

**REGULAR MEETING OF THE ANNUITY AND PENSION BOARD
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
789 N. WATER ST. (Employees' Retirement System)
TUESDAY, SEPTEMBER 26, 2023 – 9:00 A.M.**

Special Notice: 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 July 25, 2023.
- II. Chief Investment Officer Report.
- III. Investment Committee Report.
 - A. Approval of 2024 Private Equity Commitment Recommendation.
 - B. Approval of Private Equity Statement of Investment Policy Update.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (III.C.), as provided in Section 19.85(1)(e), Wisconsin State Statutes, to develop a negotiation strategy for the proposed Reams Asset Management Guideline Change, and 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.

- C. Approval of Reams Asset Management Guideline Change.

IV. Administration & Operations Committee Report.

Please be advised that the Administration & Operations Committee may vote to convene in closed session on the following items (IV.A. and IV.B.), 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 Administration & Operations Committee may then vote to reconvene in open session following the closed session.

- A. Approval of Extension of Wells Fargo Contract Pending Further Negotiations.
 - B. Approval of CliftonLarsonAllen (CLA) Contract.

- V. New Business.
 - A. Retirements, Death Claims, and Refunds (July and August).
 - B. Conference Requests – September 2023 Board Meeting.
- VI. Medical Reports.
 - A. All Duty & Ordinary Disability Applications & Re-examinations (August and September).
- VII. Unfinished Business.
 - A. Pending Legal Opinions and Service Requests Report.
 - B. Pending Legislation Report.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (VII.C.), 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.

- C. Executive Director's Report – Inventory of ERS Projects.

VIII. Informational.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (VIII.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 2023 YTD.
- D. Minutes of the Special Administration & Operations Committee Meeting Held July 18, 2023.
- E. Minutes of the Special Legislative Committee Meeting (Committee of the Whole) Held July 24, 2023.
- F. Minutes of the Special Legislative Committee Meeting (Committee of the Whole) Held August 29, 2023.
- G. Minutes of the Investment Committee Meeting Held September 7, 2023.
- H. Report on Bills.
- I. Deployment of Assets.
- J. Securities Lending Revenue and Budget Report.
- K. Preliminary Performance Report and Asset Allocation.

MEETING REMINDERS

REGULAR MEETING OF THE ANNUITY AND PENSION BOARD

TUESDAY, OCTOBER 24, 2023 – 9:00 A.M.

789 N. WATER ST.

I.

APPROVAL OF MINUTES

- A. Regular Meeting Held July 25, 2023.

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

Minutes of the Regular Meeting
held July 25, 2023 via teleconference

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

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

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

Others Present: Katherine Headley, 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 June 27, 2023. It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the minutes of the Regular Meeting Held June 27, 2023.

Chief Investment Officer Report. As a matter of information, Board members received the July 25, 2023 Performance Update. Mr. Sauer said the Fund as of June 30, 2023, had a value of \$5.65 billion. He said the Fund had a 2.9% return in June, net of fees, and underperformed the blended benchmark by approximately 19 basis points. He noted the portfolio performed well, but was overshadowed by the way the Private Equity benchmark came in this month. Mr. Sauer commented the main driver was Manager Selection, with Private Equity subtracting 74 basis points in that quarter. He commented that Private Equity performance was not bad, but because of the way it is benchmarked using the Russell 3000 from one quarter prior, plus an annual premium, the Russell 3000 started to bounce back in the first quarter of 2023, and the Private Equity

benchmark was up 7.8% vs. 2.2% return from the Private Equity reports that came in. He added the Fund's Real Estate program added 24 basis points, the DFA Mandates added 13 basis points, and Brandes added 8 basis points. He added the Fund has underperformed the benchmark in the year-to-date and one-year time periods, while outperforming in the five-, 10-, 15- and 20-year periods. Mr. Sauer remarked as of July 24, 2023, the Fund was up 1.2% month-to-date for July, which brought the year-to-date return to 6.8%, and the Fund value to \$5.74 billion. He noted eight of the Fund's 16 active mandates are outperforming year-to-date, and the Fixed Income asset class is outperforming its benchmark year-to-date. He said year-to-date the Fund has seen a gain in the value of investments of \$380.2 million, paid benefits and expenses of \$243.7 million, and received contributions of \$139.9 million.

Mr. Silber discussed recent cash activity. He said when the Fund underperforms in the recent time periods, it often drags down all the numbers. He commented Staff will present the normal quarterly package at the September Investment Committee Meeting that will include information on peer universes, more detailed performance metrics, and characteristics data. He noted the Fund's returns appear to be at or near the top quartile for the five- and 10-year period and the second quartile over 15 years. He said last year the public markets were down, while the end of last year and first half of this year, stocks are rallying strongly. He said that the lags in reporting for the investments in Private Equity and Real Estate, combined with the volatile public markets, are making it more difficult than usual to draw definitive conclusions on recent relative performance. Mr. Silber emphasized the importance of looking at the Fund's long-term returns, and said the ERS still has a top-performing Fund over the long-term and cautioned against concluding that anything is broken based on the six- and 12-month underperformance. He noted the Investment team has a lot of due diligence and conference trips coming up. Mr. Silber said the annual pacing study will be presented in September where a deep dive into Private Equity will be conducted. He said that the theme of the last few months was implementing the portfolio allocation changes that were driven by the discount rate that was reaffirmed earlier this year and the new asset allocation approved in June. Mr. Silber noted that at the end of 2022, the Fund had \$2.36 billion dollars invested in stocks. He said as of July 24, they have \$2.32 billion in stocks even after taking \$410 million from stocks. He said \$360 million of the \$410 million was put into Fixed Income, with the remaining \$50 million used for benefit payments. He noted the allocation to Public Equity was 43.2% at the end of last year and is about 40.4% as of July 24. Mr. Silber said at the beginning of the year, they had just over \$1 billion in Fixed Income, which was 19.5% of the Fund, and now the Fixed Income allocation is just under \$1.5 billion and is now about 25.9% of the Fund's assets. He stated that yields remain high, and higher than what Callan assumed in their 2023 capital market assumptions. Mr. Silber concluded that if markets cooperate, he plans to continue to trim the stock allocation to get Fixed Income closer to the 29% allocation.

Special Administration & Operations Committee Report. Ms. Sawa provided a report on the July 18, 2023 Administration & Operations Committee meeting. She said they met primarily to accept the Baker Tilly external audit for the 2022 financials. Ms. Sawa said the Board needs to approve three items. Mr. Gopalan added, based on the comments by the Committee members regarding the Annual Report's small font, that Ms. Wills re-designed the report so the font is larger and easier for the retirees to read when it's included yearly in August with the direct deposit notices.

Please be advised that the Annuity & Pension Board may vote to convene in closed session of the following item (A.), 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 and in Section 19.85 (1)(f), when considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. The Annuity & Pension Board may then vote to reconvene in open session following the closed session.

The Board did not convene in closed session as noticed above.

Acceptance of Baker Tilly 2022 Financial Audit. It was moved by Ms. King, seconded by Mr. Konrad, and unanimously carried, to approve the Acceptance of Baker Tilly 2022 Financial Audit.

Approval of Annual Comprehensive Financial Report (ACFR) for the Year Ended December 31, 2022. It was moved by Mr. Konrad, seconded by Mr. Bell, and unanimously carried, to approve the Approval of Annual Comprehensive Financial Report (ACFR) for the Year Ended December 31, 2022.

Approval of Annual Report of the Annuity & Pension Board 85th Edition, December 31, 2022. Mr. Klusman requested that a note be added to the retiree newsletter that the new format of the Annual Report is the former tri-fold brochure. It was moved by Mr. Klusman, seconded by Mr. Heling, and unanimously carried, to approve the Approval of Annual Report of the Annuity & Pension Board 85th Edition, December 31, 2022.

Ms. Sawa 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)(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.

It was moved by Ms. Sawa and seconded by Mr. Klusman and unanimously carried, to convene in closed session by the following roll call vote: AYES: Mses. Ford, King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Board convened in closed session at 9:18 a.m.

The Board reconvened in opened session at 9:21 a.m.

Results and Approval of Proposals to RFP for Internal Audit Services. It was moved by Mr. Klusman, seconded by Mr. Konrad, and unanimously carried, to approve the report entitled, Results and Approval of Proposals to RFP for Internal Audit Services.

Special Meeting of the Legislative Committee (Committee of the Whole). Ms. Ford, the Chair of the Legislative Committee, stated there was a Special Meeting of the Legislative Committee (Committee of the Whole) on July 24, 2023. She noted it was held entirely in closed session. She concluded there will be a follow-up Legislative Committee (Committee of the Whole) meeting on August 29.

New Business.

Retirements, Death Claims, and Refunds (June). Mr. Allen presented the following activity for the months of June 2023.

Administrative Withdrawal	\$3,997.98
Full Refund	\$117,369.67
Active Death Benefits reported	\$0.00
Deferred Death	\$0.00
Deferred Death-Member Only Refund	\$68,890.68
Ordinary Death Benefits reported	\$0.00
Retired Death Benefits reported	\$21,529.03
Survivor Death – Termination Benefits reported	\$10,690.51
Refund of Member Contributions paid	\$190,258.33

It was moved by Mr. Heling, seconded by Ms. Ford, and unanimously carried, to approve the Retirements, Death Claims, and Refunds (June 2023).

Conference Requests – July 2023 Board Meeting. Staff presented the Conference Requests this month.

Erich Sauer,	New Real Estate Manager Due Diligence
Thomas Courtright,	
Dave Walters	
Sponsor:	New Real Estate Manager
Location:	Chicago, IL
Date(s):	July 27, 2023
Estimated Cost:	\$75.00 per person

Erich Sauer, Thomas Courtright	Apogem Capital Due Diligence
Sponsor:	Apogem Capital
Location:	Richmond, VA
Date(s):	August 22-23, 2023
Estimated Cost:	\$1,000.00 per person
 David Silber, Thomas Courtright	 Baird Advisors' 23 rd Annual Institutional Investors' Conference
Sponsor:	Baird
Location:	Kohler, WI
Date(s):	September 11, 2023
Estimated Cost:	\$65.00 per person
 Erich Sauer, Dave Walters	 Reams Due Diligence
Sponsor:	Reams Asset Management
Location:	Indianapolis, IN
Date(s):	September 12-13, 2023
Estimated Cost:	\$750.00 per person
 Dave Walters	 Analyst Bootcamp
Sponsor:	With Intelligence
Location:	Chicago, IL
Date(s):	September 19, 2023
Estimated Cost:	\$150.00
 Dave Walters	 Global ARC Conference
Sponsor:	Global ARC
Location:	Boston, MA
Date(s):	October 22-25, 2023
Estimated Cost:	\$1,900.00
 David Silber	 Apogem's 2023 Annual General Meeting
Sponsor:	Apogem
Location:	Miami, FL
Date(s):	December 4-6, 2023
Estimated Cost:	\$1,500.00

Mr. Kovac and Ms. King also requested to attend the Baird Advisors' 23rd Annual Institutional Investors' Conference on September 11 at \$65.00 per person.

It was moved by Mr. Bell, seconded by Mr. Heling, and unanimously carried, to approve the Conference Requests – July 2023 Board Meeting.

Approval to suspend Disability Benefits for Non-Compliance with Outside Earnings Limitation. As a matter of information, Board members received a list of 14 retirees whose disability benefits were proposed for suspension on the July 2023 payroll due to non-compliance of outside earnings. Mr. Gopalan commented that these persons receive a retirement or disability benefit and are required to submit their tax returns. He said once the deadline is closer, persons usually submit their tax returns before their benefits are suspended. Mr. Allen added that once they comply, their suspended benefits will be restored. It was moved by Mr. Klusman, seconded by Mr. Konrad, and unanimously carried, to approve the Approval to suspend Disability Benefits for Non-Compliance with Outside Earnings Limitation.

Approval of August Resolution. Mr. Bell presented the following resolution:

WHEREAS, No regular meeting of the Board will be held during the month of August 2023; therefore, be it

RESOLVED, By the Annuity and Pension Board that the Secretary is authorized and directed to pay bills, retirement allowances, death claims and refund of contributions, and take whatever action may be necessary to administer the system, including approve disability reports of the Medical Council and Medical Panel applications, and report such action to the Board at the Regular Meeting on September 26, 2023. Denials will be held for action by the Board at its next regular meeting.

It was moved by Mr. Heling, seconded by Mr. Konrad, and unanimously carried, to approve the Approval of August Resolution.

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)(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.

ERS Investment Staff Compensation (Analyst).

It was moved by Mr. Klusman and seconded by Mr. Kovac and unanimously carried, to convene in closed session by the following roll call vote: AYES: Mses. Ford, King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Board convened in closed session at 9:32 a.m.

The Board reconvened in opened session at 9:46 a.m.

It was moved by Mr. Konrad, seconded by Ms. Ford, and unanimously carried, to approve the proposed compensation adjustment for the ERS Investment Staff Compensation (Analyst).

Medical Reports.

All Duty & Ordinary Disability Applications & Re-examinations (July). Staff presented certifications (July 2023) of the Fire and Police Medical Panel Physicians and the Medical Council relative to Duty & Ordinary Disability Retirement benefits as follows:

<u>Fire – Re-examinations – Duty</u>	<u>Recommendation</u>
Robert Bresette	Approval
Walter Price	Approval
<u>Police – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Carol Hart	Approval
<u>Fire – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Christopher Kietzke	Approval
<u>GC – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Sharodnick Brown	Approval
Valerie Chapman	Approval
Jeffrey Granberry	Approval
Sharon Turner-Young	Approval

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

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)(f), Wisconsin State Statutes, for considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.

Disability Findings – Benjean Lara.

It was moved by Ms. Sawa and seconded by Mr. Konrad and unanimously carried, to convene in closed session by the following roll call vote: AYES: Mses. Ford, King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Board convened in closed session at 9:51 a.m.

The Board reconvened in opened session at 10:28 a.m.

Mr. Bell commented that the Disability Findings - Benjean Lara item will be placed on hold and re-considered at the August 29, 2023 scheduled meeting.

Unfinished Business.

Pending Legal Opinions and Service Requests Report. Staff noted there was nothing to report, but the opinion for the Optional Joint and Survivor Benefits is pending as a result of Mr. McClain being occupied in connection with Act 12 compliance requirements. Staff said an opinion would be ready in the Fall and survivorship actuarial factors would be published and would go into effect on January 1, 2024 after the opinion is received and the Board approves it. With regard to outstanding service requests, Staff said the Board made a motion today regarding Internal Audit Services and they approved proceeding with the actions of the Administration & Operations Committee.

Pending Legislation Report. Staff said there was nothing to report this month, other than Part 4 deals with Wisconsin Act 12, but extensive discussion occurred at the Special Legislative Committee on July 24. Staff said there would be another Special Legislative Committee meeting on August 29 for further deliberation on proposed charter amendments to comply with Act 12.

Please be 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.

The Board did not convene in closed session as noticed above.

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.

Please be 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.

The Board did not convene in closed session as noticed above.

- 1) Pending Litigation Report.
- 2) Conferences.
- 3) Class Action Income 2023 YTD.
- 4) Minutes of the Administration & Operations Committee Meeting Held June 21, 2023.

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.

Mr. Bell accepted and placed the Informational items on file.

Before the meeting adjourned, Mr. Bell wanted to remind the Board members that five years ago today Police Officer Michael Michalski was shot and killed in the line of duty.

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

Mr. Bell adjourned the meeting at 10:40 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 - September 26, 2023

Fund as of August 31, 2023

*Fund value of \$5.62b.

*Fund return of -1.3% in August, gross of fees, outperformed by approximately 8bp

*Primary Relative Perf. Drivers:
Manager Selection

Public Equity 31bp

9 of 11 Active Equity

Mandates Outperformed

Style Bias -21bp

Primarily US Small Cap & US

Large Value

*Fund has underperformed the benchmark in the YTD period, while outperforming in 1-, 5-, 10-, 15- and 20-year periods.

Sept Update (as of 9/15/23)

*Fund return -0.7% MTD

*Fund return 5.2% YTD

*Fund value \$5.59b

*8 out of 16 active mandates outperforming YTD.

*Fixed Income and Real Assets asset classes outperforming their respective benchmarks YTD.

*Investment Change: \$296.4m

*Benefits & Expenses: 325.1m

*Contributions: 151.2m

Monthly Withdrawals:

Brandes \$14.1m, MFS \$6.8m,

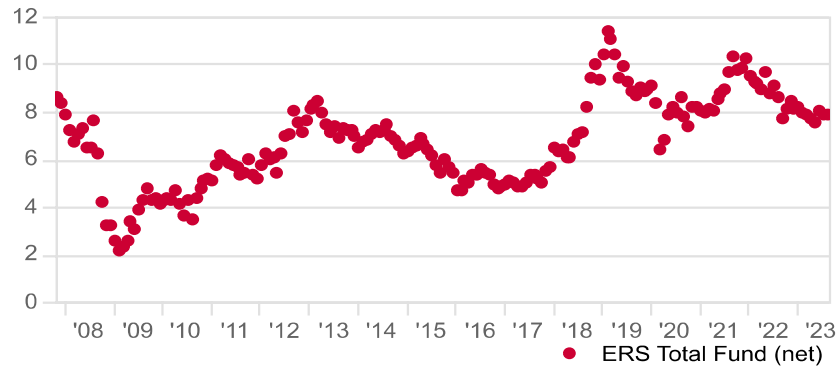
DFA US Small \$6m, Polen \$5.3m,

DFA US Large \$4.8m, Earnest

\$3.4m, NT S&P 500 \$3.2m

Total Fund - 10-Year Rolling Returns

11/28/1997 to 08/31/2023



Return Data

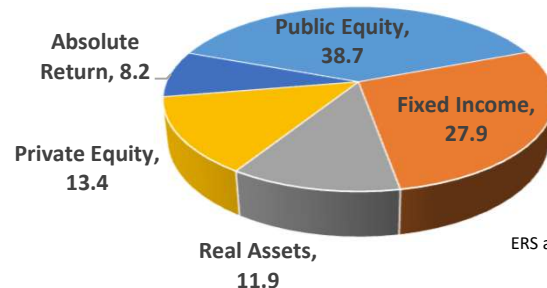
Source Data: Monthly Return

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Total Fund (net)	-1.3	5.9	5.3	6.8	7.9	7.0	7.4
ERS Benchmark	-1.4	7.7	5.2	6.1	7.2	6.6	7.0

Total Fund - 20-Year Risk & Return Data

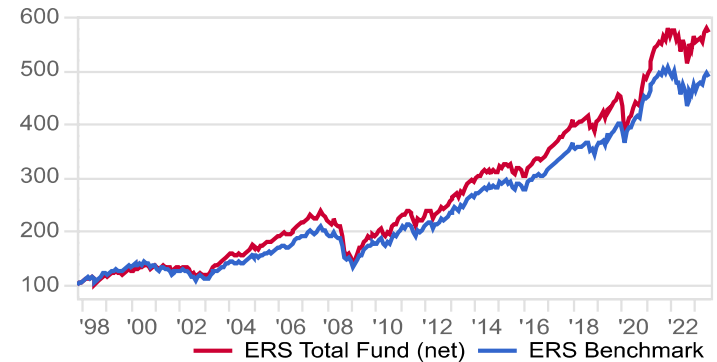
	Return	Std Dev	Tracking Error	Info Ratio (arith)	Sharpe Ratio	Alpha	Beta
Total Fund (net)	7.4	10.2	2.5	0.2	0.6	-0.2	1.1
ERS Benchmark	7.0	9.1	--	--	0.6	0.0	1.0

ERS Allocation as of August 31, 2023



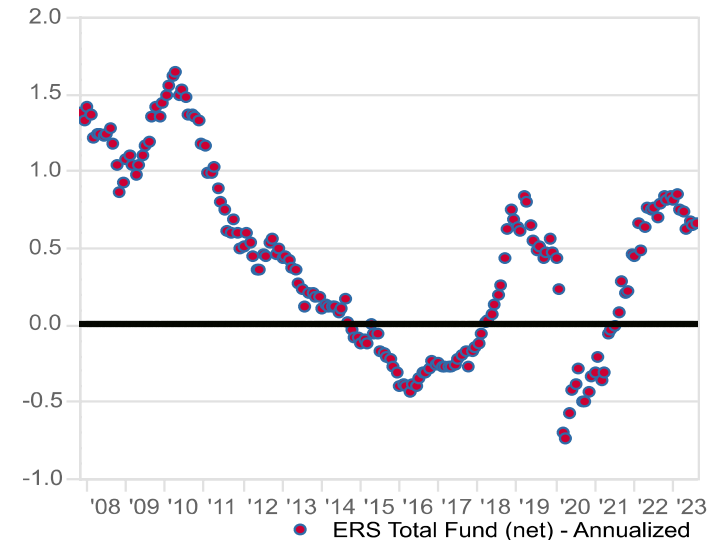
Growth of \$100 - Total Fund & ERS Benchmark

11/28/1997 to 08/31/2023

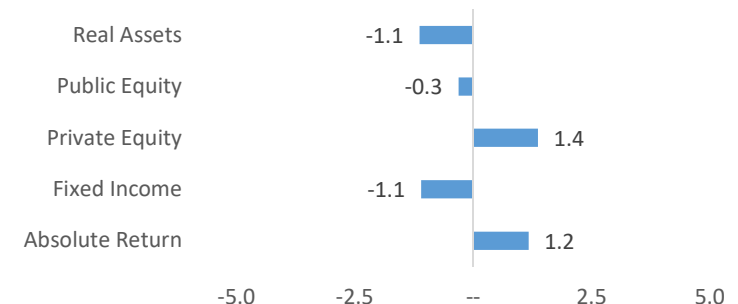


Total Fund - 10-Year Rolling Excess Returns

11/28/1997 to 08/31/2023



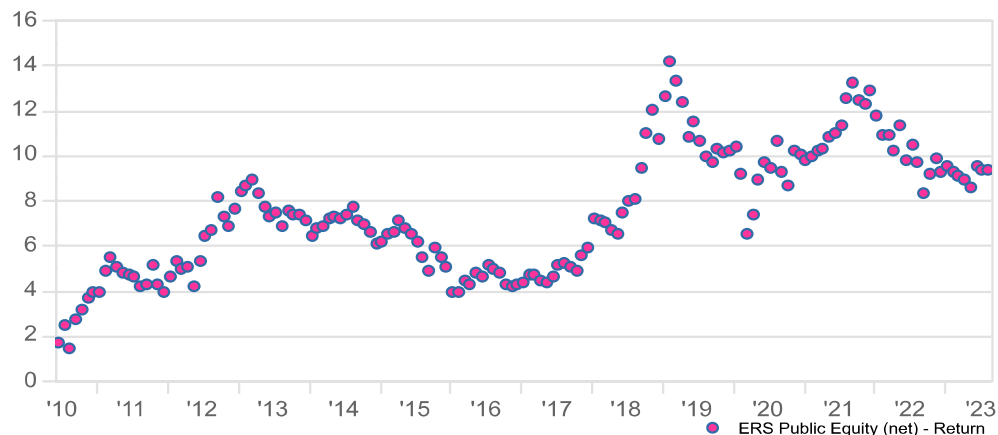
Asset Allocation vs Policy as of August 31, 2023



Milwaukee Employees' Retirement System - September 26, 2023

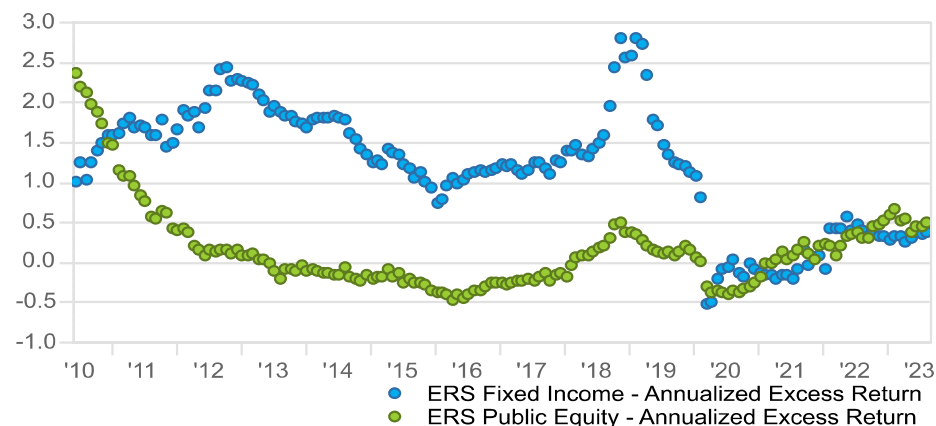
Public Equity - 10-Year Rolling Returns

06/30/2000 to 08/31/2023



Asset Class - 10-Year Rolling Excess Returns

06/30/2000 to 08/31/2023

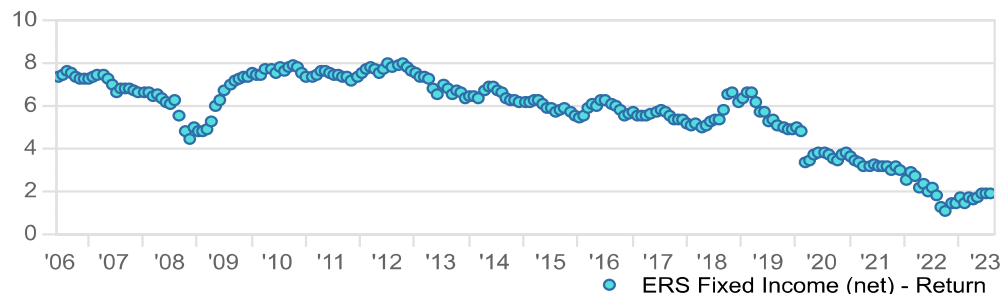


Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Public Equity	-2.7	13.5	15.4	7.8	9.7	8.2	8.4
Public Equity (net)	-2.7	13.3	15.0	7.4	9.3	7.8	8.1
Public Equity Benchmark	-2.9	14.2	13.3	7.0	8.8	7.6	7.9
MSCI ACWI IMI NR USD	-2.9	14.2	13.3	7.0	8.4	7.0	8.1

Fixed Income - 10-Year Rolling Returns

06/28/1996 to 08/31/2023



Return Data

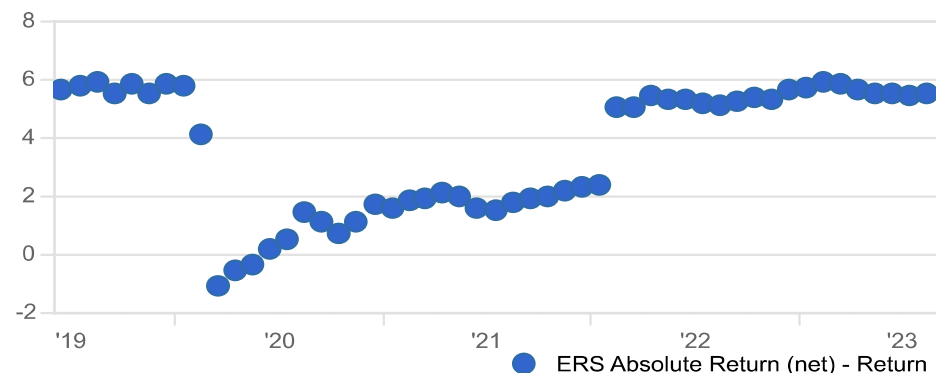
	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Fixed Income	-0.6	2.5	0.7	0.8	2.0	3.9	4.4
Fixed Income (net)	-0.6	2.5	0.6	0.7	1.9	3.8	4.3
Bbg US Agg Bond TR USD	-0.6	1.4	-1.2	0.5	1.5	2.6	3.1

Risk Adjusted Returns (6/30/14 - 08/31/23)

	Return	Std Dev	Sharpe Ratio	Max Drawdown
Public Equity (net)	7.9	15.5	0.4	-25.3
Fixed Income (net)	1.3	6.3	0.0	-13.6
Absolute Return (net)	5.5	9.7	0.5	-27.1

Absolute Return - 5-Year Rolling Returns

06/30/2014 to 08/31/2023



Return Data

	1 Month	YTD	1 Year	3 Year	5 Year	7 Year
Absolute Return (net)	0.8	3.0	7.3	13.2	5.5	5.4
90-Day T-Bill + 3%	0.7	5.4	7.8	4.9	4.8	4.6

III.

INVESTMENT COMMITTEE REPORT

- A. Approval of 2024 Private Equity Commitment Recommendation.
- B. Approval of Private Equity Statement of Investment Policy Update.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (III.C.), as provided in Section 19.85(1)(e), Wisconsin State Statutes, to develop a negotiation strategy for the proposed Reams Asset Management Guideline Change, and 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.

- C. Approval of Reams Asset Management Guideline Change.

Summary

- **Program Summary:** The private equity program has four managers, with two core managers targeting a total of 70% of the exposure, and two specialty managers targeting 30% of the portfolio. The core managers provide exposure across all key strategy types and both U.S. and Non-U.S. exposure, capturing the institutional private equity opportunity set broadly. The secondary manager enhances the portfolio's liquidity profile, and the small buyout manager broadens the portfolio's market capitalization exposure and targets return enhancement.
- **Funding Summary:** Using the March 31, 2023 total plan value and March 31, 2023 private equity values, CMERS' private equity exposure is 13.6%. The exposure remains within the strategic range of 9% to 17%, and is expected to revert to the 12% target over time.
- **Performance Summary:** Performance has been excellent. All of the four managers' and the total portfolio's since-inception returns are above the Refinitiv/Cambridge database's median benchmarks.
- **Recommendations:** Based on the pacing analysis results, CMERS Staff and Callan recommend the following commitments totaling \$70 million for 2024 be approved to continue to dollar-cost-average across vintage years.
 - Abbott Annual Program 2024: \$40 million.
 - Apogem Private Equity Fund XI: \$30 million.

PRIVATE EQUITY
STATEMENT OF INVESTMENT POLICY
~~December~~September 2023~~19~~

THE MILWAUKEE EMPLOYEES'
RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
789 N. Water Street, 3rd Floor
Milwaukee, WI 53202
(414) 286-3557

TABLE OF CONTENTS

	<u>PAGE</u>
I. STATEMENT OF INVESTMENT POLICY	1
II. PURPOSE OF THIS STATEMENT OF INVESTMENT POLICY	1
III. GOALS AND OBJECTIVES	1
The Role of Private Equity	
Allocation	
Performance Benchmark	
IV. RISK MANAGEMENT POLICIES	2
Private Equity Sectors and Diversification	
Investment Vehicles	
Liquidity	
Vintage Risk	
Derivatives	
Real Estate	
V. INVESTMENT PROCEDURES.....	4

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

STATEMENT OF INVESTMENT POLICY

This policy applies to the Private Equity assets within the Milwaukee Employees' Retirement System of the City of Milwaukee ("ERS").

PURPOSE OF THIS STATEMENT OF INVESTMENT POLICY

This policy provides the broad strategic framework for managing the Private Equity assets.

GOALS AND OBJECTIVES

A. The Role of Private Equity

The primary role of private equity is:

- Enhance ERS long-term total risk-adjusted return
- Provide diversification to the ERS overall investment program

B. Allocation

The target allocation to private equity (measured as actual Private Equity Net Asset Value) is ~~10~~12% of total Plan assets, with a minimum and maximum allowable range of ~~7~~9% - ~~15~~17% of Plan assets. The range is designed to accommodate fluctuations in the valuation of the Program or the total Plan and the illiquid nature of private equity.

C. Performance Benchmark

ERS Private Equity performance is benchmarked on a long-term, 10 year, rolling basis against the Russell 3000 stock index plus 200 basis points on a quarter lag, net of fees and expenses.

The private equity portfolio and manager returns will also be benchmarked against peer group information from a recognized private equity database provider. It is expected that the vehicles will attain performance rankings above the median levels of return evidenced in the database.

Attainment of these objectives does not guarantee continued investment by ERS in a specific manager's vehicles, nor does failure to achieve these guidelines ensure a lack of future investment support for follow-on vehicles. Providers are selected at the discretion of the Board.

RISK MANAGEMENT POLICIES

A. Private Equity Sectors and Diversification

Diversification is an important element for the long-term success of the private equity program. The private equity portfolio will achieve diversification by a number of measures including strategy, industry, capitalization, geography, manager, vehicle, and time. Key strategies of focus may include, but are not limited to:

- Venture Capital
- Growth Equity
- Buyouts
- Special Situations:
 - Restructuring / Distressed Securities
 - Mezzanine Debt
 - Secondary Investments
 - Co-Investments

By geography, ERS expects the majority of investments to be U.S. domiciled, but the portfolio will also have exposure to developed international markets, and potentially a modest exposure in emerging markets.

B. Investment Vehicles

This policy authorizes commitments to private equity fund-of-funds and secondary vehicles that insulate ERS from liability in excess of the amounts committed.

C. Liquidity

Private equity investments are illiquid and typically have expected legal lives of 10-13 years. Investments are typically held until full liquidation, as selling prior to maturity generally results in a discount to fair market value. ERS manages liquidity risk primarily through its asset allocation policy, and by annual investment pacing to minimize the probability of the portfolio exceeding the stated exposure ranges around the target. The Board recognizes that lowering the private equity target allocation may result in the need to gradually manage the private equity portfolio to the new target level in a prudent and economic manner.

D. Vintage Year Risk

The vintage year of an investment or a portfolio of investments is defined as the year of the first capital draw (including draws made by the manager from a line of credit). Vintage year risk refers to the variability of private equity returns over time. ERS will manage vintage year risk by seeking to dollar-cost-average the portfolio's pace of investments in underlying partnerships through an annual commitment pacing review as part of the ongoing strategic planning process. It will also seek to diversify investments within a vintage year so that no single investment may have outsized influence if it underperforms its vintage year peers.

E. Derivatives

ERS may invest in Fund-of-Funds whose strategy includes the use of derivative instruments for purposes of minimizing risks and enhancing returns and shall comply with ERS Derivatives Policy. Staff shall endeavor to secure provisions in investment agreements that the partnerships conform to these limitations.

F. Real Estate

Real estate is not within the scope of this policy and investment in partnerships targeted primarily to real estate equity and/or debt will be minimized or avoided.

INVESTMENT PROCEDURES

The Program shall be implemented and monitored as follows:

1. Role of the Board:

- Set the allocation to Private Equity;
- Establish goals and objectives for the Private Equity program;
- Monitor the Private Equity performance and compliance at Investment Committee meetings;
- Approve the selection of the private equity managers;
- Approve the annual commitment pacing review;
- Approve the Side Letter for investment vehicles.

2. Role of the Investment Staff:

- Assist the Board in establishing the private equity allocation within the total portfolio, and the goals and objectives of the private equity allocation;
- Work with the Investment Consultant with respect to the assumptions used in the development of the Consultant's annual commitment pacing reviews and reinvestment evaluations;
- Work with the Investment Consultant with respect to periodic policy document updates;
- Work with the Investment Consultant with respect to manager searches;
- Conduct due diligence on ERS' existing investment managers at least once every two years;
- Prepare funding procedures and coordinate the receipt and distribution of capital through the ERS' custodian with respect to funding of new and/or existing private equity investments or dispositions of investments; and,
- Monitor the Private Equity performance and compliance.

3. Role of the Investment Consultant

- Regularly review the private equity portfolio for which the Investment Consultant has been retained, and evaluate such portfolio's investment strategy, as it relates to the overall Fund;
- Provide the Board and Staff with relevant, reliable and timely research and information requests to fulfill their responsibilities;
- Regularly review and discuss the investment strategy and other relevant issues with Staff;
- Assist the Board and Staff in establishing appropriate asset allocation targets and ranges;
- Conduct annual commitment pacing reviews and reinvestment evaluations as deemed appropriate;
- Conduct manager searches and evaluations as requested; and,
- Monitor and review existing partnerships and vehicles on an ongoing basis for adherence to ERS' private equity objectives and guidelines.

Memorandum

To: City of Milwaukee Employees' Retirement System
From: Callan LLC
Date: September 18, 2023
Subject: Reams Asset Management Guideline Change Request

Callan LLC has prepared this memorandum in response to a request made by the Investment Committee of the City of Milwaukee Employees' Retirement System during the September 7, 2023, meeting. Reams Asset Management (Reams) has requested an amendment to the existing guidelines that will expressly permit the use of forward currency contracts for non-hedging purposes.

I. Background

Reams has served as a fixed income manager for the City of Milwaukee Employees' Retirement System (CMERS) since January 2001. Its mandate is to manage a core-plus fixed income investment strategy in relation to the Bloomberg U.S. Aggregate Index. The portfolio seeks to exceed its benchmark by 100 basis points, net of fees, over a typical market cycle. This strategy combines top-down macro views with bottom-up fundamental analysis, adding value through active sector rotation, security selection, yield curve positioning, and duration management, primarily in the U.S. fixed income markets.

II. Guidelines

The Reams' guidelines currently appearing in the Investment Policy Statement provide that a maximum of 10% of the market value of the portfolio may be invested in non-dollar securities. However, separately, Section VI (d) of the Investment Policy Statement contains the Derivatives' policy provisions which addresses forward contract provisions as follows:

(d) Over-the-counter derivatives not traded on a recognized exchange can only be used with prior specific written consent of the Board.

• Forward contracts may be used at the manager's discretion to hedge currency exposure.

III. Amendment Request

Reams approached CMERS with a proposal to expand its guidelines to include the following:

"Currency forwards may be used by the manager to hedge, enhance returns, increase liquidity, and/or gain exposure to certain markets in a more efficient way. Total currency forward notional exposure, excluding those utilized to hedge, cannot exceed a maximum of 10% of account market value. Acceptable currencies must be from the IMF Recognized group of 10 "G10" developed nations."

Given that managers may use forward contracts to hedge currency exposure under the existing guidelines, we will focus the discussion on the **non-hedging** portion of the amendment only.

Unlike some core-plus peers, Reams hasn't prioritized foreign currency management (FX). This stance aligns with Reams' role in the overall manager lineup within CMERS' fixed income allocation. CMERS uses a waterfall approach to ensure liquidity during market dislocations when obtaining liquidity can be challenging. Allocations are distributed among three investment managers: BlackRock, Reams, and Loomis Sayles, each with varying degrees of active risk. BlackRock oversees a passive U.S. Government Bond strategy, while Reams and Loomis manage core-plus investment style portfolios. When there's a need for cash flow to pay beneficiaries, the primary source is the BlackRock strategy, given that government bonds are more liquid than securities with credit risks. Reams serves as the secondary liquidity source due to its investment style, while Loomis is the last resort because of its more aggressive approach, which occasionally delves into less liquid markets and securities.

A hallmark of Reams' investment process is its focus on downside risk protection and the avoidance of permanent impairment. Historically, Reams has navigated the core-plus market opportunistically, capitalizing on macro and sector strategies when favorable and minimizing them otherwise. Duration management is also crucial, with the team evaluating real rate deviations from their perceived fair value to adjust their positioning relative to the benchmark. Non-dollar sectors, and to a lesser degree high yield, are leveraged opportunistically and typically form a small part of the portfolio. Reams has suggested that over a full market cycle (typically 5 years), they expect approximately 5% of the alpha of a Core Plus portfolio to be attributed to their currency decisions.

IV. Summary

While many managers aspire to broaden their capabilities, Callan believes that it is preferable for Reams to maintain its existing guidelines, focus on its core strengths and maintain its current role within CMERS' fixed income portfolio. Reams has managed CMERS' portfolio for over two decades without delving into non-hedging currency management.

Callan finds no compelling reason to change course at this juncture.

Manager: Reams Asset Management
Role: Opportunistic Fixed Income

Objectives and Guidelines

Investment Objectives

Time Horizon	Performance Standard	
	<u>Universe</u>	<u>Index</u>
Less than one market cycle (rolling 3-year periods).	Rank in upper 50% of a Peer Group. ¹	
One market cycle (rolling 5-year periods).	Rank in upper 40% of a Peer Group. ¹	Exceed (after fees) the Benchmark Index + 1.0%. ²

Investment Guidelines

- The duration of the aggregate portfolio should be no more than 2 years below or above the Barclays Capital Aggregate Index.
- A maximum of 20% of the market value of the portfolio may be invested in corporate, non-corporate and 144(a) securities rated at or below BB+ or Ba1. An additional 5% of the market value of the portfolio may be invested in non-rated issues.
- A maximum of 10% of the market value of the portfolio may be invested in non-dollar securities.
- Corporate, non-corporate and 144(a) securities that are downgraded below B- or B3 by both Standard and Poors and Moody's Investor Services must be sold within 90 days following the downgrade. Reams must notify ERS of the downgrade in writing within 3 business days and provide a written update to ERS on the downgraded security on a weekly basis.
- Asset-backed securities that are downgraded below BBB- or Baa3 by both Standard and Poors and Moody's Investor Services must be sold within 90 days following the downgrade. Reams must notify ERS of the downgrade in writing within 3 business days and provide a written update to ERS on the downgraded security on a weekly basis.
- The average quality of the portfolio must be A-/A3 or better. Unrated U.S. Treasury and U.S. Federal Government Agency securities are permissible and will be treated as AAA rated for purposes of average quality calculations.
- No one security or aggregation of one company's securities, except securities issued or guaranteed by the U.S. Government or its agencies, will comprise more than 2% of the portfolio, as determined at the time of purchase.
- Long-only (sell protection) indexed credit default swaps may be utilized to gain exposure in the fixed income market with a notional value limit of 30% of the portfolio. The indexed credit default swaps shall not be used to create leverage or for speculative purposes and will be calculated at their notional value for guideline purposes. In addition, any portfolio liabilities resulting from the indexed credit default swaps must be fully collateralized by cash, cash equivalents, or U.S. Treasury securities.
- A maximum of 3% of the portfolio, at the time of purchase, may be invested in the Reams Unconstrained Bond Fund, a commingled fund, managed by Reams, subject to guidelines set forth in the goals and guidelines of the commingled vehicle.

- Currency forwards may be used by the manager to hedge, enhance returns, increase liquidity, and/or gain exposure to certain markets in a more efficient way. Total currency forward notional exposure, excluding those utilized to hedge, cannot exceed a maximum of 10% of account market value. Acceptable currencies must be from the IMF Recognized group of 10 “G10” developed nations.
- Sector limitations (as a percentage of the portfolio’s market value) are limited to the following ranges:

Sector	Min	Max
US Treasuries	0%	100%
US Agencies	0%	80%*
Corporates	0%	100%
Mortgage-Backed Securities	0%	80%**
Asset-Backed Securities	0%	25%
Non-Corporates ⁽³⁾	0%	20%
Emerging Market Debt ⁽⁴⁾	0%	0%
Non-Dollar Securities	0%	10%
144(a) Securities	0	25%

*US Agencies excluding Mortgage-Backed Securities Max is 50%.

**Non-Agency Mortgage-Backed Securities Max is 25%.

- Minimum credit ratings for individual holdings, specific to the sectors, are as follows:

Sector	Minimum Rating
Corporates & Non-Corporates	B-/B3
Asset-Backed Securities	BBB-/Baa3
144(a) Securities	B-/B3
Cash equivalents, commercial paper and repurchase agreements	A1/P1

¹ As measured by the Callan Fixed Income Core Opportunistic Peer Group

² As measured by the Barclays Capital Aggregate Index

³ Non-Corporates replaced Yankees in the Barclays Capital Aggregate Index and include dollar denominated supranational, sovereign, foreign agency, and foreign local debt.

⁴ Emerging markets as defined by the International Finance Corporation.

IV.

ADMINISTRATION & OPERATIONS COMMITTEE REPORT

Please be advised that the Administration & Operations Committee may vote to convene in closed session on the following items (IV.A. and IV.B.), 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 Administration & Operations Committee may then vote to reconvene in open session following the closed session.

- A. Approval of Extension of Wells Fargo Contract Pending Further Negotiations.
- B. Approval of CliftonLarsonAllen (CLA) Contract.

V.

NEW BUSINESS

- A. Retirements, Death Claims, and Refunds (July and August).
- B. Conference Requests – September 2023 Board Meeting.

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Deferred	SPITZ	THOMAS	3/1/2016	MAX	DPW - WATER DEPARTMENT
Regular	Deferred	MALLET	PATRICIA	6/10/2017	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	DEGA	KAY	4/13/2018	MAX	DEPT OF EMPLOYEE RELATIONS
Regular	Deferred	HARPER	DELPHINE	8/5/2019	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	CAYEN	JOAN	11/30/2019	MAX	HEALTH DEPARTMENT
Regular	Service	EHILER	MICHAEL	6/2/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	GLICK	DANIEL	6/8/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	BRATTON	MARK	6/9/2023	75	HACM
Regular	Service	KAZMIERCZAK	JAMES	6/9/2023	50	FIRE - FIREFIGHTING
Regular	Service	HOFFMANN	ROBERT	6/10/2023	MAX	DPW-WATER-ENGINEERING
Regular	Service	MACDONALD	TERRY	6/10/2023	MAX	COMMON COUNCIL - CITY CLERK
Regular	Service	TROTTER	SARAH	6/10/2023	100	DER - OPERATIONS DIVISION
Regular	Service	TROTTER	SARAH	6/10/2023	100	DER - OPERATIONS DIVISION
Regular	Deferred	KRIEG	WILLIAM	6/14/2023	MAX	CITY OF MILWAUKEE
Regular	Deferred	SANCHEZ	GLORIA	6/15/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	GRAFF	BARBARA	6/16/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	LANGE	SCOTT	6/16/2023	100	MPD - OPERATIONS
Regular	Service	BRIDGES	ANTOINETTE	6/17/2023	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	BRIDGES	DEVETTE	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CAIN	DELROSE	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CHRISTIAN	CAROL	6/17/2023	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CHRISTOPHER	JUDY	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CROWDER	LEA ANNE	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	GUSEWELLE	SANDRA	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HARLEY	HEALEAN	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HEESE	MICHAEL	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	INGRAM	JANEL	6/17/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	LOCKETT	PAMELA	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	PINKNEY	STANLEY	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	RAASCH	SARA	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	REDMOND	BRENDA	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	THOMAS	FRANZINA	6/17/2023	MAX	DEPT OF NEIGHBORHOOD SRVCS
Regular	Deferred	SEALS	KRISTIAN	6/18/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	MURRAY	KENNETH	6/18/2023	50	MILWAUKEE POLICE DEPARTMENT
Regular	Service	BRATEL	EILEEN	6/20/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	GESHRIK	VICKI	6/20/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CRANE	JOHN	6/21/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	KRUEGER	JEAN	6/21/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	ROBERTSON	GRETITA	6/21/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	GINNOW	ANNIE	6/22/2023	MAX	DPW-INFRASTRUCTURE-BRIDGES & BLDGS
Regular	Service	HARDIN	JAMES	6/22/2023	MAX	DPW-OPS-SANITATION
Regular	Service	MONTANEZ	ANA	6/22/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	EMANUELSON	JEFFREY	6/23/2023	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	MAY	DOLLY	6/23/2023	MAX	DPW-INFRASTRUCTURE-ST/BRIDGES
Regular	Service	PURIFOY-SMOOTS	SHARON	6/24/2023	50	FIRE - SUPPORT SERVICES
Regular	Service	SALAS	IMELDA	6/24/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	SANFELIPPO	MATT	6/24/2023	MAX	DPW-INFRASTRUCTURE-ST/BRIDGES

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Service	SMOOTS	DE'WAYNE	6/24/2023	50	FIRE - FIREFIGHTING
Regular	Deferred	BRZEZINSKI	CARLA	6/26/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	PAASCH	DANIEL	6/29/2023	100	ASSESSOR'S OFFICE
Regular	Service	MOGES	EMEBET	6/30/2023	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	NEBEL	ZERLEANER	6/30/2023	MAX	CITY OF MILWAUKEE
Regular	Service	WILLIAMSON	MATTHEW	6/30/2023	MAX	FIRE - FIREFIGHTING
Regular	Deferred	MUELLER	CARLA	7/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	BEAMISH	EILEEN	7/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	BROWN	ELIZABETH	7/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HUSHEK	ANDREW	7/1/2023	MAX	DPW-INFRASTRUCTURE-BRIDGES & BLDGS
Regular	Service	JOHNSON	DEBRA	7/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	JOHNSON	PAMELA	7/1/2023	MAX	DEPT OF NEIGHBORHOOD SRVCS
Regular	Service	MAYFIELD	ALEX	7/1/2023	100	FIRE - FIREFIGHTING
Regular	Service	MAZUR	JOSEPH	7/1/2023	MAX	DPW-INFRASTRUCTURE-ELECTRICAL
Regular	Service	PIWARON	MARGARET	7/1/2023	75	DEPT OF NEIGHBORHOOD SRVCS
Regular	Service	TADYSAK	LORI	7/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Survivor	Ordinary Death	CENTENO	WENDY	7/1/2023	100	DCD - MGMT & SPECIAL PROJECTS

Board Report - July 2023

Deaths

Type	Last Name	First Name	Death Date	Payment Date	Amount
Retiree Death-Termination	BAUR	GREGORY	5/26/2023	7/31/2023	\$ 6,351.44
Retiree Death-Termination	CAULEY	KARLYN	5/28/2023	7/31/2023	\$ 318.99
Retiree Death-Termination	CLINTON	LOUISE	3/23/2023	7/31/2023	\$ 446.04
Retiree Death-Termination	FRASER	PRISCILLA	3/23/2023	7/31/2023	\$ 580.72
Retiree Death-Termination	GAZA	DAVID	6/21/2023	7/31/2023	\$ 1,434.62
Retiree Death-Termination	GUTFLEISCH	OTTO	7/1/2023	7/31/2023	\$ 54.29
Retiree Death-Termination	HASSEL	JACK	3/16/2023	7/31/2023	\$ 636.34
Retiree Death-Termination	HOLDMANN	JOAN	6/6/2023	7/31/2023	\$ 120.88
Retiree Death-Termination	KOLP	ROBERT	6/4/2023	7/31/2023	\$ 422.96
Retiree Death-Termination	KUPFER	GEORGE	6/4/2023	7/31/2023	\$ 276.59
Retiree Death-Termination	LOTZE	JEROME	5/13/2023	7/31/2023	\$ 579.31
Retiree Death-Termination	PEARDOT	NANCY	5/18/2023	7/31/2023	\$ 986.25
Retiree Death-Termination	POWALISZ	MARY JO	5/9/2023	7/31/2023	\$ 324.45
Retiree Death-Termination	REIFSCHNEIDER	ROSE MARIE	6/9/2023	7/31/2023	\$ 211.18
Retiree Death-Termination	RUSSELL	FREDRICK	4/18/2023	7/31/2023	\$ 155.93
Retiree Death-Termination	SCHUETTIG	THOMAS	5/27/2023	7/31/2023	\$ 1,958.08
Retiree Death-Termination	SWANSBY	GARY	5/29/2023	7/31/2023	\$ 449.42
Retiree Death-Termination	VIOLETTE	CHARLES	5/15/2023	7/31/2023	\$ 1,082.95
Retiree Death-Termination	ZACH	MICHAEL	5/17/2023	7/31/2023	\$ 2,433.41
Surv Death-Termination	MIKULA	ROSALYN	5/24/2023	7/31/2023	\$ 489.02
Surv Death-Termination	POWALISZ	MARY JO	5/9/2023	7/31/2023	\$ 375.98
Surv Death-Termination	REIFSCHNEIDER	ROSE MARIE	6/9/2023	7/31/2023	\$ 192.82
Surv Death-Termination	TIMMERMAN	KAREN	6/11/2023	7/31/2023	\$ 1,009.30
Surv Death-Termination	WENGLER	BETTY	5/16/2023	7/31/2023	\$ 1,511.14
TOTAL					\$ 22,402.11
Retiree Death-Cont Opt	CENTENO	ORLANDO	6/7/2023	7/1/2023	
Retiree Death-Cont Opt	GRANDBERRY	ROBERT	7/11/2023	7/1/2023	
Retiree Death-Cont Opt	HOEHNE	DAVID	6/18/2023	7/1/2023	
Retiree Death-Cont Opt	LARMAY	COLLEEN	6/27/2023	7/1/2023	
Retiree Death-Cont Opt	MAYER	NEAL	7/1/2023	7/1/2023	
Retiree Death-Cont Opt	MEINHOLZ	FRED	7/1/2023	7/1/2023	
Retiree Death-Cont Opt	SIEGL	CLAYTON	6/18/2023	7/1/2023	

Board Report - July 2023**Withdrawals**

Type	Last Name	First Name	Payment Date	Amount
Member Only Refund	KISSANE	THOMAS	7/21/2023	\$ 3,365.23
Administrative Withdrawal	AGEE	ALEXANDER	7/31/2023	\$ 2,750.55
Administrative Withdrawal	BUCKHANAN	CHERYL	7/31/2023	\$ 2,174.91
Administrative Withdrawal	HARRIS	MARK	7/31/2023	\$ 858.27
Administrative Withdrawal	HIBBLER	RUQUYA	7/31/2023	\$ 191.71
Administrative Withdrawal	IZARD	ANGIE	7/31/2023	\$ 822.53
Administrative Withdrawal	PEMBERTON	BREANNE	7/31/2023	\$ 789.16
Administrative Withdrawal	RAMIREZ-SCHACH	ANA	7/31/2023	\$ 545.78
Administrative Withdrawal	SMITH	CURTIS	7/31/2023	\$ 2,484.42
Administrative Withdrawal	WARE	JANET	7/31/2023	\$ 1,252.90
Full Refund	CARSON	VASHENA	7/31/2023	\$ 7,968.39
Full Refund	DE JESUS RIVERA	ANGELITA	7/31/2023	\$ 3,895.17
Full Refund	EVINS	SHARETTA	7/31/2023	\$ 3,338.43
Full Refund	GRAY	DARLENE	7/31/2023	\$ 4,903.31
Full Refund	GRIFFIN	ADONNIS	7/31/2023	\$ 3,554.09
Full Refund	KIMBER	MARIKA	7/31/2023	\$ 779.87
Full Refund	LANGENOHL	TIMOTHY	7/31/2023	\$ 14,436.72
Full Refund	LARA	RAUL	7/31/2023	\$ 9,293.60
Full Refund	LOPEZ	EVELYN	7/31/2023	\$ 511.36
Full Refund	MILLER	LASHAUNA	7/31/2023	\$ 48,339.26
Full Refund	OFFENBACHER	KEVIN	7/31/2023	\$ 6,633.58
Full Refund	RAMOS	NICHOLAS	7/31/2023	\$ 6,844.54
Full Refund	REFELD	ABSALOM	7/31/2023	\$ 45,507.21
Full Refund	ROMERO	SALVADORE	7/31/2023	\$ 319.89
Full Refund	SANTIAGO	ALEXSA	7/31/2023	\$ 12,233.11
Full Refund	STATEN	QUIANA	7/31/2023	\$ 6,538.93
Full Refund	THOMAS	JEFFREY	7/31/2023	\$ 42,272.73
Full Refund	TOMLINSON	GLORIA	7/31/2023	\$ 5,619.93
Member Only Refund	ACKER	WAYNE	7/31/2023	\$ 2,288.04

Type	Last Name	First Name	Payment Date	Amount
Member Only Refund	BEYER	HEATHER	7/31/2023 \$	1,425.63
Member Only Refund	BILLINGS	TIERRA	7/31/2023 \$	1,232.31
Member Only Refund	BUSTOS	BRUNO	7/31/2023 \$	3,242.03
Member Only Refund	CLARK	ILIANA	7/31/2023 \$	1,289.96
Member Only Refund	CORNELIUS	LEAH	7/31/2023 \$	3,184.44
Member Only Refund	GAILLORETO	SALVATORE	7/31/2023 \$	2,593.76
Member Only Refund	HELSEL	TYLER	7/31/2023 \$	2,110.87
Member Only Refund	JONES	DOROTHY	7/31/2023 \$	3,384.45
Member Only Refund	KEY	MADELEINE	7/31/2023 \$	2,513.51
Member Only Refund	KRUSE	GREGORY	7/31/2023 \$	12,605.37
Member Only Refund	MASON	LYNETTE	7/31/2023 \$	1,276.21
Member Only Refund	PERKINS-OVERTON	DARNELLE	7/31/2023 \$	1,353.74
Member Only Refund	ROWELL	STANFORD	7/31/2023 \$	419.17
Member Only Refund	RUDYCHEV	VERONIKA	7/31/2023 \$	4,603.86
Member Only Refund	SANTANA	CASSANDRA	7/31/2023 \$	1,044.48
Member Only Refund	SCHLIEM	JUSTIN	7/31/2023 \$	11,132.05
Member Only Refund	SMITH	NICHOLE	7/31/2023 \$	1,695.51
Member Only Refund	SPEARS	GWENDOLYN	7/31/2023 \$	1,353.82
Member Only Refund	TRIGGS	THRISHAUNA	7/31/2023 \$	2,536.94
Member Only Refund	VAUGHN	DANIEL	7/31/2023 \$	2,540.31
Member Only Refund	VERDIN	LANGSTON	7/31/2023 \$	5,394.67
Member Only Refund	VILLEGAS	MAHALY	7/31/2023 \$	743.72
Member Only Refund	WILLIAMS	QUIANA	7/31/2023 \$	97.04
Member Only Refund	WILLIAMS	RONALD	7/31/2023 \$	824.14
TOTAL \$				309,111.61

Board Report - August 2023

Retirements

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Deferred	RICARDO	MIGUELINA	6/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	MINER	STEVEN	7/2/2023	100	ASSESSOR'S OFFICE
Regular	Service	AMICH	JOAN	7/3/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	VEGA	DAVID	7/6/2023	MAX	LIBRARY - ADMINISTRATION SRVC
Regular	Deferred	RANDALL	CINDY	7/7/2023	MAX	PARKING
Regular	Deferred	RASKIEWICZ	ROBERT	7/7/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	WILLIAMSON	THERESA	7/7/2023	72	COMMON COUNCIL - CITY CLERK
Regular	Deferred	YUNGER	LYNN	7/7/2023	MAX	MUNICIPAL COURT
Regular	Service	POWERS	PATRICK	7/8/2023	75	DPW-OPS-FLEET SERVICES
Regular	Service	TOLMAC	ANDRIUS	7/8/2023	50	DPW-OPS-SANITATION
Regular	Service	LOVE	CHARLENE	7/14/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	MCWILLIAMS	MICHELE	7/14/2023	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	THOMAS	MELISSA	7/15/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	VAN LARE	CAROL	7/17/2023	MAX	HEALTH DEPARTMENT
Regular	Early	THORNTON	YVETTE	7/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	AXTELL	EDWARD	7/19/2023	MAX	DPW
Regular	Service	GORTON	JAMES	7/21/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	JOHNSON	HAROLD	7/21/2023	MAX	FIRE - FIREFIGHTING
Regular	Service	SCZESNY	KEVIN	7/22/2023	50	FIRE - FIREFIGHTING
Regular	Deferred	SMITH	DEBORA	7/29/2023	50	HACM
Regular	Service	ASHFORD	VICTORIA	7/29/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	STANLEY	RENEE	7/30/2023	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HOBAN	TIMOTHY	7/31/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Service	SORENSEN	BRUCE	7/31/2023	MAX	DEPT OF NEIGHBORHOOD SRVCS
Regular	Conversion (Duty Disability to Regular)	NORTON	PATRICK	8/1/2023	35	FIRE - FIREFIGHTING
Regular	Deferred	LEMMEN	LINDA	8/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CORNELIUS	CHRISTOPHER	8/1/2023	100	DPW-WATER-DISTRIBUTION
Regular	Service	DALECCIO	MARTHA	8/1/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	MOCZYNSKI	DAVID	8/1/2023	100	FIRE - FIREFIGHTING

Board Report - August 2023

Deaths

Type	Last Name	First Name	Death Date	Payment Date	Amount
Deferred Death	OLSON	RONALD	5/30/2023	8/31/2023	\$ 5,162.32
Ordinary Death	WASHINGTON	MARTHA	8/26/2019	8/31/2023	\$ 16,163.81
Retiree Death-Termination	BATTON	GERTRUDE	4/20/2023	8/31/2023	\$ 172.19
Retiree Death-Termination	GABOR	ANNE	7/9/2023	8/31/2023	\$ 72.98
Retiree Death-Termination	GELLERT	WILLIAM	11/14/2022	8/31/2023	\$ 277.39
Retiree Death-Termination	MERZ	AUDREY	10/13/2022	8/31/2023	\$ 714.39
Retiree Death-Termination	SWIFT	CLAUDIA	6/18/2023	8/31/2023	\$ 451.30
Retiree Death-Termination	TE BEEST	DELORES	7/4/2023	8/31/2023	\$ 55.89
Retiree Death-Termination	THOMAS	EDWARD	7/15/2023	8/31/2023	\$ 465.67
Retiree Death-Termination	VEIT	CHARLES	1/13/2023	8/31/2023	\$ 301.97
Retiree Death-Termination	WILHITE	MARY	7/9/2023	8/31/2023	\$ 377.66
Surv Death-Termination	BERTONI	JOAN	5/14/2023	8/31/2023	\$ 2,091.25
Surv Death-Termination	FOERSTER	KAREN	6/17/2023	8/31/2023	\$ 735.39
Surv Death-Termination	GOLATA	KATHRYN	6/29/2023	8/31/2023	\$ 354.83
Surv Death-Termination	HOOVER	LELA	4/3/2023	8/31/2023	\$ 69.75
Surv Death-Termination	PETERS	VIDA	5/30/2023	8/31/2023	\$ 429.39
Surv Death-Termination	SIRAVO	DEBRA	7/22/2023	8/31/2023	\$ 963.19
Surv Death-Termination	TE BEEST	DELORES	7/4/2023	8/31/2023	\$ 105.28
Surv Death-Termination	VILLARI	ROSE	5/13/2023	8/31/2023	\$ 226.29
Surv Death-Termination	ZUROWSKI	ELIZABETH	6/28/2022	8/31/2023	\$ 545.73

TOTAL \$ 29,736.67

Retiree Death-Cont Opt	ASHLEY GOETSCH	PATRICIA	8/18/2023	8/1/2023
Retiree Death-Cont Opt	BEDNARZ	JOHN	8/12/2023	8/1/2023
Retiree Death-Cont Opt	CAKANIC	FRED	7/27/2023	8/1/2023
Retiree Death-Cont Opt	CEBULA	THEODORE	8/5/2023	8/1/2023
Retiree Death-Cont Opt	DITTMAR	DAVID	7/22/2023	8/1/2023
Retiree Death-Cont Opt	EVERSDYK	LEONARD	7/28/2023	8/1/2023
Retiree Death-Cont Opt	HATHAWAY	ARTHUR	6/6/2021	8/1/2023
Retiree Death-Cont Opt	HEINEN	JOHN	7/30/2023	8/1/2023
Retiree Death-Cont Opt	SCHOENECKER	JAMES	8/13/2023	8/1/2023
Retiree Death-Cont Opt	TOBIASZ	JEROME	8/9/2023	8/1/2023
Retiree Death-Cont Opt	TUCHEL	THEODORE	3/8/2022	8/1/2023

Board Report - August 2023**Withdrawals**

Type	Last Name	First Name	Payment Date	Amount
Administrative Withdrawal	FORLENZA-MIHAS	GIAVANNA	8/31/2023 \$	15.02
Administrative Withdrawal	HUCKLEBERRY	DANQUILLA	8/31/2023 \$	1,411.00
Administrative Withdrawal	MAZABA	ERIN	8/31/2023 \$	2,049.19
Administrative Withdrawal	STEWARD	ARVELL	8/31/2023 \$	1,357.01
Full Refund	BACHTELL	DIANE	8/31/2023 \$	8,529.66
Full Refund	CANNON	SHERREL	8/31/2023 \$	29,017.00
Full Refund	COTTON	AARON	8/31/2023 \$	7,460.46
Full Refund	DAVIS	JUSTYN	8/31/2023 \$	5,885.48
Full Refund	HENRY	MICHAEL	8/31/2023 \$	13,025.54
Full Refund	HUDSON	REGINALD	8/31/2023 \$	10,753.12
Full Refund	MALONE	JULIUS	8/31/2023 \$	16,388.68
Full Refund	NORDSTRUM	ERIK	8/31/2023 \$	47,812.30
Full Refund	SANCHEZ	MALISA	8/31/2023 \$	67,090.76
Full Refund	SCOTT	JERRY	8/31/2023 \$	35,881.39
Full Refund	SOTO	STEPHANIE	8/31/2023 \$	6,488.76
Full Refund	VERHAGE	CIRA	8/31/2023 \$	5,337.58
Member Only Refund	ALLEN	KAYLA	8/31/2023 \$	628.83
Member Only Refund	ALLEN	MARY	8/31/2023 \$	2,583.16
Member Only Refund	CARRASQUILLO-CEPEDA	KERELYN	8/31/2023 \$	2,390.26
Member Only Refund	CULLIN	SHAMEIA	8/31/2023 \$	1,179.52
Member Only Refund	ELLIS	NATHANIEL	8/31/2023 \$	391.31
Member Only Refund	FENLEY	RYAN	8/31/2023 \$	4,888.85
Member Only Refund	GONZALEZ	JACQUELINE	8/31/2023 \$	6,017.78
Member Only Refund	GONZALEZ-DEL VALLE	MYRCHELI	8/31/2023 \$	1,859.63
Member Only Refund	GOYCOECHEA	SANTIAGO	8/31/2023 \$	1,920.89
Member Only Refund	HOLLINS	KHADIZJAH	8/31/2023 \$	1,081.82
Member Only Refund	KINCAID	CODY	8/31/2023 \$	1,658.12
Member Only Refund	LEWIS	ANGELIC	8/31/2023 \$	2,614.97
Member Only Refund	MARTINEZ	ESMERALDA	8/31/2023 \$	1,828.13

Type	Last Name	First Name	Payment Date	Amount
Member Only Refund	MEURER	ANDREW	8/31/2023 \$	4,001.91
Member Only Refund	NEELY	JAHEIM	8/31/2023 \$	1,728.41
Member Only Refund	SCOTT	ERIKA	8/31/2023 \$	1,549.00
Member Only Refund	TARNOWSKI	TONY	8/31/2023 \$	2,397.35
Member Only Refund	TROTTER	JENSEN	8/31/2023 \$	2,914.80
Member Only Refund	WALKER	SHATAVIA	8/31/2023 \$	530.30
Member Only Refund	WEBSTER	LIZ	8/31/2023 \$	1,697.11
Member Only Refund	WORKINGER	MICHAEL	8/31/2023 \$	562.32
TOTAL \$				302,927.42

Conference Requests – September 2023 Board Meeting

David Silber	The Fall Retreat - Conference
Sponsor:	with.Intelligence
Location:	Chicago, IL
Date(s):	September 18-19, 2023
Estimated Cost:	\$650.00

David Silber,	Principal Due Diligence
Thomas Courtright	
Sponsor:	Principal
Location:	New York, NY & Des Moines, IA
Date(s):	September 20-21, and October 11-12, 2023
Estimated Cost:	\$2,200.00 per person

Erich Sauer	2023 Real Estate Annual Meeting
Sponsor:	JP Morgan
Location:	New York, NY
Date(s):	October 25-26, 2023
Estimated Cost:	\$1,250.00

Erich Sauer	2023 Alternatives Summit
Sponsor:	Goldman Sachs
Location:	New York, NY
Date(s):	October 31 – November 2, 2023
Estimated Cost:	\$1,750.00

Thomas Courtright	2023 MFS Global Investment Institute
Sponsor:	MFS
Location:	Boston, MA
Date(s):	November 6-10, 2023
Estimated Cost:	\$2,250.00

David Silber	2024 Visions, Insights & Perspectives (VIP) Americas + possible Brandes visit
Sponsor:	Institutional Real Estate, Inc.
Location:	Carlsbad, CA
Date(s):	January 22-25, 2024
Estimated Cost:	\$2,250.00

VI.

MEDICAL REPORTS

- A. All Duty & Ordinary Disability Applications & Re-examinations (August and September).

MERITS	CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM	Page Number:	1 OF 1
	Medical Panel Approvals Report	DATE RAN :	08/11/2023
Approved by Executive Director	Pension Board Meeting Date 08/29/2023	TIME RAN :	11:52

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>
--------------------	-------------	--------------	-----------------	------------------	----------------------	-------------	--------------	--------------	------------------------	-----------------

NO RECORDS TO PROCESS

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 : 08/11/2023
	Board Meeting: 08/29/2023	TIME RAN : 07:20

<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>	<u>In Person Exam Waiver</u>
GIBBS, RENEE	PAINTER	HACM	Ordinary Disability	Re-Examination	08/31/2016	08/04/2023	
HATCHER, ANNIE	HANDICAP CHILD ASST	MPS	Ordinary Disability	Re-Examination	06/29/2008	08/04/2023	
POWELL, DAMION	ENGINEER II	MPS	Ordinary Disability	Re-Examination	06/19/2014	08/04/2023	
SMITH, TIA	EDUC ASST - PARA	MPS	Ordinary Disability	Re-Examination	06/23/2010	08/04/2023	
WARREN, KATRINA	POLICE OFFICER	MPD	Ordinary Disability	Re-Examination	06/07/2019	08/04/2023	

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

MERITS	CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM	Page Number:	1 OF 1
	Medical Panel Approvals Report	DATE RAN :	09/15/2023
Approved by Executive Director	Pension Board Meeting Date 09/26/2023	TIME RAN :	13:05

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>
826	HUNTER, CLAUDE	FIRE FIGHTER	FIRE	DD 75%	Re-Examination	Approved	Approved		09/28/2010	
1012	NEWMAN, TIMOTHY	HEO	FIRE	DD 75%	Re-Examination	Approved	Approved		06/26/2012	
1285	GAUTHIER, CHRISTOPHER	FIRE LIEUTENANT MFD		DD 75%	Re-Examination	Approved	Approved		07/26/2016	
711	ARCE, ALEJANDRO	POLICE OFFICER MILWAUKEE POLICE DEPT		DD 75%	Re-Examination	Approved	Approved		02/26/2009	
77	BELMORE, NICOLE	POLICE OFFICER POLICE		DD 75%	Re-Examination	Approved	Approved		09/27/2005	
819	MARTINEZ, TRACY	POLICE OFFICER POLICE		DD 75%	Re-Examination	Approved	Approved		05/13/2010	
1132	KUNISCH, GRAHAM	POLICE OFFICER POLICE		DD 90%	Re-Examination	Approved	Approved		03/17/2014	

Number of Cases: 7

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

Medical Council Approvals Report

Board Meeting: 09/26/2023

Page Number: 1 OF 1

DATE RAN : 09/14/2023

TIME RAN : 07:44

<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>	<u>In Person Exam Waiver</u>
ALBRIGHT, MICHAEL	POLICE OFFICER	MPD	Ordinary Disability	Re-Examination	03/25/2011	09/13/2023	
BROWN, ERIC	OPERATION DRIVER WORKER	DEPARTMENT OF PUBLIC WORK	Ordinary Disability	Application	03/14/2023	09/13/2023	
HALL, JULIE	FIRE PARAMEDIC	MFD	Duty Disability 75%	Re-Examination	11/01/2020	09/13/2023	
JONES, TONY	HEAVY EQUIPMENT OPERATOR	MILWAUKEE FIRE DEPARTMENT	Duty Disability 75%	Application	03/09/2023	09/13/2023	
TRUDEAU, KENNETH	DRIVER/LOADER	DPW-SANITATION	Ordinary Disability	Re-Examination	10/09/2010	09/13/2023	
VRTOCHNICK, FRANK	POLICE OFFICER	MPD	Duty Disability 75%	Re-Examination	07/27/2016	09/13/2023	
ZARLING, GREGORY	VEHICLE SERVICES TECHNICI	DPW	Ordinary Disability	Re-Examination	12/09/2021	09/13/2023	

Number of Cases: 7

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.

VII.

UNFINISHED BUSINESS

- A. Pending Legal Opinions and Service Requests Report.
- B. Pending Legislation Report.

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (VII.C.), 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.

- C. Executive Director's Report – Inventory of ERS Projects.



September 26, 2023 Board Meeting

PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT

PART 1. LEGAL OPINIONS - OFFICE OF CITY ATTORNEY

05/04/23 Optional Joint and Survivor Benefits

Pension Board has requested a legal opinion on whether it has administrative discretion to determine whether to adopt a combined set of actuarial tables applying to both General City and Public Safety employees and separate sets tables for each employment class and further for beneficiaries eligible for cost of living adjustments distinct from those beneficiaries who are not so eligible.

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.

10/12/22 ERS received proposed Second Amendment to extend current banking services agreement with Wells Fargo Bank.

10/25/22 Contract extension approved by Pension Board. City Attorney's Office continues negotiations with Wells Fargo for a new banking services agreement.

03/14/23 Third Amendment to extend current banking services agreement with Wells Fargo received from City Attorney's Office.

03/28/23 Third Amendment (extension) approved by Pension Board.

06/13/23 Received from City Attorney's Office the proposed Fourth Amendment to extend current banking services agreement as negotiations continues with Wells Fargo Bank.

06/21/23 Amendment approved by A&O Committee.

06/27/23 Pension Board approved Fourth Amendment.

09/13/23 Received proposed Fifth Amendment from City Attorney's Office.

09/20/23 Scheduled for A&O Committee consideration.

09/26/23 On Pension Board Agenda.

01/04/23

Internal Audit Services

City Attorney's Office asked to assist ERS staff with the drafting of a Request for Proposal for internal audit services, and to negotiate a contract for services with selected vendor.

01/31/23 Second request for legal services forwarded to the City Attorney's Office.

02/28/23 Third request to City Attorney's Office for assistance in drafting RFP as well as negotiate contract for internal audit services.

03/01/23 Received edits to RFP from City Attorney's Office.

07/25/23 ERS staff reports RFP scoring results; and possible vendor selection by Pension Board.

09/05/23 Received proposed contract for internal audit services from City Attorney's Office.

09/20/23 Scheduled for A&O Committee consideration.

09/26/23 On Pension Board Agenda.

PART 4. SERVICE REQUESTS - OUTSIDE LEGAL COUNSEL

04/25/23

Real Estate Investment Manager

ERS requests legal assistance in the reviewing of various legal documents and subsequent negotiations as it relates to a private real estate investment.

04/16/23 City Attorney's Office approves referral of this matter to Reinhart Boerner Van Deuren SC.



September 26, 2023 Board Meeting

PENDING LEGISLATION REPORT

PART 1. PENDING CHARTER ORDINANCES FOR COMMON COUNCIL ACTION

CCFN 230362 A charter ordinance relating to the Employees' Retirement System.

06/20/23 Common Council assigns file to F&P Committee.

09/08/23 Substitute ordinance drafted.

09/13/23 Committee approves substitute ordinance.

09/19/23 Scheduled for Common Council consideration.

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.

PART 4. PENDING STATE LEGISLATION

Wisconsin Act 12 (a/k/a Assembly Bill 245)

Effective June 20, 2023, Wisconsin Act 12 authorizes a first class city and county to impose certain taxes and to use the revenue generated to pay the unfunded actuarial accrued liability of the city and county retirement plans. In addition, if the city and county impose said taxes (1) the current city and county retirement plans are closed to new hires; and (2) newly hired employees are enrolled in the Wisconsin Retirement System.

06/27/23 Referred to Legislative Committee to identify and draft necessary amendments to Chapter 36 of the Milwaukee City Charter in order to implement Wisconsin Act 12.

07/24/23 Proposed amendments to Chapter 36 scheduled for Committee consideration.

08/29/23 Legislative Committee ("Committee of the Whole") approves amendments to (1) Plan's Funding Policy; and (2) Chapter 36 as required to implement provisions of Act 12.

Basic Website Metrics

	2022						2023						
	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Visits	4,852	5,268	3,791	5,538	8,511	4,837	5,930	4,981	5,474	5,447	5,137	4,907	5,735
Users	3,408	3,728	2,640	3,979	7,068	3,496	3,947	3,585	3,894	3,859	3,589	3,380	3,663
Page Views	11,694	13,000	9,856	13,918	20,851	11,753	14,873	11,668	12,933	13,201	12,927	12,220	13,694
Ave. Visit	1:09	1:07	1:29	1:12	:52	1:27	1:39	1:27	1:25	1:28	1:33	1:40	1:32

- In November 2022, numbers are inflated due to IT Vulnerability Audit.

Basic Website Metrics

	2022					2023							
	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
Visits	5,268	3,791	5,538	8,511	4,837	5,930	4,981	5,474	5,447	5,137	4,907	5,735	5,601
Users	3,728	2,640	3,979	7,068	3,496	3,947	3,585	3,894	3,859	3,589	3,380	3,663	3,667
Page Views	13,000	9,856	13,918	20,851	11,753	14,873	11,668	12,933	13,201	12,927	12,220	13,694	13,930
Ave. Visit	1:07	1:29	1:12	:52	1:27	1:39	1:27	1:25	1:28	1:33	1:40	1:32	2:24

- In November 2022, numbers are inflated due to IT Vulnerability Audit.

VIII.

INFORMATIONAL

Please be advised that the Annuity and Pension Board may vote to convene in closed session on the following item (VIII.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 2023 YTD.
- D. Minutes of the Special Administration & Operations Committee Meeting Held July 18, 2023.
- E. Minutes of the Special Legislative Committee Meeting (Committee of the Whole) Held July 24, 2023.
- F. Minutes of the Special Legislative Committee Meeting (Committee of the Whole) Held August 29, 2023.
- G. Minutes of the Investment Committee Meeting Held September 7, 2023.
- H. Report on Bills.
- I. Deployment of Assets.
- J. Securities Lending Revenue and Budget Report.
- K. Preliminary Performance Report and Asset Allocation.



September 26, 2023 Board Meeting

PENDING LITIGATION REPORT

Part 1. ERS Litigation through the City Attorney

MPA and Kurt Lacina v. City of Milwaukee, et al; Case Nos. 2023AP000301; and 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****

- **07/07/23** Court enters an Order setting July 21, 2023 deadline for court reporter to file transcripts.
- **08/01/23** Court Reporter's Statement filed.
- **09/05/23** Appellants' Brief filed. Respondents' Brief due October 5, 2023.

Sandrah Crawford v. City of Milwaukee ERS, et al; Case No. 2022CV007800

Member requests judicial review of Pension Board's denial of duty disability retirement benefits.

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

- 06/23/23 Court grants request to extend time to file brief. New due date for Plaintiff's brief is July 5, 2023; all other brief filing deadline dates are extended by two weeks.
- **07/25/23** Telephonic Scheduling Conference held. Court sets briefing schedule: Plaintiff's Brief due 09/25/2023; Defendant's Response Brief due 10/25/2023; and Plaintiff's Reply Brief due 11/09/2023. Upon receipt of parties' Briefs the Court will issue its decision.

Frank Vrtochnick, et al v. City of Milwaukee, et al; Case No. 2023CV003007

Plaintiff alleges the City and the ERS breached the Milwaukee Police Association 2013-2016 collective bargaining agreement and Chapter 36 of the Milwaukee City Charter as it pertains to the inclusion of the 5.8% pension offset in the member's "base salary" for purposes of calculating the duty disability retirement allowance. The plaintiff seeks to have this current litigation classified as a *Class Action to include all other similarly-situated employees hired prior to October 3, 2011 and represented by the Milwaukee Police Association.*

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

- **08/17/23** Defendants' Motion to Stay Class Certification and Motion to Dismiss Plaintiff's lawsuit filed with court.
- **08/23/23** Status Conference held. Court adjourns case for November 2, 2023 motion hearing.

Benjean Lara v. City of Milwaukee, et al; Case No. 2023CV005113

Petitioner filed Petition for Writ of Mandamus demanding that the court enter an order requiring the Respondents process his application for disability benefits in accordance with the Findings issued by the Hearing Examiner.

- **07/12/23** Summons and Petition for Writ of Mandamus filed.
- **07/27/23** ERS/APB served with Petition.
- **07/28/23** Letter to City Attorney requesting legal representation; claim reported to fiduciary carriers.
- **08/16/23** Respondents' Answer filed with court.
- **08/18/23** Defendants' Motion to Dismiss filed. Motion hearing scheduled for November 1, 2023.

Part 2. ERS Administrative Appeal Hearings through the City Attorney**Jason Rodriguez; Administrative Case No. 1443**

- Hearing stayed pending outcome of Appellant's state workers compensation (WC) appeal hearing. First WC appeal hearing held May 10, 2022. Second WC appeal hearing expected to occur in August or September, 2023.

Benjean Lara; Administrative Case Nos. 1488, 1489 and 1490

See prior Reports for case history

- 06/27/23 Pension Board remands matter back to Hearing Examiner for reassessment based records and briefs filed by the parties.
- **08/29/23** Legislative Committee (Committee of the Whole) denied member's applications for disability retirement.

James Gentry; Administrative Case No. 1522

- Hearing requested. Pending scheduling.

Part 3. Notice of Claim filed with ERS

None.

Part 4. ERS Litigation through Outside Legal Counsel

None.

Client Conferences 2023-2024

Board Meeting: September 26, 2023

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
October 12, 2023 11:30 am - Noon	Research Cafe: ESG Interview Series Virtual	Callan Associates
October 25 – 26, 2023	2023 USLF Annual Meeting Phoenix, AZ	Prologis
October 26, 2023 10:00 am – 12:30 pm	2023 October Regional Workshop Chicago, IL	Callan Associates
November 1 – 2, 2023	The Alternatives Summit New York, NY	Goldman Sachs
November 8 – 9, 2023	BlackRock's Flagship Institutional Investor Conference New York, NY	BlackRock
November 15 – 18, 2023	BLB&G's Forum for Institutional Investors New York, NY	BLB&G
December 5 – 6, 2023	Apogem's 2023 Annual General Meeting Miami, FL	Apogem Capital
April 8 – 10, 2024	Callan's 2024 National Conference San Francisco, CA	Callan Associates

Trustee Conferences 2023-2024

Board Meeting: September 26, 2023

DATE(S)		
September 30 – October 1, 2023	Certificate of Achievement in Public Plan Policy (CAPPP): Pensions Part I Boston, MA	International Foundation of Employee Benefit Plans
October 3 – 5, 2023	2023 Roundtable for Consultants & Institutional Investors Chicago, IL	Institutional Investor
October 5, 2023 4:00 pm – 5:00 pm	AI and Machine Learning in Investment Virtual	CFA Society of Chicago
October 10, 2023 5:00 pm – 8:30 pm	60 th Anniversary Celebration Milwaukee, WI	CFA Society of Milwaukee
October 10 – 11, 2023	Pension Bridge Alternatives 2023 New York, NY	with.Intelligence
October 12, 2023 11:45 am – 1:15 pm	Rethinking Emerging Markets: The Driver of Global Growth Milwaukee, WI	CFA Society of Milwaukee
October 21 – 22, 2023	NCPERS Accredited Fiduciary (NAF) Program & Program for Advanced Trustee Studies (PATs) Las Vegas, NV	NCPERS
October 22 – 25, 2023	Financial, Actuarial, Legislative and Legal Conference (FALL) Las Vegas, NV	NCPERS
November 14, 2023	Fixed Income & Credit – Reassessing Income and Diversification Chicago, IL	Pensions & Investments
January 21 – 22, 2024	Pension Communications Summit Washington, DC	NCPERS
January 22 – 24, 2024	Legislative Conference Washington, DC	NCPERS
January 22 – 24, 2024	Visions, Insights, & Perspectives (VIP) Americas Carlsbad, CA	Institutional Real Estate, Inc.

Trustee Conferences 2023-2024

Board Meeting: September 26, 2023

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
April 10 – 11, 2024	10 th Annual Midwest Institutional Forum Chicago, IL	Markets Group
April 15 – 17, 2024	Pension Bridge The Annual 2024 Half Moon Bay, CA	with.Intelligence
April 17, 2024	8 th Annual Real Estate Midwest Forum Chicago, IL	Markets Group
April 29 – May 1, 2024	Public Funds Roundtable 2024 Beverly Hills, CA	Institutional Investor
May 5 – 8, 2024	Milken Institute 2024 Global Conference Beverly Hills, CA	Milken Institute
May 18 – 19, 2024	NCPERS Accredited Fiduciary (NAF) Program and Trustee Educational Seminar (TEDS) Seattle, WA	NCPERS
May 19 – 22, 2024	Annual Conference & Exhibition (ACE) Seattle, WA	NCPERS
July 16 – 17, 2024	Alternatives Forum - ALTSCHI Chicago, IL	Markets Group
August 18 – 20, 2024	Public Pension Funding Forum Boston, MA	NCPERS
September 9 – 11, 2024	CII Fall 2024 Conference Brooklyn, NY	Council of Institutional Investors
September 25, 2024	10 th Annual Great Plains Institutional Forum Minneapolis, MN	NCPERS
October 26 – 27, 2024	NCPERS Accredited Fiduciary (NAF) Program & Program for Advanced Trustee Studies (PATs) Palm Springs, CA	NCPERS
October 27 – 30, 2024	Public Safety Conference Palm Springs, CA	NCPERS

Upcoming Due Diligence Meetings

Date	Manager(s)	Team
October 11-12, 2023	Principal (Des Moines, IA)	David & Tom
December 2023 or January 2024	CastleArk (Chicago, IL)	Erich, Tom, Dave W.

Class Action Income 2023 YTD

Asset Description	Date(s)	Amount
Allergan, Inc.	1/11/2023 \$	82
USA Technologies, Inc.	2/13/2023 \$	10,120
JP Morgan Chase Bank	3/23/2023 \$	568
The Bank of New York Mellon	5/12/2023 \$	428
Nine Bank Settlement - Foreign Exchange Benchmark Rates	5/4/2023 \$	6,101
Array Biopharma, Inc.	5/23/2023 \$	2,363
Valeant Pharmaceuticals Int'l Inc.	7/20/2023 \$	59,687
Teva Pharmaceutical	8/1/2023 \$	4,511
GSE Bonds	8/7/2023 \$	25
Total Class Action Income Received in 2023 YTD	\$	83,884

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

Minutes of the Special Administration and Operations Committee Meeting
held July 18, 2023 via teleconference

The meeting was called to order at 11:04 a.m.

Committee Members Present: Tom Klusman
 Aycha Sawa, Chair

Committee Members Not Present: Molly King (arrived at 11:12 a.m.)

ERS Staff Present: Bernard Allen, Executive Director
 Melody Johnson, Deputy Director
 David Silber, Chief Investment Officer
 Dan Gopalan, Chief Financial Officer
 Erich Sauer, Deputy Chief Investment Officer
 Robin Hayes, Pension Accounting Manager
 Mary Turk, Business Operations Analyst
 Jan Wills, Board Stenographer

Others Present: Jason Coyle, Darlene Middleman, Baker Tilly; Patrick McClain, City Attorney's Office; Terry Siddiqui, DS Consulting Partners, Inc., three members of the public called in to the meeting.

Please be advised that the Administration & Operations Committee may vote to convene in closed session of the following item (I.), as provided in Section 19.85 (1)(c), for considering employment, promotion, compensation or performance evaluation data of any public employe over which the governmental body has jurisdiction or exercises responsibility and in Section 19.85 (1)(f), when considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. The Administration & Operations Committee may then vote to reconvene in open session following the closed session.

Acceptance of Baker Tilly 2022 Financial Audit.

The Committee did not convene in closed session as noticed.

As a matter of information, Committee members received from Baker Tilly the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards" dated July 18, 2023. Committee members also received the Baker Tilly "Reporting and insights from 2022 audit: Employees' Retirement System of the City of Milwaukee" dated December 31, 2022. Mr. Coyle said they did not find anything to deviate from their audit plan when they originally met with the Committee in March. He congratulated the ERS for issuing an Annual Comprehensive Financial Report (ACFR) because organizations are not required to issue a financial statement that meets the ACFR standards. Mr. Coyle discussed the financial statement with its opinion and said it is similar to the prior year and is an unmodified or unqualified opinion which is the highest level of assurance readers of ERS' financial statements can rely on. He noted the most significant impacts every year are return on investment but in 2022 the losses

on investments exceeded the employer and employee contributions. Mr. Coyle said the ERS was at a negative \$440 million dollars and with the deductions, the net position was decreased by a little over \$900 million dollars. He said, however, the markets have started to come back in 2023. He said in 2022 there was a negative return of 6.5%, but in 2021, he said there was a return of almost 19%. Mr. Coyle said the Fund was 93% funded last year and this year is only 78% funded.

Ms. King arrived at 11:12 a.m.

Ms. Middleman went over the required communications to those charged with governance and said the presented packet is an all-inclusive deliverable of what those required communications are. She said the financial statements are prepared by senior management and that Baker Tilly, during their audit, looks to see that things are operating effectively, but they do not test internal controls. Ms. Middleman said that management is responsible for accounting policies and that new accounting pronouncements are captured in the financial statement. She noted there was one new accounting pronouncement, regarding GASB 87, which is accounting for leases. She also mentioned another new accounting pronouncement for 2024, GASB 96, regarding subscription-based information technology arrangements. Ms. Middleman also discussed additional required communications and the auditor is required to provide unadjusted figures in the financial statements. She said investment returns were \$8.2 million higher than booked due to the cutoff date for preparation of the statements and with Private Equity and Real Estate values coming in after the cutoff date. She said last year investment returns were \$10.2 million higher after the cutoff date. She said the audit can be finalized now and management can sign a management representation letter. Ms. Middleman noted they will also provide an opinion on the cost-sharing employer allocation after they receive the information from the actuary. Discussion ensued.

It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the Acceptance of Baker Tilly 2022 Financial Audit.

Approval of Annual Comprehensive Financial Report (ACFR) for the Year Ended December 31, 2022.

As a matter of information, Committee members received the “Annual Comprehensive Financial Report” (ACFR). Mr. Gopalan said Baker Tilly provided an unmodified opinion and a clean opinion with no major audit findings or recommendations, other than the \$2 million adjustment noted above, based on estimated Private Equity and Real Estate returns. He noted the ERS received two awards in 2022 from NCPERS: the Certificate of Transparency resulting from ERS participation in NCPERS surveys and their requests for public data and the Government Finance Officers Association (GFOA) Certificate of Achievement in Financial Reporting for the 2021 ACFR. Mr. Gopalan said the 2022 ACFR is submitted for consideration. Mr. Gopalan said ERS implemented GASB Statement 87 updated standards for Accounting for Leases in the 2022 ACFR. He stated the statements disclosed the Wisconsin 2023 Act 12 along with adoption by the Common Council of a 2% city sales tax. He noted reported investment return of -6.5%, net of fees and that the ERS beat its benchmark by 400 basis points. Mr. Gopalan said in the last 10 years, the annual return, net of fees, was 8.1%, which exceeded the benchmark by 84 basis points. Mr. Allen noted the median outcome for public funds in the Callan universe as well as the WRS, were both at approximately -13%. He noted the ERS was 600 basis points better than the median. Mr. Gopalan noted the Fund’s investment returns ranked in the top quartile of public fund peers over the one-, three-, five-, and ten-year periods per Callan’s peer fund universe. He added that over \$2.9 billion was paid out in benefit payments over the last 10 years, while increasing the fiduciary net position from \$4.9 billion to \$5.5 billion. Mr. Gopalan said due to the -6.5% loss in 2022, the funded status

was at 78%. He commented that the investment income was 72% of revenue from 2018-2022 and dipped from 82% last year due to the negative investment return. Mr. Gopalan said from 2018-2022, benefit payments increased 16.3% and administrative expenses stayed level throughout the five years. He concluded that this year is Baker Tilly's last financial audit of the ERS and they have been auditing CMERS since 2001. He commended Baker-Tilly officials for conducting the financial audits for the last 20 years. Discussion ensued.

It was moved by Ms. King, seconded by Mr. Klusman, and unanimously carried, to approve the Approval of Annual Comprehensive Financial Report (ACFR) for the Year Ended December 31, 2022.

Approval of Annual Report of the Annuity & Pension Board 85th Edition, December 31, 2022. Mr. Gopalan noted the tri-fold report is sent every year to members who receive a benefit and is included with the August payroll statements. He said it is a condensation of the ACFR.

It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the Approval of Annual Reports of the Annuity & Pension Board 85th Edition, December 31, 2022.

Ms. Sawa 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)(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.

Results and Approval of Proposals to RFP for Internal Audit Services.

It was moved by Ms. King, seconded by Mr. Klusman, and unanimously carried to convene in closed session by the following roll call vote: AYES: Ms., Sawa, Ms. King, Mr. Klusman. NOES: None.

The Committee convened in closed session at 11:44 a.m.

The Committee reconvened in open session at 11:59 a.m.

It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the decision made in closed session for the RFP for Internal Audit Services.

Ms. Sawa concluded by congratulating Ms. King who passed her NCPERS exam which is the accredited fiduciary program.

Ms. Sawa adjourned the meeting at 12:01 p.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.)

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

Minutes of the Legislative Committee Meeting (Committee of the Whole)
held July 24, 2023

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

Committee Members Present: Matthew Bell
Timothy Heling
Molly King
Tom Klusman
Rudy Konrad
Nik Kovac
Aycha Sawa
Deborah Ford, Chair

ERS Staff Present: Bernard J. Allen, Executive Director
Melody Johnson, Deputy Director
Dan Gopalan, Chief Financial Officer
David Silber, Chief Investment Officer
Erich Sauer, Deputy Chief Investment Officer
Jeff Shober, Chief Technology Officer
Gust Petropoulos, Deputy Director Disability
Mary Turk, Business Operations Analyst
Jan Wills, Board Stenographer

Others Present: Patrice Beckham, Aaron Chochon, Ryan Gundersen, Larry Langer, Cavanaugh Macdonald, LLC; Jason Ellement, Callan; Patrick McClain, City Attorney's office; Terry Siddiqui, DS Consulting, Inc.; one member of the public called in for the open session of the meeting.

Ms. Ford advised that the Legislative Committee (Committee of the Whole) of the Annuity and Pension Board may vote to convene in closed session on the following item (I.), 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 Legislative Committee (Committee of the Whole) of the Annuity and Pension Board may then vote to reconvene in open session following the closed session.

I. Review of Proposed Chapter 36 Amendments Required By 2023 Wisconsin Act 12.

It was moved by Mr. Bell and seconded by Ms. King that the Legislative Committee of the Annuity and Pension Board convene in closed session on item I. The motion prevailed by the following roll call vote: AYES: Mses. Ford, King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Committee convened in closed session at 9:02 a.m.

In closed session, it was moved by Mr. Heling, seconded by Ms. King, and unanimously carried, to adjourn the meeting.

There being no further business, Ms. Ford adjourned the meeting at 11:55 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 Legislative Committee Meeting (Committee of the Whole)
held August 29, 2023

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

Committee Members Present: Matthew Bell
Timothy Heling
Molly King
Tom Klusman
Rudy Konrad
Nik Kovac
Aycha Sawa
Deborah Ford, Chair

ERS Staff Present: Bernard J. Allen, Executive Director
Melody Johnson, Deputy Director
Dan Gopalan, Chief Financial Officer
David Silber, Chief Investment Officer
Gust Petropoulos, Deputy Director Disability
Mary Turk, Business Operations Analyst
Jan Wills, Board Stenographer

Others Present: Aaron Chochon, Larry Langer, Cavanaugh Macdonald, LLC; Katherine Headley, Patrick McClain, City Attorney's office; Terry Siddiqui, DS Consulting, Inc.; three members of the public called in for the open session of the meeting.

A special meeting of the Annuity & Pension Board was also convened, as there was a quorum of the Board present via internet and/or teleconference.

Ms. Ford advised that the Legislative Committee (Committee of the Whole) may vote to convene in closed session on the following items (I. and II.), as provided in Section 19.85(1)(f), Wisconsin State Statutes, for considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations. The Legislative Committee (Committee of the Whole) of the Annuity and Pension Board may then vote to reconvene in open session following the closed session.

I. Disability Findings – Benjean Lara.

Ms. Ford advised that the Legislative Committee (Committee of the Whole) of the Annuity and Pension Board may vote to convene in closed session on the following item (II.), 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 Legislative Committee (Committee of the Whole) of the Annuity and Pension Board may then vote to reconvene in open session following the closed session.

II. Consider Approval of Proposed Chapter 36 Amendments Required By 2023 Wisconsin Act 12.

It was moved by Ms. King and seconded by Mr. Bell that the Legislative Committee of the Annuity and Pension Board convene in closed session on items I. and II. The motion prevailed by the following roll call vote: AYES: Mses. Ford, King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Committee convened in closed session at 9:05 a.m.

The Committee reconvened in open session at 10:48 a.m.

It was moved by Mr. Klusman, seconded by Mr. Konrad, and unanimously carried, to deny the application for Benjean Lara for duty disability and ordinary disability benefits and submit a copy of the Board's written final determination to the applicant.

It was moved by Mr. Bell, seconded by Mr. Heling, and unanimously carried, to approve the proposed amendments to Chapter 36 as drafted by Assistant City Attorney Patrick McClain as revised, a copy of which is on file with the Board Secretary as well as the proposed amendments to the funding policy drafted by the actuary and reflected in his presentation on file from July 24, 2023.

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

There being no further business, Ms. Ford adjourned the meeting at 10:53 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 Investment Committee Meeting
held September 7, 2023 via teleconference

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

Committee Members Present: Matthew Bell
 Timothy Heling
 Molly King
 Thomas Klusman, Chair
 Nik Kovac
 Rudy Konrad
 Aycha Sawa

Committee Members Not Present: Deborah Ford (excused)

ERS Staff Present: David Silber, Chief Investment Officer
 Erich Sauer, Deputy Chief Investment Officer
 Dave Walters, Pension Investment Analyst – Sr.
 Thomas Courtright, Pension Investment Analyst
 Dan Gopalan, Chief Financial Officer
 Jan Wills, Board Stenographer

Other present: Jason Hoyer, Scott Rosener, Reams Asset Management; Brian Kennedy, Loomis Sayles; John Jackson, Mike Joecken, David Zee, Callan; Bryant Ferguson, Reinhart; Travis Gresham, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc.; two members of the public called in.

Mr. Klusman advised that the Investment Committee may vote to convene in closed session on the following item 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 Investment Committee may then vote to reconvene in open session following the closed session.

It was moved by Mr. Bell, and seconded by Mr. Heling to convene in closed session. The motion carried by the following roll call vote: AYES: Mses. King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Committee convened in closed session at 9:04 a.m.

The Committee reconvened in open session at 9:12 a.m.

Approval of Mesirow Private Equity Fund IX, L.P. Side Letter Revision. As a matter of information, Committee members received the Execution Version of the Mesirow Private Equity Fund IX, L.P. Side Letter Revision.

It was moved by Ms. King, seconded by Mr. Bell and unanimously carried, to approve the Approval of Mesirow Private Equity Fund IX, L.P. Side Letter Revision.

Callan Private Equity Pacing and Reinvestments 2024 Presentation. As a matter of information, Committee members received the Callan Private Equity Pacing and Reinvestments 2024 Presentation memo. Mr. Jackson noted the action items are two-fold: to make an investment in the Abbott Annual Program 2024 and the Apogem Private Equity Fund XI. He said that each year Callan prepares, in conjunction with the CMERS Staff, an annual commitment-pacing projection model. He said this provides a vehicle to account for investments made, distributions coming out of the program, as well as future commitments to maintain the target allocation, which is 12%. Mr. Jackson said currently the portfolio's allocation represents 13.4% of Fund assets. He noted the range for Private Equity is 9%-17%. Mr. Jackson said the first close to invest \$40 million dollars with Abbott is December 2023 and first close to invest \$30 million dollars with Apogem Private Equity Fund XI is expected to be in 2024. Discussion ensued.

Due Diligence Reports.

Abbott Capital. As a matter of information, Committee members received the due diligence memo from Mr. Walters. Mr. Walters said he and Mr. Sauer conducted a routine due diligence visit with Abbott in New York City in June. He said Abbott is one of four Private Equity managers hired to invest through the Diversified Fund of Fund vehicles. Mr. Walters said they focus on manager skill. He noted a new AP Fund or annual program is offered each year and each AP Fund targets a diversified mix of 25-40 managers across North American Private Equity, Venture and Growth Equity, European Private Equity, and Small Buyout Sectors. He said Abbott can also do opportunistic investments which comprise co-investments and secondary investments. He noted CMERS has committed \$410 million dollars across 13 AP Funds since 2010 with \$315 million dollars of invested capital as of March 31. He said there was a succession recently due to a retirement. Mr. Walters stated the core team of five senior managers has been working together since 2007. He added the opportunistic fund increased to 25% of the portfolio.

Neuberger Berman. As a matter of information, Committee members received the due diligence memo from Mr. Sauer. He said, in addition to conducting the due diligence visit, they were also able to attend their annual investor conference. Mr. Sauer noted Neuberger Berman is different from other Private Equity managers in that they manage a secondary fund and buy existing interests from other investors or directly from the general partner managing those funds. Mr. Sauer said Neuberger is stable, the team is in good shape, and they had done succession planning also. He noted Neuberger has been doing more GP-led secondaries, which are more labor intensive and have been adding senior people to work those deals that take more time than a traditional secondary purchase. Mr. Sauer noted many investors like CMERS are overweight Private Equity, and Neuberger has said this is the best secondary market in the last 10 years. He said Fund V is CMERS' largest commitment to Neuberger.

Approval of 2024 Private Equity Commitment Recommendation. Mr. Silber reminded the Committee that the Callan Pacing and Reinvestments presentation recommended approving \$40 million to Abbott's AP 2024 Fund and \$30 million to Apogem's APEF XI Fund. It was moved by Mr. Konrad, seconded by Mr. Bell, and unanimously carried, to approve the Approval of 2024 Private Equity Commitment Recommendation.

Approval of Private Equity Statement of Investment Policy Update. As a matter of information, Committee members received the redlined Private Equity Statement of Investment Policy document. Mr. Silber said the update was necessitated by the ALM study approved in June. He noted the changes included raising the target from 10% to 12% and the range went from 7%-15% to 9%-17%. It was moved by Mr. Heling, seconded by Ms. King, and unanimously carried, to approve the Approval of Private Equity Statement of Investment Policy Update.

The Chair called for a break at 9:36 a.m.

The Chair resumed the meeting at 9:42 a.m.

Reams Asset Management Presentation. As a matter of information, Committee members received the Reams Asset Management Presentation booklet. Messrs. Hoyer and Rosener gave a presentation to the Committee on the following topics: Firm Overview, Current Views & Investment Themes, Client Relationship Overview, Performance Review, and Portfolio Characteristics. Discussion ensued.

Mr. Klusman advised that the Investment Committee 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 Investment Committee may then vote to reconvene in open session following the closed session.

It was moved by Mr. Bell, and seconded by Mr. Heling to convene in closed session. The motion carried by the following roll call vote: AYES: Mses. King, and Sawa; Messrs. Bell, Heling, Klusman, Konrad, and Kovac. NOES: None.

The Committee convened in closed session at 10:04 a.m.

The Committee reconvened in open session at 11:08 a.m.

Loomis Sayles Guideline Presentation. As a matter of information, Committee members received the Loomis Sayles Guideline Presentation document. Mr. Silber noted there was nothing for the Committee to approve today. Mr. Kennedy discussed six items regarding rationale from the investment team on the following topics: to pursue the use of US Treasury futures within the account, to invest in individual bank loans, to pursue the use of CDX or credit default swaps, to eliminate the 144A percentage unit, to pursue the use of currency forwards (both deliverable and non-deliverable), and to pursue the use of the senior loan fund. Discussion ensued.

Approval of Reams Asset Management Guideline Change. As a matter of information, Committee members received the Reams Asset Management Guideline Change. It was moved by Mr. Konrad, seconded by Mr. Heling, and unanimously carried to hold the Reams Asset Management Guideline Change request to be heard at the next Board meeting pending written guidance from Callan.

CMERS 2nd Quarter 2023 Performance Update. As a matter of information, Committee members received electronically the CMERS 2nd Quarter 2023 Performance Update. Mr. Sauer discussed the market environment and stated stocks were up with the benchmark at 5.9%, bonds

were down with the U.S. Aggregate at -0.8%, Real Assets were at -2.8%, the Private Equity benchmark had a strong return at 7.8%, and Absolute Return had a 2.0% benchmark. He said the CMERS Benchmark had a 3.0% return for Q2. Mr. Sauer discussed the Relative Performance Expectations and said Value Equity Bias was at 4.0% for the Russell 3000 Value compared to 12.5% for the Russell 300 Growth, Small Cap Equity Bias was at 5.2% for the Russell 2000 versus 8.6% for the Russell 1000, Fixed Income Credit was at -0.3% with Loomis Sayles versus -0.8% for the Bloomberg US Agg. and Private Equity was 2.6% with CMERS PE versus 7.8% for the PE Benchmark. He added that for Q2, the CMERS Total Fund had a 2.2% net return versus the CMERS Benchmark of 3.0%. Mr. Sauer said for the ERS Fund Attribution, Brandes had a strong performance, adding 0.11% in Q2. He added Manager Selection and Style Bias are driving the returns. Mr. Sauer noted the Public Equity Performance is performing well, especially in the long-term years. He stated the Fixed Income had a nice year-to-date return and is generating cash flow from interest payments. Mr. Sauer concluded with a Performance Update and said for the year-to-date time period through June 30, the ERS Fund is at 5.6% versus the 7.4% benchmark. He added the August estimate is at -1.3% for both the ERS Fund and the Benchmark while the estimate through September 6, the estimate for the ERS Fund is at 5.1% versus the 7.7% Benchmark. The ERS Total Fund Market Value, as of September 6, 2023, is \$5.58 billion.

Informational. Messrs. Silber and Klusman noted the following items were informational only and placed them on file.

Chief Investment Officer Report.
Preliminary Performance Report and Asset Allocation.
Adjusted Quarterly Cost Basis of Equity.
Class Action Income 2023 YTD.
Callan 2nd Quarter 2023 Performance Report.

It was moved by Mr. Bell and seconded by Mr. Konrad to adjourn the meeting.

There being no further business, Mr. Klusman adjourned the meeting at 11:59 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
2023
Department
Employees' Retirement System

City of Milwaukee
Departmental
Appropriation Budget Balances

As of: 2023-09-30

	Budget	2023-6	2023-7	2023-8	2023-9	Year to Date Expended	Life to Date Commitments	Remaining Budget
<i>Regular Departmental Appropriations:</i>								
Employee Salaries & Wages	3,749,620.00	-	-	-	-	-	-	3,749,620.00
Base Pay-Salary & Wage	-	257,683.34	268,469.72	282,274.41	152,185.75	2,497,962.73	-	(2,497,962.73)
Overtime Premium	-	95.21	500.67	68.94	31.74	1,749.92	-	(1,749.92)
Other Worked Compensation	-	283.38	-	-	2,408.06	2,691.44	-	(2,691.44)
Non-Worked Compensation	-	-	-	-	-	8,796.45	-	(8,796.45)
Time Paid Not Worked	-	69,106.90	61,601.37	48,061.35	13,292.30	498,761.43	-	(498,761.43)
Employee Salaries & Wages	\$ 3,749,620.00	327,168.83	330,571.76	330,404.70	167,917.85	\$ 3,009,961.97	\$ -	\$ 739,658.03
Fringe Benefits Applied	1,687,329.00	-	-	-	-	-	-	1,687,329.00
Fringe Benefits Applied	-	131,212.38	136,704.80	143,734.13	-	1,194,469.70	-	(1,194,469.70)
Applied Employee Benefits	\$ 1,687,329.00	131,212.38	136,704.80	143,734.13	-	\$ 1,194,469.70	\$ -	\$ 492,859.30
Operating Expenditures	15,910,400.00	-	-	-	-	-	-	15,910,400.00
Office Supplies	-	1,335.51	279.70	545.65	178.85	6,418.60	-	(6,418.60)
Printed Forms	-	13,246.08	-	-	-	13,246.08	-	(13,246.08)
Magazines, Subscription	-	492.23	255.37	38.71	465.73	3,570.13	-	(3,570.13)
Postal and Mailing Services	-	11,397.88	11,573.18	11,773.30	-	90,506.06	-	(90,506.06)
Electricity	-	2,494.56	2,156.37	2,357.41	-	19,529.78	-	(19,529.78)
Films & Other Educational Item	-	-	-	-	-	998.00	-	(998.00)
Other Operating Supply	-	-	35,474.70	-	-	56,529.30	-	(56,529.30)
Building Rental	-	41,928.60	38,308.16	37,159.03	-	341,646.47	-	(341,646.47)
Passenger Vehicle Rental	-	23.50	-	-	-	23.50	-	(23.50)
Printing & Dupl Machine Rental	-	4,471.78	227.83	4,176.95	693.65	18,390.03	-	(18,390.03)
Consulting	-	67,510.00	60,195.00	47,585.00	-	336,526.55	-	(336,526.55)
Medical, Surgical & Lab	-	9,155.46	35,585.46	13,312.85	-	109,370.17	-	(109,370.17)
Administrative Charges	-	66,678.10	37,476.89	70,263.96	-	459,492.06	-	(459,492.06)
Other Professional Services	-	751,132.34	617,607.98	1,015,748.45	-	3,699,425.84	-	(3,699,425.84)
Systems Support	-	53,183.00	54,403.00	43,519.00	-	358,985.50	-	(358,985.50)
IT Infrastructure	-	1,020.00	7,762.50	-	-	97,666.16	-	(97,666.16)
Infrastructure	-	4,947.90	556.29	541.48	-	8,401.97	-	(8,401.97)
Telephone, Communications	-	12,907.76	3,516.43	3,931.01	2,294.57	52,795.63	-	(52,795.63)
Bldgs-Machinery & Equip Repair	-	-	41,145.82	422.00	-	45,777.11	-	(45,777.11)
Travel & Subsistence	-	3,356.29	4,941.24	1,950.92	1,053.25	26,797.28	-	(26,797.28)
Equipment Repair (Parts & Labo	-	184.00	-	-	-	402.29	-	(402.29)
Printing Services	-	-	7,899.95	1,967.01	-	13,527.67	-	(13,527.67)
Insurance-Non Health	-	-	-	-	-	13,800.00	-	(13,800.00)
Other Misc Services	-	469.67	267.27	1,986.67	-	18,637.41	-	(18,637.41)
Operating Expenditures	\$ 15,910,400.00	1,045,934.66	959,633.14	1,257,279.40	4,686.05	\$ 5,792,463.59	\$ -	\$ 10,117,936.41
All Equipment	2,036,000.00	-	-	-	-	-	-	2,036,000.00
Computer Server & Components	-	-	-	-	-	6,328.76	-	(6,328.76)
Total Equipment	\$ 2,036,000.00	-	-	-	-	\$ 6,328.76	\$ -	\$ 2,029,671.24
Total Regular Class	\$ 23,383,349.00	1,504,315.87	1,426,909.70	1,731,418.23	172,603.90	\$ 10,003,224.02	\$ -	\$ 13,380,124.98
<i>Other Departmental Appropriations:</i>								
Pol Pension Lump-Sum Sup Cont	10,000.00	-	-	-	-	10,000.00	-	-
PABF Payroll	24,000.00	1,979.20	1,312.07	989.28	-	13,304.48	-	10,695.52
Group Life Insurance Premium	4,200,000.00	329,188.78	330,498.65	325,159.04	-	2,644,294.47	-	1,555,705.53
Retiree's Benefit Adjustment	25,000.00	1,881.12	1,881.12	329.15	-	11,953.82	-	13,046.18
Other Classes	\$ 4,259,000.00	333,049.10	333,691.84	326,477.47	-	\$ 2,679,552.77	\$ -	\$ 1,579,447.23
Total Dept Appropriations	\$ 27,642,349.00	1,837,364.97	1,760,601.54	2,057,895.70	172,603.90	\$ 12,682,776.79	\$ -	\$ 14,959,572.21

Monthly Board Report

31-Jul-23

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-CASH ACCOUNT 2605491	0.00 0.00%	91,418,845.23 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	91,418,845.23 1.60%
MILWAUKEE-THE NORTHERN TRS 2605496	0.00 0.00%	0.00 0.00%	193,404,811.80 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	193,404,811.80 3.39%
MILWAUKEE-ERS EXPENSE FUND 2605504	0.00 0.00%	452,234.46 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	452,234.46 0.01%
MILWAUKEE-PABF BENEFIT PAYMENT 2610128	0.00 0.00%	2,510.72 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	2,510.72 0.00%
MILWAUKEE-DFA INTERNATIONAL 2619838	0.00 0.00%	0.00 0.00%	162,280,933.90 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	162,280,933.90 2.85%
MILWAUKEE-EARNEST -SL 2630942	0.00 0.00%	4,113,087.70 3.93%	100,676,731.80 96.07%	0.00 0.00%	0.00 0.00%	0.00 0.00%	104,789,819.50 1.84%
MILWAUKEE - UBS A&Q 2637239	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	288,225,863.00 100.00%	0.00 0.00%	288,225,863.00 5.05%
MILWAUKEE-DFA 2637848	0.00 0.00%	0.00 0.00%	187,224,515.50 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	187,224,515.50 3.28%
MILWAUKEE-BAIRD 2674604	0.00 0.00%	26,701,295.60 31.95%	0.00 0.00%	56,858,654.13 68.05%	0.00 0.00%	0.00 0.00%	83,559,949.73 1.47%
MILWAUKEE-CASTLEARK 2697782	0.00 0.00%	929,549.49 1.13%	81,848,230.04 99.20%	0.00 0.00%	0.00 0.00%	-272,586.81 -0.33%	82,505,192.72 1.45%
MILWAUKEE - BLACKROCK R1000V 4472746	0.00 0.00%	0.00 0.00%	194,726,818.00 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	194,726,818.00 3.41%
MILWAUKEE-LOOMIS SAYLE CME01	7,679,040.65 1.84%	0.00 0.00%	4,420,244.48 1.06%	412,887,028.90 98.77%	0.00 0.00%	-6,946,605.90 -1.66%	418,039,708.20 7.33%
MILWAUKEE-BRANDES INT'L EQUITY CME03	8,395,052.43 2.55%	0.00 0.00%	319,468,903.30 97.06%	0.00 0.00%	1,996,925.66 0.61%	-711,489.18 -0.22%	329,149,392.20 5.77%
MILWAUKEE-REAMS CME04	70,329,380.18 11.01%	0.00 0.00%	0.00 0.00%	750,094,974.80 117.40%	10,485,797.12 1.64%	-191,971,002.20 -30.05%	638,939,149.80 11.20%
MILWAUKEE-BLAIR CME05	4,102,614.99 1.83%	0.00 0.00%	219,592,243.90 97.83%	0.00 0.00%	961,593.57 0.43%	-198,929.03 -0.09%	224,457,523.40 3.94%

Monthly Board Report

31-Jul-23

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-MFS	2,058,937.99	0.00	205,651,890.40	0.00	434,799.38	0.00	208,145,627.80
CME12	0.99%	0.00%	98.80%	0.00%	0.21%	0.00%	3.65%
MILWAUKEE-POLN	0.00	3,719,262.16	121,615,310.00	0.00	0.00	0.00	125,334,572.20
2644553	0.00%	2.97%	97.03%	0.00%	0.00%	0.00%	2.20%
MILWAUKEE - PRINCIPAL DRA -SL	0.00	0.00	175,345,333.10	0.00	0.00	0.00	175,345,333.10
2677436	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	3.07%
MILWAUKEE-BLACKROCK GLOBAL-SL	0.00	0.00	245,264,640.50	0.00	0.00	11,500,000.00	256,764,640.50
2683493	0.00%	0.00%	95.52%	0.00%	0.00%	4.48%	4.50%
MILWAUKEE - APEF X / 4416352	0.00	0.00	0.00	0.00	7,476,792.00	0.00	7,476,792.00
4416352	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.13%
MILWAUKEE- AQR-SL	0.00	0.00	103,636,469.00	0.00	0.00	0.00	103,636,469.00
4468331	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	1.82%
MILWAUKEE-APTITUDE / 4479682	0.00	0.00	0.00	0.00	172,303,442.50	-6,262,000.00	166,041,442.50
4479682	0.00%	0.00%	0.00%	0.00%	103.77%	-3.77%	2.91%
MILWAUKEE - DFA US LCV	483,178.66	0.00	145,533,269.90	0.00	0.00	13,834.77	146,030,283.30
CME15	0.33%	0.00%	99.66%	0.00%	0.00%	0.01%	2.56%
MILWAUKEE - BLACKROCK US G-SL	0.00	0.00	0.00	388,188,233.90	0.00	-13,000,000.00	375,188,233.90
MULTIPLE	0.00%	0.00%	0.00%	103.46%	0.00%	-3.46%	6.58%
MILWAUKEE-PRIVATE EQUITY	0.00	0.00	0.00	0.00	748,993,731.00	0.00	748,993,731.00
MULTIPLE	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	13.13%
MILWAUKEE-REAL ESTATE	0.00	-284,441.59	0.00	0.00	498,117,193.36	284,025.23	498,116,776.96
MULTIPLE	0.00%	-0.06%	0.00%	0.00%	100.00%	0.06%	8.74%

Monthly Board Report

31-Jul-23

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
Total for consolidation	134,593,479.98	73,383,018.09	2,321,092,555.47	1,698,902,924.34	1,717,699,258.16	-243,320,801.14	5,702,350,434.99
% for consolidation	2.36%	1.29%	40.70%	29.79%	30.12%	-4.27%	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: 2023
As of August 31, 2023

Date	Amounts Expended			Balance
	Income From Lending	Fees	Administrative Transfers	
Balance 12-31-22				\$791,432.47
Quarter 1 Totals	\$207,243.48	\$40,423.69	\$792,000.00	166,252.26
Quarter 2 Totals	\$246,329.07	\$48,650.00	\$0.00	363,931.33
07/06/23	\$1,390.12	\$0.00	\$0.00	365,321.45
07/17/23	\$106,530.73	\$21,297.40	\$0.00	450,554.78
08/03/23	\$1,779.64	\$0.00	\$0.00	452,334.42
08/15/23	\$84,408.49	\$16,874.42	\$0.00	519,868.49
Current Totals	\$647,681.53	\$127,245.51	\$792,000.00	\$519,868.49

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

MERS PERFORMANCE ESTIMATES
August 31, 2023

Account	2022 Return	1st Quarter 2023	2nd Quarter 2023	Jul 2023	Aug 2023	YTD Thru 8/31/23
Northern Trust S&P 500 Index	-18.10%	7.50%	8.75%	3.21%	-1.58%	18.75%
S&P 500	-18.11%	7.50%	8.74%	3.21%	-1.59%	18.73%
Difference	0.01%	0.00%	0.01%	0.00%	0.01%	0.02%
BlackRock Russell 1000 Value Index	-7.54%	1.02%	4.09%	3.52%	-2.70%	5.92%
Russell 1000 Value	-7.54%	1.01%	4.07%	3.52%	-2.70%	5.88%
Difference	0.00%	0.02%	0.01%	0.01%	0.00%	0.04%
DFA US Large Cap Value	-4.95%	1.13%	3.42%	4.24%	-2.80%	5.97%
Russell 1000 Value	-7.54%	1.01%	4.07%	3.52%	-2.70%	5.88%
Difference	2.59%	0.12%	-0.66%	0.73%	-0.10%	0.09%
Polen	-37.54%	14.15%	9.75%	4.70%	-1.34%	29.41%
S&P 500	-18.11%	7.50%	8.74%	3.21%	-1.59%	18.73%
Difference	-19.43%	6.65%	1.00%	1.49%	0.25%	10.68%
Earnest	-15.13%	4.69%	4.11%	3.08%	-2.45%	9.59%
Russell MidCap	-17.32%	4.06%	4.76%	3.97%	-3.47%	9.40%
Difference	2.18%	0.63%	-0.65%	-0.89%	1.02%	0.19%
CastleArk	-27.99%	5.14%	5.35%	1.90%	-4.60%	7.67%
Russell 2000 Growth	-26.36%	6.07%	7.05%	4.68%	-5.21%	12.68%
Difference	-1.63%	-0.94%	-1.70%	-2.78%	0.60%	-5.01%
DFA US Small Cap Value	-1.67%	0.83%	4.61%	7.75%	-3.01%	10.23%
Russell 2000 Value	-14.48%	-0.66%	3.18%	7.55%	-4.81%	4.94%
Difference	12.81%	1.49%	1.43%	0.20%	1.80%	5.29%
Brandes	-6.88%	11.24%	4.87%	5.15%	-0.83%	21.65%
MSCI EAFE	-14.45%	8.47%	2.95%	3.24%	-3.83%	10.87%
Difference	7.57%	2.78%	1.92%	1.91%	3.00%	10.78%
William Blair	-28.99%	8.58%	3.18%	1.48%	-4.58%	8.48%
MSCI ACWI ex US	-15.57%	7.00%	2.67%	4.10%	-4.50%	9.22%
Difference	-13.42%	1.58%	0.51%	-2.62%	-0.08%	-0.74%
DFA Int'l Small Cap Value	-9.75%	6.53%	0.87%	5.63%	-2.76%	10.38%
MSCI EAFE Small Cap	-21.39%	4.92%	0.58%	4.43%	-3.33%	6.54%
Difference	11.64%	1.61%	0.30%	1.19%	0.57%	3.84%
AQR	-20.81%	5.87%	1.85%	6.46%	-5.90%	8.02%
MSCI EM	-20.09%	3.96%	0.90%	6.23%	-6.16%	4.55%
Difference	-0.72%	1.92%	0.95%	0.24%	0.26%	3.47%
BlackRock Global Alpha Tilts	-16.81%	7.56%	6.09%	3.71%	-2.73%	15.12%
MSCI ACWI	-18.36%	7.31%	6.18%	3.66%	-2.79%	14.80%
Difference	1.55%	0.26%	-0.09%	0.05%	0.06%	0.32%
MFS	-18.15%	8.46%	6.23%	2.24%	-2.04%	15.39%
MSCI ACWI	-18.36%	7.31%	6.18%	3.66%	-2.79%	14.80%
Difference	0.22%	1.16%	0.05%	-1.42%	0.75%	0.59%
BlackRock Gov't Bond Index	-12.31%	3.19%	-1.36%	-0.34%	-0.49%	0.94%
Bloomberg Gov't Bond	-12.32%	2.98%	-1.35%	-0.34%	-0.50%	0.74%
Difference	0.01%	0.21%	-0.01%	0.00%	0.01%	0.20%
Reams	-11.39%	4.03%	-0.58%	0.01%	-0.81%	2.60%
Bloomberg US Aggregate	-13.01%	2.96%	-0.84%	-0.07%	-0.64%	1.37%
Difference	1.62%	1.07%	0.26%	0.08%	-0.17%	1.23%
Loomis Sayles	-12.21%	3.28%	-0.23%	0.65%	-0.49%	3.21%
Bloomberg US Aggregate	-13.01%	2.96%	-0.84%	-0.07%	-0.64%	1.37%
Difference	0.80%	0.32%	0.62%	0.72%	0.15%	1.84%
UBS	8.91%	0.93%	0.96%	0.51%	0.71%	3.14%
SOFR + 4%	4.90%	2.08%	2.18%	0.74%	0.75%	5.87%
Difference	4.01%	-1.15%	-1.22%	-0.23%	-0.04%	-2.73%
Aptitude		0.18%	1.15%	0.40%	0.88%	2.64%
SOFR + 4%		2.08%	2.18%	0.74%	0.75%	5.87%
Difference		-1.90%	-1.03%	-0.34%	0.13%	-3.23%
Principal	-5.88%	1.28%	-0.82%	2.70%	-2.99%	0.08%
Blended Benchmark	-5.06%	1.11%	-1.20%	3.64%	-3.03%	0.40%
Difference	-0.82%	0.17%	0.38%	-0.94%	0.04%	-0.32%
Baird	-1.80%	1.32%	0.47%	0.53%	0.42%	2.78%
Bloomberg Govt/Credit 1-3 Year	-3.69%	1.51%	-0.37%	0.42%	0.35%	1.92%
Difference	1.89%	-0.19%	0.85%	0.11%	0.07%	0.86%
Total MERS	-6.49%	3.33%	2.16%	1.65%	-1.28%	5.92%

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, UBS, and Aptitude)

ACTUAL ALLOCATIONS

August 31, 2023

		Target	Market Value	Allocation
EQUITY				
Public Equity				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	3.45%	\$ 186,252,239	3.31%
	BlackRock (Russell 1000 Value)	3.45%	\$ 183,113,225	3.26%
	Sub-Total Passive Large Cap Equity	6.90%	\$ 369,365,465	6.57%
Active Large Cap Equity	Polen (S&P 500)	1.94%	\$ 118,018,341	2.10%
	DFA (Russell 1000 Value)	2.46%	\$ 135,363,996	2.41%
	Sub-Total Active Large Cap Equity	4.40%	\$ 253,382,336	4.51%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	1.77%	\$ 98,655,233	1.75%
	CastleArk (Russell 2000 Growth)	1.42%	\$ 77,269,874	1.37%
	DFA (Russell 2000 Value)	3.05%	\$ 173,242,559	3.08%
	Sub-Total Active Mid/Small Cap Equity	6.24%	\$ 349,167,666	6.21%
Total Domestic		17.55%	\$ 971,915,467	17.29%
International				
Active International Equity	Brandes (MSCI EAFE)	5.14%	\$ 311,748,717	5.55%
	William Blair (MSCI ACWI ex US)	3.91%	\$ 208,710,822	3.71%
	DFA (MSCI EAFE Small Cap)	2.84%	\$ 152,250,962	2.71%
	AQR (MSCI EM)	1.76%	\$ 97,521,376	1.73%
Total International		13.65%	\$ 770,231,877	13.70%
Global				
Active Global Equity	BlackRock (MSCI ACWI)	4.29%	\$ 238,563,582	4.24%
	MFS (MSCI ACWI)	3.51%	\$ 194,624,774	3.46%
Total Global		7.80%	\$ 433,188,356	7.71%
Total Public Equity		39.00%	\$ 2,175,335,700	38.69%
Private Equity				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	4.20%	\$ 314,218,154	5.59%
	Mesirow (Russell 3000 Quarter Lag + 2%)	4.20%	\$ 288,420,218	5.13%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.80%	\$ 56,635,677	1.01%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.80%	\$ 92,092,451	1.64%
Total Private Equity		12.00%	\$ 751,366,500	13.36%
TOTAL EQUITY (Public Equity + Private Equity)		51.00%	\$ 2,926,702,200	52.06%
FIXED INCOME & ABSOLUTE RETURN				
Fixed Income				
Cash		1.00%	\$ 40,442,081	0.72%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.22%	\$ 394,359,441	7.01%
Active Fixed Income	Reams (Bloomberg US Aggregate)	12.83%	\$ 699,762,622	12.45%
	Loomis Sayles (Bloomberg US Aggregate)	7.95%	\$ 434,158,775	7.72%
	Sub-Total Active Fixed Income	20.78%	\$ 1,133,921,397	20.17%
Total Fixed Income		29.00%	\$ 1,568,722,919	27.90%
Absolute Return				
	Aptitude (SOFR + 4%)	3.00%	\$ 167,496,735	2.98%
	UBS (SOFR + 4%)	4.00%	\$ 291,740,610	5.19%
Total Absolute Return		7.00%	\$ 459,237,345	8.17%
TOTAL FIXED INCOME & ABSOLUTE RETURN		36.00%	\$ 2,027,960,264	36.07%
REAL ASSETS				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.50%	\$ 132,945,158	2.36%
	Morgan Stanley (NFI-ODCE)	2.70%	\$ 150,080,228	2.67%
	LaSalle (NFI-ODCE)	2.30%	\$ 114,635,940	2.04%
	Prologis (NFI-ODCE)	1.30%	\$ 88,322,143	1.57%
	New Core Fund (NFI-ODCE)	0.90%	\$ -	0.00%
	Sub-Total Private Real Estate - Core	9.70%	\$ 485,983,469	8.64%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 11,154,749	0.20%
Public Real Assets	Principal (Blended Benchmark)	3.30%	\$ 170,097,772	3.03%
TOTAL REAL ASSETS		13.00%	\$ 667,235,990	11.87%
TOTAL ERS			\$ 5,621,898,454	100.00%
Total City Reserve Fund R. W. Baird 82,992,066				

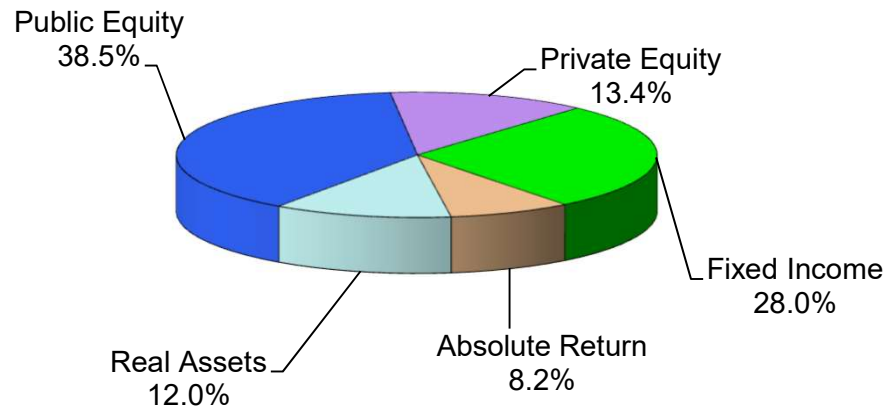
PROJECTED TARGET ALLOCATIONS

Sep 17, 2023

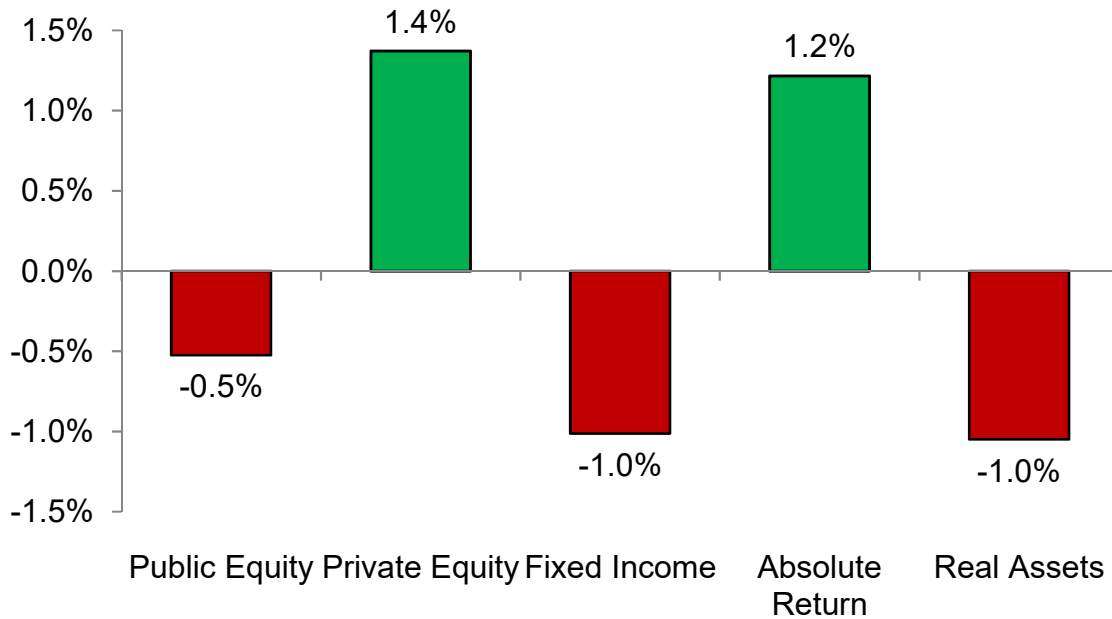
		Target	Market Value	Allocation
EQUITY				
Public Equity				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	3.45%	\$ 184,010,960	3.29%
	BlackRock (Russell 1000 Value)	3.45%	\$ 182,337,205	3.26%
	Sub-Total Passive Large Cap Equity	6.90%	\$ 366,348,165	6.55%
Active Large Cap Equity	Polen (S&P 500)	1.94%	\$ 115,845,818	2.07%
	DFA (Russell 1000 Value)	2.46%	\$ 134,804,520	2.41%
	Sub-Total Active Large Cap Equity	4.40%	\$ 250,650,338	4.48%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	1.77%	\$ 96,812,244	1.73%
	CastleArk (Russell 2000 Growth)	1.42%	\$ 74,311,687	1.33%
	DFA (Russell 2000 Value)	3.05%	\$ 168,695,354	3.02%
	Sub-Total Active Mid/Small Cap Equity	6.24%	\$ 339,819,285	6.08%
Total Domestic		17.55%	\$ 956,817,788	17.12%
International				
Active International Equity	Brandes (MSCI EAFE)	5.14%	\$ 314,559,698	5.63%
	William Blair (MSCI ACWI ex US)	3.91%	\$ 205,294,945	3.67%
	DFA (MSCI EAFE Small Cap)	2.84%	\$ 152,250,962	2.72%
	AQR (MSCI EM)	1.76%	\$ 98,112,876	1.76%
Total International		13.65%	\$ 770,218,481	13.78%
Global				
Active Global Equity	BlackRock (MSCI ACWI)	4.29%	\$ 231,767,612	4.15%
	MFS (MSCI ACWI)	3.51%	\$ 191,862,530	3.43%
Total Global		7.80%	\$ 423,630,142	7.58%
Total Public Equity		39.00%	\$ 2,150,666,411	38.48%
Private Equity				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	4.20%	\$ 310,243,154	5.55%
	Mesirow (Russell 3000 Quarter Lag + 2%)	4.20%	\$ 288,420,218	5.16%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.80%	\$ 56,635,677	1.01%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.80%	\$ 92,092,451	1.65%
Total Private Equity		12.00%	\$ 747,391,500	13.37%
TOTAL EQUITY (Public Equity + Private Equity)		51.00%	\$ 2,898,057,911	51.85%
FIXED INCOME & ABSOLUTE RETURN				
Fixed Income				
Cash		1.00%	\$ 52,752,736	0.94%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.22%	\$ 390,144,409	6.98%
Active Fixed Income	Reams (Bloomberg US Aggregate)	12.83%	\$ 691,273,119	12.37%
	Loomis Sayles (Bloomberg US Aggregate)	7.95%	\$ 430,193,148	7.70%
	Sub-Total Active Fixed Income	20.78%	\$ 1,121,466,266	20.06%
Total Fixed Income		29.00%	\$ 1,564,363,411	27.99%
Absolute Return				
	Aptitude (SOFR + 4%)	3.00%	\$ 167,496,735	3.00%
	UBS (SOFR + 4%)	4.00%	\$ 291,740,610	5.22%
Total Absolute Return		7.00%	\$ 459,237,345	8.22%
TOTAL FIXED INCOME & ABSOLUTE RETURN		36.00%	\$ 2,023,600,756	36.20%
REAL ASSETS				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.50%	\$ 132,945,158	2.38%
	Morgan Stanley (NFI-ODCE)	2.70%	\$ 150,080,228	2.68%
	LaSalle (NFI-ODCE)	2.30%	\$ 114,635,940	2.05%
	Prologis (NFI-ODCE)	1.30%	\$ 88,322,143	1.58%
	New Core Fund (NFI-ODCE)	0.90%	\$ -	0.00%
	Sub-Total Private Real Estate - Core	9.70%	\$ 485,983,469	8.69%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 11,144,566	0.20%
Public Real Assets	Principal (Blended Benchmark)	3.30%	\$ 170,865,708	3.06%
TOTAL REAL ASSETS		13.00%	\$ 667,993,743	11.95%
TOTAL ERS			\$ 5,589,652,410	100.00%
Total City Reserve Fund	R. W. Baird		83,014,690	

PROJECTED VERSUS POLICY ALLOCATIONS

Asset Mix Using Projected Balances



Asset Allocation vs. Current Policy Benchmark



YTD Market Value Change

December 31, 2022 Market Value including City Reserve & PABF Accounts			\$ 5,550,112,010
Monthly Cash Outflows thru	<u>September 17, 2023</u>		
Retiree Payroll Expense		\$ (306,482,183)	
PABF Payroll Expense		\$ (21,744)	
Expenses Paid		\$ (12,540,055)	
GPS Benefit Payments		\$ (6,084,041)	
Sub-Total Monthly Cash Outflows			\$ (325,128,023)
Monthly Cash Inflows thru	<u>September 17, 2023</u>		
Contributions		\$ 151,215,732	
PABF Contribution		\$ 23,737	
Sub-Total Monthly Contributions			\$ 151,239,469
Capital Market Gain/(Loss)			<u>\$ 296,443,643</u>
Value including City Reserve & PABF Accounts as of	<u>September 17, 2023</u>		<u>\$ 5,672,667,100</u>
Less City Reserve Account ¹			\$ 83,014,690
Less PABF Fund ²			\$ 2,517
Net Projected ERS Fund Value as of	<u>September 17, 2023</u>		<u><u>\$ 5,589,649,893</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.

2023 ESTIMATED MONTHLY CASH FLOWS

Revised 9/18/2023

(in 000's)

	<u>12/31/2022</u>	<u>1/31/2023</u>	<u>2/29/2023</u>	<u>3/31/2023</u>	<u>4/30/2023</u>	<u>5/31/2023</u>	<u>6/30/2023</u>	<u>7/31/2023</u>	<u>8/31/2023</u>	<u>9/30/2023</u>	<u>10/31/2023</u>	<u>11/30/2023</u>
<u>Beginning Cash Account Balance</u>												
Townsend Cash Account	5,435	-	-	-	-	-	-	-	-	-	-	-
Cash Contribution Account	-	-	-	-	-	-	-	-	-	-	-	-
Milwaukee Cash Account	17,447	80,926	44,668	55,372	44,788	51,099	26,178	91,206	40,998			
Total Cash Available	22,883	80,926	44,668	55,372	44,788	51,099	26,178	91,206	40,998			
Less: Estimated Cash Needs for non-Investment Outflows	39,500	39,500	39,500	39,500	39,500	39,500	39,500	39,500	39,500			
Cash Available for Other Outflows	(16,617)	41,426	5,168	15,872	5,288	11,599	(13,322)	51,706	1,498			
<u>For Monthly Cash Outflows of:</u>												
Retiree Payroll Expense	(39,141)	(39,561)	(39,102)	(38,290)	(39,016)	(38,553)	(39,619)	(39,285)	(39,794)	(39,890)	(39,987)	(40,085)
Normal Retirement Payroll	(38,011)	(38,140)	(38,215)	(38,049)	(38,308)	(38,271)	(38,890)	(38,598)	(38,695)	(38,791)	(38,888)	(38,986)
Retiree Lump Sum Payments	(1,130)	(1,421)	(886)	(241)	(708)	(283)	(729)	(687)	(1,099)	(1,099)	(1,099)	(1,099)
Real Estate Capital Calls	-	-	-	(43)	-	-	-	-	-	-	-	-
Private Equity Capital Calls	(826)	(1,620)	(11,248)	(3,017)	(13,730)	(25,576)	(300)	(2,244)	(5,962)	-	-	-
Expenses Paid through City	(1,949)	(1,554)	(1,410)	(566)	(2,112)	(835)	(1,588)	(2,526)	(822)	(1,949)	(1,949)	(1,949)
PABF Payroll	(2)	(12)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Sub-Total Monthly Cash Outflows	(41,917)	(42,747)	(51,761)	(41,917)	(54,859)	(64,965)	(41,508)	(44,056)	(46,579)	(41,840)	(41,937)	(42,035)
<u>For Monthly Cash Inflows:</u>												
Sponsoring Agency and Employee Contribution	2,514	2,483	3,470	2,779	2,530	2,438	2,263	3,242	2,275	2,280	2,286	2,292
Real Estate Distributions	2,400	42	11,651	345	251	3,330	0	-	-	-	-	-
Private Equity Distributions	235	3,647	9,453	2,389	3,376	11,468	314	7,456	5,212	-	-	-
Miscellaneous Income	164	315	277	218	213	269	296	213	238	80	80	80
Security Lending Transfer	792	-	-	-	-	-	-	-	-	-	-	-
City and Agency Required Contribution	101,853	-	-	-	-	-	19,560	5,217	1,319	-	-	-
PABF Inflow	2	2	14	1	-	-	2	1	1	1	1	1
Sub-Total Monthly Cash Inflows	107,961	6,489	24,865	5,733	6,370	17,506	22,437	16,129	9,046	2,361	2,367	2,373
Net Monthly Cash Inflows/(Outflows) Before Withdrawals	66,043	(36,258)	(26,896)	(36,184)	(48,489)	(47,460)	(19,071)	(27,927)	(37,534)	(39,479)	(39,570)	(39,662)
Net Monthly Cash Surplus (Need)	49,426	5,168	(21,728)	(20,312)	(43,201)	(35,860)	(32,394)	23,779	(36,035)	(39,479)	(39,570)	(39,662)
<u>Monthly Cash Withdrawals (Additions)</u>												
AQR												
BlackRock Global Alpha Tilts				9,900		39,600	11,500	5,300				
BlackRock Russell 1000 Value Index					3,000	17,600	9,000	6,300				
BlackRock US Government Bond Index				(50,000)	(44,000)	(15,000)	(59,000)	(8,000)				
Brandes			12,500	12,900	14,300	20,800	19,800	14,500	14,100			
CastleArk						5,300	4,500	1,400				
Dimensional Fund Advisors US Large Cap					4,500	9,100	5,000	6,500	4,800			
Dimensional Fund Advisors International				6,800	7,500	19,700	7,600	5,500				
Dimensional Fund Advisors US Small Cap						11,700	10,500	8,200	6,000			
Earnest						6,700	6,400	3,500	3,400			
Loomis Sayles			5,100			(35,000)	(41,000)	(18,000)				
MFS	(36,000)			8,200	8,900	13,300	12,800	9,100	6,800			
Northern Trust S&P 500 Index				6,000	15,600	22,100	8,900	4,000	3,200			
Polen			4,000	4,600	5,000	7,700	7,500	5,500	5,300			
Principal												
Reams			7,000	(47,000)		(94,000)		(66,000)				
UBS A&Q	28,000			75,000	20,000		50,000					
Goldman/Aptitude						(6,262)						
William Blair			9,000	9,100	10,100	14,800	13,500	5,400				
Sub-Total Monthly Cash Withdrawals	(8,000)	-	37,600	35,500	44,900	38,138	67,000	(16,800)	43,600			
<u>Estimated Month-End Cash Balance</u>												
Cash Available	41,426	5,168	15,872	15,188	1,699	2,278	34,606	6,979	7,565			
Estimated Cash Needs for non-Investment Outflows	39,500	39,500	39,500	39,500	39,500	39,500	39,500	39,500	39,500			
Total Cash Estimated on Hand For Next Month	80,926	44,668	55,372	54,688	41,199	41,778	74,106	46,479	47,065			