

**REGULAR MEETING OF THE ANNUITY AND PENSION BOARD  
EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE  
789 N. WATER ST. (Employees' Retirement System)  
WEDNESDAY, MAY 27, 2026 – 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](http://www.cmers.com)) prior to the meeting.*

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

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

**REGULAR MEETING**

- I. Approval of Minutes.
  - A. Regular Meeting Held April 29, 2026.
  
- II. Chief Investment Officer Report.
  
- III. Investment Committee Report.
  - A. Approval of Real Estate Investment Policy Statement Update.
  - B. Approval of Public Equity Structure.
  
- IV. New Business.
  - A. Retirements, Death Claims, and Refunds (April).
  - B. Conference Requests – May 27, 2026 Board Meeting.
  - C. Appointment of Jerry Allen to the Annuity and Pension Board.
  - D. Approval of Resolution for Retiring Deputy Director Melody Johnson.
  
- V. Medical Reports.
  - A. All Duty & Ordinary Disability Applications & Re-examinations (May).

- 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 (VI.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. Pending Litigation Report.
  - D. Executive Director's Report – Inventory of ERS Projects.
  - E. Updated Committee Appointments for 2026.
- VII. Informational.
  - A. Conferences.
  - B. Class Action Income 2026 YTD.
  - C. Adjusted Quarterly Cost Basis of Equity.
  - D. Minutes of the Investment Committee Meeting Held April 16, 2026.
  - E. Report on Bills.
  - F. Securities Lending Revenue and Budget Report.
  - G. Preliminary Performance Report and Asset Allocation.

## MEETING REMINDERS

### **INVESTMENT COMMITTEE MEETING**

**THURSDAY, JUNE 4, 2026 – 9:00 A.M.**  
789 N. WATER ST.

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

**WEDNESDAY, JUNE 17, 2026 – 9:00 A.M.**  
789 N. WATER ST.

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

**WEDNESDAY, JUNE 24, 2026 – 9:00 A.M.**  
789 N. WATER ST.

I.

APPROVAL OF MINUTES

- A. Regular Meeting Held April 29, 2026.

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

Minutes of the Regular Meeting  
held April 29, 2026 via teleconference

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

Board Members Present:           John Barmore  
  Matthew Bell, Chair  
  Bill Christianson  
  Justin DeCleene  
  Deborah Ford  
  Timothy Heling  
  Nik Kovac

Board Members Not Present:     Rudy Konrad (excused)

Retirement System Staff Present: Patrick McClain, Executive Director  
  Daniel Gopalan, Chief Financial Officer  
  Gust Petropoulos, Deputy Director  
  David Silber, Chief Investment Officer  
  Erich Sauer, Deputy Chief Investment Officer  
  Keith Dickerson, Pension Investment Analyst - Senior  
  Thomas Courtright, Pension Investment Analyst II  
  Robin Hayes, Pension Accounting Manager  
  Mary Turk, Business Operations Analyst  
  Jan Wills, Board Stenographer

Others Present: Lauri Rollings, City Attorney's Office; Lauren Albanese, Financial News; Terry Siddiqui, DS Consulting, Inc., 11 members of the public called in to the meeting.

**Approval of Minutes.**

**Regular Meeting Held March 25, 2026.**

It was moved by Mr. Bell, seconded by Mr. Heling, and unanimously carried to approve the minutes for the Regular Meeting Held March 25, 2026.

**Chief Investment Officer Report.** Mr. Sauer noted the Fund ended the month of March with a value of \$6.48 billion. He said the Fund return of -3.3%, net of fees, underperformed the blended benchmark by approximately 47 basis points. Mr. Sauer said the main relative performance drivers within Manager Selection were Private Equity which detracted 34 basis points. He noted the fourth quarter Private Equity reports have an extended time frame because the underlying managers have to do their audited financial statements, so CMERS does not get those Private Equity reports until a May or June time frame. Mr. Sauer said what CMERS is doing this month is comparing a zero Private Equity return to a benchmark that is positive. He said the Hedge Fund of Funds in the

portfolio collectively detracted 14 basis points. Mr. Sauer noted a bright spot within Manager Selection was Public Equity, and the managers held up well in a down market as only three managers underperformed their benchmarks and one of them was only by a very small amount. He said the Fund's overall allocation was a detractor, and that was primarily due to the underweight to Real Assets which detracted 13 basis points. Mr. Sauer said the Fund underperformed over the one- and 20-year time periods, while outperforming or in-line in all other time periods. He said for April, the Fund has seen a nice bounce back and through April 28, 2026, the Fund return is 2.9% month to date, which brings the year-to-date return to up 3.1%, and the Fund value to \$6.67 billion. Mr. Sauer noted eight out of the Fund's 12 active mandates are outperforming year-to-date. He said the Public Equity and Fixed Income asset classes are exceeding their respective benchmarks year-to-date, net of fees. Mr. Sauer said year-to-date, the Fund had a change in the value of investments of \$206.2 million, received contributions of \$217.6 million, and paid out benefits and expenses of \$131.4 million. He said they would not be making any withdrawals this month and benefits will be paid from the Fund's cash balance.

Mr. Silber said the Investment team is juggling a lot right now in addition to the typical day-to-day work. He noted there is an internal and external audit going on now. Mr. Silber said they are providing the typical support to their accounting colleagues for the budget and financial statements. He stated the team worked hard on the Fixed Income search, which the Committee was a part of a couple weeks ago. Mr. Silber said behind the scenes they are working closely with Callan on a Public Equity Structure study, which will be presented by Callan at the May 7 Investment Committee meeting. He said the investment team members have all balanced work travel as well. Mr. Silber added he feels really good about how the team is handling everything and about the quality of the reports and information the team is providing the Board. He said today there are a lot of eyes on the market because there is a Federal Open Market Committee (FOMC) meeting which is widely expected to be Chairman Jerome Powell's last meeting, at least as Chairman of the Federal Reserve. Mr. Silber said the FOMC is not expected to make any changes to interest rates today.

**Investment Committee Report.** Mr. Heling said at its April 16<sup>th</sup> meeting, the Investment Committee interviewed four investment managers as part of the Fixed Income Manager search. The investment managers interviewed were PPM America, Inc., Income Research + Management, Galliard Capital Management, LLC, and Baird Advisors. He said the Committee selected one finalist in closed session and directed ERS Staff to conduct due diligence and coordinate legal negotiations with the preferred Fixed Income Manager. Mr. Heling noted the selection is contingent on successful due diligence and contract negotiations. He said Staff also provided a performance update for the Fund. Mr. Heling said the Investment Committee recommends approval of the following item: 1. Consider, Discuss, and Potentially Approve Selection of Fixed Income Manager or Managers.

**Consider, Discuss, and Potentially Approve Selection of Fixed Income Manager or Managers.**

The Board did not convene in closed session as noticed.

It was moved by Mr. Bell, seconded by Mr. DeCleene, and unanimously carried to approve the Selection of Fixed Income Manager or Managers.

**New Business.**

**Retirements, Death Claims, and Refunds (March).** Mr. McClain presented the following activity for the month of March 2026.

Administrative Withdrawal	\$32,424.23
Full Refund	\$159,100.64
Active Death Benefits reported	\$0.00
Deferred Death	\$24,563.03
Deferred Death-Member Only Refund	\$0.00
Ordinary Death Benefits reported	\$73,477.02
Retired Death Benefits reported	\$17,569.65
Survivor Death – Termination Benefits reported	\$12,002.68
Refund of Member Contributions paid	\$86,385.62

It was moved by Mr. Bell, seconded by Ms. Ford, and unanimously carried to approve the Retirements, Death Claims, and Refunds report for March 2026.

**Conference Requests – April 29, 2026 Board Meeting.** Mr. Bell presented the conference requests for April.

Erich Sauer,	New Fixed Income Manager
Keith Dickerson	Due Diligence
Sponsor:	New Fixed Income Manager
Date(s):	May 20-21, 2026
Estimated Cost:	\$1,000 per person

David Silber	In3 Leaders Symposium
Sponsor:	BlackRock
Location:	Chicago, IL
Date(s):	June 10, 2026
Estimated Cost:	\$300.00

Mr. Bell stated that an additional request was made for Mr. McClain to attend the NCPERS Chief Officers Summit in Newport Beach, CA from June 15-17, 2026 at an estimated cost of \$2,600.00.

Mr. Silber said that he and Mr. Courtright would like to make Due Diligence visits to MFS, Loomis Sayles, and Prologis in Boston, MA from July 28-30, 2026 at an estimated cost of \$2,000.00 per person.

It was moved by Mr. Bell, seconded by Mr. Christianson, and unanimously carried, to approve the four Conference Requests – April 29, 2026 Board Meeting.

**Approval of Draft ERS 2027 City Budget Request.** As a matter of information, Board members received the ERS “Summary of 2027 Draft Budget Request as compared to 2026 Adopted Budget and 2025 Actual Expenditures.” Mr. Gopalan went over the Draft and noted that, for 2027, the ERS is requesting a budget of \$25,610,294, which is an increase of \$997,434. He said the increase can be explained in three main areas. Mr. Gopalan said the first one is for an increase of \$225,472 for total salaries for the budgeted raises. He stated General City got a 3% raise and City residents also got an additional 1% increase. Mr. Gopalan said a few positions within ERS were reclassified at a higher pay rate as well. He noted the Fringe Benefit rate is 45% and based on ERS salaries, so the requested Fringe rate is approximately \$100,000 higher. Mr. Gopalan stated the Facility Rent is projected to be \$62,000 less. He said a new lease was signed for the remote office and it came in much lower than expected, and the common area maintenance (which is part of the rent) has remained steady for the last few years. Mr. Gopalan said the big item is Professional Services and the ERS is requesting an increase of \$854,500. He said most of that is for higher projected investment manager fees. Mr. Gopalan said the performance fees are projected to go down slightly, but the overall assets are higher so the ERS is projecting a higher amount for the ERS investment fees. He stated the last item is Equipment and there is a projected \$115,000 decrease compared to 2026. Mr. Gopalan said the ERS plans to complete its network refresh and redesign in 2027, so the equipment expenses are expected to go down. He said the ERS also has some non-ERS projects it is responsible for providing in the budget. Mr. Gopalan said the PABF closed in 2024 when the last member passed away. ERS is still tracking down a couple of beneficiaries, but the PABF will be closed this year or next year. He noted the ERS does not have the number yet for the Employer’s Pension Contribution, but the actuary Mr. Langer will be here in June to talk about the actuarial valuation. Mr. Gopalan said for the Group Life Insurance Premium, he kept it the same, but the City is actually doing an RFP this year, so the number could change once the RFP goes through and the contract has been signed. He said the last item is the Retirees’ Benefit Adjustment Fund, which is the Firemen’s Annuity and Benefit Fund and there are one or two members remaining in that Fund. Mr. Gopalan concluded that will be closing pretty soon, just like the PABF.

It was moved by Mr. Bell, seconded by Mr. Heling, and unanimously carried to approve the Approval of Draft ERS 2027 City Budget Request.

**Approval of Resolution for Retiring Annuity and Pension Board Trustee Rudolph Konrad.**

WHEREAS, Rudolph Konrad, retired Deputy City Attorney, served with integrity, vigor, and distinction as a Trustee on the Annuity and Pension Board (Board) of the Employees’ Retirement System of the City of Milwaukee continually from June 2014 until March 2026, and faithfully and

conscientiously discharged his duty to solely represent the interests of all the Members and Beneficiaries of this System during his tenure of office; and

WHEREAS, Rudolph Konrad served with superior skill, diligence, and legal acumen, as the Board's General Counsel from December 2002 until his appointment to the Board in 2014 and ably advised the Board and defended the interests of ERS members and beneficiaries in numerous litigation matters brought against the System, exhibiting exceptional proficiency and unwavering commitment to this assignment; and

WHEREAS, Rudolph Konrad served as Chair of the Legislative Committee from 2015 through 2019, Vice Chair of the Board from 2018 through 2020, and Board Chair in 2021, his extensive knowledge of pension benefits enabled him to make many valuable contributions to the Annuity and Pension Board and the well-being of the Employees' Retirement System of the City of Milwaukee and its tens of thousands of participants, including and especially his diligent stewardship in pursuing adequate funding for the System; and

WHEREAS, Rudolph Konrad served on the Investment Committee throughout his tenure on the Board, assisting in the development of the Employees' Retirement System's Strategic Asset Allocation which has generated hundreds of millions of dollars of long-term returns in excess of its benchmark for the exclusive benefit of the System's Members and Beneficiaries; and

WHEREAS, Rudolph Konrad exhibited the courage, discipline, and composure necessary to preserve and adhere to the Board's Investment Policy, despite the Global COVID-19 Pandemic Crisis and inflationary aftermath and guided the System safely through perilous times with a steady hand; and

WHEREAS, Rudolph Konrad's departure is a great loss to the Annuity and Pension Board and all the Members and Beneficiaries of the Employees' Retirement System of the City of Milwaukee; therefore, be it

RESOLVED, by the Annuity and Pension Board that it hereby expresses its deep and sincere appreciation and gratitude to Rudolph Konrad for his invaluable, selfless and loyal service; and be it

FURTHER RESOLVED, that this resolution be recorded in the permanent records of this Board and that a suitably engrossed copy be forwarded to Rudolph Konrad. This is adopted April 29, 2026.

It was moved by Mr. Bell, seconded by Ms. Ford, and unanimously carried to approve the Approval of Resolution for Retiring Annuity and Pension Board Trustee Rudolph Konrad. Mr. Heling noted an administrative correction in the first paragraph to change March 2025 to March 2026. Mr. McClain said that adjustment will be made.

## Medical Reports.

### All Duty & Ordinary Disability Applications & Re-examinations (April 2026).

Mr. Petropoulos presented certifications (April 2026) of the Fire and Police Medical Panel Physicians and the Medical Council relative to Duty & Ordinary Disability Retirement benefits as follows:

<u>Police – Re-examinations – Duty</u>	<u>Recommendation</u>
Bryan Norberg	Approval
Kristopher Sardina	Approval
<u>Fire – Re-examinations – Duty</u>	<u>Recommendation</u>
Timothy Newman	Approval
Thomas Repaci	Approval
<u>General City – Re-examinations – Ordinary</u>	<u>Recommendation</u>
Tarji Heard	Approval
Brandon Purdy	Approval
Corliss Shaw	Approval
Leann Wolfe	Approval

It was moved by Mr. Bell, seconded by Mr. Christianson, and unanimously carried to approve the Duty & Ordinary Disability Applications & Re-examinations for April 2026.

## Unfinished Business.

**Pending Legal Opinions and Service Requests Report.** Ms. Rollings said there was a Legal Opinion request for a 1% Residency Incentive Pay and the City Attorney’s office is working on that opinion. She noted there was also a Service Request for assistance in negotiating and drafting a contract with Cavanaugh MacDonald for actuarial services and the City Attorney’s office is also working on that request. Mr. McClain had a comment on the 1% Residency Incentive Pay and said the reason legal guidance is requested, as many of the Trustees will remember, is due to previous lengthy litigation over what constituted “current annual salary” for purposes of Duty Disability Retirement benefits. That litigation produced guidance from the Wisconsin Supreme Court about how to interpret the phrase “current annual salary.” The new 1% Residency Incentive Pay raises the same issue, just in a different and more complicated way. Discussion ensued.

**Pending Legislation Report.** Mr. McClain said there was a notable pair of updates on the Legislation Report. He said the three proxy voting-related pieces of state legislation have all failed to pass. Mr. McClain said these were first introduced last year and introduced a series of onerous administrative regulations on the Plan in relation to proxy voting that would have been unworkable, and would have also imposed additional responsibilities on the proxy advisory firms.

He said neither of those measures have passed and he is not aware of any new formulation of them having been introduced. Mr. McClain said ERS will continue monitoring to see if any related legislation is introduced in the future.

**Pending Litigation Report.** Ms. Rollings said there has not been as nearly as much activity this month as in the previous month. She stated she did not anticipate the need to move into closed session, but can entertain a motion if any Board members have questions that would require a closed session. Ms. Rollings said under Part 1, *MPA and Kurt Lacina v. City of Milwaukee, et al*, the respondents' filed their response to the City's Petition for Review in the Supreme Court of Wisconsin on March 30, 2026. She noted briefing has been completed in that case and the City is awaiting the Supreme Court's decision on whether to accept the case which will take several months for them to decide. For the next case of *Benjean Lara v. City of Milwaukee, et al*, Ms. Rollings said the City's deadline to file the City's response to their Petition for Review in the Supreme Court of Wisconsin, is Friday, May 1, 2026, and Ms. Rollings will file the City's response on Thursday, April 30, 2026. She added that Mr. Lara filed the Petition for Review in the Supreme Court of Wisconsin on April 17. Ms. Rollings noted the ERS is still in a holding pattern on the third item under Part 1. She said for Part 2 (ERS Administrative Appeal Hearings through the City Attorney), in relation to the Jason E. Rodriguez Administrative Case, ERS sent a letter to Mr. Rodriguez on April 9 asking him to come into the ERS office and sign new Medical Information Authorization forms. Ms. Rollings said the City of Milwaukee received a decision from an Administrative Law Judge (ALJ) that was discussed in great detail last month, essentially finding that the two statutory gatekeeping criteria had been met, determining that he had met the extraordinary stress standard under the state statute and his injury was duty-related. She noted the ERS sent him a letter letting him know that the ERS could resume processing his application now that the ALJ's decision has been received. Ms. Rollings said Mr. Rodriguez has indicated in a follow-up phone call with Mr. Petropoulos that he received the letter and forwarded it to his attorney. ERS is awaiting further communication from Mr. Rodriguez or his attorney regarding whether they will move forward with the Medical Council process. She concluded for the Frank Lockett Administrative Case, there is an appeal hearing scheduled for May 12, 2026.

The Board did not convene in closed session as noticed.

**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 Board Secretary and by reference incorporated as part of these minutes.

**Informational.**

- 1) Conferences.
- 2) Class Action Income 2026 YTD.
- 3) Minutes of the Administration & Operations Committee Meeting Held March 19, 2026.

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

- 4) Report on Bills.
- 5) Securities Lending Revenue and Budget Report.
- 6) Preliminary Performance Report and Asset Allocation.

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

There being no further business to come before the meeting, it was moved by Mr. Bell, seconded by Mr. Christianson, and unanimously carried to adjourn the meeting.

Mr. Bell adjourned the meeting at 9:48 a.m.

Patrick J. McClain  
Secretary and Executive Director

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

II.

CHIEF INVESTMENT OFFICER REPORT

# Milwaukee Employees' Retirement System - May 27, 2026

## Fund as of April 30, 2026

\*Fund value of \$6.66b.  
\*Fund return of 3.4% in Apr., net of fees, underperformed by approximately 31bp.

### \*Primary Relative Perf. Drivers:

Public Equity	-65bp
Aptitude	13bp
Loomis Sayles	9bp
Private Equity	5bp
Real Estate	5bp

\*Fund is underperforming in the 1, 15, and 20-year periods, while outperforming or in line in all other time periods.

## May Update (as of 5/20/26)

\*Fund return 0.3% MTD  
\*Fund return 3.8% YTD  
\*Fund value \$6.68b

\*9 out of 12 active mandates outperforming YTD.

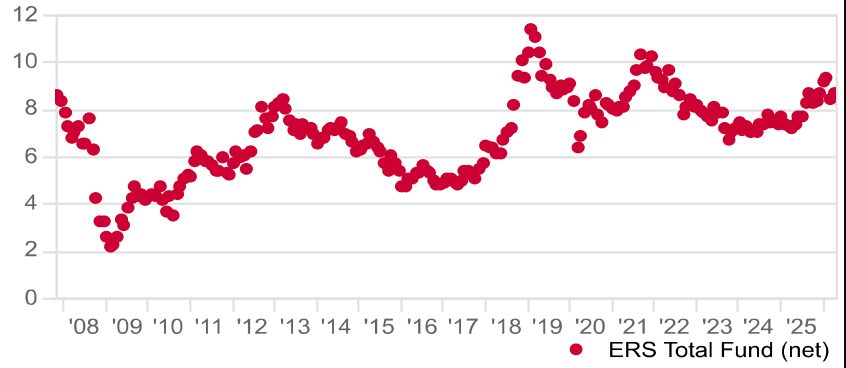
\*Fixed Income and Absolute Return asset classes are exceeding their respective benchmarks YTD, net of fees.

\*Investment Change: \$253.8m  
\*Contributions: 218.9m  
\*Benefits & Expenses: 175.7m

Monthly Withdrawals:  
To be discussed at meeting.

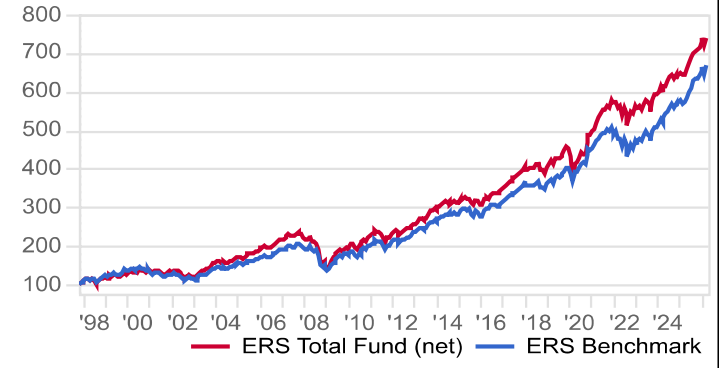
## Total Fund - 10-Year Rolling Returns

11/28/1997 to 04/30/2026



## Growth of \$100 - Total Fund & ERS Benchmark

11/28/1997 to 04/30/2026



## Return Data

Source Data: Monthly Return

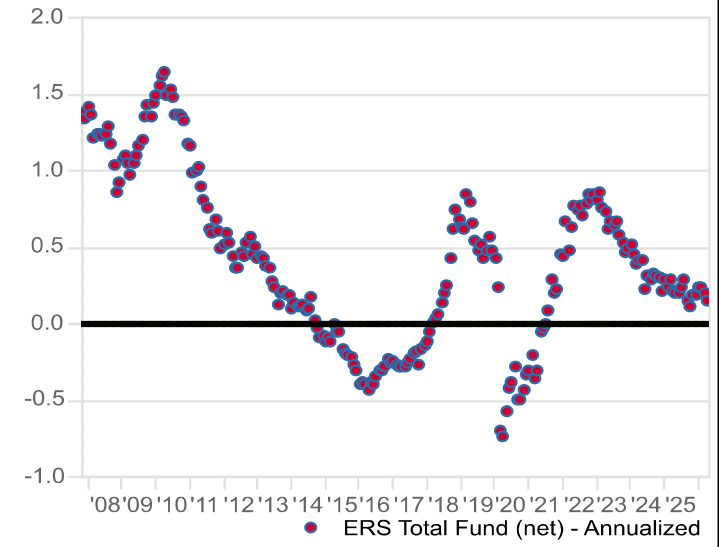
	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Total Fund (net)	3.4	3.6	15.2	7.5	8.7	7.9	6.8
ERS Benchmark	3.7	3.6	16.4	7.1	8.6	7.9	7.0

## Total Fund - 20-Year Risk & Return Data

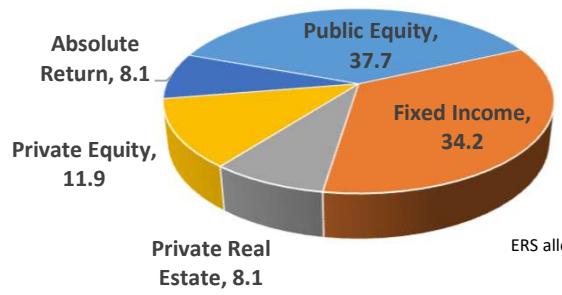
	Return	Std Dev	Tracking Error	Info Ratio (arith)	Sharpe Ratio	Alpha	Beta
Total Fund (net)	6.8	10.2	2.5	-0.1	0.5	-0.6	1.1
ERS Benchmark	7.0	9.2	--	--	0.6	0.0	1.0

## Total Fund - 10-Year Rolling Excess Returns

11/28/1997 to 04/30/2026

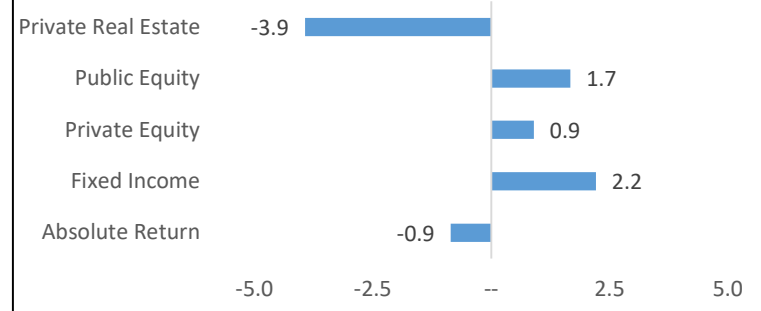


## ERS Allocation as of April 30, 2026



ERS allocation weights may not total 100% due to rounding

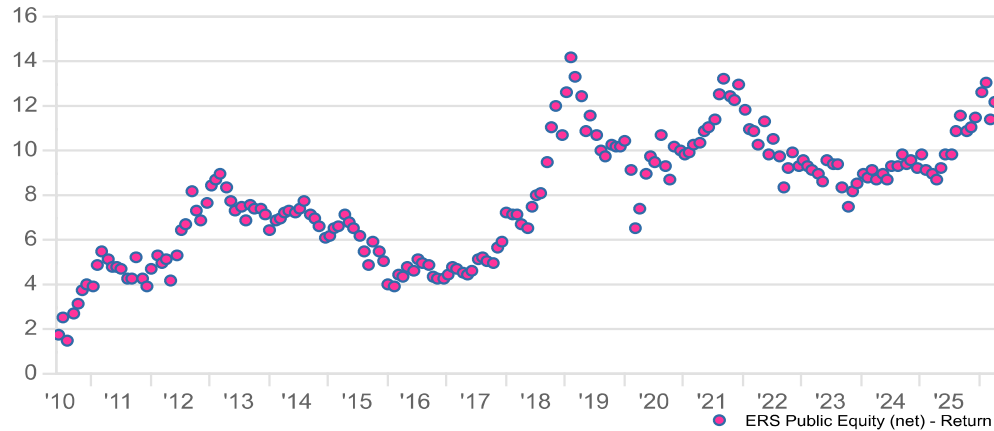
## Asset Allocation vs Policy as of April 30, 2026



# Milwaukee Employees' Retirement System - May 27, 2026

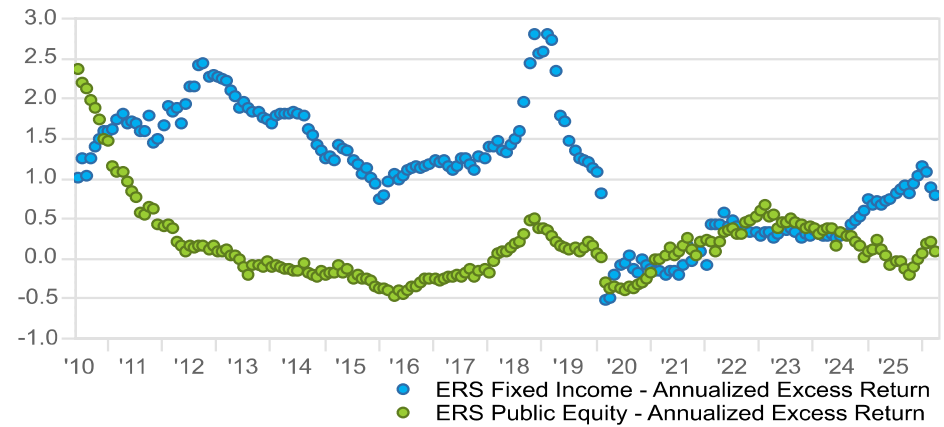
## Public Equity - 10-Year Rolling Returns

06/30/2000 to 04/30/2026



## Asset Class - 10-Year Rolling Excess Returns

06/30/2000 to 04/30/2026



## Return Data

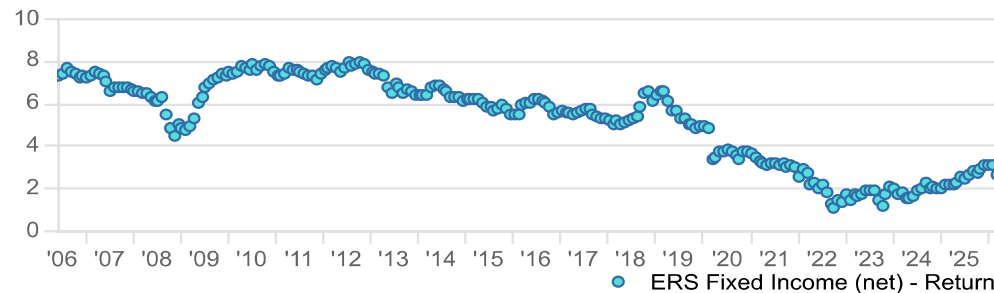
	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Public Equity	8.3	8.2	31.2	10.3	12.5	10.5	8.5
Public Equity (net)	8.3	8.1	30.8	9.9	12.1	10.2	8.1
Public Equity Benchmark	10.1	7.1	31.6	10.2	12.0	10.3	8.3
MSCI ACWI IMI NR USD	10.1	7.1	31.6	10.2	12.0	9.5	8.0

## Risk Adjusted Returns (6/30/14 - 4/30/26)\*

	Return	Std Dev	Sharpe Ratio	Max Drawdown
Public Equity (net)	10.1	14.9	0.5	-25.3
Fixed Income (net)	2.3	6.2	0.0	-13.6
Absolute Return (net)	6.7	8.6	0.6	-27.1

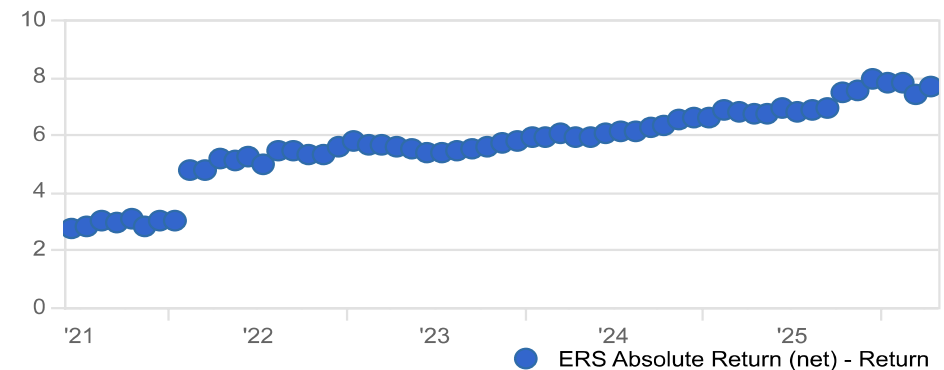
## Fixed Income - 10-Year Rolling Returns

06/28/1996 to 04/30/2026



## Absolute Return - 7-Year Rolling Returns

06/30/2014 to 04/30/2026



## Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Fixed Income	0.4	0.2	5.1	2.3	2.6	3.0	4.4
Fixed Income (net)	0.4	0.2	5.0	2.2	2.5	2.9	4.2
Bbg US Agg Bond TR USD	0.1	0.1	4.1	0.2	1.7	2.3	3.3

## Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	Inception*
Absolute Return (net)	2.6	3.5	12.0	12.1	7.0	6.7
90-Day T-Bill + 3%	0.5	2.2	7.0	6.6	5.4	5.0

\*Absolute Return inception date is June 30, 2014

### III.

#### INVESTMENT COMMITTEE REPORT

- A. Approval of Real Estate Investment Policy Statement Update.
- B. Approval of Public Equity Structure.

**REAL ESTATE INVESTMENT POLICY STATEMENT**  
**January**~~May~~ **2026**

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

## I. PURPOSE

The purpose of this statement of Real Estate Investment Policy is to formalize the City of Milwaukee Employees' Retirement System's ("CMERS") investment objectives, policies, and procedures with respect to the real estate asset class. This statement is an extension of the CMERS overall Statement of Investment Policy.

## II. INVESTMENT OBJECTIVE AND CONSIDERATIONS

### A. Purpose of Real Estate Allocation

CMERS allocates a portion of its total assets to real estate for the following benefits:

1. Enhance the diversification of the CMERS overall investment portfolio due to real estate's low correlation with stocks and bonds;
2. Provide high current income and a rate of return that falls between stocks and bonds;
3. Lower the volatility of the total investment portfolio considering real estate returns have historically exhibited lower volatility than public equities; and
4. Provide a hedge against unanticipated inflation.

### B. Major Considerations

Major considerations impacting the structure of the real estate portfolio include:

1. Liquidity
2. Staffing
3. Investment decision-making process
4. Diversification

### C. Asset Allocation

CMERS has a current target allocation of 12% to ~~Real Assets and 8.7% to~~ Private Real Estate. CMERS Statement of Investment Policy permits a minimum allocation to ~~Real Assets, defined as~~ Private Real Estate ~~and Public Diversified Real Assets,~~ of 9%\*\* and a maximum allocation to Private Real Estate Assets of 15% (see note on last page of document).

### D. Return Objectives

CMERS seeks to achieve total net returns equivalent to the net returns of the NCREIF Fund Index Open-End Diversified Core Equity Index Value-Weighted Net ("NFI-ODCE" or "ODCE") as a minimum return for the total real estate portfolio over rolling five-year periods.

## III. Portfolio Composition

CMERS's real estate allocation will be 100% invested in Core and Core plus strategies. The portfolio will primarily be invested in Core strategies, with Core Plus used as a complement. Investment in Non-Core strategies will not be pursued. Non-Core funds that are currently in the portfolio will be liquidated by the managers at their discretion and according to the provisions established in the documents governing each fund.

Core/Core Plus and Non-Core strategies are defined as follows:

	<b>Strategy</b>	<b>Leverage</b>
<b>Core/Core Plus</b>	<p>Existing, operational assets that are substantially leased (greater than 80%) that are core quality properties located in major markets.</p> <p>Core strategies are typically concentrated in the four main property types: office, residential, retail, industrial, but also include a subset of alternative sectors, which may include mixed-use properties, student housing, life sciences, self-storage, data centers, senior housing and hotels.</p> <p>Core Plus strategies may have greater exposure to property types beyond the four main property types.</p> <p>Total return derived from income and appreciation, with income accounting for at least 60% of the total return.</p>	<p>Core strategies generally have leverage of less than 35%.</p> <p>Core Plus strategies may have higher leverage, up to 50%, but typically 35-40%.</p>
<b>Non-Core Value-Add</b>	<p>Institutional quality properties located in major and secondary markets with improvement needs or opportunities to add value through asset management initiatives.</p> <p>Includes office, apartment, retail, industrial, as well as more specialized property types such as mixed-use properties, hotels, senior housing, self-storage and student housing, among others.</p> <p>Return balanced between appreciation and income, with some initial income that grows over time as value-add strategy is implemented.</p>	<p>May include the use of leverage up to 65%</p>
<b>Non-Core Opportunistic</b>	<p>Properties, property portfolios or real estate companies offering recapitalization, turnaround, development, market arbitrage opportunities or other specialized approaches.</p> <p>Return primarily derived from appreciation.</p>	<p>Leverage is utilized and often is not limited</p>

#### **IV. PERMISSIBLE INVESTMENTS**

##### **A. Investment Types**

To achieve the benefits of investing in real estate, investments for CMERS will consist of equity and equity-oriented ownership in commercial real estate.

##### **B. Investment Structures**

This Policy authorizes the use of investment structures that provide legal protections to CMERS commensurate with the investment opportunity subject to legal review. Investments in real estate will be made through collective investment vehicles.

Collective investment vehicles, also known as commingled funds, are generally categorized into two sub-structures: Open-end and Closed-end. Open-end commingled funds are infinite life vehicles which provide periodic liquidity by allowing the investor to contribute capital contributions or redeem capital, typically on a quarterly basis. Closed-end funds are finite life vehicles where the timing of capital contribution and distributions are at the discretion of the manager.

Investment will be made exclusively using open-end funds.

CMERS will not purchase individual properties directly.

#### **V. RISK MANAGEMENT**

The primary risks associated with equity real estate investments are investment manager risk, vintage year risk, concentration risk (manager, property type, and geographic), leverage, loss of principal and liquidity risks. The following are risk management strategies:

##### **A. Portfolio Composition**

Focusing investment in Core/Core Plus open-end funds is a primary mechanism to manage liquidity risk, leverage and loss of principal.

##### **B. Diversification**

###### **1. Manager Diversification**

Diversification by manager will be used to limit manager concentration risk. To control manager exposure, the allocation to a single real estate manager is limited to no more than 35% of the real estate portfolio. Generally, the upper limit will only be considered for managers with substantial assets under management. Lower amounts will be appropriate for managers with single product lines and small assets under management. Manager concentration will be calculated by aggregating the total real estate assets invested by CMERS across all real estate strategies managed by the manager.

## **2. Vehicle Diversification**

To mitigate the impact of the failure of a single investment vehicle on total real estate performance, CMERS will limit its investment in any single open-end fund to 35% of the total real estate portfolio.

## **3. Property Type and Location Diversification**

The portfolio will be broadly diversified by property type and by location. Diversification is expected to track, but not match, the diversification of the ODCE benchmark across the major property sectors (office, retail, industrial, apartments, and other) and regions (East, South, West, Midwest). The portfolio will be invested primarily in the U.S.; however up to 5% of the portfolio may be invested outside the U.S.

Each individual manager will determine the diversification of its portfolio. A majority have targets relative to the ODCE benchmark weightings.

To achieve a broadly diversified portfolio, CMERS will have a preference for funds that are diversified by property type and location; however, single-sector funds may be considered.

## **4. Vintage Year Diversification**

CMERS recognizes that real estate is cyclical and will pace its investment into the market across vintage years to the extent new allocations are made.

### **C. Liquidity Profile**

Funds with a concentrated investor base will be avoided because they potentially reduce CMERS's ability to exercise its governance rights and/or limit liquidity.

Similarly, for liquidity management, CMERS's investment in any single commingled fund may not exceed 20% of the total net asset value of the open-end fund.

### **D. Leverage Limitations**

CMERS will target portfolio-wide leverage of 25% of CMERS's aggregate real estate portfolio, with a maximum of 35%. CMERS will control the overall leverage amounts by investing in Funds with leverage profiles consistent with this Policy objective.

At the underlying investment vehicle level, leverage will be limited to the levels set within the investment vehicle's governing documents.

In the event that the portfolio-level and/or the style-level leverage constraint is breached due to a contraction in market values, Staff and Consultant will notify the Board and make a recommendation for action or exception.

**E. Currency**

Investments are expected to be made primarily in vehicles which invest in real estate in the U.S. Although non-U.S. investments are expected to be limited, CMERS accepts the currency risks inherent in the geographic exposures of the investment vehicles. Real estate managers may or may not hedge currency risk at the vehicle-level, but currency will not be hedged at the CMERS real estate portfolio level. Where possible, CMERS will make investments and receive distributions in U.S. dollars.

**VI. Summary of Policy Targets and Limits**

<b>Policy Parameter</b>	<b>Policy Guidelines</b>
Allocation to Real Estate	Target of <del>12.0%</del> 8.7% of total plan assets
Real <del>Estate Assets</del> Range	9%** - 15% (see note on last page of document), <del>includes both Private Real Estate and Public Diversified Real Assets</del>
Permissible Investments	Equity and equity-like investments in commercial real estate
Investment Vehicle • Open-end Funds	Open-end funds exclusively for any new allocations Legacy Non-Core closed-end funds are in wind down
Investment Styles • Core/Core Plus Private • Non-Core Private	100%; Focus on Core No new investments; 0% long term target Legacy Non-Core portfolio is in wind down
Manager Exposure	Maximum of 35% to a manager
Single Investment Exposure	Maximum of 35% of the real estate allocation to a single open-end fund
Property Types • Office • Industrial • Retail • Residential • Other	The portfolio will be broadly diversified and measured against ODCE property type weightings. Focus will be on the four main property types (office, retail, industrial, residential) and other (which can include but not limited to life sciences, self-storage, student housing, senior housing, data centers etc.)
Locations • East • South • West • Midwest • Non-U.S.	The portfolio will be broadly diversified and measured against ODCE regional weightings  Non-U.S. – Up to 5% of the portfolio
Leverage	Maximum of 35% for the real estate portfolio; Target of 25% Core ≤ 35% Core Plus ≤ 50% Legacy Non-Core Funds will have leverage according to the levels allowed in their respective governing documents

**VII. Benchmark**

Each investment will be benchmarked against the NCREIF Fund Index Open-End Diversified Core Equity Index Value Weighted (“NFI-ODCE” or “ODCE”), Net of Fees. Peer Groups may also be used to evaluate performance.

**VIII. Valuation**

Investments will be valued by the underlying investment managers using the methodology approved with the selection of the particular investment. Managers are expected to conform to the real estate information standards promulgated by NCREIF.

**IX. Program Management**

The Board, Staff, and Consultant’s roles will be consistent with those described in the Statement of Investment Policy.

**X. Compliance With Policy**

Until the Non-Core portfolio is fully liquidated, the portfolio will have areas of non-compliance. The Core portfolio will be managed to comply with the Policy. New investments and strategic decisions shall be in compliance with the Policy.

\*\*As noted within the Fund’s CMERS Statement of Investment Policy Target Allocations page, the Private Real Estate Assets Minimum is 6% through March 31, 2027 to accommodate an investment manager restructure. ~~The Real Assets~~ Minimum ~~will~~ revert back to 9% on April 1, 2027.

**REAL ESTATE INVESTMENT POLICY STATEMENT**  
**May 2026**

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

## **I. PURPOSE**

The purpose of this statement of Real Estate Investment Policy is to formalize the City of Milwaukee Employees' Retirement System's ("CMERS") investment objectives, policies, and procedures with respect to the real estate asset class. This statement is an extension of the CMERS overall Statement of Investment Policy.

## **II. INVESTMENT OBJECTIVE AND CONSIDERATIONS**

### **A. Purpose of Real Estate Allocation**

CMERS allocates a portion of its total assets to real estate for the following benefits:

1. Enhance the diversification of the CMERS overall investment portfolio due to real estate's low correlation with stocks and bonds;
2. Provide high current income and a rate of return that falls between stocks and bonds;
3. Lower the volatility of the total investment portfolio considering real estate returns have historically exhibited lower volatility than public equities; and
4. Provide a hedge against unanticipated inflation.

### **B. Major Considerations**

Major considerations impacting the structure of the real estate portfolio include:

1. Liquidity
2. Staffing
3. Investment decision-making process
4. Diversification

### **C. Asset Allocation**

CMERS has a current target allocation of 12% to Private Real Estate. CMERS Statement of Investment Policy permits a minimum allocation to Private Real Estate of 9%\*\* and a maximum allocation to Private Real Estate of 15% (see note on last page of document).

### **D. Return Objectives**

CMERS seeks to achieve total net returns equivalent to the net returns of the NCREIF Fund Index Open-End Diversified Core Equity Index Value-Weighted Net ("NFI-ODCE" or "ODCE") as a minimum return for the total real estate portfolio over rolling five-year periods.

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Allocation to Real Estate	Target of 12.0% of total plan assets
Real Estate Range	9%** - 15% (see note on last page of document),
Permissible Investments	Equity and equity-like investments in commercial real estate
Investment Vehicle <ul style="list-style-type: none"> <li>• Open-end Funds</li> </ul>	Open-end funds exclusively for any new allocations Legacy Non-Core closed-end funds are in wind down
Investment Styles <ul style="list-style-type: none"> <li>• Core/Core Plus Private</li> <li>• Non-Core Private</li> </ul>	100%; Focus on Core No new investments; 0% long term target Legacy Non-Core portfolio is in wind down
Manager Exposure	Maximum of 35% to a manager
Single Investment Exposure	Maximum of 35% of the real estate allocation to a single open-end fund
Property Types <ul style="list-style-type: none"> <li>• Office</li> <li>• Industrial</li> <li>• Retail</li> <li>• Residential</li> <li>• Other</li> </ul>	The portfolio will be broadly diversified and measured against ODCE property type weightings. Focus will be on the four main property types (office, retail, industrial, residential) and other (which can include but not limited to life sciences, self-storage, student housing, senior housing, data centers etc.)
Locations <ul style="list-style-type: none"> <li>• East</li> <li>• South</li> <li>• West</li> <li>• Midwest</li> <li>• Non-U.S.</li> </ul>	The portfolio will be broadly diversified and measured against ODCE regional weightings  Non-U.S. – Up to 5% of the portfolio
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\*\*As noted within the Fund’s CMERS Statement of Investment Policy Target Allocations page, the Private Real Estate Minimum is 6% through March 31, 2027 to accommodate an investment manager restructure. Minimum reverts back to 9% on April 1, 2027.

## Considerations for Each Mix

Manager	Benchmark	Style	2022 Target		Current Tgt		Alt 1		Alt 2		Alt 3	
			\$ mm	%	\$ mm	%	\$ mm	%	\$ mm	%	\$ mm	%
<b>Domestic Equity</b>			1,059	45.0%	1,058	45.0%	964	41.0%	1,058	45.0%	964	41.0%
BlackRock Russell 1000 Value	Russell 1000 Value	Value	208	8.9%	208	8.8%	159	6.8%	129	5.5%	0	0.0%
DFA Large Cap Value	Russell 1000 Value	Value	149	6.3%	149	6.3%	159	6.8%	206	8.8%	112	4.8%
Northern Trust	S&P 500	Core	208	8.9%	325	13.8%	259	11.0%	288	12.3%	417	17.8%
Polen	S&P 500	Growth	117	5.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Earnest	Russell Midcap	Core	107	4.6%	193	8.2%	200	8.5%	223	9.5%	218	9.3%
DFA Small Cap Value	Russell 2000 Value	Value	184	7.8%	184	7.8%	188	8.0%	212	9.0%	218	9.3%
CastleArk	Russell 2000 Growth	Growth	86	3.7%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<b>Global Equity</b>			470	20.0%	470	20.0%	611	26.0%	400	17.0%	611	26.0%
BlackRock Global Alpha Tilts	MSCI ACWI	Core	259	11.0%	259	11.0%	306	13.0%	235	10.0%	335	14.3%
MFS	MSCI ACWI	Growth	212	9.0%	212	9.0%	306	13.0%	165	7.0%	276	11.8%
<b>International Equity</b>			823	35.0%	823	35.0%	776	33.0%	894	38.0%	776	33.0%
AQR	MSCI EM	Core	106	4.5%	106	4.5%	94	4.0%	94	4.0%	100	4.3%
Brandes	MSCI EAFE	Value	310	13.2%	310	13.2%	341	14.5%	376	16.0%	335	14.3%
DFA International Small Cap	MSCI EAFE Small Cap	Value	171	7.3%	171	7.3%	171	7.3%	206	8.8%	182	7.8%
William Blair	MSCI ACWI ex US	Growth	236	10.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
BlackRock ACWI ex US Growth	MSCI ACWI ex US Growth	Growth	0	0.0%	236	10.0%	171	7.3%	218	9.3%	159	6.8%
<b>Total Public Equity</b>	<b>MSCI ACWI IMI</b>		2,352	100.0%	2,352	100.0%	2,352	100.0%	2,352	100.0%	2,352	100.0%

**Alternative 1:** Closest to how assets are currently allocated after mapping terminated manager assets to other existing mandates; higher allocation to large cap and North America, lower allocation to value than what was adopted in 2022

**Alternative 2:** Closest to the large cap, value, and North America characteristics of the portfolio adopted in 2022

**Alternative 3:** Mix with the highest allocation to large cap U.S. growth which is more like today's market cap benchmark weights but less like the portfolio historically held by CMERS

IV.

NEW BUSINESS

- A. Retirements, Death Claims, and Refunds (April).
- B. Conference Requests – May 27, 2026 Board Meeting.
- C. Appointment of Jerry Allen to the Annuity and Pension Board.
- D. Approval of Resolution for Retiring Deputy Director Melody Johnson.

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Service	BUFORD	ANTONIA	3/2/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	GULBRONSON	PETER	3/3/2026	100	DPW
Regular	Deferred	BOUNYONG	PAUL	3/5/2026	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	METZ	GINA	3/5/2026	MAX	POLICE DEPARTMENT
Regular	Service	SELL	DANIEL	3/7/2026	100	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	PICHOTTA	JOSEPH	3/8/2026	MAX	FIRE OPERATIONS BUREAU
Regular	Deferred	KRESSE	LYNN	3/12/2026	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	SANDERS	STEVEN	3/14/2026	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	KIRBY	WILLIAM	3/16/2026	50	DEPT OF NEIGHBORHOOD SRVCS
Regular	Involuntary Separation	ALEMAYEHU	TEODROS	3/17/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	ZANONI	LAURA	3/18/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Deferred	PUYLEART	STEVEN	3/21/2026	MAX	HACM
Regular	Service	KANDERSKI	JEFFREY	3/21/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	WHITEN	JOSHUA	3/21/2026	MAX	POLICE DEPARTMENT
Regular	Deferred	BARON	DANIEL	3/25/2026	100	MILWAUKEE FIRE DEPARTMENT
Regular	Deferred	EDWARDS	ANTHONY	3/26/2026	100	MILWAUKEE POLICE DEPARTMENT
Regular	Deferred	KICKHAVER	SARAH	3/28/2026	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	LOUCKS	JAMES	3/28/2026	MAX	FIRE OPERATIONS BUREAU
Regular	Deferred	ESTEVEES	JOSE	3/29/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	ASMUSSEN	CHRISTIAN	3/30/2026	MAX	FIRE OPERATIONS BUREAU
Regular	Service	EASLEY	EDWARD	3/31/2026	100	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	EMMRICH	MICHAEL	3/31/2026	60	FIRE OPERATIONS BUREAU
Regular	Service	MAX	DONNA	3/31/2026	MAX	MILWAUKEE METROPOLITAN SEWERAGE DISTRICT
Regular	Service	ELAM	VINCENT	4/1/2026	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	HINKENS	MARK	4/1/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	ST JOHN	BRENT	4/1/2026	50	EMS/Training/Education Bureau

**Board Report - April 2026**
**Deaths**

Type	Last Name	First Name	Death Date	Payment Date	Amount
Deferred Death	NIGHSWANDER	JOANNE	4/26/2025	4/30/2026	\$ 32,228.93
Deferred Death	RAMIREZ	MARIA	1/11/2026	4/30/2026	\$ 21,957.60
Deferred Death-Member Only Refund	MELTON	CLAUDETTE	12/8/2025	4/30/2026	\$ 555.78
Ordinary Death	LEWIS	MELODY	2/5/2026	4/30/2026	\$ 95,706.38
Ordinary Death	RADMANOVIC	TODD	11/16/2025	4/30/2026	\$ 54,468.92
Ordinary Death	THOMPSON	CHARLOTTE	2/5/2026	4/30/2026	\$ 9,926.96
Retiree Death-Termination	BRITTON	RUSSELL	3/5/2026	4/30/2026	\$ 481.06
Retiree Death-Termination	CUNNINGHAM	JOHN	2/9/2026	4/30/2026	\$ 381.13
Retiree Death-Termination	EQUITZ	EARL	11/18/2025	4/30/2026	\$ 2,288.63
Retiree Death-Termination	GAY	ANDRE	1/30/2026	4/30/2026	\$ 1,596.24
Retiree Death-Termination	GRANT	JOHN	6/18/2023	4/30/2026	\$ 1,573.32
Retiree Death-Termination	KAROLEWSKI	JOHN	10/20/2025	4/30/2026	\$ 2,968.04
Retiree Death-Termination	LANG	ROSS	3/20/2026	4/30/2026	\$ 1,587.09
Retiree Death-Termination	LESCZYNSKI	DONALD	1/6/2026	4/30/2026	\$ 936.69
Retiree Death-Termination	MACHADO	MIGUEL	11/20/2025	4/30/2026	\$ 5,463.64
Retiree Death-Termination	MC GEE	VERA	10/21/2025	4/30/2026	\$ 255.27
Retiree Death-Termination	MICHAELS	KEVIN	2/20/2026	4/30/2026	\$ 2,750.99
Retiree Death-Termination	PIPIA	ANGELINE	2/17/2026	4/30/2026	\$ 983.86
Retiree Death-Termination	RADER	JOY	2/17/2026	4/30/2026	\$ 624.45
Retiree Death-Termination	RETZER	RICHARD	7/30/2025	4/30/2026	\$ 2,146.81
Retiree Death-Termination	RIGO	KATALIN	7/22/2023	4/30/2026	\$ 979.87
Retiree Death-Termination	THOMAS HAMBERLIN	LORI	11/28/2025	4/30/2026	\$ 6,141.88
Retiree Death-Termination	VANEK	JEROME	2/23/2026	4/30/2026	\$ 1,650.43
Retiree Death-Termination	WENDLER	MARIAN	9/1/2025	4/30/2026	\$ 93.63
Retiree Death-Termination	WRIGHT	JOHN	12/26/2025	4/30/2026	\$ 118.85
Surv Death-Termination	ALEXANDER	DELORIS	11/16/2025	4/30/2026	\$ 292.60
Surv Death-Termination	BARTH	JOANNE	3/14/2026	4/30/2026	\$ 1,076.83
Surv Death-Termination	CERETTO	ROSEMARY	2/18/2026	4/30/2026	\$ 1,591.12
Surv Death-Termination	CONNORS	JUNE	1/2/2026	4/30/2026	\$ 93.63
Surv Death-Termination	DZIOMBA	HELEN	3/14/2026	4/30/2026	\$ 723.95
Surv Death-Termination	FILTZ	DAVID	3/18/2026	4/30/2026	\$ 370.08
Surv Death-Termination	HUNTER	JOAN	3/6/2026	4/30/2026	\$ 294.06
Surv Death-Termination	KOEPPEN	MARLENE	3/17/2026	4/30/2026	\$ 413.51

Type	Last Name	First Name	Death Date	Payment Date	Amount
Surv Death-Termination	MAGESTRO	MARION	12/24/2025	4/30/2026	\$ 323.34
Surv Death-Termination	MARSHALL	ESSIE	4/1/2025	4/30/2026	\$ 19,318.65
Surv Death-Termination	MOCBEICHEL	PATRICIA	2/16/2026	4/30/2026	\$ 991.72
Surv Death-Termination	PIERCE	ROBERT	1/24/2026	4/30/2026	\$ 12,766.76
Surv Death-Termination	WILSON	JOANNE	3/14/2026	4/30/2026	\$ 685.01
Surv Death-Termination	ZACHOW	DIANE	2/16/2026	4/30/2026	\$ 1,030.26

**TOTAL \$ 287,837.97**

Retiree Death-Cont Opt	HAAS	FREDERICK	3/23/2026	4/1/2026	
Retiree Death-Cont Opt	HILLERY	SHARON	2/28/2026	4/1/2026	
Retiree Death-Cont Opt	KELLEY	WAYNE	1/14/2026	4/1/2026	
Retiree Death-Cont Opt	LAMONTE	FRANK	4/12/2026	4/1/2026	
Retiree Death-Cont Opt	LE BARRON	ROGER	2/20/2026	4/1/2026	
Retiree Death-Cont Opt	OLIVA	RICHARD	4/14/2026	4/1/2026	
Retiree Death-Cont Opt	PETERSON	CHRISTOPHER	10/31/2023	4/1/2026	
Retiree Death-Cont Opt	RAAP	MICHAEL	2/10/2026	4/1/2026	
Retiree Death-Cont Opt	ROUSE	BRIAN	4/4/2026	4/1/2026	
Retiree Death-Cont Opt	SINGH	AJAIB	4/4/2026	4/1/2026	

**Board Report - April 2026**

				<b>Withdrawals</b>	
<b>Type</b>	<b>Last Name</b>	<b>First Name</b>	<b>Payment Date</b>	<b>Amount</b>	
Administrative Withdrawal	GLEASON	MICHAEL	4/30/2026	\$	1,405.40
Administrative Withdrawal	GOULD	MELISSA	4/30/2026	\$	203.70
Administrative Withdrawal	NGUYEN	TONY	4/30/2026	\$	2,035.13
Administrative Withdrawal	SCHROEDER	MICHAEL	4/30/2026	\$	4,325.58
Full Refund	BRINKLEY	MONICA	4/30/2026	\$	11,432.35
Full Refund	BROWN	BRYSON	4/30/2026	\$	2,958.94
Full Refund	CLAYTON	SHIRLEAN	4/30/2026	\$	27,459.91
Full Refund	DAWSON	THOMASINA	4/30/2026	\$	6,295.55
Full Refund	GRICE	NIVARIO	4/30/2026	\$	255.22
Full Refund	GRIFFIN	RAQUEL	4/30/2026	\$	3,337.55
Full Refund	MOORE	RASHEDI	4/30/2026	\$	31,858.48
Full Refund	ROBERSON	MARLON	4/30/2026	\$	2,441.82
Full Refund	WALKER	DOMINIQUE	4/30/2026	\$	3,891.76
Full Refund	WILSON	SHAQUITA	4/30/2026	\$	12,299.22
Full Refund	YOUNG	BENNIE	4/30/2026	\$	6,094.68
Member Only Refund	HERNANDEZ	JAHAIRA	4/30/2026	\$	2,943.86
Member Only Refund	HIGHTOWER	LITAYIA	4/30/2026	\$	1,925.46
Member Only Refund	HILGENDORF	GREGORY	4/30/2026	\$	8,367.86
Member Only Refund	KENNEY	KAILYN	4/30/2026	\$	7,814.08
Member Only Refund	MAJEWSKI	TAMMY	4/30/2026	\$	3,229.00
Member Only Refund	MANEY	CHIQUITA	4/30/2026	\$	242.07
Member Only Refund	ROBINSON	TIFFANY	4/30/2026	\$	2,521.15
Member Only Refund	RODRIGUEZ	SAMUEL	4/30/2026	\$	17,944.77
Member Only Refund	WALKER	ALISHA	4/30/2026	\$	1,126.82
				<b>TOTAL</b>	<b>\$ 162,410.36</b>

**Conference Requests – May 2026 Board Meeting**

Jerry Allen	NCPERS Public Pension Funding Forum
Sponsor:	NCPERS
Date(s):	August 17-19, 2026
Estimated Cost:	\$1,500.00

A RESOLUTION

WHEREAS, Melody Johnson served at the City of Milwaukee with integrity since 1995 for over 31 years, including at the Employees' Retirement System (ERS) for over 25 years, progressing steadily in responsibilities; and

WHEREAS, Melody Johnson served as the ERS' Deputy Director from 2017 to June 2026, and in that capacity provided oversight for the administration of staff, served as the ERS's Human Resources Manager, guided the organization and its staff and managers through a myriad of challenges, and delivered critical assistance in the development and management of office protocols during COVID; and

WHEREAS, Melody Johnson served as the ERS's Chief Financial Officer between 2009 and 2017, and during that time managed and issued ERS's annual financial statements, ensured the accuracy of pension payrolls, prepared annual budgets for the department, reconciled departmental expenditures, supervised personnel in the accounting division, and served as a key liaison with the actuary and with the internal and external auditors; and

WHEREAS, Melody Johnson served as the ERS's Pension Accounting Manager, and prior to that, as a Calculation Specialist from 2000 to 2009, and in those roles oversaw that the estimates and calculations were performed in an accurate and timely manner, provided expertise during the development of MERITS, and aided in general ledger reconciliations; and

WHEREAS, Melody Johnson served as a Management Accountant from 1995 to 2000 in the City of Milwaukee Comptroller's Office providing general ledger and accounting expertise; and

WHEREAS, Melody Johnson's retirement from the ERS, effective June 2026, will be a great loss for the ERS and the City of Milwaukee; therefore be it

RESOLVED, that the Annuity and Pension Board and staff of the ERS are grateful for Ms. Johnson's diligent and long-tenured service at the ERS and express their deep and sincere appreciation for her invaluable, selfless, and loyal service, and wish her the very best in her retirement; and be it

FURTHER RESOLVED, that this Resolution be recorded in the permanent records of this Board and that a suitably engrossed copy be forwarded to Melody Johnson in recognition of her exemplary service.

ADOPTED May 27, 2026  
Annuity and Pension Board

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
CHIEF INVESTMENT OFFICER

\_\_\_\_\_  
DEPUTY DIRECTOR

\_\_\_\_\_  
EXECUTIVE DIRECTOR

V.

MEDICAL REPORTS

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

MERITS

CITY OF MILWAUKEE EMPLOYEES' RETIREMENT SYSTEM

Page Number: 1 OF 1

Medical Panel Approvals Report

DATE RAN : 05/21/2026

Approved by Executive Director

Pension Board Meeting Date 05/27/2026

TIME RAN : 09:07

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>
1096	SCHMAELZLE, JOHN	FIRE FIGHTER	FIRE	DD 75%	Re-Examination	Approved	Approved		05/01/2026	
1410	LACINA, KURT	POLICE OFFICER	POLICE	DD 90%	Re-Examination	Approved	Approved		11/24/2018	

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.*

<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>
DROUGHT, MATTHEW	POLICE OFFICER	MPD	Ordinary Disability	Re-Examination	01/13/2024	05/08/2026	
JASSO, MICHAEL	FIREFIGHTER	MFD	Ordinary Disability	Re-Examination	04/25/2018	05/08/2026	
JONES, TONY	HEAVY EQUIPMENT OPERATOR	MILWAUKEE FIRE DEPARTMENT	Duty Disability 75%	Re-Examination	09/27/2023	05/08/2026	
KILSDONK, CORY	FIREFIGHTER/EMT	MILWAUKEE FIRE DEPARTMENT	Ordinary Disability	Re-Examination	03/07/2023	05/08/2026	
LEISHER, STEPHEN	CHILDREN HEALTH ASSISTANT	MILWAUKEE PUBLIC SCHOOLS	Ordinary Disability	Re-Examination	12/27/2024	05/08/2026	
TURMAN, LAFAYETTE	POLICE OFFICER	MILWAUKEE POLICE DEPARTME	Duty Disability 75%	Application	09/12/2025	05/08/2026	
WEIR, THOMAS	ELECTRICIAN	MUNICIPAL SERVICES	Duty Disability 75%	Re-Examination	10/18/2023	05/08/2026	

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.*

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 (VI.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. Pending Litigation Report.
- D. Executive Director's Report – Inventory of ERS Projects.
- E. Updated Committee Appointments for 2026.



## May 27, 2026 Board Meeting

### **PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT**

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

- 04/17/26**      **1% Residency Incentive Pay**  
ERS has requested legal guidance on whether and under what circumstances a 1% residency incentive payment contained in the recently settled labor agreement between the City of Milwaukee and the Milwaukee Police Supervisors Organization (MPSO) should be included in "current annual salary" for purposes of calculating Duty Disability Retirement benefits.

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

None.

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

- 03/27/26**      **Cavanaugh MacDonald Consulting LLC Agreement**  
ERS has requested assistance in negotiating and drafting a contract with Cavanaugh Macdonald Consulting LLC for actuarial services.
- 04/17/26**      **Investment Management Agreement**  
ERS has requested assistance in negotiating and drafting an investment management agreement with a selected finalist for a core fixed income mandate.

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

None.



## May 27, 2026 Board Meeting

### **PENDING LEGISLATION REPORT**

#### **PART 1. PENDING FILES FOR COMMON COUNCIL ACTION**

**Appointment of Jerry Allen to the Employees' Retirement System Annuity and Pension Board Committee by the Common Council President. (FN 260004)**

- **04/21/26** Introduced.
- **05/06/26** Approved by Finance and Personnel Committee.
- **05/12/26** Approved by Common Council.

**Reappointment of Deborah Ford to the Employees' Retirement System Annuity and Pension Board Committee by the Common Council President. (FN 260005)**

- **04/21/26** Introduced.
- **05/05/26** Approved by Finance and Personnel Committee.
- **05/12/26** Approved by Common Council.

**Substitute resolution relating to pension cost recovery associated with reimbursable overtime and extra-duty contracts. (FN 252099)**

- **03/24/26** Introduced
- **05/05/26** Approved by Finance and Personnel Committee
- **05/12/26** Approved by Common Council

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

None.

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

None.

#### **PART 4. PENDING STATE LEGISLATION**

None.



## May 27, 2026 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\*\*

- 03/18/26 Appellants' Petition for Review filed with the Supreme Court of Wisconsin.
- **03/30/26** Respondents' Response to Petition for Review filed with the Supreme Court of Wisconsin.

#### **Benjean Lara v. City of Milwaukee, et al; Case Nos. 2024AP001685; and 2023CV007107**

Member filed Petition for Certiorari Review of Pension Board's denial of disability (duty and ordinary) retirement benefits.

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

- 03/18/26 Court of Appeals affirmed Annuity and Pension Board's decision to deny Duty Disability Retirement benefits to Benjean Lara.
- **04/17/26** Appellant's Petition for Review filed with the Supreme Court of Wisconsin.
- **04/30/26** Respondents' Response to Petition for Review filed with the Supreme Court of Wisconsin.

#### **Kurt Lacina v. Employees' Retirement System, et al; Case Nos. 2025AP001597 and 2024CV008283**

Plaintiff alleges that duty disability retirees receiving a 90% benefit are only subject to the re-examination requirements prior to reaching his/her conversion date.

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

- **11/24/25** Awaiting assignment to Appellate panel.

## **Part 2. ERS Administrative Appeal Hearings through the City Attorney**

### **Jason E Rodriguez; Administrative Case No. 1443**

- Administrative appeal hearing stayed pending outcome of Appellant's state workers compensation (WC) appeal under Wis. Stat. 62.624.
- 02/13/26 State of Wisconsin Department of Workforce Development Worker's Compensation Division issued a decision in favor of the Appellant.
- 04/09/26 Letter sent to Appellant to schedule signing of new Medical Information Authorization forms.

### **Frank Lockett; Administrative Case No. 1591**

- 03/18/26 Hearing examiner issued decision letter confirming that the Annuity and Pension Board—and not the hearing examiner—is the final decision maker for ERS disability benefit appeals.
- 05/12/26 Appeal hearing scheduled.

## **Part 3. Notice of Claim filed with ERS**

None.

## **Part 4. ERS Litigation through Outside Legal Counsel**

None.

# Employees' Retirement System – Executive Director's Report

## May 2026

### **I. Personnel Update**

- A. ERS Deputy Director Melody Johnson is retiring on June 2, 2026. A resolution detailing Melody's many accomplishments and contributions to ERS is included on the Board agenda. Melody will be succeeded by ERS CFO Daniel Gopalan.
- B. ERS is working to fill vacancies in the Benefits Services Specialist and Records Technician II positions, as well as an upcoming vacancy in the Office Assistant III position that is anticipated due to a planned retirement.

### **II. Member Services**

- A. New retirees on payroll in April – 32, and 29 are currently anticipated for the May payroll.
- B. Retiree/Employee deaths entered in March – 28.
- C. A Retirement Workshop for Protective Services MPA/MPD was held on 5/8/26 and 51 attended.
- D. A new Police Recruit Class started 3/30/26 with 40 new recruits.
- E. Below is a breakdown of to-date ERS benefits payouts/active/deferred counts:

Category	Count
<b>Annuitants</b>	
Death - Duty	23
Death - Ordinary	100
Disability - Duty	342
Disability - Ordinary	559
Retirement	12,904
Separation	39
<b>Total Annuitants</b>	<b>13,967</b>
<b>Active</b>	<b>8,280</b>
<b>Deferred</b>	<b>3,608</b>
<b>Total Population</b>	<b>25,855</b>

### **III. Financial Services**

- A. Staff continues to work with the actuary and financial reports.
- B. ERS' 2027 Budget Request was submitted to the City's Budget Office.
- C. ERS has completed the recalculations and retro payments for the MPA contract settlement. We completed most of the recalculations in April but there were less than 20 members with special calculations that were pushed to the May 2026 payroll. ERS also completed the recalculations for Duty Disability retirees affected by Local 215's 1% contract raise effective on 1/1/26 with the April payroll.

### **IV. Information Services**

- A. Upgrade FileNet P8 to IBM CloudPak4BA in progress.
- B. Network Redesign in progress.
- C. VMware Environments Upgrade in progress.
- D. Desktop PCs Upgrade in progress.

- E. IP Address Review and Cleanup 2025 in progress.
- F. DNS Review and Cleanup 2025 in progress.
- G. AD Review and Cleanup 2025 in progress.
- H. Firewall Review and Cleanup 2025 in progress.
- I. Storage Area Network Firmware Upgrade in progress.
- J. Perforce Upgrade in progress.
- K. WCAG 2.0 implementation in progress.

## **V. Administration**

- A. The June meeting of the Administration and Operations Committee has been rescheduled to Wednesday, June 17 at 9:00 a.m.
- B. ERS staff reached out to the Housing Authority of the City of Milwaukee (HACM) to schedule a meeting with the agency's newly appointed Secretary-Executive Director, Harold Ince, Jr., for the purpose of discussing the agency's outstanding employer contributions. Subsequent to that communication, it was announced that HACM had hired a new Chief Financial Officer (CFO) effective June 1, 2026. ERS staff elected to delay the meeting until June so the new CFO could participate.

Per the Board's direction, ERS is now sending monthly billing statements to HACM. A copy of May's billing statement is enclosed with this report.



City of Milwaukee  
Employees' Retirement System

Patrick J. McClain  
Executive Director

David M. Silber, CFA, CAIA  
Chief Investment Officer

Daniel A. Gopalan, CPA  
Deputy Director

Gust P. Petropoulos  
Deputy Director

May 11, 2026

Housing Authority of the City of Milwaukee  
Attn: Office of the Executive Director  
809 N. Broadway, 3rd Floor  
Milwaukee, WI 53202

via eMail

Re.: Actuarial Employer Contributions for Plan Years 2024-2026

Good Morning:

The Employees' Retirement System (ERS) collects from its member agencies certain costs due to the System. The Housing Authority has amounts due as outlined below.

Plan Year	Amount Due 1/1/2026	Interest Accrued Thru' 5/31/2026	Amount Due 5/31/2026	Statutory Due Date
2024 (past due)	\$ 582,082	\$ 16,176	\$ 598,258	12/31/2025
2025	\$ 2,024,259	\$ 56,256	\$ 2,080,515	12/31/2026
2026	\$ 1,915,565	\$ 53,235	\$ 1,968,800	12/31/2027
<b>Total for All Years</b>	<b>\$ 4,521,906</b>	<b>\$ 125,667</b>	<b>\$ 4,647,573</b>	

Please note that all amounts due continue to accrue interest at 6.8% p.a. If you would like to reinstate a quarterly payment schedule, please contact Dan Gopalan, ERS CFO, at [daniel.gopalan@cmers.com](mailto:daniel.gopalan@cmers.com) to discuss options.

Please be sure to email Dan Gopalan at [daniel.gopalan@cmers.com](mailto:daniel.gopalan@cmers.com) prior to making the payments, so we can properly credit your account. He can also be reached at 414-286-3708.

Sincerely,

  
Patrick J. McClain  
Executive Director



# Basic Website Metrics

	2025									2026			
	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Users	3,454	3,319	3,338	3,271	3,171	3,185	4,649	3,000	4,492	4,674	4,498	4,162	<b>4,054</b>
Page Views	11,684	12,215	10,251	10,844	10,313	11,016	18,685	11,595	12,222	14,697	13,800	12,478	<b>12,074</b>
Ave. Visit	1:30	1:25	1:15	1:21	1:22	1:27	1:54	1:08	1:02	1:26	1:21	1:13	<b>1:12</b>

**2026 Appointment of Committees and Committee Chairs**  
(Updated May 27, 2026)

Annuity and Pension Board Chairman Matthew Bell appointed the following members to serve on the committees listed below for 2026.

**Administration and Operations Committee**

Bill Christianson, Chair  
Justin Decleene, Vice Chair  
Bernard Allen  
Timothy Heling

**Investment Committee (Committee of the Whole)**

Timothy Heling, Chair  
Deborah Ford, Vice Chair  
Bernard Allen  
John Barmore  
Matthew Bell  
Bill Christianson  
Justin Decleene  
Nik Kovac

**Legislative Committee**

Deborah Ford, Chair  
Bernard Allen  
John Barmore  
Matthew Bell  
Bill Christianson  
Justin Decleene  
Timothy Heling  
Nik Kovac

**Litigation Committee**

To be appointed when necessary.

## VII.

### INFORMATIONAL

- A. Conferences.
- B. Class Action Income 2026 YTD.
- C. Adjusted Quarterly Cost Basis of Equity.
- D. Minutes of the Investment Committee Meeting Held April 16, 2026.
- E. Report on Bills.
- F. Securities Lending Revenue and Budget Report.
- G. Preliminary Performance Report and Asset Allocation.

## Client Conferences 2026 – 2027

**Board Meeting: May 27, 2026**

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
June 4, 2026 11:30 am – 12:30 pm	Elements of Total Portfolio Approach – Merits and Considerations Virtual	Callan Associates
June 16 – 17, 2026	Neuberger Berman Private Markets Annual Investors' Meeting New York, NY	Neuberger Berman
June 18, 2026 8:00 am – 11:00 am	June Regional Workshop Chicago, IL	Callan Associates
September 22 – 23, 2026 10:30 am – 2:00 pm	"Callan College" Introduction to Investments Virtual	Callan Associates
October 27 – 29, 2026	USLF Annual Meeting 2026 New York, NY	ProLogis
October 29 – 30, 2026	LaSalle Americas Investor Summit 2026 Chicago, IL	LaSalle
February 1 – 2, 2027	Apogem 2027 Annual General Meeting Palm Beach, FL	Apogem Capital
April 4 – 6, 2027	Callan Institute 2027 National Conference Scottsdale, AZ	Callan Associates

# Trustee Conferences 2026 – 2027

Board Meeting: May 27, 2026

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
June 4, 2026	10 <sup>th</sup> Annual Real Estate Midwest Forum Chicago, IL	Markets Group
June 10 – 12, 2026	2026 Visions, Insights & Perspectives (VIP) Infrastructure Chicago, IL	Institutional Real Estate, Inc.
June 15 – 16, 2026	Public Plan Trustees Institute – Level I San Diego, CA	International Foundation of Employee Benefit Plans
June 15 – 16, 2026	Public Plan Trustees Institute – Level II San Diego, CA	International Foundation of Employee Benefit Plans
July 13 – 15, 2026	Private Equity Exclusive Chicago, IL	with.Intelligence
July 20 – 21, 2026	ALTSCHI Chicago, IL	Markets Group
July 22 – 23, 2026	5 <sup>th</sup> Private Equity Chicago Forum Chicago, IL	Markets Group
August 17 – 19, 2026	Public Pension Funding Forum 2026 Chicago, IL	NCPERS
September 23, 2026	12 <sup>th</sup> Annual Great Plains Institutional Forum Minneapolis, MN	Markets Group
September 28 – 29, 2026	Investment Basics Orlando, FL	International Foundation of Employee Benefit Plans
September 30 – October 2, 2026	CII Fall 2026 Conference Boston, MA	Council of Institutional Investors

# Trustee Conferences 2026 – 2027

**Board Meeting: May 27, 2026**

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
October 2, 2026	Madison Investment Conference Madison, WI	CFA Society of Madison, SWIB, Wisconsin School of Business
October 6 – 8, 2026	P&I Convergence 2026 New York, NY	Pensions&Investments
October 7 – 8, 2026	Consultants & Institutional Investors Roundtable Chicago, IL	Institutional Investor
October 24 – 25, 2026	Public Plan Trustees Institute – Level I New Orleans, LA	International Foundation of Employee Benefit Plans
October 24 – 25, 2026	Public Plan Trustees Institute – Level II New Orleans, LA	International Foundation of Employee Benefit Plans
October 24 – 25, 2026	Fiduciary in Focus Workshop 2026 (formerly PATS) Nashville, TN	NCPERS
October 25 – 28, 2026	Public Safety Conference Nashville, TN	NCPERS
October 26 – 27, 2026	Alts 50 New York, NY	with.Intelligence
January 25 – 27, 2027	2027 Visions, Insights & Perspectives (VIP) Americas Carlsbad, CA	Institutional Real Estate, Inc.
March 8 – 10, 2027	CII Spring 2027 Conference Washington D.C.	Council of Institutional Investors

# Upcoming Due Diligence Meetings

Date	Manager(s)	Team
June 2 – 3, 2026	Aptitude – Seattle	Erich and Tom
June 27 – July 1, 2026	UBS – London	Keith
July 28 – 30, 2026	Loomis and MFS	David and Tom

## Class Action Income 2026 YTD

Asset Description	Date(s)	Amount
Viacom, Inc.	1/6/2026 \$	105
The Bank of New York Mellon	1/16/2026 \$	2
CITIBANK	1/16/2026 \$	2
Warner Brothers Discovery	1/22/2026 \$	2,927
Boston Scientific Corp.	2/12/2026 \$	217
Pluralsight, Inc.	2/26/2026 \$	6,581
Apple, Inc.	4/6/2026 \$	400
Viatis, Inc.	4/6/2026 \$	473
Cerence, Inc.	4/20/2026 \$	2,869
First Solar, Inc.	4/21/2026 \$	38
The Kraft Heinz Co.	4/24/2026 \$	820
<b>Total Class Action Income Received in 2026 YTD</b>	<b>\$</b>	<b>14,434</b>

## Adjusted Quarterly Cost Basis of Equity March 31, 2026

Date	Market Value of Total Fund	Equity as Percent of	Cost Value of Total Fund	Equity as Percent of
		Portfolio on a Market Value		Portfolio on Cost
		Basis %		Basis %
Mar-19	5,287,164,709	52.5%	4,458,818,165	48.5%
Jun-19	5,368,388,543	52.2%	4,439,503,880	48.5%
Sep-19	5,336,312,140	51.6%	4,409,684,126	48.6%
Dec-19	5,525,553,595	53.1%	4,370,713,537	48.7%
Mar-20	4,532,932,039	47.6%	4,421,955,418	47.5%
Jun-20	4,904,369,177	52.6%	4,216,408,115	50.3%
Sep-20	5,077,501,527	52.0%	4,228,679,409	49.0%
Dec-20	5,531,306,606	53.5%	4,270,905,026	47.9%
Mar-21	5,693,916,321	53.5%	4,338,199,305	46.1%
Jun-21	6,012,966,775	52.3%	4,337,113,221	45.0%
Sep-21	6,026,295,778	48.4%	4,378,190,704	42.2%
Dec-21	6,218,053,813	47.6%	4,473,429,725	41.0%
Mar-22	6,156,069,941	46.5%	4,642,000,891	41.1%
Jun-22	5,633,734,690	44.6%	4,548,655,130	43.9%
Sep-22	5,276,131,314	43.7%	4,538,899,040	44.8%
Dec-22	5,469,372,844	46.0%	4,476,020,934	44.5%
Mar-23	5,644,257,058	47.6%	4,501,213,423	44.4%
Jun-23	5,654,571,235	43.9%	4,551,510,198	39.4%
Sep-23	5,471,790,350	40.0%	4,563,372,935	35.9%
Dec-23	5,712,163,552	42.7%	4,524,515,830	36.6%
Mar-24	5,968,654,087	42.9%	4,668,405,133	35.6%
Jun-24	5,895,564,025	42.3%	4,634,369,429	35.6%
Sep-24	6,063,026,517	42.4%	4,630,995,120	34.7%
Dec-24	5,857,172,026	41.8%	4,603,392,549	35.3%
Mar-25	6,023,115,111	40.5%	4,762,571,210	34.2%
Jun-25	6,180,171,693	39.7%	4,811,461,076	32.7%
Sep-25	6,310,301,424	39.2%	4,820,747,511	31.5%
Dec-25	6,380,076,876	39.8%	4,809,222,618	31.7%
Mar-26	6,478,733,140	35.4%	5,075,221,843	28.1%

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

Minutes of the Investment Committee Meeting  
held April 16, 2026 in person

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

Committee Members Present:       John Barmore  
  Matthew Bell  
  Bill Christianson  
  Justin DeCleene  
  Timothy Heling

Committee Members Not Present:   Deborah Ford (arrived 9:08 a.m.)  
  Nik Kovac (arrived 10:05 a.m.)

ERS Staff Present:                   Patrick McClain, Executive Director  
  David Silber, Chief Investment Officer  
  Erich Sauer, Deputy Chief Investment Officer  
  Keith Dickerson, Pension Investment Analyst – Sr.  
  Thomas Courtright, Pension Investment Analyst  
  Dan Gopalan, Chief Financial Officer  
  Jan Wills, Board Stenographer

Others present: Dario Buechi, John Jackson, Mike Joecken, David Zee, Callan; Greg Balewicz, Mark Redfearn, Chris Robb, PPM America, Inc.; Jim Gubitosi, John Trydahl, Income Research + Management; Andrea Johnson, Brandon Kanz, Mike Reardon, Pete Schmit, Galliard Capital Management, LLC; John Cremer, Meghan Dean, Charles Groeschell, Mary Ellen Stanek, Baird Advisors; Lauren Albanese, Financial News; Lauri Rollings, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc.; nine members of the public called into the meeting.

**Fixed Income Manager Interviews.** Chairman Heling noted there would be four Fixed Income manager interviews. He stated Callan would provide a preview. Mr. Joecken said this follows the asset liability study where it was decided to increase the allocation to Fixed Income, and it follows the recently approved Fixed Income structure, where it was decided to add another manager and further diversify the Fixed Income allocation. He stated they were looking for a core Fixed Income Manager and said there are four candidates who have been through Callan's search process and CMERS is looking for a core Fixed Income Manager that complements CMERS' existing managers – Loomis and Reams. He stated Callan worked with its Fixed Income Research Specialists, Messrs. Buechi and Zee, to conduct the search. Mr. Joecken stated the manager list was whittled down to eight who were taken to the manager search committee, a committee of a dozen senior consultants, like Mr. Jackson and himself and others at Callan who have experience working with other core Fixed Income Managers. He said the consultants got the list down to the four managers who are here today. Mr. Joecken said once the managers come out of the search committee, the search committee would be happy with any of the four managers hired. Mr. Jackson

stated all four managers are perfectly capable so the Investment Committee cannot make a bad choice.

Mr. Barmore asked for some highlights of each manager. Mr. Buechi noted PPM is an asset manager who is a subsidiary of the insurance company Jackson National so the firm and team is very involved in managing assets on behalf of the insurance general account. He said in terms of the overall profile of the strategy here, this would be a very conservative core bond option that is taking its roots in that insurance asset management style where safety of principal is number one. Mr. Buechi said this would be a very conservative bond option led by Mr. Redfearn.

Mr. Zee said Income Research + Management is an employee-owned, Fixed Income firm based out of Boston and manages about \$120 billion in assets and all Fixed Income across the firm. He said in terms of their style, contrasting them to the other candidates here, people find that they are more on the aggressive side of core, relative to these candidates, but he said it is still a very conservative true core bond strategy.

Mr. Buechi stated Galliard is a subsidiary of Allspring, formerly Wells Fargo. He said Wells Fargo divested their asset management business in 2021 to GTCR and Reverence Capital Partners who are the new majority owners of Allspring. Mr. Buechi said Galliard is an independent subsidiary of Allspring with their roots and the major core of their business in stable value, but they do have a sizable core bond strategy that is run largely by the second team at Galliard. He said they have a conservative option with unique sector exposures that could complement CMERS' current managers.

Mr. Zee said Baird is a local, Milwaukee-based firm and said the core bond strategy CMERS is speaking about is their flagship strategy. Mr. Zee said their key area of expertise is in corporate credit so we would see a structural overweight to that area that has really driven their results over time.

Ms. Ford arrived at 9:08 a.m.

Mr. Christianson asked what niche CMERS is expecting this Fixed Income manager to fill relative to CMERS' other Fixed Income managers. Mr. Joecken said Reams and Loomis, whom CMERS has had for a long time, are further out on the risk spectrum for Fixed Income and they are investing in things like high-yield and emerging market debt. He said today the managers would be discussing investment-grade Fixed Income which are highly-rated treasuries, credits, securitized debt, mortgages, and mortgage-backed securities. Mr. Joecken added that what CMERS is thinking about today is the safe harbor Fixed Income that balances the more aggressive Reams and Loomis within the portfolio. Mr. Silber added that over the long-term, the GlidePath that was approved last year set the current Fixed Income target at 32% but noted that when CMERS' funding status hits 85%, the GlidePath envisions that the Fixed Income allocation increases to 36%, and when CMERS's funding status hits 90%, the Fixed Income allocation is projected to reach a 45% target. Mr. Silber said the purpose of de-risking is to take the money from alternatives and stocks and put the money into something that will hopefully get a nice yield and provide liquidity, but is not as risky on the spectrum as Reams and Loomis. He noted that CMERS already has a healthy allocation to a U.S. government index strategy that can be relied on as a rebalancing mechanism

and to tap to make benefit payments when needed, but CMERS does not have anything in between the index and core plus at the moment and that is the spot in the portfolio that we are trying to fill with this search.

Mr. Heling then asked the Committee to hold their questions until the presenters do their 20-minute presentations and then the Committee will have 10 minutes to ask questions.

**PPM America, Inc.** As a matter of information, Committee members received the PPM America presentation booklet. Messrs. Balewicz, Redfearn, and Robb introduced themselves and said they were delighted to be here and talked about PPM's strong core Fixed Income capabilities. Mr. Balewicz said Mr. Redfearn would provide an overview of the investment team, process, philosophy, and performance. He stated Mr. Robb would share insight into his vision as the new CEO of PPM and talk about his commitment to public Fixed Income, public funds, and U.S. Institutional. Topics that PPM covered were PPM at a Glance, Our Understanding of Your Needs, Portfolio Management Team, Strategy Overview, Our Fixed Income Investment Philosophy, Fixed Income Portfolio Investment Approach, Credit Research Team Process, Managing Risk in Fixed Income Portfolios, Summary of Performance Results, Excess Returns, Portfolio Characteristics, Portfolio Breakdown by Sector, Portfolio Breakdown by Credit Quality, and Credit Exposure (DTS) Difference vs. Benchmark. Discussion ensued.

**Income Research + Management.** As a matter of information, Committee members received the Income Research + Management presentation booklet. Messrs. Trydahl and Gubitosi introduced themselves. He said they would discuss their firm, their investment philosophy, process, and performance expectations. Topics that Income Research + Management covered were Our Understanding; IR+M: Who We Are; Stable, Established Teams; Extensive Analytical Resources; The IR+M Approach; Investment Process; Analyze Opportunity Set; IR+M Research Process; Identify Best Ideas: Corporates; Portfolio Construction + Risk Control; Portfolio Characteristics; Investment Results; IR+M Aggregate Strategy Performance; Why Clients Choose IR+M; IR+M Public Plan Client Differentiators; IR+M Core Risk Metrics vs. Core Universe; Portfolio Characteristics; Investment Results; Strong Information Ratios Relative to Peers; Identify Best Ideas: Securitized; Calibrate Risk Posture; Evaluate Portfolio Fit; Portfolio Management Resources; and IR+M Composite Disclosures. Discussion ensued.

Mr. Kovac arrived at 10:05 a.m.

The Chair called for a break at 10:15 a.m.

The Chair resumed the meeting at 10:25 a.m.

**Galliard Capital Management, LLC.** As a matter of information, Committee members received the Galliard Capital Management, LLC presentation booklet. Ms. Johnson and Messrs. Kanz, Reardon, and Schmit introduced themselves. Mr. Schmit thanked the committee for the opportunity to talk about the broad, market core strategy. Topics that Galliard covered were Who We Are; Galliard Team; Broad Market Core Performance – 5 Years; Galliard's Fixed Income Philosophy; What to Expect from a Galliard Portfolio; Broad Market Core Composite Performance; Key Tenets of Approach Within Sectors; Broad Market Core Investment Strategy;

Broad Market Core Composite Performance; CMERS – Galliard Broad Market Core; What Differentiates Galliard; Galliard Capital Management, LLC; Allspring Global; Fixed Income Investment Team; Fixed Income Collaboration; Sources of Performance Enhancement; Corporate Credit Sector; Taxable Municipal & Not-for-Profit Corporate Credit Sectors; MBS & Structured Government Sector; Structured Credit Sector; Historical Sector Breakdown; Representative Fixed Income Performance; Additional Disclosure Information; Composites for Short Core, Short Intermediate Core, Intermediate Aggregate, and Broad Market Core for Analysis Date: December 31, 2025. Discussion ensued.

**Baird Advisors.** As a matter of information, Committee members received the Baird Advisors presentation booklet. Ms. Dean, Stanek and Messrs. Cremer, and Groeschell introduced themselves. Ms. Stanek mentioned philosophy, process, people, performance, and stated that Mr. Groeschell would add pride, meaning pride in what Baird does, and how Baird delivers for investors. Topics that Baird covered were Baird Advisors Portfolio Management Team; Firm/Team Overview; Firm Update; Baird Advisors Overview; Baird Advisors Competitive Advantages; Baird Advisors – Representative Clients; Structured, Risk-Controlled Taxable Portfolio Management; Baird Taxable Bond Funds; Consistency is Key Baird Taxable Bond Funds – Institutional Shares; Attractive Yields for Investors; Baird Municipal Bond Funds Total Net Returns, Institutional Class as of March 31, 2026; Investment Philosophy & Process: Two-Fold Approach; Implementation: A Holistic Approach; Fundamental Investment Research; Baird Advisors Credit Strategy; Baird Advisors Mortgage and Asset-Backed Securities Strategy; Baird Aggregate Bond Fund, Risk Controls in Taxable Portfolio Construction; Portfolio Positioning – Evolves as Value in Bond Market Changes; Baird Aggregate Bond Fund; Current Market Review; Bond Market Still Presenting Good Value in 2026; Yields Surge in March/Q1; Developed World 1-Month Increase in 10-Year Yield; Fixed Income Flows Remain Strong in Q1 2026; Corporate Spreads Modestly Wider in Q1 2026; Agency RMBS Spreads Historically Tight; Corporate Credit Spreads Historically Tight; IG Corporate Credit Fundamentals Still Solid; Inflation Expectations Suggest a Short-Term Effect; Energy Shock Shifts Outlook for Central Banks; “Average” Consumer in Pretty Good Shape; Structure of U.S. Labor Market Changing; Resilient U.S. Economy; Federal Debt and Deficit Concerns; and Our Culture – The Baird Difference. Discussion ensued.

**Chief Investment Officer Report.** Mr. Silber provided a Performance Update and said that despite the recent market volatility, the Fund’s market value has risen materially in the past 12 months. He also said that all of the hard work put into de-risking the Fund last year resulted in a lower allocation to stocks and a higher allocation to bonds, and this has helped reduce the Fund’s volatility. He said as of April 15, the Fund’s return is approximately 3% net-of-fees, slightly trailing the benchmark. Mr. Silber noted Public Equities are still outperforming year-to-date despite the volatility and large dispersion of returns. Mr. Silber stated the Fixed Income allocation is in line with the benchmark, net of fees. He said this is good because the way most managers make money in the Core Plus world is by taking extra risk, and that has not been rewarded in the last couple of months. Mr. Silber said Private Equity has not reported yet so the Fund is underperforming there because stocks were up in the fourth quarter and that is what the benchmark is based off of. He noted that the Fund’s Real Estate, formerly called Real Assets, and Hedge Fund allocations are all reporting positive year-to-date returns, but they are not quite keeping up with

their respective benchmarks. Discussion ensued. Mr. Silber said there would be another update at the April Board meeting and again at the May Investment Committee meeting.

The Chair called for a break at 11:46 a.m.

The Chair resumed the meeting at 11:57 a.m.

Mr. Heling advised that the Investment Committee may vote to convene in closed session on the following item (III.) as provided in Section 19.85(1)(e), Wisconsin 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.

**Consider, Discuss, and Potentially Approve Selection of Fixed Income Manager or Managers.**

It was moved by Mr. Christianson, and seconded by Mr. Heling to convene in closed session. The motion prevailed by the following roll call: AYES: Ms. Ford; Messrs. Barmore, Bell, Christianson, DeCleene, Heling, and Kovac. NOES: None.

The Committee convened in closed session at 11:58 a.m.

The Committee re-convened in open session at 1:04 p.m.

Mr. Heling announced that the Committee approved the selection of the Fixed Income Manager at this time. Mr. Barmore said there is a motion for the Staff to move forward to engage with the preferred Fixed Income Manager. It was moved by Mr. Bell, and seconded by Mr. Kovac for the Staff to move forward to engage with the preferred Fixed Income Manager. Mr. Heling asked for any objections and did not hear any. The motion was adopted by unanimous consent.

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

There being no further business, Mr. Heling adjourned the meeting at 1:05 p.m.

Patrick J. McClain  
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  
2026  
Department  
Employees' Retirement System

City of Milwaukee  
Departmental  
Appropriation Budget Balances

As of: 2026-05-31

	Budget	2026-1	2026-2	2026-3	2026-4	Year to Date Expended	Life to Date Commitments	Remaining Budget
<i>Regular Departmental Appropriations:</i>								
Employee Salaries & Wages	5,384,455.00	-	-	-	-	-	-	5,384,455.00
Base Pay-Salary & Wage	-	410,191.40	347,056.71	339,852.35	319,101.33	1,416,201.79	-	(1,416,201.79)
Overtime Premium	-	187.09	234.79	226.13	538.20	1,186.21	-	(1,186.21)
Other Worked Compensation	-	1,435.14	140.10	-	12,368.64	13,943.88	-	(13,943.88)
Non-Worked Compensation	-	40,801.93	-	-	1,632.13	42,434.06	-	(42,434.06)
Time Paid Not Worked	-	245,996.03	50,300.44	56,455.44	75,538.52	428,290.43	-	(428,290.43)
Employee Salaries & Wages	\$ 5,384,455.00	698,611.59	397,732.04	396,533.92	409,178.82	\$ 1,902,056.37	\$ -	\$ 3,482,398.63
Fringe Benefits Applied	2,423,005.00	-	-	-	-	-	-	2,423,005.00
Fringe Benefits Applied	-	215,637.64	182,447.71	178,660.39	167,751.57	744,497.31	-	(744,497.31)
Applied Employee Benefits	\$ 2,423,005.00	215,637.64	182,447.71	178,660.39	167,751.57	\$ 744,497.31	\$ -	\$ 1,678,507.69
Operating Expenditures	15,770,400.00	-	-	-	-	-	-	15,770,400.00
Office Supplies	-	915.47	1,748.13	-	-	2,663.60	-	(2,663.60)
Magazines, Subscription	-	319.99	1,071.99	-	-	1,391.98	-	(1,391.98)
Postal and Mailing Services	-	272.49	27,135.37	14,205.16	13,697.44	55,310.46	-	(55,310.46)
Electricity	-	4,191.40	4,284.37	3,796.44	3,800.35	16,072.56	-	(16,072.56)
Other Operating Supply	-	-	14,532.80	-	-	14,532.80	-	(14,532.80)
Building Rental	-	77,022.06	42,106.32	40,716.32	39,216.32	199,061.02	-	(199,061.02)
Printing & Dupl Machine Rental	-	-	4,598.79	1,689.64	510.86	6,799.29	-	(6,799.29)
Consulting	-	(7,500.00)	36,603.10	34,595.90	42,047.90	105,746.90	-	(105,746.90)
Medical, Surgical & Lab	-	-	-	14,428.00	2,200.00	16,628.00	-	(16,628.00)
Administrative Charges	-	8,768.75	75,990.71	78,142.26	27,393.14	190,294.86	-	(190,294.86)
Other Professional Services	-	(2,406,699.23)	1,301,187.23	281,539.13	372,604.69	(451,368.18)	-	451,368.18
Systems Support	-	-	197,878.60	75,039.53	29,281.00	302,199.13	-	(302,199.13)
IT Infrastructure	-	-	-	9,379.34	-	9,379.34	-	(9,379.34)
Infrastructure	-	-	-	28,560.00	5,828.37	34,388.37	-	(34,388.37)
Telephone, Communications	-	2,844.77	5,598.00	6,286.63	5,709.30	20,438.70	-	(20,438.70)
Bldgs-Machinery & Equip Repair	-	-	-	-	13,462.59	13,462.59	-	(13,462.59)
Travel & Subsistence	-	3,439.89	2,825.77	471.06	0.11	6,736.83	-	(6,736.83)
Printing Services	-	51.57	1,517.38	1,617.26	77.35	3,263.56	-	(3,263.56)
Insurance-Non Health	-	12,787.00	-	-	-	12,787.00	-	(12,787.00)
Other Misc Services	-	-	2,902.70	2,340.30	46,101.83	51,344.83	-	(51,344.83)
Operating Expenditures	\$ 15,770,400.00	(2,303,585.84)	1,719,981.26	592,806.97	601,931.25	\$ 611,133.64	\$ -	\$ 15,159,266.36
All Equipment	1,058,000.00	-	-	-	-	-	-	1,058,000.00
Total Equipment	\$ 1,058,000.00	-	-	-	-	\$ -	\$ -	\$ 1,058,000.00
<b>Total Regular Class</b>	<b>\$ 24,635,860.00</b>	<b>(1,389,336.61)</b>	<b>2,300,161.01</b>	<b>1,168,001.28</b>	<b>1,178,861.64</b>	<b>\$ 3,257,687.32</b>	<b>\$ -</b>	<b>\$ 21,378,172.68</b>
<i>Other Departmental Appropriations:</i>								
Group Life Insurance Premium	4,200,000.00	356,321.29	382,885.25	382,418.53	381,432.74	1,503,057.81	-	2,696,942.19
Retiree's Benefit Adjustment	15,000.00	996.27	996.27	996.27	996.27	3,985.08	-	11,014.92
Other Classes	\$ 4,215,000.00	357,317.56	383,881.52	383,414.80	382,429.01	\$ 1,507,042.89	\$ -	\$ 2,707,957.11

**Employes' Retirement System  
 Securities Lending Income and Expenses: 2026  
 As of APRIL 30, 2026**

<b>Date</b>	<u><b>Amounts Expended</b></u>			<b>Balance</b>
	<b>Income From Lending</b>	<b>Fees</b>	<b>Administrative Transfers</b>	
<b>Balance 12-31-25</b>				<b>\$697,277.74</b>
<b>Quarter 1 Totals</b>	\$272,446.88	\$53,545.59	\$698,000.00	\$218,179.03
04/06/26	\$584.65	\$0.00	\$0.00	\$218,763.68
04/15/26	\$85,965.23	\$17,187.05	\$0.00	\$287,541.86
<b>Current Totals</b>	<u><b>\$358,996.76</b></u>	<u><b>\$70,732.64</b></u>	<u><b>\$698,000.00</b></u>	<u><u><b>\$287,541.86</b></u></u>

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

**MERS PERFORMANCE ESTIMATES**  
**April 30, 2026**

Account	2025 Return	1st Quarter 2026	Apr 2026	YTD Thru 4/30/2026
<b>Northern Trust S&amp;P 500 Index</b>	17.88%	-4.33%	10.49%	5.70%
S&P 500	<u>17.88%</u>	<u>-4.33%</u>	<u>10.49%</u>	<u>5.70%</u>
Difference	0.00%	0.00%	0.00%	0.00%
<b>BlackRock Russell 1000 Value Index</b>	15.92%	2.11%	8.15%	10.43%
Russell 1000 Value	<u>15.91%</u>	<u>2.10%</u>	<u>8.16%</u>	<u>10.43%</u>
Difference	0.01%	0.01%	0.00%	0.01%
<b>DFA US Large Cap Value</b>	16.95%	4.57%	6.63%	11.50%
Russell 1000 Value	<u>15.91%</u>	<u>2.10%</u>	<u>8.16%</u>	<u>10.43%</u>
Difference	1.04%	2.47%	-1.53%	1.07%
<b>Polen</b>	5.18%	-11.28%		-11.28%
S&P 500	<u>17.88%</u>	<u>-1.32%</u>		<u>-1.32%</u>
Difference	-12.70%	-9.96%		-9.96%
<b>Earnest</b>	10.70%	3.49%	8.87%	12.68%
Russell MidCap	<u>10.60%</u>	<u>1.29%</u>	<u>7.33%</u>	<u>8.72%</u>
Difference	0.10%	2.20%	1.54%	3.95%
<b>DFA US Small Cap Value</b>	9.15%	6.92%	7.76%	15.22%
Russell 2000 Value	<u>12.59%</u>	<u>4.96%</u>	<u>9.66%</u>	<u>15.09%</u>
Difference	-3.45%	1.97%	-1.90%	0.13%
<b>Brandes</b>	40.03%	1.45%	4.50%	6.01%
MSCI EAFE	<u>31.22%</u>	<u>-1.24%</u>	<u>7.45%</u>	<u>6.12%</u>
Difference	8.81%	2.69%	-2.95%	-0.11%
<b>DFA Int'l Small Cap Value</b>	52.07%	3.05%	5.21%	8.42%
MSCI EAFE Small Cap	<u>31.83%</u>	<u>-1.25%</u>	<u>8.93%</u>	<u>7.56%</u>
Difference	20.24%	4.31%	-3.72%	0.86%
<b>AQR</b>	30.89%	3.19%	14.92%	18.58%
MSCI EM	<u>33.57%</u>	<u>-0.17%</u>	<u>14.71%</u>	<u>14.52%</u>
Difference	-2.68%	3.36%	0.21%	4.06%
<b>BlackRock ACWI Ex US Growth</b>		-2.43%	10.64%	7.95%
MSCI ACWI ex US Growth		<u>-3.62%</u>	<u>11.16%</u>	<u>7.14%</u>
Difference		1.19%	-0.52%	0.81%
<b>BlackRock Global Alpha Tilts</b>	25.05%	0.35%	10.77%	11.16%
MSCI ACWI	<u>22.34%</u>	<u>-3.20%</u>	<u>10.17%</u>	<u>6.65%</u>
Difference	2.71%	3.56%	0.60%	4.52%
<b>MFS</b>	8.77%	-9.51%	6.93%	-3.24%
MSCI ACWI	<u>22.34%</u>	<u>-3.20%</u>	<u>10.17%</u>	<u>6.65%</u>
Difference	-13.57%	-6.30%	-3.25%	-9.88%
<b>BlackRock Gov't Bond Index</b>	6.24%	0.06%	-0.07%	-0.01%
Bloomberg Gov't Bond	<u>6.31%</u>	<u>-0.04%</u>	<u>-0.07%</u>	<u>-0.11%</u>
Difference	-0.07%	0.10%	0.00%	0.10%
<b>BlackRock Aggregate Bond Index</b>		0.06%	0.12%	0.17%
Bloomberg US Aggregate		<u>-0.05%</u>	<u>0.11%</u>	<u>0.07%</u>
Difference		0.10%	0.00%	0.11%
<b>Reams</b>	8.70%	0.01%	0.27%	0.28%
Bloomberg US Aggregate	<u>7.30%</u>	<u>-0.05%</u>	<u>0.11%</u>	<u>0.07%</u>
Difference	1.40%	0.06%	0.16%	0.22%
<b>Loomis Sayles</b>	9.78%	-0.70%	1.01%	0.29%
Bloomberg US Aggregate	<u>7.30%</u>	<u>-0.05%</u>	<u>0.11%</u>	<u>0.07%</u>
Difference	2.48%	-0.66%	0.89%	0.23%
<b>UBS</b>	9.75%	1.20%	1.29%	2.51%
SOFR + 4%	<u>8.34%</u>	<u>1.89%</u>	<u>0.62%</u>	<u>2.53%</u>
Difference	1.41%	-0.69%	0.67%	-0.02%
<b>Aptitude</b>	11.94%	0.39%	4.50%	4.90%
SOFR + 4%	<u>8.34%</u>	<u>1.89%</u>	<u>0.62%</u>	<u>2.53%</u>
Difference	3.59%	-1.51%	3.88%	2.38%
<b>Principal</b>	14.82%	4.67%		4.67%
Blended Benchmark	<u>16.54%</u>	<u>4.05%</u>		<u>4.05%</u>
Difference	-1.72%	0.62%		0.62%
<b>Baird</b>	5.10%	0.52%	0.31%	0.83%
Bloomberg Govt/Credit 1-3 Year	<u>5.35%</u>	<u>0.28%</u>	<u>0.24%</u>	<u>0.52%</u>
Difference	-0.25%	0.23%	0.08%	0.31%
<b>Total MERS</b>	<b>12.88%</b>	<b>0.16%</b>	<b>3.42%</b>	<b>3.58%</b>

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

The returns shown are gross of fees (except Total MERS, DFA International Small Cap Value, AQR, Principal, UBS, and Aptitude). Principal performance runs through 2/2/2026. Polen performance runs through 3/6/2026

## ACTUAL ALLOCATIONS

Apr 30, 2026

		Target	Market Value	Allocation
<b>EQUITY</b>				
<b>Public Equity</b>				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	4.98%	\$ 319,857,336	4.80%
	BlackRock (Russell 1000 Value)	3.19%	\$ 227,653,761	3.42%
Sub-Total Passive Large Cap Equity		8.16%	\$ 547,511,098	8.22%
Active Large Cap Equity	DFA (Russell 1000 Value)	2.28%	\$ 165,196,029	2.48%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.95%	\$ 206,270,883	3.10%
	DFA (Russell 2000 Value)	2.81%	\$ 217,231,518	3.26%
Sub-Total Active Mid/Small Cap Equity		5.76%	\$ 423,502,401	6.36%
Total Domestic		16.20%	\$ 1,136,209,527	17.06%
International				
Active International Equity	Brandes (MSCI EAFE)	4.74%	\$ 325,106,870	4.88%
	DFA (MSCI EAFE Small Cap)	2.62%	\$ 189,620,002	2.85%
	AQR (MSCI EM)	1.63%	\$ 121,293,724	1.82%
Sub-Total Active International Equity		8.99%	\$ 636,020,597	9.55%
Passive International Equity	BlackRock (MSCI ACWI ex US Growth)	3.61%	\$ 244,870,520	3.68%
Total International		12.60%	\$ 880,891,116	13.23%
Global				
Active Global Equity	BlackRock (MSCI ACWI)	3.96%	\$ 286,873,891	4.31%
	MFS (MSCI ACWI)	3.24%	\$ 203,402,983	3.05%
Total Global		7.20%	\$ 490,276,874	7.36%
<b>Total Public Equity</b>		<b>36.00%</b>	<b>\$ 2,507,377,518</b>	<b>37.65%</b>
<b>Private Equity</b>				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.85%	\$ 297,545,342	4.47%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.85%	\$ 306,658,841	4.61%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.65%	\$ 88,839,201	1.33%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.65%	\$ 99,563,905	1.50%
<b>Total Private Equity</b>		<b>11.00%</b>	<b>\$ 792,607,289</b>	<b>11.90%</b>
<b>TOTAL EQUITY (Public Equity + Private Equity)</b>		<b>47.00%</b>	<b>\$ 3,299,984,807</b>	<b>49.56%</b>
<b>FIXED INCOME &amp; ABSOLUTE RETURN</b>				
<b>Fixed Income</b>				
Cash				
		1.00%	\$ 64,812,333	0.97%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.75%	\$ 506,077,450	7.60%
	BlackRock (Bloomberg US Aggregate)	3.41%	\$ 222,729,714	3.34%
	Sub-Total Passive Fixed Income		11.16%	\$ 728,807,164
Active Fixed Income	Reams (Bloomberg US Aggregate)	9.92%	\$ 839,902,955	12.61%
	Loomis Sayles (Bloomberg US Aggregate)	9.92%	\$ 646,024,517	9.70%
	Sub-Total Active Fixed Income		19.84%	\$ 1,485,927,472
<b>Total Fixed Income</b>		<b>32.00%</b>	<b>\$ 2,279,546,969</b>	<b>34.23%</b>
<b>Absolute Return</b>				
	Aptitude (SOFR + 4%)	3.86%	\$ 228,438,450	3.43%
	UBS (SOFR + 4%)	5.14%	\$ 313,882,308	4.71%
<b>Total Absolute Return</b>		<b>9.00%</b>	<b>\$ 542,320,758</b>	<b>8.14%</b>
<b>TOTAL FIXED INCOME &amp; ABSOLUTE RETURN</b>		<b>41.00%</b>	<b>\$ 2,821,867,727</b>	<b>42.38%</b>
<b>PRIVATE REAL ESTATE</b>				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.55%	\$ 85,312,323	1.28%
	Morgan Stanley (NFI-ODCE)	3.20%	\$ 150,341,705	2.26%
	LaSalle (NFI-ODCE)	2.98%	\$ 136,665,945	2.05%
	Prologis (NFI-ODCE)	1.61%	\$ 84,396,018	1.27%
	Harrison Street (NFI-ODCE)	1.66%	\$ 72,415,312	1.09%
	Sub-Total Private Real Estate - Core		12.00%	\$ 529,131,304
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 8,063,199	0.12%
<b>TOTAL PRIVATE REAL ESTATE</b>		<b>12.00%</b>	<b>\$ 537,194,502</b>	<b>8.07%</b>
<b>TOTAL ERS</b>			<b>\$ 6,659,047,036</b>	<b>100.00%</b>
<b>Total City Reserve Fund</b>		<b>R. W. Baird</b>		<b>94,736,370</b>

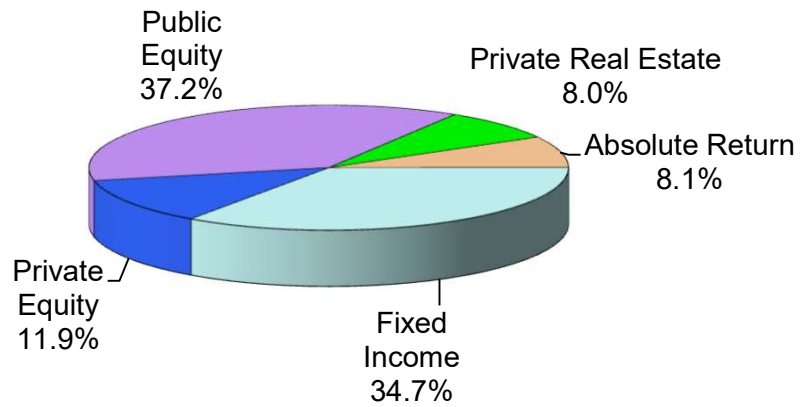
## PROJECTED TARGET ALLOCATIONS

May 20, 2026

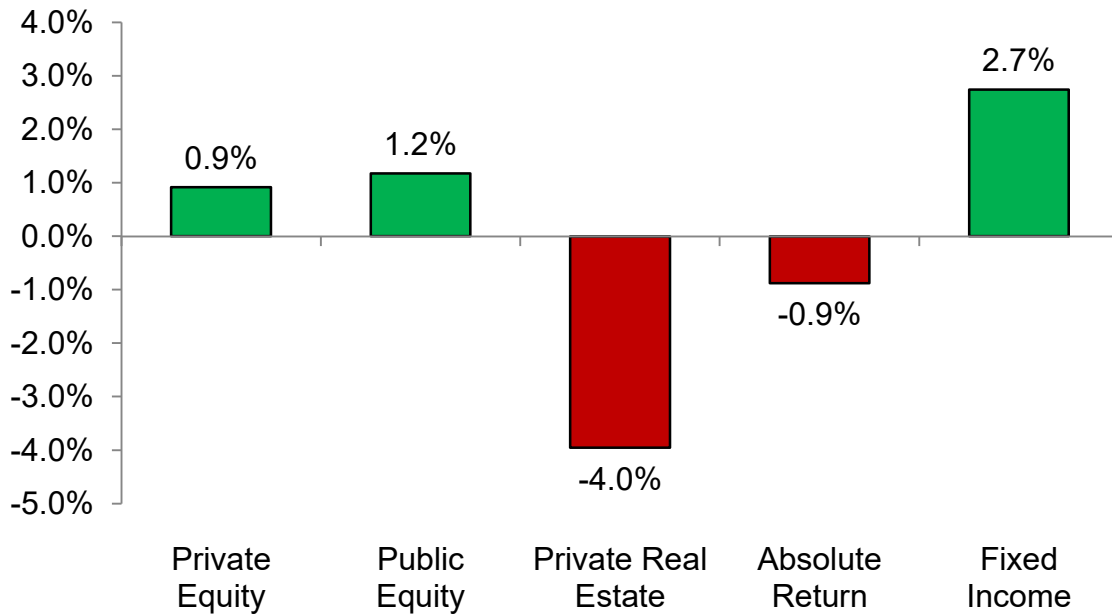
		Target	Market Value	Allocation
<b>EQUITY</b>				
<b>Public Equity</b>				
Domestic				
Passive Large Cap Equity	Northern Trust (S&P 500)	4.98%	\$ 294,869,874	4.42%
	BlackRock (Russell 1000 Value)	3.19%	\$ 230,202,113	3.45%
	Sub-Total Passive Large Cap Equity	8.16%	\$ 525,071,986	7.86%
Active Large Cap Equity	DFA (Russell 1000 Value)	2.28%	\$ 167,663,860	2.51%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	2.95%	\$ 204,617,016	3.06%
	DFA (Russell 2000 Value)	2.81%	\$ 214,301,581	3.21%
	Sub-Total Active Mid/Small Cap Equity	5.76%	\$ 418,918,596	6.27%
<b>Total Domestic</b>		<b>16.20%</b>	<b>\$ 1,111,654,442</b>	<b>16.65%</b>
International				
Active International Equity	Brandes (MSCI EAFE)	4.74%	\$ 330,233,388	4.95%
	DFA (MSCI EAFE Small Cap)	2.62%	\$ 190,977,258	2.86%
	AQR (MSCI EM)	1.63%	\$ 124,256,951	1.86%
	Sub-Total Active International Equity	8.99%	\$ 645,467,598	9.67%
Passive International Equity	BlackRock (MSCI ACWI ex US Growth)	3.61%	\$ 247,758,190	3.71%
<b>Total International</b>		<b>12.60%</b>	<b>\$ 893,225,788</b>	<b>13.38%</b>
Global				
Active Global Equity	BlackRock (MSCI ACWI)	3.96%	\$ 294,675,072	4.41%
	MFS (MSCI ACWI)	3.24%	\$ 182,059,683	2.73%
<b>Total Global</b>		<b>7.20%</b>	<b>\$ 476,734,755</b>	<b>7.14%</b>
<b>Total Public Equity</b>		<b>36.00%</b>	<b>\$ 2,481,614,985</b>	<b>37.17%</b>
<b>Private Equity</b>				
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.85%	\$ 301,130,986	4.51%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.85%	\$ 306,658,841	4.59%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.65%	\$ 88,451,944	1.32%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.65%	\$ 99,354,124	1.49%
<b>Total Private Equity</b>		<b>11.00%</b>	<b>\$ 795,595,895</b>	<b>11.92%</b>
<b>TOTAL EQUITY (Public Equity + Private Equity)</b>		<b>47.00%</b>	<b>\$ 3,277,210,880</b>	<b>49.09%</b>
<b>FIXED INCOME &amp; ABSOLUTE RETURN</b>				
<b>Fixed Income</b>				
Cash		1.00%	\$ 118,869,522	1.78%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.75%	\$ 502,791,372	7.53%
	BlackRock (Bloomberg US Aggregate)	3.41%	\$ 221,444,517	3.32%
	Sub-Total Passive Fixed Income	11.16%	\$ 724,235,890	10.85%
Active Fixed Income	Reams (Bloomberg US Aggregate)	9.92%	\$ 834,110,165	12.49%
	Loomis Sayles (Bloomberg US Aggregate)	9.92%	\$ 642,155,180	9.62%
	Sub-Total Active Fixed Income	19.84%	\$ 1,476,265,345	22.11%
<b>Total Fixed Income</b>		<b>32.00%</b>	<b>\$ 2,319,370,756</b>	<b>34.74%</b>
<b>Absolute Return</b>				
	Aptitude (SOFR + 4%)	3.86%	\$ 228,438,450	3.42%
	UBS (SOFR + 4%)	5.14%	\$ 313,882,308	4.70%
<b>Total Absolute Return</b>		<b>9.00%</b>	<b>\$ 542,320,758</b>	<b>8.12%</b>
<b>TOTAL FIXED INCOME &amp; ABSOLUTE RETURN</b>		<b>41.00%</b>	<b>\$ 2,861,691,514</b>	<b>42.86%</b>
<b>PRIVATE REAL ESTATE</b>				
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.55%	\$ 85,312,323	1.28%
	Morgan Stanley (NFI-ODCE)	3.20%	\$ 150,341,705	2.25%
	LaSalle (NFI-ODCE)	2.98%	\$ 136,665,945	2.05%
	Prologis (NFI-ODCE)	1.61%	\$ 84,396,018	1.26%
	Harrison Street (NFI-ODCE)	1.66%	\$ 72,415,312	1.08%
	Sub-Total Private Real Estate - Core	12.00%	\$ 529,131,304	7.93%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	\$ 8,202,636	0.12%
<b>TOTAL PRIVATE REAL ESTATE</b>		<b>12.00%</b>	<b>\$ 537,333,940</b>	<b>8.05%</b>
<b>TOTAL ERS</b>			<b>\$ 6,676,236,334</b>	<b>100.00%</b>
<b>Total City Reserve Fund</b>	<b>R. W. Baird</b>		<b>94,808,846</b>	

# PROJECTED VERSUS POLICY ALLOCATIONS

## Asset Mix Using Projected Balances



## Asset Allocation vs. Current Policy Benchmark



## YTD Market Value Change

December 31, 2025 Market Value including City Reserve & PABF Accounts			\$ 6,474,031,325
Monthly Cash Outflows thru	<u>May 20, 2026</u>		
Retiree Payroll Expense		\$ (167,755,253)	
PABF Payroll Expense		\$ -	
Expenses Paid		\$ (6,329,040)	
GPS Benefit Payments		\$ (1,624,600)	
Sub-Total Monthly Cash Outflows			\$ (175,708,893)
Monthly Cash Inflows thru	<u>May 20, 2026</u>		
Contributions		\$ 218,890,837	
PABF Contribution		\$ -	
Sub-Total Monthly Contributions			\$ 218,890,837
Capital Market Gain/(Loss)			\$ 253,831,911
Value including City Reserve & PABF Accounts as of	<u>May 20, 2026</u>		\$ 6,771,045,180
Less City Reserve Account <sup>1</sup>			\$ 94,808,846
Less PABF Fund <sup>2</sup>			\$ 2,608
Net Projected ERS Fund Value as of	<u>May 20, 2026</u>		\$ 6,676,233,725

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.

## 2026 ESTIMATED MONTHLY CASH FLOWS

Revised 5/21/2026

(in 000's)

	<u>12/31/2025</u>	<u>1/31/2026</u>	<u>2/28/2026</u>	<u>3/31/2026</u>	<u>4/30/2026</u>	<u>5/31/2026</u>	<u>6/30/2026</u>	<u>7/31/2026</u>	<u>8/31/2026</u>	<u>9/30/2026</u>	<u>10/31/2026</u>	<u>11/30/2026</u>	
<b>Beginning Cash Account Balance</b>													
Townsend Cash Account	-	-	-	-	-	-	-	-	-	-	-	-	
Cash Contribution Account	-	-	-	-	-	-	-	-	-	-	-	-	
Milwaukee Cash Account	53,360	71,342	168,690	138,962	62,957								
<b>Total Cash Available</b>	<b>53,360</b>	<b>71,342</b>	<b>168,690</b>	<b>138,962</b>	<b>62,957</b>								
Less: Estimated Cash Needs for non-Investment Outflows	41,500	41,500	41,500	41,500	41,500								
<b>Cash Available for Other Outflows</b>	<b>11,860</b>	<b>29,842</b>	<b>127,190</b>	<b>97,462</b>	<b>21,457</b>								
<b>For Monthly Cash Outflows of:</b>													
Retiree Payroll Expense	(41,364)	(41,785)	(43,226)	(43,005)	(43,065)	(43,172)	(43,278)	(43,385)	(43,493)	(43,600)	(43,708)	(43,816)	(516,898)
Normal Retirement Payroll	(41,298)	(41,406)	(42,592)	(42,459)	(42,565)	(42,672)	(42,778)	(42,885)	(42,993)	(43,100)	(43,208)	(43,316)	(511,273)
Retiree Lump Sum Payments	(66)	(379)	(634)	(546)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(5,625)
Real Estate Capital Calls	-	-	(25)	(46,000)	-	-	-	-	-	-	-	-	(46,025)
Private Equity Capital Calls	(59)	(3,870)	(2,317)	(1,190)	(6,551)	-	-	-	-	-	-	-	(13,988)
Expenses Paid through City	(2,053)	(552)	(1,457)	(990)	(1,277)	(2,053)	(2,053)	(2,053)	(2,053)	(2,053)	(2,053)	(2,053)	(20,700)
PABF Payroll	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total Monthly Cash Outflows</b>	<b>(43,476)</b>	<b>(46,207)</b>	<b>(47,026)</b>	<b>(91,185)</b>	<b>(50,893)</b>	<b>(45,225)</b>	<b>(45,331)</b>	<b>(45,438)</b>	<b>(45,546)</b>	<b>(45,653)</b>	<b>(45,761)</b>	<b>(45,869)</b>	<b>(597,611)</b>
<b>For Monthly Cash Inflows:</b>													
Sponsoring Agency and Employee Contribution	4,429	2,629	2,606	2,622	2,628	2,635	3,689	2,648	2,655	2,661	2,668	3,735	35,606
Real Estate Distributions	1,599	-	94	2,744	-	-	-	-	-	-	-	-	4,438
Private Equity Distributions	11,965	7,848	9,632	9,274	4,508	-	-	-	-	-	-	-	43,226
Miscellaneous Income	183	358	462	533	307	300	300	300	300	300	300	300	3,944
Security Lending Transfer	698	-	-	-	-	-	-	-	-	-	-	-	698
City and Agency Required Contribution	205,085	-	207	-	-	-	-	-	-	-	-	-	205,293
PABF Inflow	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total Monthly Cash Inflows</b>	<b>223,959</b>	<b>10,835</b>	<b>13,002</b>	<b>15,173</b>	<b>7,444</b>	<b>2,935</b>	<b>3,989</b>	<b>2,948</b>	<b>2,955</b>	<b>2,961</b>	<b>2,968</b>	<b>4,035</b>	<b>293,204</b>
<b>Net Monthly Cash Inflows/(Outflows) Before Withdrawals</b>	<b>180,483</b>	<b>(35,372)</b>	<b>(34,024)</b>	<b>(76,012)</b>	<b>(43,450)</b>	<b>(42,290)</b>	<b>(41,343)</b>	<b>(42,490)</b>	<b>(42,591)</b>	<b>(42,692)</b>	<b>(42,793)</b>	<b>(41,834)</b>	<b>(304,406)</b>
<b>Net Monthly Cash Surplus (Need)</b>	<b>192,342</b>	<b>(5,529)</b>	<b>93,167</b>	<b>21,450</b>	<b>(21,993)</b>	<b>(42,290)</b>	<b>(41,343)</b>	<b>(42,490)</b>	<b>(42,591)</b>	<b>(42,692)</b>	<b>(42,793)</b>	<b>(41,834)</b>	<b>(16,594)</b>
<b>Monthly Cash Withdrawals (Additions)</b>													
AQR		4,200				17,500							
BlackRock Global Alpha Tilts						35,000							
BlackRock Russell 1000 Value Index						50,000							
BlackRock ACWI ex US Growth						15,000							
BlackRock US Government Bond Index	(24,000)												
Blackrock US Aggregate Index Fund	(151,000)												
Brandes		12,400				(14,000)							
Dimensional Fund Advisors US Large Cap													
Dimensional Fund Advisors International		7,100				(11,000)							
Dimensional Fund Advisors US Small Cap		7,700											
Earnest		7,300											
Loomis Sayles	(55,000)	(50,000)											
MFS						36,000							
Northern Trust S&P 500 Index						35,000							
Polen			47	7									
Principal	67,500	148,213											
Reams													
Transition Account		7	49		6								
UBS A&Q													
Goldman/Aptitude													
<b>Sub-Total Monthly Cash Withdrawals</b>	<b>(162,500)</b>	<b>136,920</b>	<b>96</b>	<b>7</b>	<b>163,506</b>								
<b>Estimated Month-End Cash Balance</b>													
Cash Available	29,842	131,390	93,262	21,457	141,513								
Estimated Cash Needs for non-Investment Outflows	41,500	41,500	41,500	41,500	41,500								
<b>Total Cash Estimated on Hand For Next Month</b>	<b>71,342</b>	<b>172,890</b>	<b>134,762</b>	<b>62,957</b>	<b>183,013</b>								