% | -4.58% | -8.72% | -12.90% |
| S&P 500 | <u>28.71%</u> | <u>-4.60%</u> | <u>-8.72%</u> | <u>-12.92%</u> |
| Difference | -0.01% | 0.02% | 0.00% | 0.02% |
| BlackRock Russell 1000 Value Index | 25.18% | -0.76% | -5.64% | -6.36% |
| Russell 1000 Value | <u>25.16%</u> | <u>-0.74%</u> | <u>-5.64%</u> | <u>-6.34%</u> |
| Difference | 0.02% | -0.02% | 0.00% | -0.02% |
| DFA US Large Cap Value | 27.52% | 0.32% | -5.83% | -5.53% |
| Russell 1000 Value | <u>25.16%</u> | <u>-0.74%</u> | <u>-5.64%</u> | <u>-6.34%</u> |
| Difference | 2.36% | 1.06% | -0.19% | 0.81% |
| Polen | 24.84% | -13.76% | -13.49% | -25.39% |
| S&P 500 | <u>28.71%</u> | <u>-4.60%</u> | <u>-8.72%</u> | <u>-12.92%</u> |
| Difference | -3.86% | -9.16% | -4.77% | -12.47% |
| Earnest | 26.09% | -5.49% | -6.65% | -11.78% |
| Russell MidCap | <u>22.58%</u> | <u>-5.68%</u> | <u>-7.70%</u> | <u>-12.94%</u> |
| Difference | 3.50% | 0.19% | 1.05% | 1.16% |
| CastleArk | 12.30% | -15.30% | -10.20% | -23.94% |
| Russell 2000 Growth | <u>2.83%</u> | <u>-12.63%</u> | <u>-12.27%</u> | <u>-23.35%</u> |
| Difference | 9.46% | -2.67% | 2.07% | -0.59% |
| DFA US Small Cap Value | 40.61% | 1.02% | -5.49% | -4.53% |
| Russell 2000 Value | <u>28.27%</u> | <u>-2.40%</u> | <u>-7.76%</u> | <u>-9.97%</u> |
| Difference | 12.34% | 3.42% | 2.27% | 5.44% |
| Brandes | 14.37% | -2.65% | -4.36% | -6.90% |
| MSCI EAFE | <u>11.26%</u> | <u>-5.91%</u> | <u>-6.47%</u> | <u>-12.00%</u> |
| Difference | 3.10% | 3.26% | 2.11% | 5.10% |
| William Blair | 12.75% | -14.84% | -9.25% | -22.72% |
| MSCI ACWI ex US | <u>8.29%</u> | <u>-5.33%</u> | <u>-6.22%</u> | <u>-11.22%</u> |
| Difference | 4.46% | -9.51% | -3.03% | -11.50% |
| DFA Int'l Small Cap Value | 15.90% | -2.58% | -4.95% | -7.40% |
| MSCI EAFE Small Cap | <u>10.10%</u> | <u>-8.53%</u> | <u>-6.86%</u> | <u>-14.81%</u> |
| Difference | 5.80% | 5.95% | 1.91% | 7.41% |
| AQR | 0.24% | -3.66% | -5.40% | -8.86% |
| MSCI EM | <u>-2.54%</u> | <u>-6.97%</u> | <u>-5.56%</u> | <u>-12.15%</u> |
| Difference | 2.78% | 3.31% | 0.16% | 3.29% |
| BlackRock Global Alpha Tilts | 18.72% | -5.28% | -8.17% | -13.02% |
| MSCI ACWI | <u>18.54%</u> | <u>-5.36%</u> | <u>-8.00%</u> | <u>-12.94%</u> |
| Difference | 0.18% | 0.08% | -0.17% | -0.08% |
| MFS | 19.56% | -7.40% | -7.24% | -14.10% |
| MSCI ACWI | <u>18.54%</u> | <u>-5.36%</u> | <u>-8.00%</u> | <u>-12.94%</u> |
| Difference | 1.02% | -2.04% | 0.76% | -1.16% |
| BlackRock Gov't Bond Index | | -5.42% | -3.04% | -8.30% |
| Bloomberg Gov't Bond | | <u>-5.53%</u> | <u>-3.05%</u> | <u>-8.41%</u> |
| Difference | | 0.11% | 0.01% | 0.11% |
| Reams | -1.22% | -5.52% | -3.87% | -9.17% |
| Bloomberg US Aggregate | <u>-1.54%</u> | <u>-5.93%</u> | <u>-3.79%</u> | <u>-9.50%</u> |
| Difference | 0.32% | 0.41% | -0.08% | 0.33% |
| Loomis Sayles | 2.14% | -5.74% | -3.71% | -9.24% |
| Bloomberg US Aggregate | <u>-1.54%</u> | <u>-5.93%</u> | <u>-3.79%</u> | <u>-9.50%</u> |
| Difference | 3.69% | 0.19% | 0.08% | 0.26% |
| UBS | 8.12% | 1.46% | 2.90% | 4.40% |
| SOFR + 4% * | <u>4.27%</u> | <u>0.45%</u> | <u>0.33%</u> | <u>0.78%</u> |
| Difference | 3.86% | 1.01% | 2.57% | 3.62% |
| Principal | 17.58% | 5.82% | -2.55% | 3.12% |
| Blended Benchmark | <u>15.87%</u> | <u>6.84%</u> | <u>-2.71%</u> | <u>3.95%</u> |
| Difference | 1.72% | -1.02% | 0.16% | -0.83% |
| Baird | -0.20% | -1.70% | -0.42% | -2.11% |
| Bloomberg Govt/Credit 1-3 Year | <u>-0.47%</u> | <u>-2.49%</u> | <u>-0.54%</u> | <u>-3.02%</u> |
| Difference | 0.27% | 0.79% | 0.12% | 0.91% |
| Total MERS | 18.89% | -0.46% | -3.23% | -3.67% |

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)

* The benchmark for UBS is SOFR + 4% as of March 1, 2022. Prior to March 1, 2022, the benchmark was One Year LIBOR + 4%.

ACTUAL ALLOCATIONS

April 30, 2022

| | | Target | Market Value | Allocation |
|--|--|---------------|-------------------------|-------------------|
| EQUITY | | | | |
| Public Equity | | | | |
| Domestic | | | | |
| Passive Large Cap Equity | Northern Trust (S&P 500) | 5.40% | \$ 303,134,153 | 5.12% |
| | BlackRock (Russell 1000 Value) | 2.60% | \$ 152,023,631 | 2.57% |
| | Sub-Total Passive Large Cap Equity | 8.00% | \$ 455,157,783 | 7.69% |
| Active Large Cap Equity | Polen (S&P 500) | 2.60% | \$ 133,782,769 | 2.26% |
| | DFA (Russell 1000 Value) | 2.60% | \$ 151,252,486 | 2.55% |
| | Sub-Total Active Large Cap Equity | 5.20% | \$ 285,035,255 | 4.81% |
| Active Mid/Small Cap Equity | Earnest Partners (Russell MidCap) | 2.00% | \$ 109,586,655 | 1.85% |
| | CastleArk (Russell 2000 Growth) | 1.60% | \$ 85,197,258 | 1.44% |
| | DFA (Russell 2000 Value) | 3.20% | \$ 187,191,224 | 3.16% |
| | Sub-Total Active Mid/Small Cap Equity | 6.80% | \$ 381,975,137 | 6.45% |
| Total Domestic | | 20.00% | \$ 1,122,168,176 | 18.95% |
| International | | | | |
| Active International Equity | Brandes (MSCI EAFE) | 6.40% | \$ 348,809,209 | 5.89% |
| | William Blair (MSCI ACWI ex US) | 4.80% | \$ 237,971,510 | 4.02% |
| | DFA (MSCI EAFE Small Cap) | 3.20% | \$ 176,656,436 | 2.98% |
| | AQR (MSCI EM) | 1.60% | \$ 86,236,498 | 1.46% |
| Total International | | 16.00% | \$ 849,673,653 | 14.35% |
| Global | | | | |
| Active Global Equity | BlackRock (MSCI ACWI) | 4.80% | \$ 265,400,952 | 4.48% |
| | MFS (MSCI ACWI) | 3.20% | \$ 177,292,461 | 2.99% |
| Total Global | | 8.00% | \$ 442,693,413 | 7.48% |
| Total Public Equity | | 44.00% | \$ 2,414,535,242 | 40.77% |
| Private Equity | | | | |
| | Abbott Capital (Russell 3000 Quarter Lag + 2%) | 3.50% | \$ 353,160,435 | 5.96% |
| | Mesirov (Russell 3000 Quarter Lag + 2%) | 3.50% | \$ 297,258,505 | 5.02% |
| | Neuberger Berman (Russell 3000 Quarter Lag + 2%) | 1.50% | \$ 34,983,584 | 0.59% |
| | Private Advisors (Russell 3000 Quarter Lag + 2%) | 1.50% | \$ 69,890,358 | 1.18% |
| Total Private Equity | | 10.00% | \$ 755,292,882 | 12.75% |
| TOTAL EQUITY (Public Equity + Private Equity) | | 54.00% | \$ 3,169,828,124 | 53.53% |
| FIXED INCOME & ABSOLUTE RETURN | | | | |
| Fixed Income | | | | |
| Cash | | 1.00% | \$ 45,595,329 | 0.77% |
| Passive Fixed Income | BlackRock (Bloomberg US Government) | 7.92% | \$ 389,449,426 | 6.58% |
| | Reams (Bloomberg US Aggregate) | 7.04% | \$ 571,135,621 | 9.64% |
| | Loomis Sayles (Bloomberg US Aggregate) | 7.04% | \$ 434,408,588 | 7.34% |
| Sub-Total Active Fixed Income | | 14.08% | \$ 1,005,544,209 | 16.98% |
| Total Fixed Income | | 23.00% | \$ 1,440,588,964 | 24.33% |
| Absolute Return | | | | |
| | Hedge Fund of Funds Manager | 3.00% | \$ - | 0.00% |
| | UBS (SOFR + 4%) | 7.00% | \$ 462,923,617 | 7.82% |
| Total Absolute Return | | 10.00% | \$ 462,923,617 | 7.82% |
| TOTAL FIXED INCOME & ABSOLUTE RETURN | | 33.00% | \$ 1,903,512,582 | 32.14% |
| REAL ASSETS | | | | |
| Private Real Estate - Core | JP Morgan (NFI-ODCE) | 3.03% | \$ 147,007,255 | 2.48% |
| | Morgan Stanley (NFI-ODCE) | 3.03% | \$ 181,552,950 | 3.07% |
| | LaSalle (NFI-ODCE) | 1.52% | \$ 109,474,686 | 1.85% |
| | Prologis (NFI-ODCE) | 1.52% | \$ 139,800,750 | 2.36% |
| | Sub-Total Private Real Estate - Core | 9.10% | \$ 577,835,641 | 9.76% |
| Private Real Estate - Non-Core | Non-Core Real Estate (NFI-ODCE) | 0.00% | \$ 22,446,677 | 0.38% |
| Public Real Assets | Principal (Blended Benchmark) | 3.90% | \$ 248,355,755 | 4.19% |
| TOTAL REAL ASSETS | | 13.00% | \$ 848,638,073 | 14.33% |
| TOTAL ERS | | | \$ 5,921,978,778 | 100.00% |
| Total City Reserve Fund | | | R. W. Baird | 80,541,135 |

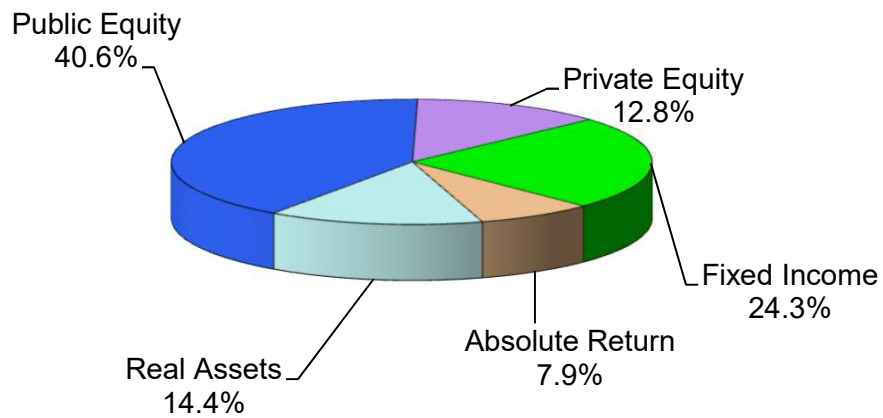
PROJECTED TARGET ALLOCATIONS

May 17, 2022

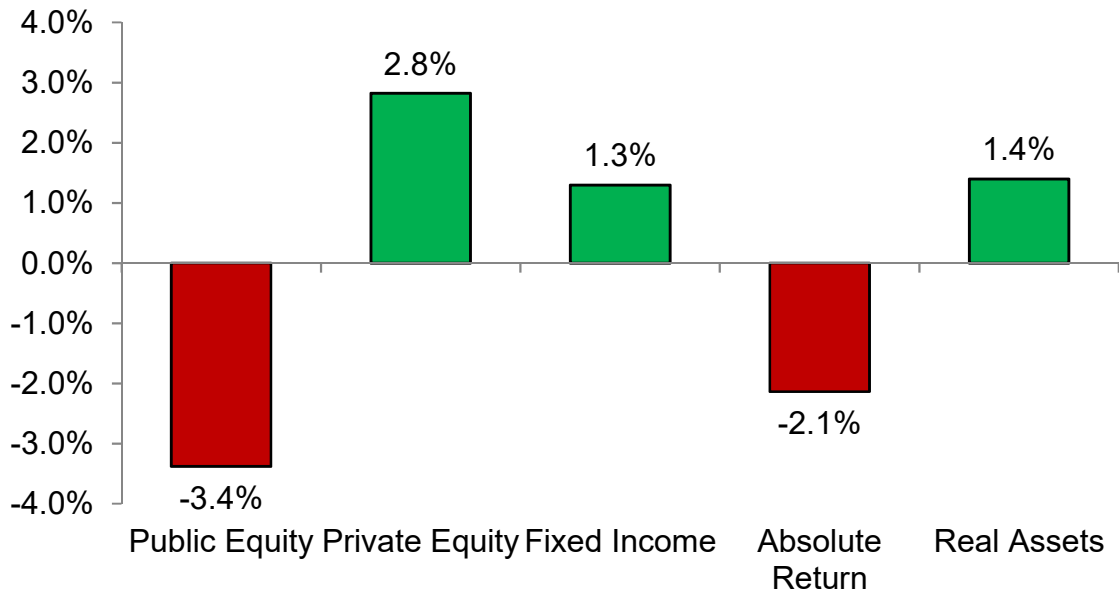
| | | Target | Market Value | Allocation |
|---|--|-------------|------------------|------------|
| EQUITY | | | | |
| Public Equity | | | | |
| Domestic | | | | |
| Passive Large Cap Equity | Northern Trust (S&P 500) | 5.40% | \$ 300,267,330 | 5.10% |
| | BlackRock (Russell 1000 Value) | 2.60% | \$ 152,944,242 | 2.60% |
| | Sub-Total Passive Large Cap Equity | 8.00% | \$ 453,211,572 | 7.70% |
| Active Large Cap Equity | Polen (S&P 500) | 2.60% | \$ 127,774,207 | 2.17% |
| | DFA (Russell 1000 Value) | 2.60% | \$ 154,889,336 | 2.63% |
| | Sub-Total Active Large Cap Equity | 5.20% | \$ 282,663,543 | 4.80% |
| Active Mid/Small Cap Equity | Earnest Partners (Russell MidCap) | 2.00% | \$ 111,188,832 | 1.89% |
| | CastleArk (Russell 2000 Growth) | 1.60% | \$ 81,846,211 | 1.39% |
| | DFA (Russell 2000 Value) | 3.20% | \$ 191,130,584 | 3.25% |
| | Sub-Total Active Mid/Small Cap Equity | 6.80% | \$ 384,165,627 | 6.52% |
| Total Domestic | | 20.00% | \$ 1,120,040,743 | 19.02% |
| International | | | | |
| Active International Equity | Brandes (MSCI EAFE) | 6.40% | \$ 351,556,316 | 5.97% |
| | William Blair (MSCI ACWI ex US) | 4.80% | \$ 226,904,363 | 3.85% |
| | DFA (MSCI EAFE Small Cap) | 3.20% | \$ 174,335,532 | 2.96% |
| | AQR (MSCI EM) | 1.60% | \$ 82,647,366 | 1.40% |
| Total International | | 16.00% | \$ 835,443,578 | 14.19% |
| Global | | | | |
| Active Global Equity | BlackRock (MSCI ACWI) | 4.80% | \$ 262,304,594 | 4.45% |
| | MFS (MSCI ACWI) | 3.20% | \$ 173,941,774 | 2.95% |
| Total Global | | 8.00% | \$ 436,246,368 | 7.41% |
| Total Public Equity | | 44.00% | \$ 2,391,730,689 | 40.62% |
| Private Equity | | | | |
| | Abbott Capital (Russell 3000 Quarter Lag + 2%) | 3.50% | \$ 353,160,435 | 6.00% |
| | Mesirow (Russell 3000 Quarter Lag + 2%) | 3.50% | \$ 299,238,505 | 5.08% |
| | Neuberger Berman (Russell 3000 Quarter Lag + 2%) | 1.50% | \$ 34,290,721 | 0.58% |
| | Private Advisors (Russell 3000 Quarter Lag + 2%) | 1.50% | \$ 68,316,439 | 1.16% |
| Total Private Equity | | 10.00% | \$ 755,006,100 | 12.82% |
| TOTAL EQUITY (Public Equity + Private Equity) | | 54.00% | \$ 3,146,736,789 | 53.44% |
| FIXED INCOME & ABSOLUTE RETURN | | | | |
| Fixed Income | | | | |
| Cash | | 1.00% | \$ 47,259,853 | 0.80% |
| Passive Fixed Income | BlackRock (Bloomberg US Government) | 5.50% | \$ 386,891,898 | 6.57% |
| Active Fixed Income | Reams (Bloomberg US Aggregate) | 9.90% | \$ 567,210,994 | 9.63% |
| | Loomis Sayles (Bloomberg US Aggregate) | 6.60% | \$ 429,349,816 | 7.29% |
| | Sub-Total Active Fixed Income | 16.50% | \$ 996,560,810 | 16.93% |
| Total Fixed Income | | 23.00% | \$ 1,430,712,560 | 24.30% |
| Absolute Return | | | | |
| | Hedge Fund of Funds Manager | 3.00% | \$ - | 0.00% |
| | UBS (SOFR + 4%) | 7.00% | \$ 462,923,617 | 7.86% |
| Total Absolute Return | | 10.00% | \$ 462,923,617 | 7.86% |
| TOTAL FIXED INCOME & ABSOLUTE RETURN | | 33.00% | \$ 1,893,636,177 | 32.16% |
| REAL ASSETS | | | | |
| Private Real Estate - Core | JP Morgan (NFI-ODCE) | 3.03% | \$ 147,007,255 | 2.50% |
| | Morgan Stanley (NFI-ODCE) | 3.03% | \$ 181,552,950 | 3.08% |
| | LaSalle (NFI-ODCE) | 1.52% | \$ 108,664,900 | 1.85% |
| | Prologis (NFI-ODCE) | 1.52% | \$ 139,800,750 | 2.37% |
| | Sub-Total Private Real Estate - Core | 9.10% | \$ 577,025,855 | 9.80% |
| Private Real Estate - Non-Core | Non-Core Real Estate (NFI-ODCE) | 0.00% | \$ 23,174,083 | 0.39% |
| Public Real Assets | Principal (Blended Benchmark) | 3.90% | \$ 247,502,299 | 4.20% |
| TOTAL REAL ASSETS | | 13.00% | \$ 847,702,237 | 14.40% |
| TOTAL ERS | | | \$ 5,888,075,203 | 100.00% |
| Total City Reserve Fund | | R. W. Baird | 80,549,893 | |

PROJECTED VERSUS POLICY ALLOCATIONS

Asset Mix Using Projected Balances



Asset Allocation vs. Current Policy Benchmark



YTD Market Value Change

| | | | |
|---|---------------------|------------------|--------------------------------|
| December 31, 2021 Market Value including City Reserve & PABF Accounts | | | \$ 6,260,134,748 |
| Monthly Cash Outflows thru | <u>May 17, 2022</u> | | |
| Retiree Payroll Expense | | \$ (147,558,784) | |
| PABF Payroll Expense | | \$ (27,309) | |
| Expenses Paid | | \$ (4,333,842) | |
| GPS Benefit Payments | | \$ (2,724,677) | |
| Sub-Total Monthly Cash Outflows | | | \$ (154,644,612) |
| Monthly Cash Inflows thru | <u>May 17, 2022</u> | | |
| Contributions | | \$ 85,794,937 | |
| PABF Contribution | | \$ 31,887 | |
| Sub-Total Monthly Contributions | | | \$ 85,826,823 |
| City Reserve Fund Contribution | | | \$ 40,000,000 |
| Capital Market Gain/(Loss) | | | <u>\$ (262,691,864)</u> |
| Value including City Reserve & PABF Accounts as of | <u>May 17, 2022</u> | | <u>\$ 5,968,625,096</u> |
| Less City Reserve Account ¹ | | | \$ 80,549,893 |
| Less PABF Fund ² | | | \$ 3,002 |
| Net Projected ERS Fund Value as of | <u>May 17, 2022</u> | | <u><u>\$ 5,888,072,201</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.