

**REGULAR MEETING OF THE ANNUITY AND PENSION BOARD
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
789 N. WATER ST. (Employees' Retirement System)
TUESDAY, MARCH 28, 2023 – 9:00 A.M.**

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

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

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

REGULAR MEETING

I. Approval of Minutes.

- A. Regular Meeting Held February 27, 2023.

II. Chief Investment Officer Report.

III. Administration & Operations Committee Report.

- A. Approval of Wells Fargo Extension Amendment.
B. Approval of Close out of 2022 Budget.

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

- C. Approval of Eide Bailly Contract.
D. Approval of DS Consulting Contract.

IV. New Business.

- A. Presentation by Cavanaugh Macdonald LLC Regarding Reset of the Stable Contribution Policy Percentage of Pensionable Earnings for 2023-2027.
B. Retirements, Death Claims, and Refunds (February).
C. Conference Requests – March 2023 Board Meeting.

V. Medical Reports.

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

VI. 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 (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.

VII. Informational.

- A. Pending Litigation Report.
- B. Conferences.
- C. Class Action Income 2023 YTD.
- D. Report on Bills.
- E. Deployment of Assets.
- F. Securities Lending Revenue and Budget Report.
- G. Preliminary Performance Report and Asset Allocation.

MEETING REMINDERS

SPECIAL ADMINISTRATION & OPERATIONS COMMITTEE MEETING

THURSDAY, APRIL 13, 2023 – 9:00 A.M.
789 N. WATER ST.

INVESTMENT COMMITTEE MEETING

THURSDAY, APRIL 20, 2023 – 9:00 A.M.
789 N. WATER ST.

REGULAR MEETING OF THE ANNUITY AND PENSION BOARD

TUESDAY, APRIL 25, 2023 – 9:00 A.M.
789 N. WATER ST.

I.

APPROVAL OF MINUTES

A. Regular Meeting Held February 27, 2023.

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

Minutes of the Regular Meeting
held February 27, 2023 via teleconference during COVID-19

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
Thomas Courtright, Pension Investment Analyst
Mary Turk, Business Operations Analyst
Jan Wills, Board Stenographer

Others Present: Patrice Beckham, Aaron Chochon, Larry Langer, Cavanaugh Macdonald, LLC; Patrick McClain, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc., 10 members of the public called in to the meeting.

Regular Meeting.

Appointment of Committees for 2023.

Administration and Operations Committee. Mr. Bell re-appointed Ms. Sawa, Ms. King, and Mr. Klusman to the Administration and Operations Committee. Mr. Bell also re-appointed Ms. Sawa as Chair of the Committee, which she accepted.

Investment Committee. Mr. Bell re-appointed Mr. Klusman as Chair of the Investment Committee, the Committee of the whole, which he accepted.

Legislative Committee. Mr. Bell re-appointed Ms. Ford as Chair, Mr. Kovac and Mr. Heling to the Legislative Committee, which they accepted.

Litigation Committee. Mr. Allen noted this was an *ad hoc* committee.

Approval of Minutes.

Annual Meeting Held January 24, 2023. It was moved by Ms. King, with the note that she was present at the meeting, but arrived at 9:04 a.m., seconded by Ms. Sawa, and unanimously carried, to approve the Minutes of the Annual Meeting Held January 24, 2023.

Chief Investment Officer Report. As a matter of information, Board members received the February 27, 2023 Performance Update. Mr. Sauer noted the Fund as of January 31, 2023, had a value of \$5.76 billion. He said the Fund had a return of 4.1% in January, gross of fees, which underperformed the blended benchmark by approximately seven basis points. Mr. Sauer commented the main drivers of relative performance were Manager Selection. He said within Real Estate, negative reports came in as interest rates rose, causing valuation declines for some of the Real Estate managers. Mr. Sauer noted Real Estate detracted 23 basis points. He commented there was strong performance from the Public Equity Managers with Brandes adding 14 basis points, and Polen added 12 basis points. Mr. Sauer said Overweight Private Equity detracted 12 basis points. He added the Fund had outperformed the benchmark in all other time periods shown. Mr. Sauer remarked as of February 24, 2023, the Fund was down 1.8% month-to-date in February, which brought the year-to-date return up 2.2%, and the Fund value to \$5.66 billion. He noted 10 out of the Fund's 16 active mandates are outperforming, year-to-date. Mr. Sauer stated the Public Equity and Fixed Income asset classes are outperforming their respective benchmarks year-to-date. He said year-to-date the Fund has seen a gain in the value of investments of \$122.6 million, paid benefits and expenses of \$42.6 million, and received contributions of \$106.9 million. Mr. Sauer concluded that due to City and Agency contributions, and a UBS redemption from January, benefits would be paid from the Fund's cash balance this month.

Mr. Silber said it is nice to be able to say that the ERS has a year-to-date positive return, which could not be said in 2022. He noted the Staff is currently handling a number of initiatives. Mr. Silber stated that the following closed session language was a placeholder on the agenda, but it was not necessary to go into closed session unless requested to by the Board. The Board did not convene in closed session.

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)(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.

Investment Committee Report. Mr. Klusman reported at its February 9th meeting, Callan presented phase 1 of the Asset-Liability study. He said using Callan's final 2023 capital market assumptions, the analysis focused on the expected return and risk of the Fund's current asset allocation, along with three representative asset allocations. He said Callan would begin working on phase 2 of the analysis after the Board approves the actuarial discount rate. Mr. Klusman noted that Staff presented the results of a liquidity analysis that they plan to reference in the event that the stock market does not recover in 2023. He commented that to provide Staff with the flexibility to pay 2023 monthly benefit payments by selling investments in Fixed Income rather than Stocks, the Committee approved extending to January 31, 2024 the 17.5% interim minimum Fixed Income allocation stated in the Statement of Investment Policy. He said if the Committee had not acted,

the minimum Fixed Income allocation would have reverted to 20% on March 1. Mr. Klusman commented that Staff also presented the 4th quarter performance update, the annual Value Add Analysis, along with routine due diligence reports on Brandes and Earnest. He remarked that as of December 31, 2022, the Fund's returns ranked in the top quartile of both Northern Trust's and Callan's peer universes over the past one-, five- and 10-year time periods. He noted the Value Add Analysis estimates the Fund's stock and bond allocations have added \$824 million, net of fees, over the past 28 years. He commented that when the Fund's Private Equity and Absolute Return allocations are included, the Analysis estimates that \$1.3 billion in added value has been generated, net of fees. Mr. Klusman noted that, in closed session, Callan provided an update on the Real Estate Manager Search approved last September, and the Committee Approved Real Estate Manager Finalists to interview at an upcoming meeting. He concluded by stating the Investment Committee recommended approval of the following items: Approval of Real Estate Manager Search Finalists, and Approval of Statement of Investment Policy Update.

Approval of Real Estate Manager Search Finalists. It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the Approval of Real Estate Manager Search Finalists.

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

Administration & Operations Committee Report.

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)(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. King, seconded by Ms. Sawa, 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 open session at 9:23 a.m.

Selection of Finalist Financial Audit Firm. It was moved by Mr. Klusman, seconded by Mr. Bell, and unanimously carried, to approve the Selection of Finalist Financial Audit Firm.

New Business.

Fiduciary Education Training – Assistant City Attorney Patrick McClain. Mr. McClain presented the annual Fiduciary Education Training to the Board members. He provided an overview of what a fiduciary is, the sources of fiduciary obligation, who is a fiduciary, and to whom they owe their duties. Mr. McClain discussed the duties themselves, consisting of loyalty,

prudence, and communication, as well as modern trends in the fiduciary context. Discussion ensued.

Chairman Bell called for a break at 10:26 a.m.

Chairman Bell resumed the meeting at 10:35 a.m.

Approval of Five-Year Experience Study. As a matter of information, Board members received the “Experience Study Results: Summary of Recommendations” presentation materials from Cavanaugh Macdonald dated February 27, 2023. Mr. Langer said it is time for the Board to adopt assumptions and move forward with the valuation and work on the investment allocation. Mr. Langer noted Cavanaugh Macdonald divided the proposed motions into four motions. Discussion ensued.

It was moved by Mr. Klusman, seconded by Ms. King, and unanimously carried, to approve the Demographic Assumptions – Change Retiree Mortality, Other Mortality, Retirement, Termination, Disability, Duty-related disability and Salary increases for the Five-Year Experience Study as provided by the Cavanaugh Macdonald Actuary Presentation.

It was moved by Mr. Konrad, seconded by Ms. Sawa, and unanimously carried, to approve the Economic Assumptions – Maintain current 7.50% assumption for the Five-Year Experience Study as provided by the Cavanaugh Macdonald Actuary Presentation.

It was moved by Mr. Heling, seconded by Mr. Konrad, and unanimously carried, to approve the Actuarial Methods - Change the funding periods for Gains/Losses (20 years), Contribution gains/losses (5), plan provisions for active (15), early retirement incentive (5), inactive reductions (15) inactive increases (1) and fresh start (25) for the Five-Year Experience Study as provided by the Cavanaugh Macdonald Actuary Presentation.

It was moved by Mr. Konrad, seconded by Mr. Heling, and unanimously carried, to approve the Stable Contribution Policy - Choose between Eliminate or Maintain based on 1.1.2023 actuarial valuation with understanding that rates can be updated before 2028 Stable Contribution reset for changes in assumptions or plan provisions as provided by the Cavanaugh Macdonald Actuary Presentation.

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

Active Death Benefits reported	\$0.00
Deferred Death	\$25,626.71
Deferred Death-Member Only Refund	\$0.00
Ordinary Death Benefits reported	\$0.00
Retired Death Benefits reported	\$35,423.79

Survivor Death – Termination Benefits reported	\$8,450.12
Refund of Member Contributions paid	\$370,849.59

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

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

Erich Sauer, Thomas Courtright, Dave Walters	Brian Kennedy (Loomis Sayles) CFA Luncheon
Sponsor:	CFA Society Milwaukee
Location:	Milwaukee, WI
Date(s):	March 8, 2023
Estimated Cost:	\$15.00 per person

Thomas Courtright	Callan 2023 National Conference
Sponsor:	Callan
Location:	Scottsdale, AZ
Date(s):	April 2 - 4, 2023
Estimated Cost:	\$1,900.00

It was moved by Mr. Klusman, seconded by Mr. Konrad, and unanimously carried, to approve the Conference Requests – February 2023 Board Meeting.

Medical Reports.

All Duty & Ordinary Disability Applications & Re-examinations (February). Staff presented certifications (February 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>
Gilbert Baltutis	Approval
Derek Geppert	Approval
Bradley Davis	Approval
Robert Hehn	Approval
Christine Jacobs	Approval
John Schmaelzle	Approval
Robert Smith	Approval
<u>Fire – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Samuel Uribe	Approval

GC – Re-examinations – OrdinaryRecommendation

Wilma Mendez
Sherry Tomasello

Approval
Approval

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

Unfinished Business.

Pending Legal Opinions and Service Requests Report. Mr. McClain said the City Attorney's office is caught up on Legal Opinions and the contract-related Service Requests are in process.

Pending Legislation Report. Mr. Allen stated there is no current Pending Legislation.

Mr. Allen stated the following closed session language is for the Administration section of his Executive Director's Report and the first part of his report would be in open session.

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

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.

It was moved by Ms. Sawa, seconded by Ms. King, 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 12:07 p.m.

The Board reconvened in open session at 12:22 p.m.

Informational.

- 1) Pending Litigation Report.
- 2) Conferences.
- 3) Class Action Income 2023 YTD.
- 4) Adjusted Quarterly Cost Basis of Equity.
- 5) Minutes of the Special Administration & Operations Committee Meeting Held January 30, 2023.
- 6) Minutes of the Investment Committee Meeting Held February 9, 2023.

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

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

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

Mr. Bell adjourned the meeting at 12:23 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.)

II.

CHIEF INVESTMENT OFFICER REPORT

Milwaukee Employees' Retirement System - March 28, 2023

Fund as of February 28, 2023

*Fund value of \$5.62b.

*Fund return of -1.7% in February, gross of fees, outperformed by approximately 17bp.

*Primary Relative Perf. Drivers:
Manager Selection

Brandes 12bp
Blair 6bp

*Fund has outperformed benchmark in all time periods shown.

Mar. Update (as of 3/21/23)

*Fund return -0.7% MTD

*Fund return 1.6% YTD

*Fund value \$5.59b

*11 out of 16 active mandates outperforming YTD.

*Fixed Income asset class outperforming its benchmark YTD.

*Investment Change: \$96.3m

*Benefits & Expenses: 82.2m

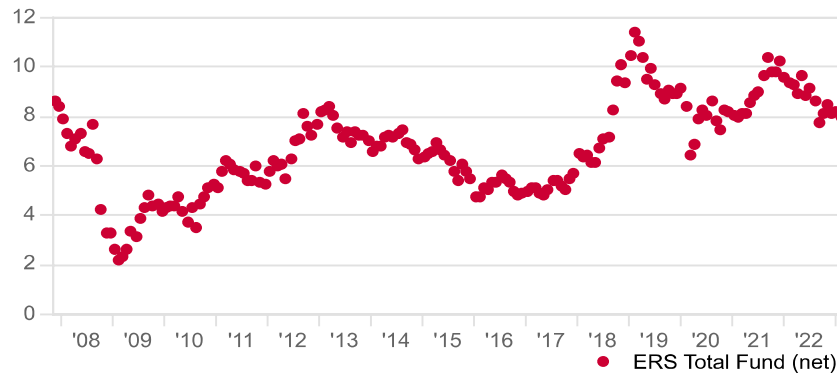
*Contributions: 109.4m

Monthly Withdrawals:

Brandes \$12.5m, Blair \$9m, Reams \$7m, Loomis \$5.1m, Polen \$4m

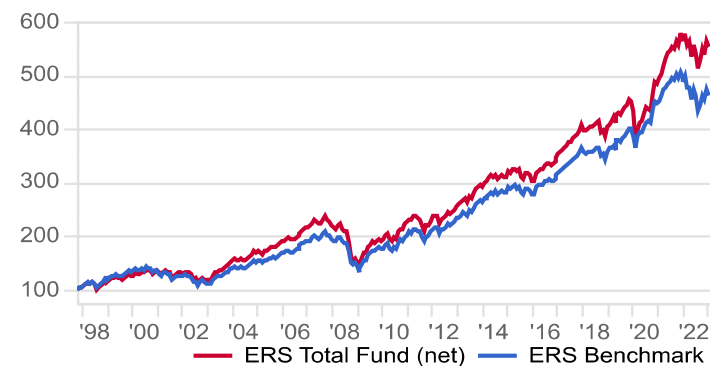
Total Fund - 10-Year Rolling Returns

11/28/1997 to 02/28/2023



Growth of \$100 - Total Fund & ERS Benchmark

11/28/1997 to 02/28/2023



Return Data

Source Data: Monthly Return

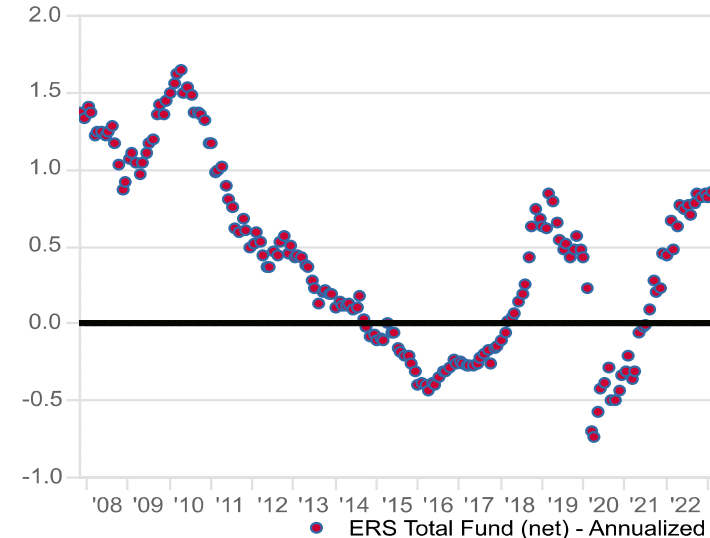
	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Total Fund (net)	-1.7	2.3	-3.6	6.8	8.0	6.5	8.1
ERS Benchmark	-1.9	2.2	-5.0	5.4	7.1	6.1	7.5

Total Fund - 20-Year Risk & Return Data

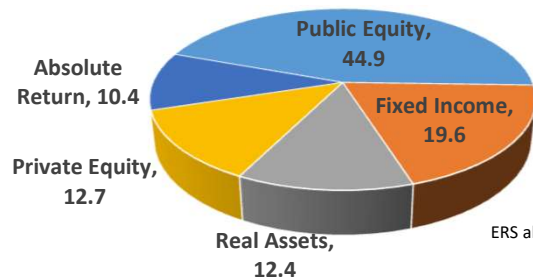
	Return	Std Dev	Tracking Error	Info Ratio (arith)	Sharpe Ratio	Alpha	Beta
Total Fund (net)	8.1	10.3	2.5	0.3	0.7	0.0	1.1
ERS Benchmark	7.5	9.2	--	--	0.7	0.0	1.0

Total Fund - 10-Year Rolling Excess Returns

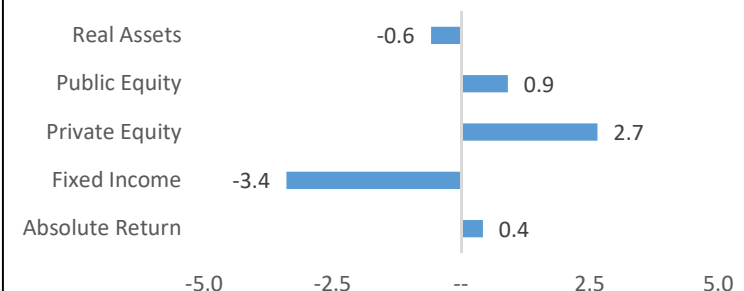
11/28/1997 to 02/28/2023



ERS Allocation as of February 28, 2023



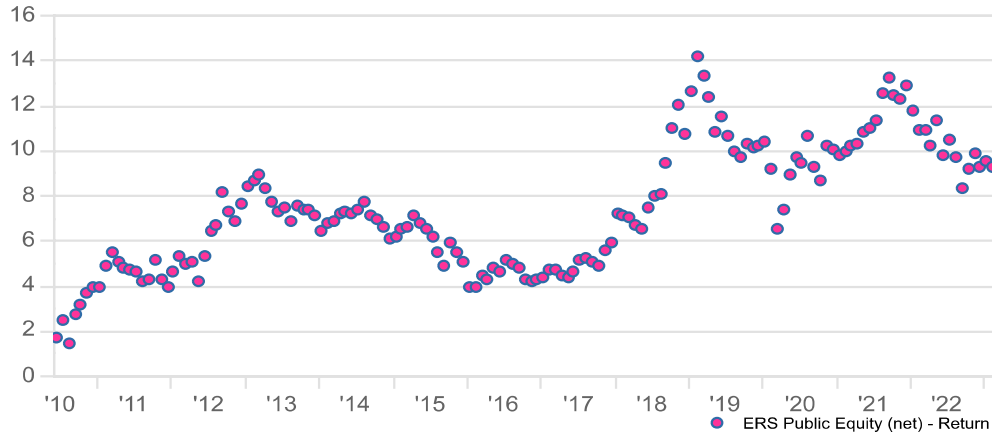
Asset Allocation vs Policy as of February 28, 2023



Milwaukee Employees' Retirement System - March 28, 2023

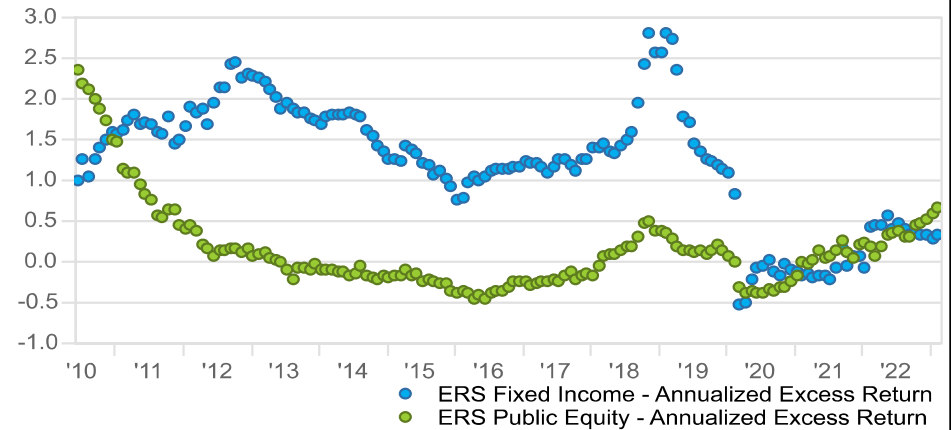
Public Equity - 10-Year Rolling Returns

06/30/2000 to 02/28/2023



Asset Class - 10-Year Rolling Excess Returns

06/30/2000 to 02/28/2023

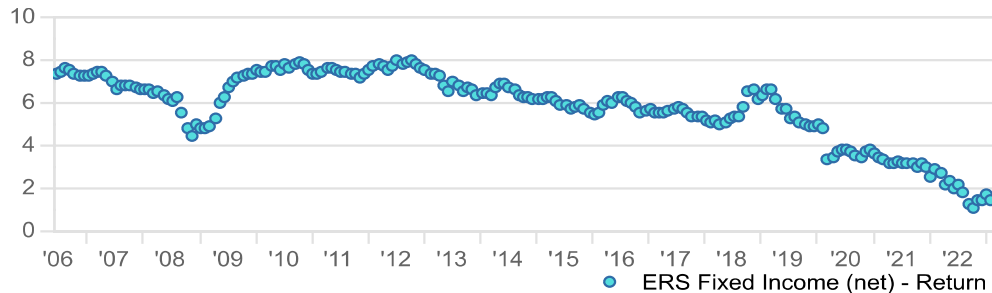


Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Public Equity	-2.4	5.4	-4.9	7.0	9.6	7.3	9.3
Public Equity (net)	-2.4	5.4	-5.2	6.6	9.3	6.9	9.0
Public Equity Benchmark	-2.8	4.4	-8.1	5.7	8.6	6.6	8.6
MSCI ACWI IMI NR USD	-2.8	4.4	-8.1	5.7	7.9	5.8	8.8

Fixed Income - 10-Year Rolling Returns

06/28/1996 to 02/28/2023

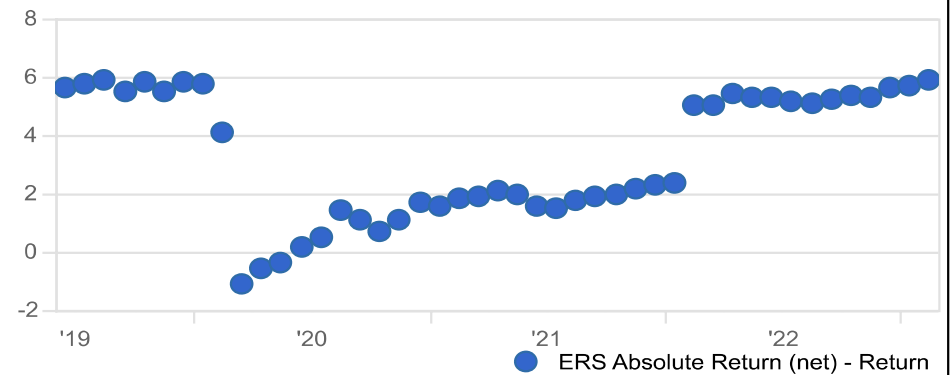


Risk Adjusted Returns (6/30/14 - 02/28/23)

	Return	Std Dev	Sharpe Ratio	Max Drawdown
Public Equity (net)	7.4	15.8	0.4	-25.3
Fixed Income (net)	1.2	6.4	0.0	-13.6
Absolute Return (net)	5.5	9.9	0.5	-27.1

Absolute Return - 5-Year Rolling Returns

06/30/2014 to 02/28/2023



Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Fixed Income	-2.4	1.0	-8.2	0.9	1.6	3.7	4.5
Fixed Income (net)	-2.4	1.0	-8.3	0.7	1.4	3.6	4.4
Bbg US Agg Bond TR USD	-2.6	0.4	-9.7	0.5	1.1	2.6	3.0

Return Data

	1 Month	YTD	1 Year	3 Year	5 Year	7 Year
Absolute Return (net)	-0.6	0.5	8.6	7.2	5.9	5.6
90-Day T-Bill + 3%	0.6	1.3	5.8	4.0	4.4	4.2

III.

ADMINISTRATION & OPERATIONS COMMITTEE REPORT

- A. Approval of Wells Fargo Extension Amendment.
- B. Approval of Close out of 2022 Budget.

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

- C. Approval of Eide Bailly Contract.
- D. Approval of DS Consulting Contract.

**THIRD AMENDMENT TO THE SERVICE AGREEMENT BETWEEN THE
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE AND WELLS
FARGO BANK, N.A.**

THIS THIRD AMENDMENT ("Third Amendment") to the Service Agreement ("Service Agreement") between the Employees' Retirement System of the City of Milwaukee (ERS) and Wells Fargo Bank, N.A. (CONTRACTOR) is made effective March 31, 2023.

WHEREAS, On January 1, 2018, the ERS and CONTRACTOR entered into the Service Agreement for general banking services, and

WHEREAS, The parties executed a Second Amendment to the Service Agreement to extend the term of the Service Agreement by three months,

WHEREAS, ERS and CONTRACTOR desire to amend the Service Agreement to extend the term of the Service Agreement by three months,

NOW, THEREFORE, in consideration of the mutual covenants herein stated, ERS and CONTRACTOR do hereby agree to amend the Service Agreement as follows:

1. Amend the Time of Performance to extend to term from March 31, 2023 to June 30, 2023.
2. All other covenants, provisions, terms and conditions of the Service Agreement shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment.

EMPLOYEES' RETIREMENT SYSTEM
OF THE CITY OF MILWAUKEE

WELLS FARGO BANK, N.A.

Date
Chair, Matthew P. Bell
Annuity and Pension Board

Date

Date
Executive Director, Bernard J. Allen

Employees' Retirement System of the City of Milwaukee
March 15, 2023
Memorandum



To: Bernard J. Allen, Executive Director

From: Daniel Gopalan, CPA, ERS Chief Financial Officer

Re: Final 2022 Payment to the City and 2022 Budget to Actual Expenditures

I have completed my analysis for our expenditure activity for fiscal year 2022. Our expenditures for the year ended December 31, 2022 total \$17,297,096.20 of which \$461,041.14 relates to non-trust activities. The remaining \$16,836,055.06 represents amounts that are funded by the Trust for 2022 expenses.

We have previously advanced the City \$15,426,000.00 toward these costs in 2022, leaving a balance owed of \$1,410,055.06

The final amount payable to the City is primarily comprised of costs incurred since the middle of December, the last time the Trust reimbursed the City for expenses and for amounts accrued to close out the fiscal year.

An analysis will be provided to the City with a cover letter requesting the City to prepare an invoice for this amount to be approved by the Board for final payment in settlement of the Trust's 2022 expenses.

Below you will find the 2022 Budget to Actual Summary:

CATEGORY	BUDGET	ACTUAL	AVAIL. BALANCE
SALARIES	\$ 3,583,222.00	\$ 3,492,460.66	\$ 90,761.34
FRINGE	1,648,282.00	1,522,165.41	126,116.39
GENERAL OFFICE	213,000.00	198,410.59	14,589.41
OPERATING SUPPLIES	5,000.00	2,043.62	2,956.81
FACILITY RENT & PROPERTY SERVICES	612,000.00	543,298.64	68,701.36
EQUIPMENT RENTAL	28,000.00	22,874.05	5,125.95
PROFESSIONAL SERVICES	12,234,000.00	9,250,027.03	2,983,972.97
INFORMATION TECHNOLOGY	1,432,000.00	803,389.51	628,610.49
OTHER OPERATING SERVICE	1,034,400.00	694,900.98	339,499.02
EQUIPMENT	873,000.00	767,525.71	105,474.29
TOTAL	\$21,662,904.00	\$17,297,096.20	\$ 4,365,807.80

c David Silber
Melody Johnson

Employees' Retirement System - City of Milwaukee

2022 Budget vs. Actual Expenses

For the Year Ended December 31, 2022

	Budget-Non Trust			Actual-Trust	Actual-Non	
	Budget-Trust Activity	Activity	Total Budget	Activity	Trust Activity	Total Actual
Direct Salary	\$ 2,939,700.00	\$ 170,500.00	\$ 3,110,200.00	\$ 2,787,923.64	\$ 162,581.00	\$ 2,950,504.64
Indirect Salary (21.36% of DS)	447,046.00	25,976.00	473,022.00	452,684.23	89,271.79	541,956.02
Total Salary	3,386,746.00	196,476.00	3,583,222.00	3,240,607.87	251,852.79	3,492,460.66
Fringe Benefits Applied	1,557,903.00	90,379.00	1,648,282.00	1,412,365.41	109,800.00	1,522,165.41
City Indirect Cost	123,000.00	-	123,000.00	117,100.00	-	117,100.00
Other Operating Expenditures	15,435,400.00	-	15,435,400.00	11,375,256.07	22,588.35	11,397,844.42
Equipment	873,000.00	-	873,000.00	767,525.71	-	767,525.71
Sub Total	21,376,049.00	286,855.00	21,662,904.00	16,912,855.06	384,241.14	17,297,096.20
Indirect-Non Trust Activity*	(57,400.00)	57,400.00		(76,800.00)	76,800.00	
Total O&M Activity	21,318,649.00	344,255.00	21,662,904.00	16,836,055.06	461,041.14	17,297,096.20
Fiduciary Liab Deductible	-					
Grand Total	\$ 21,318,649.00	\$ 344,255.00	\$ 21,662,904.00	\$ 16,836,055.06	\$ 461,041.14	\$ 17,297,096.20

* Management oversight, share of other operating expenditures

Salary Detail of Non-ERS Activity	Non Trust Gross Salary Budget	Gross Salary Budget	Total Actual Gross Salary	Total Actual Direct Salary	Non Trust Gross Salary Actual	Non Trust Direct Salary Actual
Johnson Health	46,529.00	46,529.00	45,865.77	39,531.11	45,865.77	39,531.00
Freeman Life	47,217.00	47,217.00	50,297.98	42,961.57	50,297.98	42,962.00
Gary Life	47,217.00	47,217.00	41,686.18	31,679.34	41,686.18	31,679.00
Hann Life/Dental	47,217.00	47,217.00	45,170.00	41,058.12	45,170.00	41,058.00
Niemiec Health/LIS/P/FABF	3,726.00	74,519.00	73,393.76	62,977.21	3,669.69	3,149.00
Langenohl PABF/FABF	3,047.00	60,931.00	63,628.22	57,302.07	63,628.22	2,865.00
Bates Life	1,523.00	60,931.00	61,398.09	53,478.17	1,534.95	1,337.00
	\$ 196,476.00	\$ 384,561.00	\$ 381,440.00	\$ 328,987.59	\$ 251,852.79	\$ 162,581.00

Employees' Retirement System - City of Milwaukee
2022 Budget vs. Actual Expenses
For the Year Ended December 31, 2022

Document Number	Group/ Source	Vendor	Descr	Total Invoice	Non-Trust	ERS
01977960	0000494782	NORT TRUST	1ST QTR PABF 2022	78.72	78.72	-
01999581	0000500697	NORT TRUST	2nd QTR PABF 2022	91.98	91.98	-
02018267	0000506382	NORT TRUST	3rdQTR PABF 2022	66.04	66.04	-
02040401	0000513070	NORT TRUST	4TH QTR PABF 2022	46.36	46.36	-
01971740	0000492989	CAV MACD	JAN 22 RETAINER FEES	23,116.25	17,866.25	5,250.00
01975410	0000494138	CAV MACD	FEB 22 RETAINER FEES	5,844.00	594.00	5,250.00
02004169	0000502054	CAV MACD	MARCH 22 RETAINER FEES	9,095.00	3,845.00	5,250.00
Totals				38,338.35	22,588.35	15,750.00

IV.

NEW BUSINESS

- A. Presentation by Cavanaugh Macdonald LLC Regarding Reset of the Stable Contribution Policy Percentage of Pensionable Earnings for 2023-2027.
- B. Retirements, Death Claims, and Refunds (February).
- C. Conference Requests – March 2023 Board Meeting.

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Deferred	JEANES	BARBARA	4/1/2021	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	FREEMAN	CAROLYN	9/16/2022	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	JORDAN	GWENDOLYN	11/5/2022	MAX	DEPT OF NEIGHBORHOOD SRVCS
Regular	Service	AMES	LISA	1/4/2023	MAX	CITY ATTORNEY
Regular	Service	LAWRENCE	DAVID	1/4/2023	100	DER - OPERATIONS DIVISION
Regular	Service	LAWRENCE	DAVID	1/4/2023	100	DER - OPERATIONS DIVISION
Regular	Service	NADEAU HALL	LORI	1/4/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	HETTINGER	RONALD	1/5/2023	100	MILWAUKEE FIRE DEPARTMENT
Regular	Service	MCKINLEY	JOSELYN	1/5/2023	MAX	LIBRARY - ADMINISTRATION SRVC
Regular	Early	GAULKE	ELAINE	1/6/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	MUELLER	MICHAEL	1/7/2023	100	MILWAUKEE FIRE DEPARTMENT
Regular	Service	BOWEN	STEPHEN	1/7/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CHAPMAN	THOMAS	1/7/2023	75	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	HAENZL	STEVEN	1/7/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Service	PHILLIPS	LISA	1/7/2023	100	HEALTH-LABORATORIES
Regular	Service	THOMAS	JEFFREY	1/7/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	KACZKOWSKI	TIMOTHY	1/10/2023	100	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Deferred	D'AMATO	MICHAEL	1/11/2023	100	COMMON COUNCIL - CITY CLERK
Regular	Service	BLACK	JOMINA	1/13/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HUI	BEN	1/15/2023	100	HEALTH-LABORATORIES
Regular	Deferred	NEUMAN	DANA	1/17/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HOEFER	JAMES	1/17/2023	100	DPW-INFRASTRUCTURE-ELECTRICAL
Regular	Early	FREIBERG	THERESE	1/18/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	REPISCHAK	JOHN	1/19/2023	100	DPW - INFRASTRUCTURE
Regular	Service	MATIAS	JUANITA	1/19/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	NYMAN	RICHARD	1/21/2023	MAX	WISCONSIN CENTER DISTRICT
Regular	Service	GRAY	DELORES	1/21/2023	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	HAMILTON	ANGELA	1/21/2023	100	HEALTH-CONSUMER PROTECTION
Regular	Service	ROBINSON	SHARON	1/21/2023	MAX	DOA - OFFICE OF THE DIRECTOR
Regular	Service	WOOLRIDGE	LANITA	1/21/2023	50	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	SIRNA	JEANNE	1/22/2023	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	HARLEY	JOHN	1/22/2023	70	DOA - INFO & TECH MGT DIV
Regular	Deferred	TARANTINO	MICHAEL	1/24/2023	MAX	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	BRAUNREITER	MICHAEL	1/27/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Service	MADUSCHA	KRAIG	1/28/2023	25	FIRE - FIREFIGHTING
Regular	Service	RYAN	MICHAEL	1/30/2023	50	FIRE - FIREFIGHTING
Regular	Service	PIETZ	DOUGLAS	1/31/2023	100	FIRE - FIREFIGHTING
Regular	Service	POLLOCK	THOMAS	1/31/2023	75	FIRE - FIREFIGHTING
Regular	Conversion (Duty Disability to Regular)	KARNER	JOHN	2/1/2023	50	FIRE - FIREFIGHTING
Regular	Conversion (Duty Disability to Regular)	SALOMONE	MICHAEL	2/1/2023	100	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	RESTIVO	MARIA	2/1/2023	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	BECKMAN	DAINA	2/1/2023	MAX	VEOLIA ENVIRONNEMENT
Regular	Service	SCHWAN	STEVEN	2/1/2023	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	TSORIS	JOHN	2/1/2023	50	ASSESSOR'S OFFICE

Board Report - February 2023

Deaths

Type	Last Name	First Name	Death Date	Payment Date	Amount
Deferred Death	STONE	DONALD	2/3/2022	2/28/2023	\$ 41,666.06
Retiree Death-Termination	BLAZEVIC	ARTHUR	8/23/2021	2/28/2023	\$ 1,689.45
Retiree Death-Termination	BLAZEVIC	JOHN	6/2/2021	2/28/2023	\$ 134.04
Retiree Death-Termination	BRZEZINSKI	KAREN	1/22/2023	2/28/2023	\$ 809.31
Retiree Death-Termination	CALLAN	VICKI	1/13/2023	2/28/2023	\$ 437.73
Retiree Death-Termination	CANNISTRA	VIOLA	12/11/2022	2/28/2023	\$ 130.61
Retiree Death-Termination	JOHNSON	LILLIE	11/27/2022	2/28/2023	\$ 584.88
Retiree Death-Termination	KNORR	MARGARET	10/21/2021	2/28/2023	\$ 270.89
Retiree Death-Termination	LIPSKI	ROGER	12/25/2022	2/28/2023	\$ 1,615.59
Retiree Death-Termination	O'LEARY	ROBERT	12/16/2022	2/28/2023	\$ 524.80
Retiree Death-Termination	PLEWA	RUTH	1/18/2023	2/28/2023	\$ 71.47
Retiree Death-Termination	REGNER	DORIS	11/27/2022	2/28/2023	\$ 606.39
Retiree Death-Termination	RODEFER	TILLIE	11/22/2022	2/28/2023	\$ 568.83
Retiree Death-Termination	RUTKOWSKI	HENRY	1/13/2023	2/28/2023	\$ 1,639.61
Retiree Death-Termination	SCHMIDT	EDWARD	1/11/2023	2/28/2023	\$ 1,398.79
Retiree Death-Termination	SIMENC	CAROL	6/9/2022	2/28/2023	\$ 62.57
Retiree Death-Termination	VOJVODICH	MILO	1/13/2023	2/28/2023	\$ 1,383.45
Retiree Death-Termination	WAGNER	EUGENE	1/24/2023	2/28/2023	\$ 1,749.28
Retiree Death-Termination	WIDMER	JEROME	12/24/2022	2/28/2023	\$ 2,502.28
Surv Death-Termination	BALISTRERI	MARY	12/4/2022	2/28/2023	\$ 103.55
Surv Death-Termination	BROOKS	BETTY	1/24/2023	2/28/2023	\$ 510.60
Surv Death-Termination	CANNISTRA	VIOLA	12/11/2022	2/28/2023	\$ 172.73
Surv Death-Termination	DRAGOSH	BEVERLY	12/21/2022	2/28/2023	\$ 829.38
Surv Death-Termination	DUNNING	MARY	11/29/2022	2/28/2023	\$ 3,191.04
Surv Death-Termination	ECKEL	JANET	12/28/2022	2/28/2023	\$ 1,727.62
Surv Death-Termination	GAGE	HILDEGARD	1/14/2023	2/28/2023	\$ 560.00
Surv Death-Termination	GALUSKA	LUCINDA	1/10/2023	2/28/2023	\$ 1,146.52
Surv Death-Termination	GERLACH	JAMES	1/20/2023	2/28/2023	\$ 339.79
Surv Death-Termination	GULCZYNSKI	CAROL	12/29/2022	2/28/2023	\$ 3,098.04
Surv Death-Termination	KONEK	GERALDINE	11/26/2022	2/28/2023	\$ 1,338.60
Surv Death-Termination	MC CLOUD	JOAN	12/9/2022	2/28/2023	\$ 372.21
Surv Death-Termination	PLEWA	RUTH	1/18/2023	2/28/2023	\$ 270.56
Surv Death-Termination	SCHWEDA	LEONORE	12/25/2022	2/28/2023	\$ 1,331.07
Surv Death-Termination	SELLIN	JOAN	1/2/2023	2/28/2023	\$ 62.22

Type	Last Name	First Name	Death Date	Payment Date	Amount
Surv Death-Termination	WEISMAN	JEANETTE	1/13/2023	2/28/2023	\$ 259.92
					TOTAL \$ 73,159.88
Retiree Death-Cont Opt	ANDERSON	ELMER	2/2/2023	2/1/2023	
Retiree Death-Cont Opt	BICKLER	WILLIAM	12/16/2022	2/1/2023	
Retiree Death-Cont Opt	BIESCHKE	DONALD	2/14/2023	2/1/2023	
Retiree Death-Cont Opt	LEWANDOWSKI	LINDA	1/28/2023	2/1/2023	
Retiree Death-Cont Opt	MEYER	DUANE	2/1/2023	2/1/2023	
Retiree Death-Cont Opt	PERINE	DAISY	12/7/2022	2/1/2023	
Retiree Death-Cont Opt	RYCHLINSKI	DONALD	2/6/2023	2/1/2023	
Retiree Death-Cont Opt	SMOGOLESKI	EDWARD	2/8/2023	2/1/2023	
Retiree Death-Cont Opt	STOKES	LINDA	2/3/2023	2/1/2023	
Retiree Death-Cont Opt	TABAKA	KENNETH	2/2/2023	2/1/2023	
Retiree Death-Cont Opt	WALSH	JAMES	2/16/2023	2/1/2023	
Retiree Death-Cont Opt	WARD	TERRY	12/5/2022	2/1/2023	

Board Report - February 2023**Withdrawals**

Type	Last Name	First Name	Payment Date	Amount
Administrative Withdrawal	ACOSTA	JAMELLA	2/28/2023	\$ 1,414.79
Administrative Withdrawal	COSEY	MARCEDES	2/28/2023	\$ 2,128.89
Administrative Withdrawal	DILLON	QUOTYSSIA	2/28/2023	\$ 1,472.04
Administrative Withdrawal	DOLL	WILLIAM	2/28/2023	\$ 369.04
Administrative Withdrawal	DOMBECK	LAUREN	2/28/2023	\$ 3,732.40
Administrative Withdrawal	KUHN	JEFFREY	2/28/2023	\$ 1,142.90
Administrative Withdrawal	MANZKE	SHANNON	2/28/2023	\$ 1,693.31
Administrative Withdrawal	PICKART	SHARON	2/28/2023	\$ 51.90
Administrative Withdrawal	SALEH	LEENA	2/28/2023	\$ 704.18
Administrative Withdrawal	WASHINGTON	MORENA	2/28/2023	\$ 114.59
Administrative Withdrawal	WHITESIDE	DYRESHA	2/28/2023	\$ 4,449.31
Full Refund	BOWLES	STEPHANIE	2/28/2023	\$ 462.22
Full Refund	DOTSON	NATASHA	2/28/2023	\$ 10,672.73
Full Refund	EVANS	REGINALD	2/28/2023	\$ 1,476.44
Full Refund	FREY	ANTHONY	2/28/2023	\$ 8,288.92
Full Refund	HILL	GERALD	2/28/2023	\$ 6,188.50
Full Refund	HILL	ROCHELLE	2/28/2023	\$ 5,533.36
Full Refund	HUNT	CHASITY	2/28/2023	\$ 14,054.26
Full Refund	HUNTER	SHANDA	2/28/2023	\$ 17,602.42
Full Refund	JONES	TEQUILLA	2/28/2023	\$ 9,628.66
Full Refund	KENNEDY	LEA	2/28/2023	\$ 4,119.90
Full Refund	LEWIS	NORMA	2/28/2023	\$ 13,568.34
Full Refund	LOVANG	TIMOTHY	2/28/2023	\$ 4,206.37
Full Refund	MAINI	JYOTI	2/28/2023	\$ 2,862.34
Full Refund	MC CRAY	TERRELL	2/28/2023	\$ 1,098.69
Full Refund	MOY	ROBERT	2/28/2023	\$ 1,832.96
Full Refund	MUELLER	EULALIA	2/28/2023	\$ 9,084.22
Full Refund	MUSE	KATRINA	2/28/2023	\$ 7,417.72
Full Refund	PERGOLSKI	HEIDI	2/28/2023	\$ 7,132.77

Type	Last Name	First Name	Payment Date	Amount
Full Refund	REYES-DUKE	REBECCA	2/28/2023	\$ 58,631.22
Full Refund	SCHAFER	JOHN	2/28/2023	\$ 999.30
Full Refund	TERRY	EDWARD	2/28/2023	\$ 17,202.10
Full Refund	WALLACE	KIT	2/28/2023	\$ 5,400.28
Full Refund	WARD	JASMINE	2/28/2023	\$ 2,697.53
Full Refund	WILLIAMS	MONIQUE	2/28/2023	\$ 359.05
Member Only Refund	AHONEN	ERIK	2/28/2023	\$ 4,473.49
Member Only Refund	CHATMAN	PATRICK	2/28/2023	\$ 1,266.38
Member Only Refund	EAUSLIN	MARY	2/28/2023	\$ 32.24
Member Only Refund	FRANK	KEVIN	2/28/2023	\$ 5,719.66
Member Only Refund	GONZALEZ	LENIA	2/28/2023	\$ 1,825.33
Member Only Refund	HARRINGTON	RYAN	2/28/2023	\$ 878.75
Member Only Refund	KEATS	KATHERINE	2/28/2023	\$ 308.95
Member Only Refund	KING	MAXWELL	2/28/2023	\$ 838.37
Member Only Refund	LESUEUR	TYRONNE	2/28/2023	\$ 774.64
Member Only Refund	LOVE	CHRISTOPHER	2/28/2023	\$ 416.17
Member Only Refund	LUPO	ESTHEFANIE	2/28/2023	\$ 1,514.00
Member Only Refund	MC EUENS	DONALD	2/28/2023	\$ 697.39
Member Only Refund	MC VANE	JOSEPH	2/28/2023	\$ 2,422.08
Member Only Refund	MERKEL	HANNAH	2/28/2023	\$ 12,714.56
Member Only Refund	MITCHELL	ALLISON	2/28/2023	\$ 961.53
Member Only Refund	MORRIS	ROBERT	2/28/2023	\$ 9,766.90
Member Only Refund	PALACIOS	LUCIANO	2/28/2023	\$ 1,103.24
Member Only Refund	RIPKE	BLAINE	2/28/2023	\$ 585.88
Member Only Refund	SCHAFER	NATHAN	2/28/2023	\$ 5,374.49
Member Only Refund	STARKS	LAKEISHA	2/28/2023	\$ 680.56
Member Only Refund	WALKER	NATALIJA	2/28/2023	\$ 430.96
Member Only Refund	WEAVER	WANDA	2/28/2023	\$ 4,888.62
Member Only Refund	WILLIAMS	ROCKELL	2/28/2023	\$ 4,681.38
TOTAL				\$ 290,149.22

Conference Requests – March 2023 Board Meeting

Erich Sauer	DFA Institutional Symposium
Sponsor:	Dimensional Fund Advisors
Location:	Austin, TX
Date(s):	May 2-4, 2023
Estimated Cost:	\$1,500.00

Molly King	NCPERS Annual Conference & Exhibition
	NCPERS Accredited Fiduciary (NAF) Program -
	Modules 3&4
Sponsor:	NCPERS
Location:	New Orleans, LA
Date(s):	May 21-24, 2023
Estimated Cost:	\$2,050.00

V.

MEDICAL REPORTS

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

MERITS

CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM

Page Number: 1 OF 1

Medical Panel Approvals Report

DATE RAN : 03/16/2023

Approved by Executive Director

Pension Board Meeting Date 03/28/2023

TIME RAN : 12:12

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>
1191	ELLIOTT, JOHN	HEO	FIRE	DD 75%	Re-Examination	Approved	Approved		11/15/2014	
65	MACGUIRE, TERESA	FIRE FIGHTER	FIRE	DD 75%	Re-Examination	Approved	Approved		07/01/2021	

Number of Cases: 2

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 : 03/08/2023
	Board Meeting: 03/28/2023	TIME RAN : 07:47

<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>
BRAYLOCK, QUEDELL	SEWER CREW LEADER II	DPW-SEWER	Duty Disability 75%	Re-Examination	06/15/2007	03/03/2023
GALL, DOUGLAS	GROUNDKEEPER	MPS	Ordinary Disability	Application	09/10/2022	03/03/2023
GULLEY, SASHA	BUILDING SERVICE HELPER I	MPS	Ordinary Disability	Re-Examination	10/25/2013	03/03/2023
MC NICHOL, JAMES	POLICE OFFICER	MPD	Ordinary Disability	Re-Examination	10/10/2019	03/03/2023

Number of Cases: 4

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 Council Denials Report	DATE RAN :	03/08/2023
	Board Meeting: 03/28/2023	TIME RAN :	07:47

<u>Case Number</u>	<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>
1527	BOYENGA, JOSHUA	POLICE OFFICER	MILWAUKEE POLICE DEPARTME	DD 75%	Application	03/31/2022	03/03/2023

Number of Cases: 1

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.

VI.

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 (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.



March 28, 2023 Board Meeting

PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT

PART 1. LEGAL OPINIONS - OFFICE OF CITY ATTORNEY

None.

PART 2. LEGAL OPINIONS - OUTSIDE LEGAL COUNSEL

None.

PART 3. SERVICE REQUESTS - OFFICE OF CITY ATTORNEY

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 On Pension Board agenda.

08/23/22

Financial Audit Services

Legal counsel requested to negotiate and draft a contract for annual financial and compliance audit services.

03/16/23 City Attorney's Office has provided ERS staff with the proposed financial audit services contract with Eide Bailly.

03/28/23 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.

02/01/23

Contract for Professional Management Services

ERS staff requests assistance from legal counsel to negotiate and draft professional management, information services and quality assurance consulting agreement.

02/28/23 Second request to the City Attorney's Office to negotiate and draft a service agreement.

03/07/23 Received proposed professional service agreement from City Attorney's Office.

03/28/23 On Pension Board agenda.

PART 4. SERVICE REQUESTS - OUTSIDE LEGAL COUNSEL

None.



March 28, 2023 Board Meeting

PENDING LEGISLATION REPORT

PART 1. PENDING CHARTER ORDINANCES FOR COMMON COUNCIL ACTION

None.

PART 2. PENDING CHANGES TO THE RULES & REGULATIONS

None.

PART 3. PENDING LEGISLATIVE COMMITTEE REFERRALS

Pension Contribution Offset

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

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

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

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

Employees' Retirement System – Executive Director's Report

March 2023

I. Personnel Update

A. ERS is working with DER to fill the position of Lead Pension Specialist.

II. Member Services

A. New retirees on payroll in February - 45; 24 are currently anticipated for the March payroll.

B. Retiree/Employee deaths in January - 32.

C. There will be a new Police Recruit class starting with 65 new recruits. We will be presenting pension and life insurance benefits to them on 3/21/23.

D. Two more Retirement Workshops have been added. These are for MMSD and will take place 4/20/23 and 4/27/23.

E. We will need to begin work to fill the Lead Pension Specialist position as the incumbent is retiring effective 3/17/23.

F. Below is a breakdown of to-date ERS benefits payouts/active/deferred counts:

Category	Count
Annuitants	
Death - Duty	26
Death - Ordinary	97
Disability - Duty	370
Disability - Ordinary	581
Retirement	12,743
Separation	38
Total Annuitants	13,855
Active	10,764
Deferred	3,182
Total Population	27,801

III. Financial Services

A. Staff has begun work on the 2024 Budget Request which is anticipated to be presented at the next Board meeting.

B. Staff continues to work with the actuary and financial auditors. Everything is currently on schedule.

IV. Information Services

- A. Struts Upgrade and Modernize MERITS Website in progress.
- B. VMware Host Servers Upgrade in progress.
- C. VMware Workspace ONE Implementation in progress.
- D. Network Infrastructure Firmware/OS Upgrade in progress.
- E. Video Conferencing System Upgrade in progress.
- F. Microsoft Exchange Upgrade in progress.
- G. IT Vulnerability Audit in progress.
- H. SQL Server Upgrade – MERITS & FileNet Databases in progress.
- I. Tape Libraries and Tape Media Upgrader in progress.
- J. Symantec Endpoint Protection Upgrade in progress.
- K. Change Auditor Upgrade completed.

V. Administration

Cavanaugh Macdonald is expected to release its calculation of the Stable Contribution 5-year percentage of pensionable wages for 2023-2027 pursuant to MCC-36-08 and MCC-08-15-15 before the end of this month incorporating the demographic and economic assumptions adopted by the Annuity & Pension Board at the February meeting. Staff will circulate the reset Stable Contribution 5-year percentage with the Board as soon as it is available and Larry Langer from the Cavanaugh Macdonald firm will be present at the March Board meeting to give a presentation regarding the reset of the Stable Contribution for 2023-2027.

Accordingly, once the Stable Contribution 5-year percentage is available from the actuary, a file will be opened with the Finance & Personnel Committee to amend the funding policy pursuant to MCC-36-15-15 to incorporate revisions to amortization of unfunded liability adopted by the Board at its February meeting pertaining to the Stable Contribution reset.

The State of Wisconsin Fiscal Bureau requested various CMERS public actuarial documents following a meeting in Madison with three state senators, Sen. Felzkowski (Irma), Sen. LeMahieu (Oostburg), Sen. Marklein (Spring Green) and/or their staff to address their questions concerning CMERS funding history and information related to additional funding for CMERS and the Milwaukee County Pension Plan. The meeting was also attended by representatives from Milwaukee County, WRS, the state Fiscal Bureau, Jim Bohl of the City Inter-governmental Relations Dept. and me.

Also, the Secretary of the WRS advised the senators that WRS only has the ability to enroll City and County new hires and could not administer City or County legacy benefits due to the dissimilarity and complexity of those benefit provisions compared to those of WRS.

There is no draft legislation as of this writing and I will circulate any draft that is forthcoming.

Basic Website Metrics

	2022											2023	
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
Visits	4,698	5,107	4,872	4,212	4,565	4,852	5,268	3,791	5,538	8,511	4,837	5,930	4,981
Users	3,551	3,375	3,751	3,147	3,458	3,408	3,728	2,640	3,979	7,068	3,496	3,947	3,585
Page Views	12,267	13,227	12,458	11,258	10,415	11,694	13,000	9,856	13,918	20,851	11,753	14,873	11,668
Ave. Visit	2:10	2:10	2:14	2:29	1:13	1:09	1:07	1:29	1:12	:52	1:27	1:39	1:27

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

VII.

INFORMATIONAL

- A. Pending Litigation Report.
- B. Conferences.
- C. Class Action Income 2023 YTD.
- D. Report on Bills.
- E. Deployment of Assets.
- F. Securities Lending Revenue and Budget Report.
- G. Preliminary Performance Report and Asset Allocation.



March 28, 2023 Board Meeting

PENDING LITIGATION REPORT

Part 1. ERS Litigation through the City Attorney

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

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

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

➤ 10/12/22 WI Supreme Court decision pending.

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****

➤ **02/17/23** Notice of Appeal filed by defendants.

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****

➤ 01/25/23 Defendants' Notice of Retainer and Answer filed with court.

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 date pending.

Albert Greene Jr; Administrative Case Nos. 1511 and 1512

- Appeal hearing requested; pending scheduling.

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

- First day of administrative appeal hearing conducted on January 12, 2023.
- Second day of appeal hearing held on March 2, 2023. Hearing Examiner's decision pending.

Part 3. Notice of Claim filed with ERS

None.

Part 4. ERS Litigation through Outside Legal Counsel

None.

Client Conferences 2023

Board Meeting: March 28, 2023

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
April 2 – 4, 2023	Callan Institute's 2023 National Conference Scottsdale, AZ	Callan Associates
May 2 – 4, 2023	DFA Annual Conference Austin, TX	Dimensional Fund Advisors
May 23 – 25, 2023 10:30 am – 1:30 pm	"Callan College" Introduction to Investments Virtual	Callan Associates
August 23 – 24, 2023 10:30 am – 1:30 pm	"Callan College" on Alternative Investments Virtual	Callan Associates
September 26 – 28, 2023 10:30 am – 1:30 pm	"Callan College" Introduction to Investments Virtual	Callan Associates
October 26, 2023 10:00 am – 12:30 pm	2023 October Regional Workshop Chicago, IL	Callan Associates

Trustee Conferences 2023

Board Meeting: March 28, 2023

DATE(S)		
April 17 – 19, 2023	The Pension Bridge Annual 2023 San Francisco, CA	With Intelligence
April 19, 2023	7 th Annual Real Estate Midwest Forum Chicago, IL	Markets Group
April 24 – 26, 2023	2023 Public Funds Roundtable Los Angeles, CA	Institutional Investor
April 30 – May 3, 2023	Global Conference Los Angeles, CA	Milken Institute
May 1 – 4, 2023	Wharton Investment Programs: Portfolio Concepts and Management Philadelphia, PA	International Foundation of Employee Benefit Plans
May 9 – 10, 2023	Private Markets: Refining Asset Allocation Amidst Complexity Miami, FL	Pensions & Investments
May 20 – 21, 2023	NCPERS Accredited Fiduciary (NAF) Program & Trustee Education Seminar (TEDS) New Orleans, LA	NCPERS
May 21 – 24, 2023	Annual Conference & Exhibition (ACE) New Orleans, LA	NCPERS
May 23, 2023	9 th Annual Midwest Institutional Forum Chicago, IL	Markets Group
May 23 – 24, 2023	9 th Annual Redefining Fixed Income Forum Chicago, IL	Institutional Investor
May 31, 2023	2023 Madison Investment Conference Madison, WI	CFA Society of Madison, SWIB, Wisconsin School of Business
July 16 – 18, 2023	ALTSCHI Chicago, IL	Markets Group

Trustee Conferences 2023

Board Meeting: March 28, 2023

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
July 18 – 20, 2023	Wharton Investment Programs: Alternative Investment Strategies San Francisco, CA	International Foundation of Employee Benefit Plans
July 24 – 25, 2023	Certificate of Achievement in Public Plan Policy (CAPPP): Pensions Part I Chicago, IL	International Foundation of Employee Benefit Plans
July 25 – 27, 2023	Institutional Investor Week Newport, RI	Institutional Investor
July 26 – 27, 2023	Certificate of Achievement in Public Plan Policy (CAPPP): Pensions Part II Chicago, IL	International Foundation of Employee Benefit Plans
August 20 – 22, 2023	Public Pension Funding Forum Chicago, IL	NCPERS
September 11 – 13, 2023	CII Fall 2023 Conference Long Beach, CA	Council of Institutional Investors
September 12, 2023	9 th Annual Great Plains Institutional Forum Minneapolis, MN	Markets Group
September 19 – 20, 2023	Public Pension Conference Scottsdale, AZ	Pensions & Investments
September 20 – 21, 2023	Investment Basics – Certificate Series Course Las Vegas, NV	International Foundation of Employee Benefit Plans
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 21 – 22, 2023	NCPERS Accredited Fiduciary (NAF) Program Las Vegas, NV	NCPERS
October 22 – 25, 2023	Financial, Actuarial, Legislative and Legal Conference (FALL) Las Vegas, NV	NCPERS

Upcoming Due Diligence Meetings

Date	Manager(s)	Team
June or July, 2023	Apogem (Richmond, VA)	Erich & Tom
July or August, 2023	Reams (Indianapolis, IN)	Erich & Dave W.
August or September, 2023	Neuberger, Abbott, with GTA meeting (New York, NY)	Erich & 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
Total Class Action Income Received in 2023 YTD		\$ 10,202

Fiscal Year
2023
Department
Employees' Retirement System

City of Milwaukee
Departmental
Appropriation Budget Balances

As of: 2023-03-31

	Budget	2023-1	2023-2	2023-3	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	-	223,024.02	302,698.93	147,477.48	673,200.43	-	(673,200.43)
Overtime Premium	-	40.62	161.62	132.31	334.55	-	(334.55)
Time Paid Not Worked	-	113,890.41	25,595.31	17,914.67	157,400.39	-	(157,400.39)
Employee Salaries & Wages	\$ 3,749,620.00	336,955.05	328,455.86	165,524.46	\$ 830,935.37	\$ -	\$ 2,918,684.63
Fringe Benefits Applied	1,687,329.00	-	-	-	-	-	1,687,329.00
Fringe Benefits Applied	-	113,563.84	154,134.30	-	267,698.14	-	(267,698.14)
Applied Employee Benefits	\$ 1,687,329.00	113,563.84	154,134.30	-	\$ 267,698.14	\$ -	\$ 1,419,630.86
Operating Expenditures	15,910,400.00	-	-	-	-	-	15,910,400.00
Office Supplies	-	1,525.96	664.73	-	2,190.69	-	(2,190.69)
Magazines, Subscription	-	28.17	282.72	-	310.89	-	(310.89)
Postal and Mailing Services	-	114.62	11,148.44	-	11,263.06	-	(11,263.06)
Electricity	-	-	3,342.80	-	3,342.80	-	(3,342.80)
Films & Other Educational Item	-	998.00	-	-	998.00	-	(998.00)
Building Rental	-	63,573.94	36,723.29	-	100,297.23	-	(100,297.23)
Printing & Dupl Machine Rental	-	261.58	1,192.85	-	1,454.43	-	(1,454.43)
Consulting	-	(7,670.00)	1,361.96	-	(6,308.04)	-	6,308.04
Medical, Surgical & Lab	-	1,940.79	14,462.52	-	16,403.31	-	(16,403.31)
Administrative Charges	-	9,937.50	34,466.86	-	44,404.36	-	(44,404.36)
Other Professional Services	-	(784,325.55)	689,046.82	-	(95,278.73)	-	95,278.73
Systems Support	-	23,264.50	28,724.00	-	51,988.50	-	(51,988.50)
IT Infrastructure	-	4,307.30	84,576.36	-	88,883.66	-	(88,883.66)
Infrastructure	-	-	604.03	-	604.03	-	(604.03)
Telephone, Communications	-	5,055.19	1,177.86	-	6,233.05	-	(6,233.05)
Bldgs-Machinery & Equip Repair	-	2,234.00	1,975.29	-	4,209.29	-	(4,209.29)
Travel & Subsistence	-	1,557.25	1,134.88	-	2,692.13	-	(2,692.13)
Equipment Repair (Parts & Labo	-	-	218.29	-	218.29	-	(218.29)
Printing Services	-	160.04	416.18	-	576.22	-	(576.22)
Insurance-Non Health	-	13,800.00	-	-	13,800.00	-	(13,800.00)
Other Misc Services	-	200.00	13,414.90	-	13,614.90	-	(13,614.90)
Operating Expenditures	\$ 15,910,400.00	(663,036.71)	924,934.78	-	\$ 261,898.07	\$ -	\$ 15,648,501.93
All Equipment	2,036,000.00	-	-	-	-	-	2,036,000.00
Computer Server & Components	-	-	6,328.76	-	6,328.76	-	(6,328.76)
Total Equipment	\$ 2,036,000.00	-	6,328.76	-	\$ 6,328.76	\$ -	\$ 2,029,671.24
Total Regular Class	\$ 23,383,349.00	(212,517.82)	1,413,853.70	165,524.46	\$ 1,366,860.34	\$ -	\$ 22,016,488.66
<i>Other Departmental Appropriations:</i>							
Pol Pension Lump-Sum Sup Cont	10,000.00	-	10,000.00	-	10,000.00	-	-
PABF Payroll	24,000.00	3,552.80	2,000.00	-	5,552.80	-	18,447.20
Group Life Insurance Premium	4,200,000.00	-	676,437.96	-	676,437.96	-	3,523,562.04
Retiree's Benefit Adjustment	25,000.00	329.15	329.15	-	658.30	-	24,341.70
Other Classes	\$ 4,259,000.00	3,881.95	688,767.11	-	\$ 692,649.06	\$ -	\$ 3,566,350.94
Total Dept Appropriations	\$ 27,642,349.00	(208,635.87)	2,102,620.81	165,524.46	\$ 2,059,509.40	\$ -	\$ 25,582,839.60

Monthly Board Report

28-Jan-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%	44,945,311.47 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	44,945,311.47 0.79%
MILWAUKEE-THE NORTHERN TRS 2605496	0.00 0.00%	0.00 0.00%	214,708,641.30 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	214,708,641.30 3.76%
MILWAUKEE-ERS EXPENSE FUND 2605504	0.00 0.00%	117,813.28 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	117,813.28 0.00%
MILWAUKEE-PABF BENEFIT PAYMENT 2610128	0.00 0.00%	12,518.86 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	12,518.86 0.00%
MILWAUKEE-DFA INTERNATIONAL 2619838	0.00 0.00%	0.00 0.00%	192,941,357.90 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	192,941,357.90 3.38%
MILWAUKEE-EARNEST -SL 2630942	0.00 0.00%	2,403,985.09 2.13%	110,679,843.60 97.98%	0.00 0.00%	0.00 0.00%	-119,605.77 -0.11%	112,964,223.00 1.98%
MILWAUKEE - UBS A&Q 2637239	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	430,600,251.00 100.00%	0.00 0.00%	430,600,251.00 7.54%
MILWAUKEE-DFA 2637848	0.00 0.00%	0.00 0.00%	201,523,894.10 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	201,523,894.10 3.53%
MILWAUKEE-BAIRD 2674604	0.00 0.00%	26,887,968.50 33.13%	0.00 0.00%	55,864,019.57 68.82%	0.00 0.00%	-1,582,518.33 -1.95%	81,169,469.74 1.42%
MILWAUKEE-CASTLEARK 2697782	0.00 0.00%	1,096,245.32 1.26%	86,353,001.87 99.03%	0.00 0.00%	0.00 0.00%	-250,130.92 -0.29%	87,199,116.27 1.53%
MILWAUKEE - BLACKROCK R1000V 4472746	0.00 0.00%	0.00 0.00%	210,347,061.30 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	210,347,061.30 3.69%
MILWAUKEE-LOOMIS SAYLE CME01	4,107,928.29 1.21%	0.00 0.00%	6,084,859.56 1.80%	330,138,974.60 97.55%	0.00 0.00%	-1,906,698.11 -0.56%	338,425,064.30 5.93%
MILWAUKEE-BRANDES INT'L EQUITY CME03	6,487,290.46 1.74%	0.00 0.00%	365,423,628.90 97.84%	0.00 0.00%	1,580,988.53 0.42%	0.00 0.00%	373,491,907.80 6.54%
MILWAUKEE-REAMS CME04	13,179,327.63 2.67%	0.00 0.00%	0.00 0.00%	601,773,859.30 121.98%	8,352,268.90 1.69%	-129,966,427.70 -26.34%	493,339,028.10 8.64%
MILWAUKEE-BLAIR CME05	5,048,890.38 1.93%	0.00 0.00%	255,019,994.20 97.52%	0.00 0.00%	840,016.37 0.32%	601,095.26 0.23%	261,509,996.20 4.58%

Monthly Board Report

28-Jan-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 CME12	2,497,406.11 1.12%	0.00 0.00%	220,300,585.10 98.70%	0.00 0.00%	397,712.60 0.18%	0.00 0.00%	223,195,703.80 3.91%
MILWAUKEE-POLN 2644553	0.00 0.00%	1,915,832.38 1.51%	125,148,024.70 98.49%	0.00 0.00%	0.00 0.00%	0.00 0.00%	127,063,857.10 2.23%
MILWAUKEE - PRINCIPAL DRA -SL 2677436	0.00 0.00%	0.00 0.00%	170,481,739.90 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	170,481,739.90 2.99%
MILWAUKEE-BLACKROCK GLOBAL-SL 2683493	0.00 0.00%	0.00 0.00%	271,350,512.50 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	271,350,512.50 4.75%
MILWAUKEE- AQR-SL 4468331	0.00 0.00%	0.00 0.00%	92,891,836.00 100.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	92,891,836.00 1.63%
MILWAUKEE- NEUBERGER SOF V-SL 4479679	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	12,470,436.00 100.00%	0.00 0.00%	12,470,436.00 0.22%
MILWAUKEE - ABBOTT 2022-SL 4479680	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	6,538,568.00 100.00%	0.00 0.00%	6,538,568.00 0.11%
MILWAUKEE-APTITUDE / 4479682 4479682	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	158,745,123.00 100.00%	0.00 0.00%	158,745,123.00 2.78%
MILWAUKEE-INV TRAN CME08	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	6,478,566.55 100.00%	6,478,566.55 0.11%
MILWAUKEE - DFA US LCV CME15	491,596.50 0.31%	0.00 0.00%	156,006,620.80 99.65%	0.00 0.00%	0.00 0.00%	52,978.56 0.03%	156,551,195.80 2.74%
MILWAUKEE - BLACKROCK US G-SL MULTIPLE	0.00 0.00%	0.00 0.00%	0.00 0.00%	218,966,787.90 100.00%	0.00 0.00%	0.00 0.00%	218,966,787.90 3.84%
MILWAUKEE-PRIVATE EQUITY MULTIPLE	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	692,599,944.00 100.00%	0.00 0.00%	692,599,944.00 12.13%
MILWAUKEE-REAL ESTATE MULTIPLE	0.00 0.00%	0.00 0.00%	0.00 0.00%	0.00 0.00%	528,436,018.83 100.17%	-909,578.31 -0.17%	527,526,440.53 9.24%

Monthly Board Report

28-Jan-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	31,812,439.37	77,379,674.90	2,679,261,601.73	1,206,743,641.37	1,840,561,327.23	-127,602,318.77	5,708,156,365.70
% for consolidation	0.56%	1.36%	46.94%	21.14%	32.24%	-2.24%	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 February 28, 2023

Date	Amounts Expended			Balance
	Income From Lending	Fees	Administrative Transfers	
Balance 12-31-22				\$791,432.47
01/05/22	2,449.48	-	-	793,881.95
01/17/22	75,293.89	15,052.80	-	854,123.04
01/25/22	-	-	792,000.00	62,123.04
02/03/22	2,277.18	-	-	64,400.22
02/15/22	66,373.30	13,268.96	-	117,504.56
Current Totals	\$146,393.85	\$28,321.76	\$792,000.00	\$117,504.56

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

MERS PERFORMANCE ESTIMATES
February 28, 2023

Account	2022 Return	Jan 2023	Feb 2023	YTD Thru 2/28/23
Northern Trust S&P 500 Index	-18.10%	6.28%	-2.44%	3.69%
S&P 500	-18.11%	6.28%	-2.44%	3.69%
Difference	0.01%	0.00%	0.00%	0.00%
BlackRock Russell 1000 Value Index	-7.54%	5.18%	-3.52%	1.48%
Russell 1000 Value	-7.54%	5.18%	-3.53%	1.47%
Difference	0.00%	0.00%	0.01%	0.01%
DFA US Large Cap Value	-4.95%	6.48%	-3.39%	2.87%
Russell 1000 Value	-7.54%	5.18%	-3.53%	1.47%
Difference	2.59%	1.30%	0.14%	1.40%
Polen	-37.54%	11.70%	-5.14%	5.96%
S&P 500	-18.11%	6.28%	-2.44%	3.69%
Difference	-19.43%	5.42%	-2.70%	2.27%
Earnest	-15.13%	9.19%	-1.87%	7.15%
Russell MidCap	-17.32%	8.30%	-2.43%	5.68%
Difference	2.18%	0.89%	0.56%	1.47%
CastleArk	-27.99%	6.75%	-0.52%	6.19%
Russell 2000 Growth	-26.36%	9.95%	-1.08%	8.76%
Difference	-1.63%	-3.20%	0.56%	-2.57%
DFA US Small Cap Value	-1.67%	9.58%	-1.14%	8.33%
Russell 2000 Value	-14.48%	9.54%	-2.31%	7.02%
Difference	12.81%	0.04%	1.17%	1.31%
Brandes	-6.88%	10.47%	-0.25%	10.19%
MSCI EAFE	-14.45%	8.10%	-2.09%	5.84%
Difference	7.57%	2.37%	1.84%	4.35%
William Blair	-28.99%	7.41%	-2.23%	5.01%
MSCI ACWI ex US	-15.57%	8.13%	-3.50%	4.35%
Difference	-13.42%	-0.72%	1.27%	0.66%
DFA Int'l Small Cap Value	-9.75%	8.35%	-1.82%	6.38%
MSCI EAFE Small Cap	-21.39%	7.47%	-2.17%	5.13%
Difference	11.64%	0.88%	0.35%	1.25%
AQR	-20.81%	8.43%	-5.10%	2.90%
MSCI EM	-20.09%	7.90%	-6.48%	0.90%
Difference	-0.72%	0.53%	1.38%	2.00%
BlackRock Global Alpha Tilts	-16.81%	6.79%	-2.83%	3.77%
MSCI ACWI	-18.36%	7.17%	-2.87%	4.10%
Difference	1.55%	-0.38%	0.04%	-0.33%
MFS	-18.15%	7.19%	-3.39%	3.56%
MSCI ACWI	-18.36%	7.17%	-2.87%	4.10%
Difference	0.22%	0.02%	-0.52%	-0.54%
BlackRock Gov't Bond Index	-12.31%	2.67%	-2.30%	0.31%
Bloomberg Gov't Bond	-12.32%	2.48%	-2.31%	0.11%
Difference	0.01%	0.19%	0.01%	0.20%
Reams	-11.39%	3.62%	-2.44%	1.09%
Bloomberg US Aggregate	-13.01%	3.08%	-2.59%	0.41%
Difference	1.62%	0.54%	0.15%	0.68%
Loomis Sayles	-12.21%	3.90%	-2.47%	1.33%
Bloomberg US Aggregate	-13.01%	3.08%	-2.59%	0.41%
Difference	0.80%	0.82%	0.12%	0.92%
UBS	8.91%	1.09%	-0.61%	0.47%
SOFR + 4%	4.90%	0.70%	0.66%	1.36%
Difference	4.01%	0.39%	-1.27%	-0.89%
Aptitude		1.10%	-0.41%	0.69%
SOFR + 4%		0.70%	0.66%	1.36%
Difference		0.40%	-1.07%	-0.67%
Principal	-5.88%	4.14%	-3.69%	0.30%
Blended Benchmark	-5.06%	5.07%	-3.87%	1.01%
Difference	-0.82%	-0.93%	0.18%	-0.71%
Baird	-1.80%	0.79%	-0.27%	0.52%
Bloomberg Govt/Credit 1-3 Year	-3.69%	0.80%	-0.74%	0.05%
Difference	1.89%	-0.01%	0.47%	0.47%
Total MERS	-6.49%	4.11%	-1.71%	2.32%

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

February 28, 2023

		Target	Market Value	Allocation
EQUITY				
Public Equity				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	3.89%	\$ 214,708,641	3.82%
	BlackRock (Russell 1000 Value)	3.89%	\$ 210,347,061	3.74%
	Sub-Total Passive Large Cap Equity	7.78%	\$ 425,055,703	7.56%
Active Large Cap Equity	Polen (S&P 500)	2.19%	\$ 127,063,857	2.26%
	DFA (Russell 1000 Value)	2.78%	\$ 156,551,196	2.78%
	Sub-Total Active Large Cap Equity	4.97%	\$ 283,615,053	5.04%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.00%	\$ 112,964,223	2.01%
	CastleArk (Russell 2000 Growth)	1.61%	\$ 87,199,116	1.55%
	DFA (Russell 2000 Value)	3.44%	\$ 201,523,894	3.58%
	Sub-Total Active Mid/Small Cap Equity	7.05%	\$ 401,687,233	7.14%
Total Domestic		19.80%	\$ 1,110,357,989	19.74%
International				
Active International Equity	Brandes (MSCI EAFE)	5.80%	\$ 373,491,908	6.64%
	William Blair (MSCI ACWI ex US)	4.41%	\$ 261,509,996	4.65%
	DFA (MSCI EAFE Small Cap)	3.20%	\$ 192,941,358	3.43%
	AQR (MSCI EM)	1.99%	\$ 92,891,836	1.65%
Total International		15.40%	\$ 920,835,098	16.37%
Global				
Active Global Equity	BlackRock (MSCI ACWI)	4.84%	\$ 271,350,513	4.83%
	MFS (MSCI ACWI)	3.96%	\$ 223,195,704	3.97%
Total Global		8.80%	\$ 494,546,216	8.79%
Total Public Equity		44.00%	\$ 2,525,739,303	44.91%
Private Equity				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 319,778,748	5.69%
	Mesirov (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 275,248,541	4.89%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 36,850,489	0.66%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 79,731,170	1.42%
Total Private Equity		10.00%	\$ 711,608,948	12.65%
TOTAL EQUITY (Public Equity + Private Equity)		54.00%	\$ 3,237,348,251	57.57%
FIXED INCOME & ABSOLUTE RETURN				
Fixed Income				
Cash		1.00%	\$ 51,554,210	0.92%
Passive Fixed Income	BlackRock (Bloomberg US Government)	5.50%	\$ 218,966,788	3.89%
	Reams (Bloomberg US Aggregate)	9.90%	\$ 493,339,028	8.77%
Active Fixed Income	Loomis Sayles (Bloomberg US Aggregate)	6.60%	\$ 338,425,064	6.02%
	Sub-Total Active Fixed Income	16.50%	\$ 831,764,092	14.79%
Total Fixed Income		23.00%	\$ 1,102,285,090	19.60%
Absolute Return				
	Aptitude (SOFR + 4%)	3.00%	\$ 158,093,080	2.81%
	UBS (SOFR + 4%)	7.00%	\$ 427,973,589	7.61%
Total Absolute Return		10.00%	\$ 586,066,669	10.42%
TOTAL FIXED INCOME & ABSOLUTE RETURN		33.00%	\$ 1,688,351,760	30.02%
REAL ASSETS				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	3.23%	\$ 138,504,852	2.46%
	Morgan Stanley (NFI-ODCE)	3.23%	\$ 163,636,785	2.91%
	LaSalle (NFI-ODCE)	1.62%	\$ 120,724,227	2.15%
	Prologis (NFI-ODCE)	1.62%	\$ 93,112,453	1.66%
	Sub-Total Private Real Estate - Core	9.70%	\$ 515,978,317	9.18%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 11,548,123	0.21%
Public Real Assets	Principal (Blended Benchmark)	3.30%	\$ 170,481,740	3.03%
TOTAL REAL ASSETS		13.00%	\$ 698,008,180	12.41%
TOTAL ERS			\$ 5,623,708,191	100.00%
Total City Reserve Fund			\$ 81,154,222	

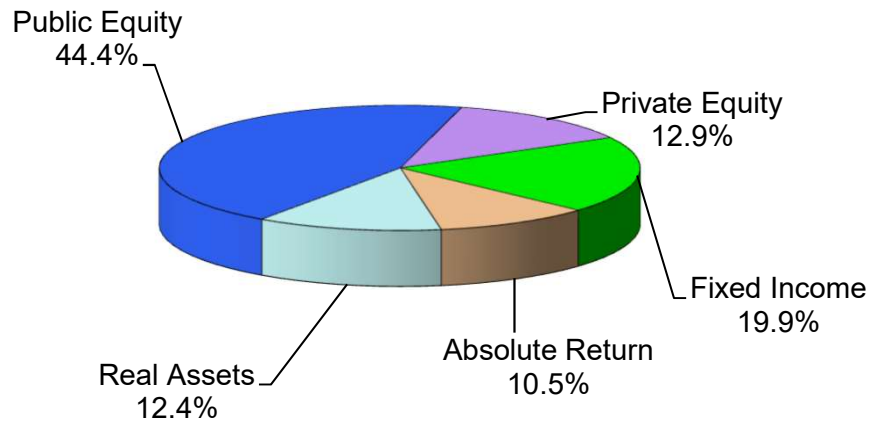
PROJECTED TARGET ALLOCATIONS

Mar 21, 2023

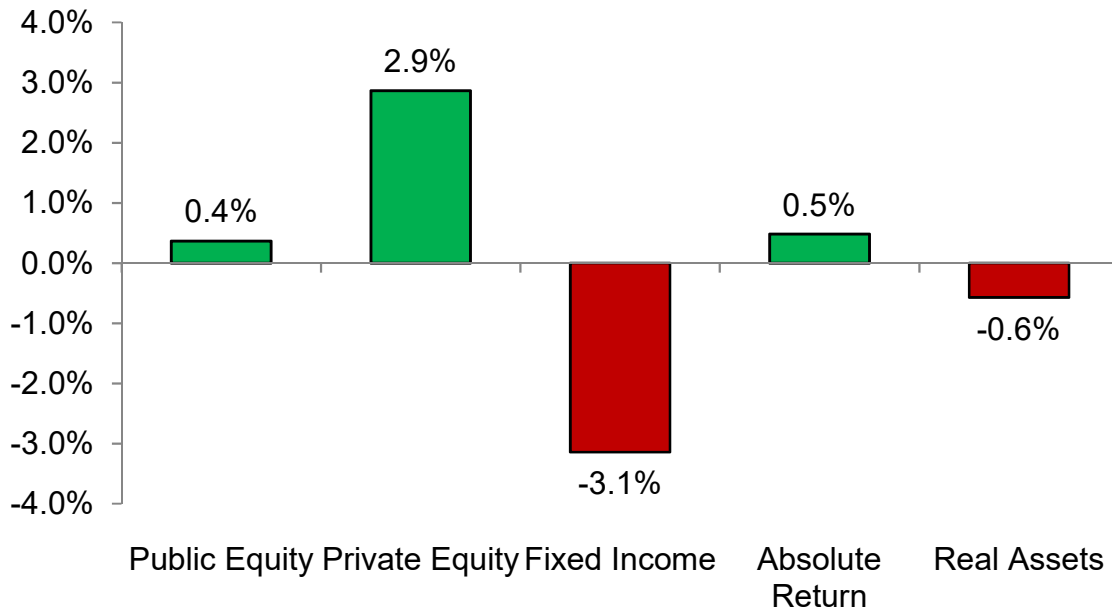
		Target	Market Value	Allocation
EQUITY				
Public Equity				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	3.89%	\$ 216,746,323	3.88%
	BlackRock (Russell 1000 Value)	3.89%	\$ 204,431,622	3.66%
	Sub-Total Passive Large Cap Equity	7.78%	\$ 421,177,944	7.53%
Active Large Cap Equity	Polen (S&P 500)	2.19%	\$ 132,666,754	2.37%
	DFA (Russell 1000 Value)	2.78%	\$ 150,498,680	2.69%
	Sub-Total Active Large Cap Equity	4.97%	\$ 283,165,434	5.06%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.00%	\$ 108,219,881	1.94%
	CastleArk (Russell 2000 Growth)	1.61%	\$ 84,194,813	1.51%
	DFA (Russell 2000 Value)	3.44%	\$ 185,394,671	3.32%
	Sub-Total Active Mid/Small Cap Equity	7.05%	\$ 377,809,365	6.76%
Total Domestic		19.80%	\$ 1,082,152,743	19.35%
International				
Active International Equity	Brandes (MSCI EAFE)	5.80%	\$ 361,068,062	6.46%
	William Blair (MSCI ACWI ex US)	4.41%	\$ 259,803,918	4.65%
	DFA (MSCI EAFE Small Cap)	3.20%	\$ 187,830,967	3.36%
	AQR (MSCI EM)	1.99%	\$ 91,934,560	1.64%
Total International		15.40%	\$ 900,637,507	16.11%
Global				
Active Global Equity	BlackRock (MSCI ACWI)	4.84%	\$ 272,108,723	4.87%
	MFS (MSCI ACWI)	3.96%	\$ 226,116,466	4.04%
Total Global		8.80%	\$ 498,225,189	8.91%
Total Public Equity		44.00%	\$ 2,481,015,439	44.37%
Private Equity				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 319,778,748	5.72%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.50%	\$ 275,248,541	4.92%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 43,600,489	0.78%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.50%	\$ 80,897,610	1.45%
Total Private Equity		10.00%	\$ 719,525,388	12.87%
TOTAL EQUITY (Public Equity + Private Equity)		54.00%	\$ 3,200,540,827	57.23%
FIXED INCOME & ABSOLUTE RETURN				
Fixed Income				
Cash		1.00%	\$ 45,899,767	0.82%
Passive Fixed Income	BlackRock (Bloomberg US Government)	5.50%	\$ 223,463,875	4.00%
Active Fixed Income	Reams (Bloomberg US Aggregate)	9.90%	\$ 500,543,575	8.95%
	Loomis Sayles (Bloomberg US Aggregate)	6.60%	\$ 340,452,755	6.09%
	Sub-Total Active Fixed Income	16.50%	\$ 840,996,330	15.04%
Total Fixed Income		23.00%	\$ 1,110,359,972	19.86%
Absolute Return				
	Aptitude (SOFR + 4%)	3.00%	\$ 158,093,080	2.83%
	UBS (SOFR + 4%)	7.00%	\$ 427,973,589	7.65%
Total Absolute Return		10.00%	\$ 586,066,669	10.48%
TOTAL FIXED INCOME & ABSOLUTE RETURN		33.00%	\$ 1,696,426,641	30.34%
REAL ASSETS				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	3.23%	\$ 138,504,852	2.48%
	Morgan Stanley (NFI-ODCE)	3.23%	\$ 163,636,785	2.93%
	LaSalle (NFI-ODCE)	1.62%	\$ 120,724,227	2.16%
	Prologis (NFI-ODCE)	1.62%	\$ 93,112,453	1.67%
	Sub-Total Private Real Estate - Core	9.70%	\$ 515,978,317	9.23%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 11,359,143	0.20%
Public Real Assets	Principal (Blended Benchmark)	3.30%	\$ 167,665,975	3.00%
TOTAL REAL ASSETS		13.00%	\$ 695,003,435	12.43%
TOTAL ERS			\$ 5,591,970,903	100.00%
Total City Reserve Fund	R. W. Baird		81,576,935	

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>March 21, 2023</u>		
Retiree Payroll Expense		\$ (76,151,042)	
PABF Payroll Expense		\$ (13,992)	
Expenses Paid		\$ (3,503,000)	
GPS Benefit Payments		\$ (2,550,397)	
Sub-Total Monthly Cash Outflows			\$ (82,218,432)
Monthly Cash Inflows thru	<u>March 21, 2023</u>		
Contributions		\$ 109,351,584	
PABF Contribution		\$ 15,985	
Sub-Total Monthly Contributions			\$ 109,367,569
Capital Market Gain/(Loss)			<u>\$ 96,286,691</u>
Value including City Reserve & PABF Accounts as of	<u>March 21, 2023</u>		<u>\$ 5,673,547,838</u>
Less City Reserve Account ¹			\$ 81,576,935
Less PABF Fund ²			\$ 2,526
Net Projected ERS Fund Value as of	<u>March 21, 2023</u>		<u><u>\$ 5,591,968,377</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 3/22/2023

(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										
Total Cash Available	22,883	80,926	44,668										
Less: Estimated Cash Needs for non-Investment Outflows	39,500	39,500	39,500										
Cash Available for Other Outflows	(16,617)	41,426	5,168										
<u>For Monthly Cash Outflows of:</u>													
Retiree Payroll Expense	(39,141)	(39,561)	(39,334)	(39,430)	(39,526)	(39,622)	(39,718)	(39,815)	(39,912)	(40,009)	(40,106)	(40,203)	(476,376)
Normal Retirement Payroll	(38,011)	(38,140)	(38,235)	(38,331)	(38,427)	(38,523)	(38,619)	(38,716)	(38,813)	(38,910)	(39,007)	(39,104)	(462,835)
Retiree Lump Sum Payments	(1,130)	(1,421)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(1,099)	(13,540)
Real Estate Capital Calls	-	-	-	-	-	-	-	-	-	-	-	-	-
Private Equity Capital Calls	(826)	(1,620)	(10,018)	-	-	-	-	-	-	-	-	-	(12,464)
Expenses Paid through City	(1,949)	(1,554)	-	(1,949)	(1,949)	(1,949)	(1,949)	(1,949)	(1,949)	(1,949)	(1,949)	(1,949)	(21,044)
PABF Payroll	(2)	(12)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(34)
Sub-Total Monthly Cash Outflows	(41,917)	(42,747)	(49,355)	(41,381)	(41,477)	(41,573)	(41,669)	(41,766)	(41,863)	(41,960)	(42,057)	(42,154)	(509,918)
<u>For Monthly Cash Inflows:</u>													
Sponsoring Agency and Employee Contribution	2,514	2,483	3,734	2,496	2,502	2,508	2,514	3,781	2,527	2,533	2,540	2,546	32,677
Real Estate Distributions	2,400	42	11,651	-	-	-	-	-	-	-	-	-	14,094
Private Equity Distributions	235	3,647	1,539	-	-	-	-	-	-	-	-	-	5,421
Miscellaneous Income	164	315	277	80	80	80	80	80	80	80	80	80	1,476
Security Lending Transfer	792	-	-	-	-	-	-	-	-	-	-	-	792
City and Agency Required Contribution	101,853	-	-	-	-	-	-	-	-	-	-	-	101,853
PABF Inflow	2	2	12	2	2	2	2	2	2	2	2	2	34
Sub-Total Monthly Cash Inflows	107,961	6,489	17,213	2,578	2,584	2,590	2,596	3,863	2,609	2,615	2,622	2,628	156,347
Net Monthly Cash Inflows/(Outflows) Before Withdrawals	66,043	(36,258)	(32,142)	(38,803)	(38,893)	(38,983)	(39,073)	(37,903)	(39,254)	(39,344)	(39,435)	(39,526)	(353,571)
Net Monthly Cash Surplus (Need)	49,426	5,168	(26,973)	(38,803)	(38,893)	(38,983)	(39,073)	(37,903)	(39,254)	(39,344)	(39,435)	(39,526)	(323,594)
<u>Monthly Cash Withdrawals (Additions)</u>													
AQR													
BlackRock Global Alpha Tilts													
BlackRock Russell 1000 Value Index													
BlackRock US Government Bond Index													
Brandes			12,500										
CastleArk													
Dimensional Fund Advisors US Large Cap													
Dimensional Fund Advisors International													
Dimensional Fund Advisors US Small Cap													
Earnest													
Loomis Sayles			5,100										
MFS	(36,000)												
Northern Trust S&P 500 Index													
Polen			4,000										
Principal													
Reams			7,000										
UBS A&Q	28,000												
Goldman/Aptitude													
William Blair			9,000										
Sub-Total Monthly Cash Withdrawals	(8,000)	-	37,600										
<u>Estimated Month-End Cash Balance</u>													
Cash Available	41,426	5,168	10,627										
Estimated Cash Needs for non-Investment Outflows	39,500	39,500	39,500										
Total Cash Estimated on Hand For Next Month	80,926	44,668	50,127										