REGULAR MEETING OF THE ANNUITY AND PENSION BOARD
EMPLOYES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
789 N. WATER ST. (Employes' Retirement System)
TUESDAY, OCTOBER 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) 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 September 24, 2026.

II. Chief Investment Officer Report.

III. New Business.
   A. Retirements, Death Claims, and Refunds (September).
   B. Authorization to Sign Vouchers.

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

   C. Discuss Candidate Interviews and Initial Salaries for Pension Investment Analysts I – III and Investments and Financial Services Specialists.
   D. Act 12 Update.
   E. Approval to Suspend Disability Benefits for Non-Compliance with Outside Earnings Limitation.
   F. Conference Requests – October 27, 2026 Board Meeting.

IV. Medical Reports.
   A. All Duty & Ordinary Disability Applications & Re-examinations (October).

V. 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 (V.C.), as provided in Section 19.85(1)(g), Wisconsin 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.

VI. Informational.
   A. Conferences.
   B. Class Action Income 2026 YTD.
   C. Minutes of the Investment Committee Meeting Held September 10, 2026.
   D. Minutes of the Administration & Operations Committee Meeting Held September 17, 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, NOVEMBER 5, 2026 – 9:00 A.M.
789 N. WATER ST.

REGULAR MEETING OF THE ANNUITY AND PENSION BOARD

TUESDAY, NOVEMBER 24, 2026 – 9:00 A.M.
789 N. WATER ST.

I.

APPROVAL OF MINUTES

A. Regular Meeting Held September 24, 2026.

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

Minutes of the Regular Meeting
held September 24, 2026 via teleconference

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

Board Members Present:	Jerry Allen John Barmore Matthew Bell, Chair Bill Christianson Justin DeCleene Timothy Heling Nik Kovac
Board Members Not Present:	Deborah Ford (excused)
Retirement System Staff Present:	Patrick McClain, Executive Director Daniel Gopalan, Deputy Director Gust Petropoulos, Deputy Director Robin Hayes, Chief Financial Officer Erich Sauer, Deputy Chief Investment Officer Thomas Courtright, Pension Investment Analyst II Mary Turk, Business Operations Analyst Jan Wills, Board Stenographer

Others Present: Jennifer Falkenholm, Dan Sapiro, Ryan Young, Brown & Brown; Alex Foundos, Lauri Rollings, City Attorney's Office; Lauren Albanese, Financial News; Terry Siddiqui, DS Consulting, Inc., 12 members of the public called in to the meeting.

The Chair took the meeting out of order to item New Business V.B.

New Business.

Approval of Fiduciary Liability and Cyber Insurance Coverages. As a matter of information, Board members received the Brown & Brown "Fiduciary Liability & Cyber Insurance Proposal, Policy Term November 1, 2026 – November 1, 2027." Mr. Young and Ms. Falkenholm discussed the topics of Disclaimers, Fiduciary Liability Premium Summary, Cyber Renewal Overview, Fiduciary Benchmarking – Limit, Fiduciary Benchmarking – Rate, Cyber Benchmarking – Limit, Cyber Risk Incident Guide, Market Security Analysis (updated 8/7/26), Notice of Carrier Financial Status, Market Security Explanation, Consumer Disclosure, and About Us. Mr. Young stated he has handled the Fiduciary Liability Placement for ERS for several years. He said the Fiduciary Liability coverage is protecting the ERS and the fiduciaries of the administration if there are any allegations of breach of fiduciary duty, and the administration of the Plan for any errors or omissions related to fiduciary duties. Consistent with previous years, there is a $50 million limit that is purchased through five $10 million layers: Hudson is the primary

carrier and writes the first $10 million limit subject to a $500,000 retention. Brown & Brown negotiated a flat renewal with Hudson for the expiring premium of $104,931. Mr. Young said there is a flat renewal in terms of premium all the way up through the fifth layer. He said the expiring premium is $334,039 and that is also the negotiated premium for this year. He said plan assets did go up a few percentage points year over year, which is the main rateable that underwriters are reviewing. ERS being kept flat in this inflationary environment is key. Mr. Young said last year they were able to negotiate roughly $7,700 in overall savings throughout the tower, and were able to maintain those savings this year. He said they were able to keep a flat renewal with no changes to terms or conditions, limits, or retentions within the program. Mr. Young noted the fifth layer is identified as non-indemnifiable and that is the $10 million excess layer that is dedicated specifically for the individual fiduciaries and trustees. He said that $10 million limit cannot be eroded, and if the Plan overall has an alleged claim that comes in and gets eroded by underlying limits, the $10 million excess cannot be eroded by any other component and is strictly for the fiduciaries' and trustees' personal liability protection. Mr. Young said those losses are considered non-indemnifiable and that is why there is the dedicated, non-indemnifiable $10 million excess of $40 million for the individual fiduciaries of the Plan.

Ms. Falkenholm stated there was good news on the Cyber Risk Insurance Renewal as well. She said the ERS has been with Chubb for at least five years. Ms. Falkenholm said Chubb has been a very good partner and said they were able to negotiate a flat renewal with Chubb for the cyber risk. She said the policy has a $5 million limit with a $100,000 each claim retention for $54,765. The expiring pricing was $54,545. There were no changes to coverage. She stated Chubb is one of the leading carriers in this space and they have some of the best claims handling coverage. Ms. Falkenholm said ERS benchmarks very well and $5 million is a reasonable limit, but they can also look at higher limits if that would be of interest. Discussion ensued.

It was moved by Mr. Bell and seconded by Mr. Barmore to approve the Approval of Fiduciary Liability and Cyber Insurance Coverages as discussed. The motion was adopted by unanimous consent.

The Chair returned the meeting to order at item I. Approval of Minutes.

Approval of Minutes.

Regular Meeting Held July 22, 2026.

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the minutes for the Regular Meeting Held July 22, 2026. The motion was adopted by unanimous consent.

Special Board Meeting Held September 10, 2026.

It was moved by Mr. Bell and seconded by Mr. DeCleene to approve the minutes for the Special Board Meeting Held September 10, 2026. The motion was adopted by unanimous consent.

Chief Investment Officer Report.

Mr. Sauer noted the Fund value as of August 31 was $6.72 billion. He said the Fund return of 1.2% in August, outperformed by approximately two basis points. Mr. Sauer discussed the main

drivers of relative performance. Within Private Equity, Manager Selection added 20 basis points. This was due to some positive Private Equity reports that made it into August which were compared to a zero benchmark return, since the Private Equity benchmark only hits at quarter-end months. He said within Public Equity, style bias detracted 15 basis points, primarily from small and value. Mr. Sauer said the Fund is outperforming in the year-to-date, five-year, 10-year and 15-year time periods, while underperforming in all other time periods. He said as of September 23, the Fund is down 1.0%, month-to-date. There was a big rise in interest rates during the month that caused negative returns for both stocks and bonds, and that was the main driver of that, which brings the Fund's return to up 6.1% year-to-date and the Fund value to $6.66 billion. Mr. Sauer noted eight of the Fund's 13 active mandates are outperforming year-to-date and the Public Equity, Fixed Income, and Absolute Return asset classes, are exceeding their respective benchmarks year-to-date, net of fees. He said year-to-date, the Fund has seen an investment change of $403.4 million, received contributions of $229.9 million, and paid out benefits and expenses of $355.1 million. Mr. Sauer said at this point in the month, there are no scheduled withdrawals, but it is still possible if there is a rally in stocks to raise some money before the end of the month, but that is still to be determined.

Investment Committee Report. Chairman Heling said at its September 10th meeting, Callan presented the 2027 Private Equity Pacing and Reinvestment Presentation. He said Callan discussed the Private Equity market, performance of the Fund's Private Equity program, which ranks in the 2nd quartile since inception, and their pacing analysis that projects the amount of future commitments necessary to achieve the Fund's desired Private Equity target allocation in 10 years. Mr. Heling said similar to last year, the Committee approved Callan's recommendation to make no new Private Equity re-investments in 2027. He stated next, the Committee approved the guidelines for the Fund's investment in BlackRock's M.S.C.I. All Country World excluding the U.S. Growth Index mandate, and also approved an Amendment to the Adviser Compliance Associates, L.L.C. Contract that extends the term for an additional year. Mr. Heling said Staff also went over the Fund's 2nd quarter 2026 performance report. He said finally, the Committee went into closed session for five agenda items, one related to the Side Letter for the Fund's investment in Apogem Private Equity Fund XI, one related to the Fund's Securities Lending program implemented by Northern Trust, one related to an investment manager due diligence report, and the last two related to the two open positions within the investment team. Mr. Heling stated that in open session, the Committee Approved the Amended and Restated Side Letter for the Apogem Private Equity Fund XI L.P., a new Securities Lending option, and the items related to Recruiting Travel, Relocation Expenses, and Initial Salary. He said for the Apogem item, Staff utilized its authority to execute an investment-related contract approved by the Investment Committee as provided under Board Rule VII.G.2.b. Mr. Heling said there are six items up for approval. He stated that the Investment Committee recommends approval of the following items: 1. Approval of 2027 Private Equity Commitment Recommendation; 2. Approval of BlackRock Institutional Trust Company Passive International Equities Strategy Guidelines; 3. Approval of Adviser Compliance Associates, L.L.C. Contract Amendment; 4. Approval of a Different Securities Lending Option; 5. Approval of Recruiting Travel and Relocation Expenses for Pension Investment Analysts I – III and for Investments and Financial Services Specialists; and 6. Approval of Initial Salary for Pension Investment Analysts I – III and for Investments and Financial Services Specialists.

Approval of 2027 Private Equity Commitment Recommendation.

It was moved by Mr. Heling and seconded by Mr. Christianson to approve the Approval of 2027 Private Equity Commitment Recommendation. The motion was adopted by unanimous consent.

Approval of BlackRock Institutional Trust Company Passive International Equities Strategy Guidelines.

It was moved by Mr. Bell and seconded by Mr. DeCleene to approve the Approval of BlackRock Institutional Trust Company Passive International Equities Strategy Guidelines. The motion was adopted by unanimous consent.

Approval of Adviser Compliance Associates, L.L.C. Contract Amendment.

It was moved by Mr. Bell and seconded by Mr. Barmore to approve the Approval of Adviser Compliance Associates, L.L.C. Contract Amendment. The motion was adopted by unanimous consent.

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

Mr. McClain stated a contract amendment was emailed to the Board members in relation to this item. Approval of this item will give Staff the authority to execute this amendment, which essentially effectuates the decision that was made by the Investment Committee. He said he just wanted to note that for the record for the sake of clarity.

Discuss Recent Changes to Northern Trust's Securities Lending Core Collective Guidelines, and Consider and Potentially Approve a Different Securities Lending Option.

The Board did not convene in closed session as noticed.

It was moved by Mr. Heling and seconded by Mr. Bell to approve a Different Securities Lending Option as discussed. The motion was adopted by unanimous consent.

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

Consider, Discuss, and Potentially Approve Recruiting Travel and Relocation Expenses for Pension Investment Analysts I – III and for Investments and Financial Services Specialists.

The Board did not convene in closed session as noticed.

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the Recruiting Travel and Relocation Expenses for Pension Investment Analysts I – III and for Investments and Financial Services Specialists. The motion was adopted by unanimous consent.

Consider, Discuss, and Potentially Approve Initial Salary for Pension Investment Analysts I – III and for Investments and Financial Services Specialists.

The Board did not convene in closed session as noticed.

It was moved by Mr. Bell and seconded by Mr. Heling to approve the Initial Salary for Pension Investment Analysts I – III and for Investments and Financial Services Specialists. The motion was adopted by unanimous consent.

A&O Committee Report. Chairman Christianson said at the September 17th Administration and Operations Committee Meeting, there were 10 agenda items discussed. He said the first was the presentation of the 2025 Annual Comprehensive Financial Report (ACFR) by Mr. Gopalan. Mr. Christianson said highlights from the ACFR were that CMERS was issued an unmodified opinion by the Wisconsin Legislative Audit Bureau, so it was a clean audit with zero audit findings. He noted there were zero internal control deficiencies identified and CMERS was found to be in full statutory compliance with government auditing standards and all associated legal and statutory requirements. In closed session, Mr. Christianson said the Committee discussed two items and one was approval of the CliftonLarsonAllen Contract for Internal Audit Services which was recommended for approval as discussed in closed session. He said the second item was approval of the Cavanaugh Macdonald Consulting LLC Contract for Actuarial Services which was also recommended for approval as discussed in closed session. Mr. Christianson stated they recommended approval of the Annual Report of the Annuity and Pension Board 88th Edition. He said they also recommended approval of the Legislative Audit Bureau invoice for their work associated with the 2025 audit of ERS's financial statements. Mr. Christianson said the Committee also recommended for approval the appointment of a Medical Council alternate doctor, a Joel Smukowski, M.D. He noted there was also a robust discussion on approving the posting of Trustee election candidate campaign materials on the CMERS website. Mr. Christianson said a lot of the discussion focused on whether it would be appropriate for campaign materials to be posted and what kind of controls or levels of review and legal exposure might be associated with posting any and all campaign materials for candidates, and there might be an opportunity for discussion with the full Board on some of the considerations involved with that, but one conclusion was that a reasonable starting place would be to have the candidate bios that are mailed to all voting members available on the CMERS website. He said that they heard two informational items, one being the IT Projects Portfolio with everything being in a good place and on track, and an Organizational and Personnel Update from the Executive Director. Mr. Christianson concluded that they have six items for approval of the full Board.

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

The Board did not convene as noticed.

Approval of CliftonLarsonAllen (CLA) Contract for Internal Audit Services.

It was moved by Mr. Bell and seconded by Mr. Heling to approve the Approval of CliftonLarsonAllen (CLA) Contract for Internal Audit Services. The motion was adopted by unanimous consent.

Approval of Cavanaugh Macdonald Consulting, LLC Contract for Actuarial Services.

It was moved by Mr. DeCleene and seconded by Mr. Bell to approve the Approval of Cavanaugh Macdonald Consulting, LLC Contract for Actuarial Services. The motion was adopted by unanimous consent.

Approval of Annual Report of the Annuity & Pension Board 88th Edition, December 31, 2025.

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the Approval of Annual Report of the Annuity & Pension Board 88th Edition, December 31, 2025. The motion was adopted by unanimous consent.

Approval of Legislative Audit Bureau Invoice for the 2025 Audit.

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the Approval of Legislative Audit Bureau Invoice for the 2025 Audit. The motion was adopted by unanimous consent.

Approval of Medical Council Alternate Doctor – Joel Smukowski, MD.

It was moved by Mr. Bell and seconded by Mr. Allen to approve the Approval of Medical Council Alternate Doctor – Joel Smukowski, MD. The motion was adopted by unanimous consent.

Consider Approving the Posting of Trustee Election Candidate Campaign Materials on the CMERS Website.

Mr. McClain said when this was being discussed, there were two components to the discussion, the first was whether ERS should be posting the candidate bios on the ERS website. The candidate bios are a pre-formatted question and response opportunity that ERS provides to candidates who are running for Trustee positions. The candidates provide responses to specific

prompts, and the resulting product is then sent to each member who will be voting in that particular election along with their balloting materials. He said the bio information is already being provided to the membership so posting it on the website would simply be an added convenience to members looking to access that information. Mr. McClain said it would also give members who are not eligible to participate in the election an opportunity to see who is running for the Board. He said the second component of the discussion was whether CMERS should post candidate-generated materials, such as flyers or other information that is generated by the candidates. Mr. McClain said the Committee was generally in favor of that proposal, but Staff had some additional conversations with Assistant City Attorney Rollings after the meeting and determined that, before going in that direction, some additional review will be required. Staff may need to develop a policy or guidelines regarding what is appropriate or not appropriate to post. He said if the Board chooses to approve this item today, what they would be approving is posting the biographical materials on the CMERS website, and also authorizing Staff to continue working with the City Attorney's Office to develop a policy about candidate-generated campaign materials, which would then be brought back to the A&O Committee and the Board for approval. Mr. Allen added a procedural note that if they are going to draft what amounts to a Board Rule, there needs to be a referral to the Legislative Committee which is the proper way to amend Board rules under the terms and conditions of the Board Rules themselves. Mr. McClain said what is really being determined is whether written policies or guidelines are required. If policies or guidelines are necessary, those procedures would be followed. Mr. Barmore stated if this is strictly about posting campaign materials on the website, he would be a "no" vote and he would request a roll call vote. He said if it is approved to post what is referred to as the member bios, he completely supports that. Mr. Barmore said all the members eligible to vote already receive that information with the mailer. Mr. Christianson asked if the issue were able to be split at this meeting and have a stand-alone vote on posting the member bios and then take up the issue of campaign materials at a later meeting. Mr. McClain noted the agenda item that is posted is Posting of Trustee Election Candidate Campaign Materials on the CMERS Website, and said that language more than adequately covers the path Mr. Christianson outlined. He said Staff shared Mr. Barmore's concerns and wanted to survey the peer plan universe to see what range of policies are out there, and also to determine if those policies have created issues for those plans. Mr. McClain said that Staff has an inquiry out to the National Conference on Public Employee Retirement Systems (NCPERS) to get a response on those questions, and has also conducted some initial in-house research on the range of policies that are out there. Mr. Bell added that he did not see a need to change much at this stage of the game for this upcoming election. He preferred keeping the full item off the table until it was worked through. Mr. Kovac said it sounded like there were two issues, to either do it now or later because of being in the middle of the election or whether to post just bios or everything. He said it seems like there is general agreement to just do bios. Discussion ensued. Mr. Bell said we are in the middle of an active election and suggested asking the current candidates their opinion on the issue before the Board takes any action. Mr. McClain said the next opportunity for the Board to consider this item would be late October, so holding the item to the next meeting would put it closer to the eve of the election. He said if there is an appetite to hold the item, he would recommended that the Board hold it until after the election and then pick it up at that time. Mr. Bell said based on Mr. McClain's recommendation he would be in favor of holding the item until after the election. Mr. Kovac asked whether the Board would be holding the entire item, or approving the posting of the bios and holding the issue of posting other campaign materials. Mr. Bell said he understood that the Board would be approving the posting of the bios and holding the issue of posting other campaign materials. Discussion ensued.

It was moved by Mr. Christianson and seconded by Mr. DeCleene to approve the posting of the Candidate Bios but table the discussion of posting other campaign materials until a future meeting. Biographical Form on the CMERS Website.

The motion prevailed 4-2 by the following roll call vote: AYES: Messrs. Allen, Christianson, DeCleene, and Kovac. NOES: Messrs. Barmore and Bell. RECUSED: Mr. Heling. ABSENT: Ms. Ford. The motion was adopted by unanimous consent.

New Business.

Retirements, Death Claims, and Refunds (July 2026 and August 2026). Mr. McClain presented the following activity for the months of July 2026 and August 2026.

Administrative Withdrawal	$39,600.87
Full Refund	$303,289.11
Active Death Benefits reported	$0.00
Deferred Death	$45,909.81
Deferred Death-Member Only Refund	$45,909.81
Ordinary Death Benefits reported	$105,788.28
Retired Death Benefits reported	$175,015.02
Survivor Death – Termination Benefits reported	$18,165.63
Refund of Member Contributions paid	$96,822.97

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the Retirements, Death Claims, and Refunds report for July 2026 and August 2026. The motion was adopted by unanimous consent.

Conference Requests – September 24, 2026 Board Meeting. Mr. Bell presented the conference requests for September 24, 2026.

Jerry Allen	NCPERS Advanced Fiduciary (NAF) Institute (Module 1: Governance and Module 2: Finance)
Sponsor:	NCPERS
Location:	Nashville, TN
Date(s):	October 24-25, 2026
Estimated Cost:	$1,000.00

Tim Heling	NCPERS Public Safety Conference
Sponsor:	NCPERS
Location:	Nashville, TN
Date(s):	October 25-28, 2026
Estimated Cost:	$2,600.00

Erich Sauer	An Evening with DFA Founder David Booth
Sponsor:	DFA
Location:	Chicago, IL
Date(s):	November 17, 2026
Estimated Cost:	$200.00

Mr. Bell stated there was also a request for Mr. Christianson to attend the NCPERS Advanced Fiduciary Institute Module 3 and 4 that is also in Nashville, with the requested date of October 24-25, 2026 at an estimated cost of $2,450.00.

Mr. McClain noted that the $1,000.00 on Mr. Allen's request was a placeholder and the actual cost is $2,450.00.

It was moved by Mr. Bell and seconded by Mr. Heling to approve the Conference Requests – September 24, 2026 Board Meeting. The motion was adopted by unanimous consent.

Medical Reports.

All Duty & Ordinary Disability Applications & Re-examinations (August 2026 and September 2026).

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

Police – Re-examinations – Duty	Recommendation
Brandon Baranowski	Approval
Anthony Bialecki	Approval
Vidal Colon	Approval
Christian Hlavinka	Approval
Christopher Manney	Approval
Elmer Montano	Approval

Police – Re-examinations – Ordinary	Recommendation
Carol Hart	Approval

Fire – Re-examinations – Duty	Recommendation
Gilbert Baltutis	Approval
Robert Smith	Approval

Fire – Re-examinations – Ordinary	Recommendation
Jack Stainback	Approval

General City – Re-examinations – Ordinary	Recommendation
Sasha Gulley	Approval
Delorise Martin	Approval
Sharon Turner-Young	Approval
Craig Winstead	Approval

Mr. Petropoulos noted there were some unusual dates on the disability date column that would appear to not match the dates of disability or Medical Panel. He stated those were conversion dates populated through the CMERS record system and this is the first time he had seen that happen, but it is up for discussion how the Board wants these reports to appear—whether they should be corrected back to the original disability date or should show both. Mr. Petropoulos said the Medical Council Approvals Report is also before the Board for approval, with all re-examinations for August and September. He concluded there are no denials for the Medical Panel or Medical Council. Mr. McClain added that the disability date column listed the conversion dates rather than the initial disability dates. He said the question Mr. Petropoulos is asking is whether the Board wants to just see the disability date or if they think it is useful to have two columns that lists the disability date and the conversion date as well. Discussion ensued.

It was moved by Mr. Bell and seconded by Mr. Barmore to approve the Duty & Ordinary Disability Applications & Re-examinations for August 2026 and September 2026. The motion was adopted by unanimous consent.

Disability Findings – Jason Rodriguez. Mr. McClain said this case went through the state process due to Wisconsin Statute 62.624, so it is not the same as the hearing examiner reports that the Board is accustomed to seeing. He referred Board members to the Wisconsin Department of Workforce Development Administrative Law Judge decision in their Board packets, along with a Circuit Court order perfecting that order and issuing a judgment on it. Mr. McClain said the item is before the Board today for approval. Mr. Bell read the order from the packet. Mr. Bell said the order was signed on July 30, 2026 regarding Jason E. Rodriguez.

He said the order states: "The Employee Retirement System (ERS) shall compute the benefits payable to the applicant and shall review and adjust them on a periodic basis as required by the statute."

It was moved by Mr. Bell and seconded by Mr. Christianson to approve the Disability Findings as stated in the Order for Jason Rodriguez. The motion was adopted by unanimous consent.

Unfinished Business.

Pending Legal Opinions and Service Requests Report. Mr. McClain noted there is one new legal opinion request asking for a reanalysis of the procedures contained in Wis. Statute § 62.624. He said there are no outside Legal Counsel opinions currently. He said for Service Requests, the Cavanaugh Macdonald and CLA contracts were just taken care of, and that the other items are moving forward and the Board can expect to see those items soon.

Pending Legislation Report. Mr. McClain said there are two items listed under Pending Files for Common Council Action, both of which have already been taken care of. The first item is the communication from ERS that transmits the Actuarial Valuation Report to the Common Council, which is a required by Chapter 36. ERS has now complied with that requirement. He also said there was a communication from the City Comptroller relating to the five-year fiscal forecast for the City. Mr. McClain said this was the first time to his knowledge that this has ever been done and wanted to put it on the report so the Board could be aware of it. He said after the meeting he would distribute a copy to the Trustees. Mr. Christianson added that any members or Staff that have questions about the five-year financial forecast could talk with him about it.

Mr. McClain advised moving into closed session to discuss pending or threatened litigation.

Mr. Bell advised that the Annuity and Pension Board may vote to convene in closed session on the following item (VII.C.) as provided in Section 19.85(1)(g), Wisconsin 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.

Pending Litigation Report.

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

Mr. Kovac left the meeting at 10:00 a.m.

Mr. DeCleene left the meeting at 10:17 a.m.

The Board convened in closed session at 10:18 a.m.

Mr. Barmore left the meeting at 11:07 a.m.

The Board re-convened in open session at 11:08 a.m.

Mr. Bell announced that Mr. DeCleene is “back on the line as well.”

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.

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

3) Report on Bills.
4) Securities Lending Revenue and Budget Report.
5) 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 and seconded by Mr. Christianson to adjourn the meeting. The motion was adopted by unanimous consent.

Mr. Bell adjourned the meeting at 11:17 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 Employes' Retirement System, 789 N. Water Street, Suite 300.)

II.

CHIEF INVESTMENT OFFICER REPORT

Milwaukee Employes' Retirement System - October 27, 2026

Fund as of September 30, 2026

***Fund value of $6.59b.**

***Fund return of -1.5% in Sept., net of fees, underperformed by approximately 2.0%.**

***Primary Relative Perf. Drivers:**

Manager Selection
Private Equity -163bp

Public Equity Style Bias -42bp
Primarily Small and Value

***Fund is essentially matching the benchmark in the 10 and 15-year time periods, while underperforming in all other time periods.**

Oct. Update (as of 10/20/26)
***Fund return 0.8% MTD**
***Fund return 6.5% YTD**
***Fund value $6.64b**

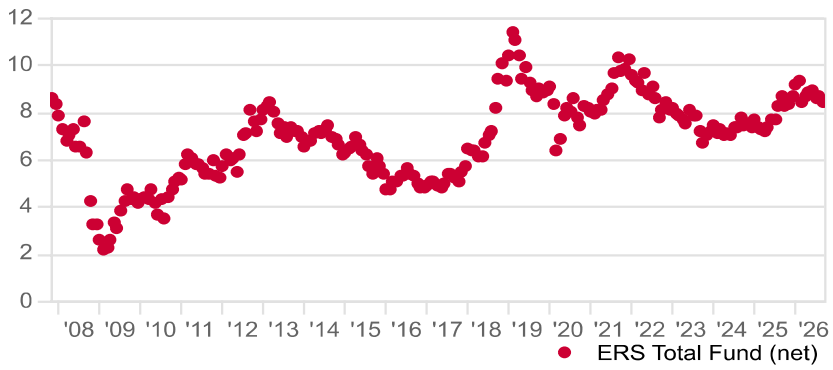
***8 out of 13 active mandates outperforming YTD.**

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

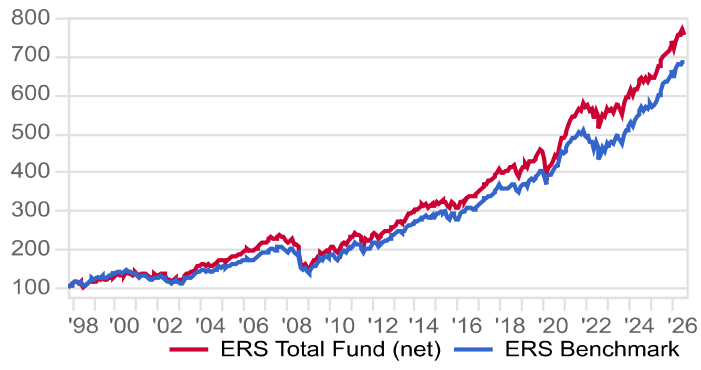
***Investment Change: $425.9m**
***Contributions: 233.1m**
***Benefits & Expenses: 399.2m**

Monthly Withdrawals:
To be determined

Total Fund - 10-Year Rolling Returns
11/28/1997 to 09/30/2026



Growth of $100 - Total Fund & ERS Benchmark
11/28/1997 to 09/30/2026

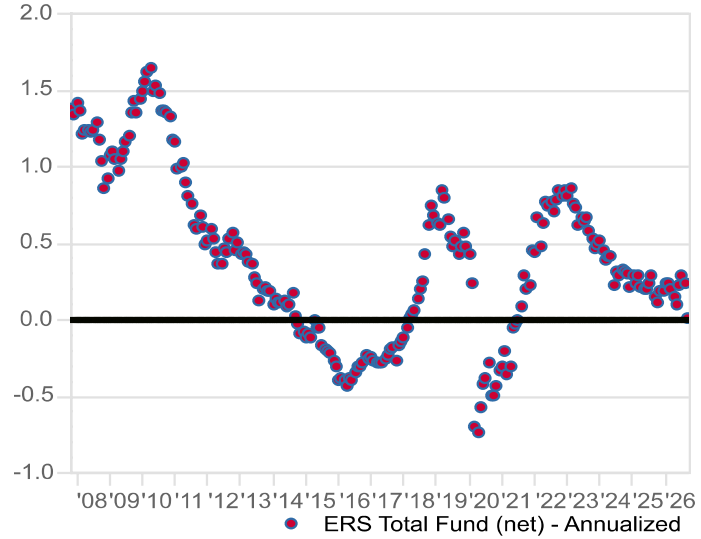


Return Data

Source Data: Monthly Return

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Total Fund (net)	-1.5	5.6	8.3	6.6	8.5	9.1	6.9
ERS Benchmark	0.6	6.6	9.6	7.0	8.4	9.0	7.0

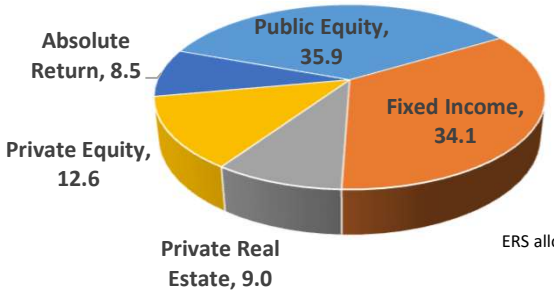
Total Fund - 10-Year Rolling Excess Returns
11/28/1997 to 09/30/2026



Total Fund - 20-Year Risk & Return Data

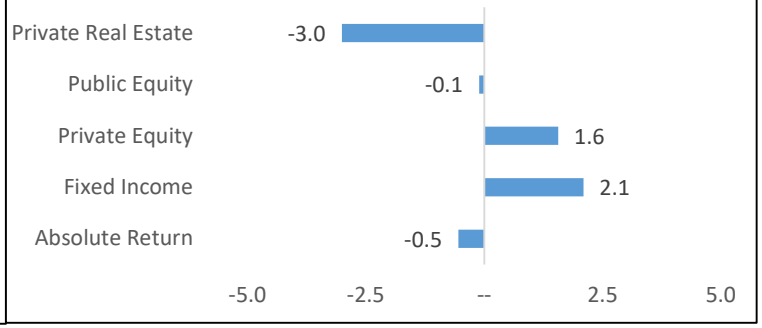
	Return	Std Dev	Tracking Error	Info Ratio (arith)	Sharpe Ratio	Alpha	Beta
Total Fund (net)	6.9	10.2	2.6	-0.1	0.5	-0.6	1.1
ERS Benchmark	7.0	9.2	--	--	0.6	0.0	1.0

ERS Allocation as of September 30, 2026



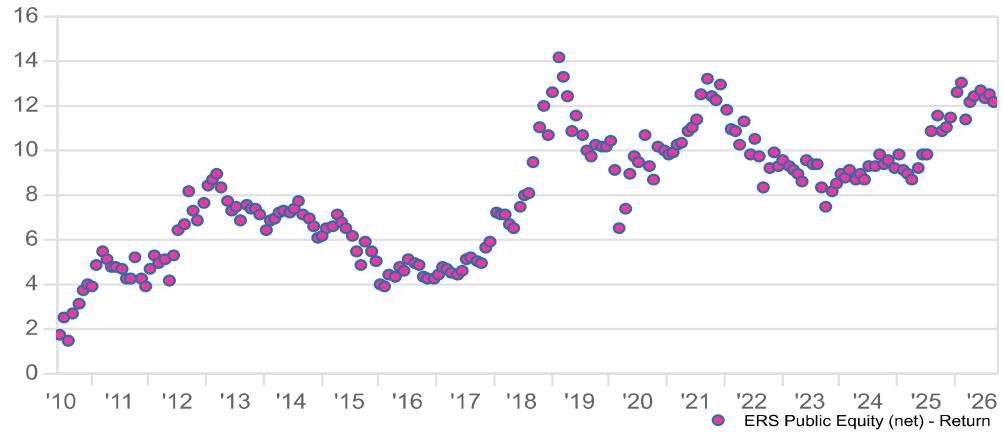
ERS allocation weights may not total 100% due to rounding

Asset Allocation vs Policy as of September 30, 2026

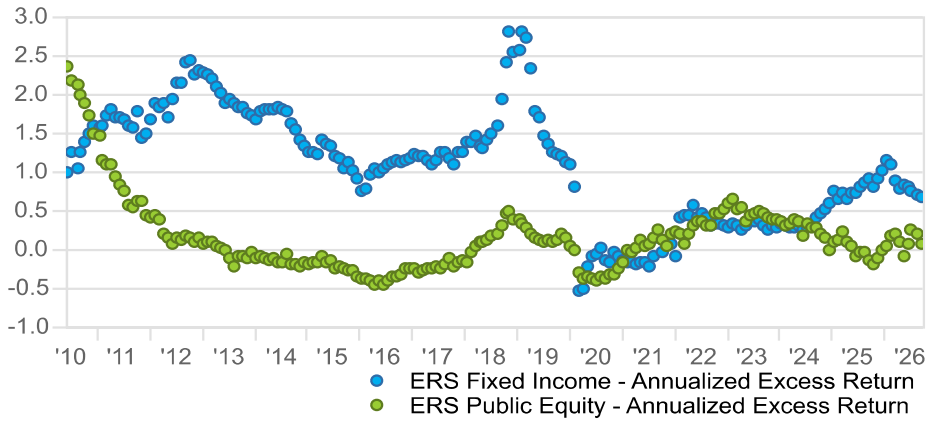


Milwaukee Employes' Retirement System - October 27, 2026

Public Equity - 10-Year Rolling Returns
06/30/2000 to 09/30/2026



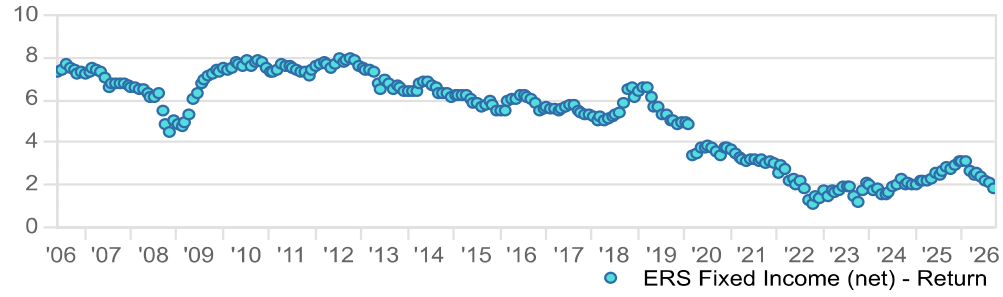
Asset Class - 10-Year Rolling Excess Returns
06/30/2000 to 09/30/2026



Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Public Equity	-2.3	14.0	18.5	11.0	12.5	12.7	8.8
Public Equity (net)	-2.4	13.7	18.1	10.6	12.1	12.3	8.4
Public Equity Benchmark	-1.4	13.0	16.6	11.1	12.1	12.3	8.6
MSCI ACWI IMI NR USD	-1.4	13.0	16.6	11.1	12.1	11.7	8.3

Fixed Income - 10-Year Rolling Returns
06/28/1996 to 09/30/2026



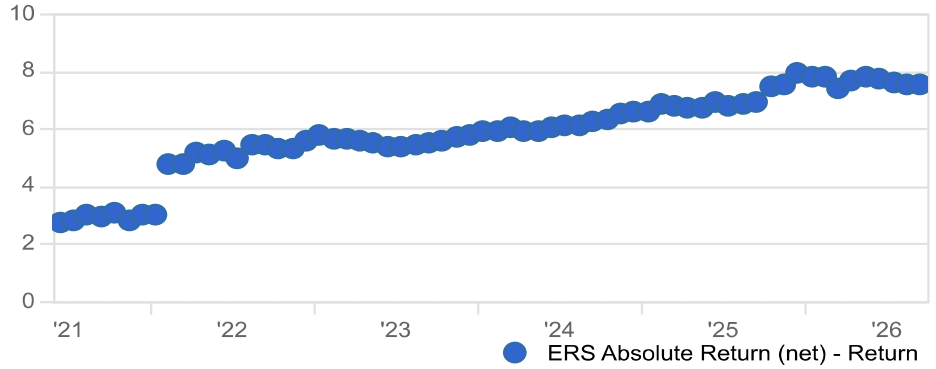
Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	15 Year	20 Year
Fixed Income	-2.6	-2.7	-1.5	1.4	1.9	2.7	4.0
Fixed Income (net)	-2.7	-2.8	-1.6	1.4	1.8	2.6	3.9
Bbg US Agg Bond TR USD	-2.6	-2.9	-1.8	-0.6	1.1	1.8	2.9

Risk Adjusted Returns (6/30/14 - 9/30/26)*

	Return	Std Dev	Sharpe Ratio	Max Drawdown
Public Equity (net)	10.2	14.7	0.6	-25.3
Fixed Income (net)	1.9	6.2	0.0	-13.6
Absolute Return (net)	6.7	8.4	0.6	-27.1

Absolute Return - 7-Year Rolling Returns
06/30/2014 to 09/30/2026



Return Data

	1 Month	YTD	1 Year	5 Year	10 Year	Inception*
Absolute Return (net)	0.0	6.2	10.0	12.2	6.9	6.7
90-Day T-Bill + 3%	0.6	5.1	6.8	7.0	5.5	5.1

*Absolute Return inception date is June 30, 2014

III.

NEW BUSINESS

A. Retirements, Death Claims, and Refunds (September).

B. Authorization to Sign Vouchers.

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

C. Discuss Candidate Interviews and Initial Salaries for Pension Investment Analysts I – III and Investments and Financial Services Specialists.

D. Act 12 Update.

E. Approval to Suspend Disability Benefits for Non-Compliance with Outside Earnings Limitation.

F. Conference Requests – October 27, 2026 Board Meeting.

Board Report - September 2026

Retirements

Retirement Type	Retirement SubType	Last Name	First Name	Retirement Date	Option	Department
Regular	Deferred	DEWALT	SHEILA	9/10/2022	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	GRANZOW-HANLEY	PEGGY	5/5/2026	MAX	EMERGENCY COMMUNICATIONS
Regular	Deferred	KROEGER	KATHY	8/2/2026	MAX	POLICE DEPARTMENT
Regular	Deferred	HEMPHILL	JOSEPH	8/5/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	CASTRO	DOMINGO	8/5/2026	MAX	DPW-OPS-SANITATION
Regular	Deferred	MCCARTHY	EMMET	8/7/2026	MAX	FIRE OPERATIONS BUREAU
Regular	Deferred	PETERSON	GARY	8/7/2026	50	DEPT OF NEIGHBORHOOD SRVCS
Regular	Deferred	VORNHOLT	PAUL	8/9/2026	MAX	MAYOR
Regular	Deferred	EASTERLING	WANDA	8/12/2026	MAX	HACM
Regular	Deferred	EVANS	GWENDOLYN	8/13/2026	MAX	CITY ATTORNEY
Regular	Deferred	INCE	NICHOLAS	8/13/2026	MAX	MILWAUKEE POLICE DEPARTMENT
Regular	Service	JOHNSON	JOAN	8/15/2026	MAX	LIBRARY - ADMINISTRATION SRVC
Regular	Service	SISK	SHEILA	8/15/2026	MAX	POLICE DEPARTMENT
Regular	Service	ZOLLICOFFER LAY	EVELYN	8/15/2026	MAX	DER - OPERATIONS DIVISION
Regular	Deferred	TATE	RONALD	8/16/2026	50	MILWAUKEE PUBLIC SCHOOLS
Regular	Early	CARSON	LILLIAN	8/19/2026	59	CITY OF MILWAUKEE
Regular	Deferred	RICHARDSON	DANIELLE	8/20/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	KELLER	TIMOTHY	8/20/2026	MAX	POLICE DEPARTMENT
Regular	Service	RUEGG	KRISTEN	8/20/2026	MAX	POLICE DEPARTMENT
Regular	Service	WATSON	CATHERINE	8/20/2026	MAX	CITY OF MILWAUKEE
Regular	Deferred	ANDINO	MARINA	8/21/2026	100	MUNICIPAL COURT
Regular	Deferred	DOMINSKI	NANCY	8/21/2026	MAX	CITY ATTORNEY
Regular	Service	GOLDBECK	RACHEL	8/21/2026	MAX	POLICE DEPARTMENT
Regular	Service	LANGFELDT	DUSTIN	8/21/2026	MAX	POLICE DEPARTMENT
Regular	Service	SAJDAK	STUART	8/21/2026	MAX	POLICE DEPARTMENT
Regular	Service	STURMA	DAVID	8/22/2026	MAX	POLICE DEPARTMENT
Regular	Deferred	DROSTER	DAVID	8/24/2026	56	MILWAUKEE POLICE DEPARTMENT
Regular	Service	CORDERO	RICHARD	8/24/2026	MAX	HACM
Regular	Service	BEKELE	SOLOMON	8/29/2026	MAX	DPW - SEWER - ENVIRONMENTAL
Regular	Service	DAWSON	JEANNE	8/29/2026	MAX	HACM
Regular	Service	LACKOVIC	SCOTT	8/29/2026	50	POLICE DEPARTMENT
Regular	Service	PERO	JODI	8/29/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	ROJAS	FERNANDO	8/29/2026	MAX	POLICE DEPARTMENT
Regular	Service	LEMKE	DOUGLAS	8/30/2026	MAX	POLICE DEPARTMENT
Regular	Service	LEWAN	TODD	8/30/2026	MAX	POLICE DEPARTMENT
Regular	Service	LEWIS	ANGEL	8/31/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	DAVIS	CAROLYN	9/1/2026	MAX	MILWAUKEE PUBLIC SCHOOLS
Regular	Service	DEJOHNETT	MARILYN	9/1/2026	MAX	EMERGENCY COMMUNICATIONS
Regular	Service	KILGREN	CAROL	9/1/2026	MAX	POLICE DEPARTMENT

Board Report -September 2026 **Deaths**

Type	Last Name	First Name	Death Date	Payment Date	Amount
Deferred Death	SNYDER	JHOSY	6/6/2026	9/30/2026	$ 4,787.44
Ordinary Death	GILES	BRENDA	9/17/2021	9/30/2026	$ 18,904.58
Retiree Death-Termination	BERRY	WILHELMENIA	5/27/2026	9/30/2026	$ 151.73
Retiree Death-Termination	BLACK	SUSAN	5/9/2026	9/30/2026	$ 515.55
Retiree Death-Termination	DOSCH	MARGARET	7/27/2026	9/30/2026	$ 416.63
Retiree Death-Termination	GUST	RONALD	5/7/2026	9/30/2026	$ 1,408.41
Retiree Death-Termination	HUNTEMANN	RICHARD	8/14/2026	9/30/2026	$ 1,552.98
Retiree Death-Termination	JENSEN	RITA	5/23/2026	9/30/2026	$ 765.00
Retiree Death-Termination	KIPP	ROBBIN	7/31/2026	9/30/2026	$ 149.76
Retiree Death-Termination	KRENZKE	FREDERICK	7/10/2026	9/30/2026	$ 1,693.35
Retiree Death-Termination	LAMBRECHT	ROBERT	7/25/2026	9/30/2026	$ 1,310.19
Retiree Death-Termination	MORRISON	NANCY	7/22/2026	9/30/2026	$ 686.56
Retiree Death-Termination	MUKANSKY	WILLIAM	6/20/2026	9/30/2026	$ 2,634.60
Retiree Death-Termination	PERRON	RONALD	6/5/2026	9/30/2026	$ 393.20
Retiree Death-Termination	PITTELMAN	THEODORE	7/23/2026	9/30/2026	$ 1,080.38
Retiree Death-Termination	PREVORT	BARBARA	7/12/2026	9/30/2026	$ 130.48
Retiree Death-Termination	SCHMIDT	SUE	8/2/2026	9/30/2026	$ 103.80
Retiree Death-Termination	SEVERSON	LOUISE	8/8/2026	9/30/2026	$ 223.26
Retiree Death-Termination	SMITH	JAMES	4/24/2025	9/30/2026	$ 1,292.48
Retiree Death-Termination	STAMPS	HILLMAN	7/13/2024	9/30/2026	$ 541.37
Retiree Death-Termination	STAWICKI	PATRICIA	8/19/2026	9/30/2026	$ 2,968.94
Retiree Death-Termination	WILLOUGHBY	ELIZABETH	6/19/2023	9/30/2026	$ 273.47
Surv Death-Termination	BENZ	BETTY	8/23/2024	9/30/2026	$ 357.50
Surv Death-Termination	FUHRMAN	VIRGINIA	2/19/2025	9/30/2026	$ 923.02
Surv Death-Termination	KRAFT	PHYLLIS	7/14/2026	9/30/2026	$ 640.39
Surv Death-Termination	LENZ	CAROL	8/1/2026	9/30/2026	$ 45.09
Surv Death-Termination	SLICHTER	SUSAN	5/30/2026	9/30/2026	$ 717.51
Surv Death-Termination	STAWICKI	PATRICIA	8/19/2026	9/30/2026	$ 1,064.28
				TOTAL	**$ 45,731.95**
Retiree Death-Cont Opt	APRIESNIG	LYNNMARIE	8/28/2026	9/1/2026	
Retiree Death-Cont Opt	ARMON	WAYNE	8/24/2026	9/1/2026	
Retiree Death-Cont Opt	BIVENS	ROBERT	9/1/2026	9/1/2026	
Retiree Death-Cont Opt	FINN	JOSEPH	8/26/2026	9/1/2026	

Type	Last Name	First Name	Death Date	Payment Date	Amount
Retiree Death-Cont Opt	GILSON	ROMAN	8/29/2026	9/1/2026	
Retiree Death-Cont Opt	GNADT	RANDALL	9/12/2026	9/1/2026	
Retiree Death-Cont Opt	GRUNDY	GARY	8/18/2026	9/1/2026	
Retiree Death-Cont Opt	HAWN	GEORGE	9/14/2026	9/1/2026	
Retiree Death-Cont Opt	HECK	JOHN	9/3/2026	9/1/2026	
Retiree Death-Cont Opt	HEIL	JAMES	9/10/2026	9/1/2026	
Retiree Death-Cont Opt	MATEJKA	THOMAS	9/14/2026	9/1/2026	
Retiree Death-Cont Opt	MEURER	GUENTER	8/28/2026	9/1/2026	
Retiree Death-Cont Opt	SBONIK	THOMAS	8/22/2026	9/1/2026	
Retiree Death-Cont Opt	SMITH	TERRY	9/2/2026	9/1/2026	
Retiree Death-Cont Opt	SPANGLER	LISA	8/7/2026	9/1/2026	
Retiree Death-Cont Opt	WEINER	KAREN	8/22/2026	9/1/2026	

Board Report - September 2026

Withdrawals

Type	Last Name	First Name	Payment Date	Amount
Administrative Withdrawal	AL BASSAM	OMAR	9/30/2026	$ 846.68
Administrative Withdrawal	BENFORD	LATRESE	9/30/2026	$ 1,163.69
Administrative Withdrawal	BROWN	ANDREA	9/30/2026	$ 583.07
Administrative Withdrawal	CHAMBERS	KASHAWN	9/30/2026	$ 281.46
Administrative Withdrawal	DEUTSCH	ALLISON	9/30/2026	$ 660.29
Administrative Withdrawal	GEST	CLARE	9/30/2026	$ 1,011.94
Administrative Withdrawal	GOVAN	KYLE	9/30/2026	$ 1,026.06
Administrative Withdrawal	HAGEN	BRIAN	9/30/2026	$ 776.58
Administrative Withdrawal	HARRIS	ANDREW	9/30/2026	$ 3,158.68
Administrative Withdrawal	HAYNES	CHRISTY	9/30/2026	$ 613.30
Administrative Withdrawal	HERNANDEZ	YESENIA	9/30/2026	$ 3,858.66
Administrative Withdrawal	JOHNSON	SELENA	9/30/2026	$ 2,821.45
Administrative Withdrawal	SANCHEZ-MORRIS	ALYSSA	9/30/2026	$ 1,238.39
Administrative Withdrawal	SMITH	LATRELL	9/30/2026	$ 298.78
Administrative Withdrawal	SMITH	THOMAS	9/30/2026	$ 3,004.72
Administrative Withdrawal	STEPHENS	RICHARD	9/30/2026	$ 1,406.29
Administrative Withdrawal	THOMAS	MONICA	9/30/2026	$ 2,133.22
Full Refund	CLAY	BRITTANY	9/30/2026	$ 4,697.21
Full Refund	GOODWIN	BILLIE	9/30/2026	$ 8,836.51
Full Refund	HUERTA	APRIL	9/30/2026	$ 3,427.32
Full Refund	JACKSON	LAPORCHIA	9/30/2026	$ 6,393.31
Full Refund	JONES	ALETHA	9/30/2026	$ 10,364.05
Full Refund	LONGORIA	MELISSA	9/30/2026	$ 4,782.34
Full Refund	MANNS	REGINA	9/30/2026	$ 10,086.82
Full Refund	MOORE	DONNA	9/30/2026	$ 26,276.49
Full Refund	PAGAN	WILLMARIE	9/30/2026	$ 4,074.35
Full Refund	RAMIREZ	FERNANDO	9/30/2026	$ 5,665.98
Full Refund	SOLIS-SOTO	MARIA	9/30/2026	$ 3,617.02

Type	Last Name	First Name	Payment Date		Amount
Full Refund	SZYDEL	SHANE	9/30/2026	$	16,701.60
Member Only Refund	GILLIAM	CHIMERE	9/30/2026	$	2,894.30
Member Only Refund	GILLIGAN	SEAN	9/30/2026	$	3,687.68
Member Only Refund	HILL	PRYSCILLA	9/30/2026	$	617.03
Member Only Refund	KMICHIK	ERIN	9/30/2026	$	1,893.59
Member Only Refund	LAZO	DEVIN	9/30/2026	$	9,932.96
Member Only Refund	MANNS	COLEISA	9/30/2026	$	1,973.68
Member Only Refund	MILLER	MORGAN	9/30/2026	$	7,287.37
Member Only Refund	PAYKEL	HAYLEY	9/30/2026	$	1,100.69
Member Only Refund	SANTIAGO FRANCIS	PAULIANE	9/30/2026	$	8,286.26
Member Only Refund	SCIALFA	JOSEPH	9/30/2026	$	13,194.66
Member Only Refund	SOTELO-MUNOZ	DIANA	9/30/2026	$	3,135.58
Member Only Refund	SWAIN	EMMA	9/30/2026	$	1,971.10
Member Only Refund	WHITE	REBECCA	9/30/2026	$	2,787.23
			TOTAL	**$**	**188,568.39**

AUTHORIZATION TO SIGN VOUCHERS

The Secretary presented the following resolution in accordance with Section 36.15 (11) of the Retirement Act:

RESOLVED, That the following persons are hereby designated and authorized to sign vouchers for payments from funds of the Employes' Retirement System of the City of Milwaukee or to authorize fund transfers with the custodian bank:

Any two of the following:

Chairman, Matthew Bell _____
or

Vice Chairman, Nik Kovac _____
or

City Comptroller, Bill Christianson _____
or

Special Deputy Comptroller, Toni Biscobing _____
or

Deputy Comptroller, Charles Roedel _____
or

Accounts Director, Richard Bare _____
or

Secretary & Executive Director, Patrick McClain _____
or

Deputy Director, Daniel Gopalan _____
or

Deputy Director, Gust Petropoulos _____
or

Chief Investment Officer, David Silber _____
or

Deputy Chief Investment Officer, Erich Sauer _____

And be it

FURTHER RESOLVED, That a duly-attested copy of this resolution, bearing on its face specimen signatures of the above-designated persons, shall be forwarded to the City Treasurer and the Custodian Bank.

Passed October 27, 2026

October 16, 2026

The following (3) retirees were totally offset on the October 2026 payroll due to non-compliance of outside earnings required by Sections 36-07-2-a and 36-05-6-c of the Milwaukee City Charter.

512423	James Bunker
551277	Stephanie Ramskugler
600752	Kristopher Sardina

Note: The October 2026 payroll closed on October 22, 2026. All outside earnings paperwork (Certification of Earnings form and tax return with supporting documentation, if required) that was properly completed and submitted to our office on or before October 22, 2026 was processed.

Conference Requests – October 2026 Board Meeting

David Silber	2027 Visions, Insights & Perspectives (VIP) Americas Conference + possible Brandes meeting
Sponsor:	Institutional Real Estate, Inc.
Location:	Carlsbad, CA
Date(s):	January 24-28, 2027
Estimated Cost:	$2,600.00

IV.

MEDICAL REPORTS

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

						DOCTOR DECISION				
Case Number	Name	Title	Employer	Case Type	Case Sub-Type	City	Union	Third	Disability Date	Comments
1176	HUERTA, WILLIE	DETECTIVE	POLICE	DD 75%	Re-Examination	Approved	Approved		11/01/2025	
553	JULY, ANGELA	POLICE OFFICER	POLICE	DD 75%	Re-Examination	Approved	Approved		10/01/2022	Exempt from Re-Exam

Number of Cases: 2

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

MERITS

CITY OF MILWAUKEE EMPLOYES' RETIREMENT SYSTEM

Medical Council Approvals Report

Board Meeting: 10/27/2026

DATE RAN : 10/08/2026

TIME RAN : 10:22

Name	Title	Employer	CaseType	Case Sub-Type	Disability Date	Medical Council Meeting Date	In Person Exam Waiver
BRATEL, BRAD	WATER FIELD SUPERVISOR	DPW	Duty Disability 75%	Re-Examination	12/02/2022	10/02/2026	
CARTER, JOHN	Bldg Srvc Helper I	MPS	Ordinary Disability	Application	08/13/2026	10/02/2026	
WEINZIERL, THOMAS	FIRE PARAMEDIC	MFD	Ordinary Disability	Re-Examination	03/04/2021	10/02/2026	
WILSON, TOMMY	POLICE OFFICER	MPD	Ordinary Disability	Re-Examination	10/02/2018	10/02/2026	

Number of Cases: 4

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

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 (V.C.), as provided in Section 19.85(1)(g), Wisconsin 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.

October 27, 2026 Board Meeting

PENDING LEGAL OPINIONS AND SERVICE REQUESTS REPORT

PART 1. LEGAL OPINIONS - OFFICE OF CITY ATTORNEY

9/16/26 **Reanalysis of Procedures under Wis. Stat. § 62.624**
ERS has requested updated legal guidance regarding the proper procedures to follow when processing applications under Wis. Stat. § 62.624, specifically noting that a prior September 22, 2015 City Attorney Opinion interpreting that statute proved untenable after a recent administrative order from the Wisconsin Department of Workforce Development.

PART 2. LEGAL OPINIONS - OUTSIDE LEGAL COUNSEL

None.

PART 3. SERVICE REQUESTS - OFFICE OF CITY ATTORNEY

08/17/26 **Death Verification Agreements**
ERS requests the City Attorney's Office assistance in reviewing service agreements for Berwyn Group and ABL Tech.

PART 4. SERVICE REQUESTS - OUTSIDE LEGAL COUNSEL

None.

October 27, 2026 Board Meeting

PENDING LEGISLATION REPORT

PART 1. PENDING FILES FOR COMMON COUNCIL ACTION

None.

PART 2. PENDING CHANGES TO THE RULES & REGULATIONS

None.

PART 3. PENDING LEGISLATIVE COMMITTEE REFERRALS

None.

PART 4. PENDING STATE LEGISLATION

None.

October 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
- **08/18/26** Supreme Court of Wisconsin denied Appellants' Petition for Review and affirmed Court of Appeals order.

Kurt Lacina v. Employes' 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
- **06/01/26** Notice that the case has been submitted to the court for consideration and determination on briefs, without oral argument.

Part 2. ERS Administrative Appeal Hearings through the City Attorney

Jason E Rodriguez; Administrative Case No. 1443
See prior Reports for case history
- **09/24/26** Board approved Mr. Rodriguez's DDR benefit application.

Frank Lockett; Administrative Case No. 1591
See prior Reports for case history
- **09/24/26** Board approved hearing examiner's recommendation to deny Mr. Lockett's DDR application.

Part 3. Notice of Claim filed with ERS

None.

Part 4. ERS Litigation through Outside Legal Counsel

None.

Employes' Retirement System – Executive Director's Report

October 2026

I. Personnel Update

A. A citywide job announcement bulletin for the Chief Technology Officer (CTO) position was posted on October 19, 2026.
B. ERS is in the process of completing second-round interviews with finalist candidates for the Pension Investment Analyst I – III and Investments and Financial Services Specialist positions.
C. DER is working to complete an external job announcement bulletin for the Pension Accounting Manager position.

II. Member Services

A. There were 40 new retirees on the September payroll and 41 are currently anticipated for the October payroll.
B. There were 26 retiree/employee deaths entered in August.
C. There was a Retirement Workshop for Protective Services on 10/9/26 and 82 attended.
D. Client Services was in attendance at the MRA meeting on 10/6/26 to answer questions.
E. Client Services will be in attendance at all City Open Enrollment sessions to answer questions.
F. Below is a breakdown of to-date ERS benefits payouts/active/deferred counts:

Category	Count
Annuitants	
Death - Duty	23
Death - Ordinary	98
Disability - Duty	338
Disability - Ordinary	552
Retirement	12,992
Separation	40
Total Annuitants	**14,043**
Active	**7,953**
Deferred	**3,574**
Total Population	**25,570**

III. Financial Services

A. In August, ERS sent out unclaimed property letters to 358 members who have funds that ERS is holding on their behalf. If the members respond, ERS will make arrangements to pay out the unpaid balances. As of 10/14/26, we have received 98 responses.
B. Staff continues to work with CliftonLarsonAllen on the Accounting & Finance internal audit and the GASB 68 Employer Schedules audit.

IV. Information Services

A. SQL Server & Windows Upgrade in progress.
B. Workday Implementation Impact on MERITS in progress.
C. Website Upgrade in progress.
D. IP Address Review and Cleanup 2025 in progress.

E. DNS Review and Cleanup 2025 in progress.
F. AD Review and Cleanup 2025 in progress.
G. Microsoft Windows Server Upgrade in progress.
H. WCAG 2.0 implementation in progress.
I. System Galaxy Security System Upgrade in progress.
J. Backup Exec Upgrade in progress.
K. Upgrade FileNet P8 to IBM CloudPak4BA completed.
L. Perforce Upgrade completed.
M. Planet Press Upgrade completed.

V. Administration

A. Staff presented ERS's 2027 budget to the Finance and Personnel Committee on October 5, 2026. Video from the hearing can be viewed on the City's Legislative Research Center website located at https://milwaukee.legistar.com/.

B. I have accepted an invitation from the Wisconsin Legislative Audit Bureau (LAB) to sit on the panel that will review and score audit vendor proposals for the upcoming actuarial audit in 2028. The actuarial audit is required by Wis. Stat. § 13.94(1)(y), which directs LAB to "[a]t least once every five years, contract for an actuarial audit of the retirement systems of Milwaukee County and the city of Milwaukee." The cost of the audit will be included in ERS's 2028 budget.

C. A link to the candidate biographical questionnaires for the 2026 Active Member Trustee Election has been added to the homepage of the CMERS website (cmers.com).

D. Assistant City Attorney Lauri Rollings will provide legal training to the Medical Council regarding the duties, laws, rules, and legal standards relevant to the ERS disability benefits process on November 6, 2026 at 9:00. Trustees are welcome to attend.

E. On October 20, 2026, HACM made a payment of $625,719.46 towards its outstanding contributions. The payment fully satisfied the agency's contribution for Plan Year 2024 and a portion of the agency's outstanding contribution for Plan Year 2025.

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

City of Milwaukee
Employes' 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

October 21, 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 2025-2027

Good Morning:

The Employes' 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' 10/21/2026	Payment Received (10/21/2026)	Amount Payable	Statutory Due Date
2025	$ 2,024,259	$ 113,488	$ 11,004	$ 2,126,744	12/31/2026
2026	$ 1,915,565	$ 107,395	$ 0	$ 2,022,960	12/31/2027
2027	$ 1,841,444	$ 0	$ 0	$ 1,841,444	12/31/2028
Total for All Years	**$ 5,781,268**	**$ 220,883**	**$ 11,004**	**$ 5,991,148**	

Please note that all amounts due continue to accrue interest at 6.8% p.a. If you would like to reinitiate a quarterly payment schedule, please contact Dan Gopalan, ERS Deputy Director, at daniel.gopalan@cmers.com to discuss options.

Please be sure to email Dan Gopalan at 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

VI.

INFORMATIONAL

A. Conferences.
B. Class Action Income 2026 YTD.
C. Minutes of the Investment Committee Meeting Held September 10, 2026.
D. Minutes of the Administration & Operations Committee Meeting Held September 17, 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: October 27, 2026

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
October 29 – 30, 2026	LaSalle Americas Investor Summit 2026 Chicago, IL	LaSalle
November 4, 2026 11:30am – 12:00pm	Research Café: Hedge Funds Today / The Landscape, Strategies & What's Ahead Virtual	Callan Associates
November 4 – 6, 2026	Brandes Due Diligence Summit 2026 La Jolla, CA	Brandes
November 12, 2026 11:30am – 12:30pm	Digital Assets in Motion / Tokenization, Custody and the Future of Institutional Investing Virtual	Callan Associates
January 20, 2027 11:30am – 12:30pm	2027 Capital Markets Assumptions Virtual	Callan Associates
February 1 – 2, 2027	Apogem 2027 Annual General Meeting Palm Beach, FL	Apogem Capital
March 9 - 11, 2027	2027 Global Real Assets Investor Conference Miami, FL	Morgan Stanley
April 4 – 6, 2027	2027 National Conference Scottsdale, AZ	Callan Associates
April 14 – 17, 2027	BLB&G 2027 Forum for Institutional Investors New Orleans, LA	Bernstein Litowitz Berger & Grossman (BLB&G)
April 26 – 28, 2027	DFA Annual Institutional Symposium Austin, TX	Dimensional Fund Advisors
October 28, 2027 8:00am – 11:00am	October Regional Workshop Chicago, IL	Callan Associates

Trustee Conferences 2026 – 2027

Board Meeting: October 27, 2026

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
January 25 – 27, 2027	2027 Visions, Insights & Perspectives (VIP) Americas Carlsbad, CA	Institutional Real Estate, Inc.
February 15 – 16, 2027	Public Plan Trustees Institute – Level I Orlando, FL	International Foundation of Employee Benefit Plans
February 15 – 16, 2027	Public Plan Trustees Institute – Level II Orlando, FL	International Foundation of Employee Benefit Plans
March 8 – 10, 2027	CII Spring 2027 Conference Washington D.C.	Council of Institutional Investors
April 12 – 13, 2027	Investment Basics Seattle, WA	International Foundation of Employee Benefit Plans
April 13 – 14, 2027	13th Annual Midwest Institutional Forum Chicago, IL	Markets Group
April 26 – 28, 2027	Public Funds Roundtable 2027 Beverly Hills, CA	Institutional Investor
May 2 – 5, 2027	Global Conference Beverly Hills, CA	Milken Institute
May 5 – 6, 2027	Investment Institute Nashville, TN	International Foundation of Employee Benefit Plans
May 15 – 16, 2027	Trustee Essentials Training 2027 New York, NY	NCPERS
May 15 – 16, 2027	NCPERS Advanced Fiduciary (NAF) Institute 2027 (spring class) New York, NY	NCPERS
May 16 – 19, 2027	Annual Conference & Exhibition (ACE) 2027 New York, NY	NCPERS

Trustee Conferences 2026 – 2027

Board Meeting: October 27, 2026

DATE(S)	CONFERENCE(S) / LOCATION(S)	SPONSOR(S)
June 2 – 4, 2027	2027 Visions, Insights & Perspectives (VIP) Infrastructure Half Moon Bay, CA	Institutional Real Estate, Inc.
June 3, 2027	11th Annual Real Estate Midwest Forum Chicago, IL	MarketsGroup
July 12 – 13, 2027	ALTSCHI Chicago, IL	MarketsGroup
July 21 – 22, 2027	6th Private Equity Chicago Forum Chicago, IL	MarketsGroup
September 15 – 16, 2027	Investment Basics Chicago, IL	International Foundation of Employee Benefit Plans
September 15 – 16, 2027	Investment Basics Chicago, IL	International Foundation of Employee Benefit Plans
September 15 – 17, 2027	CII Fall 2027 Conference Denver, CO	Council of Institutional Investors
October 23 – 26, 2027	NCPERS Fall Conference 2027 Newport Beach, CA	NCPERS

Upcoming Due Diligence Meetings

Date	Manager(s)	Team
December 2026	Mesirow	Erich and Tom

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

Minutes of the Investment Committee Meeting
held September 10, 2026 in person

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

Committee Members Present:	Jerry Allen John Barmore Matthew Bell Justin DeCleene Deborah Ford Timothy Heling, Chair
Committee Members Not Present:	Bill Christianson (arrived 9:16 a.m.) Nik Kovac (excused; arrived 9:45 a.m.)
ERS Staff Present:	Patrick McClain, Executive Director David Silber, Chief Investment Officer Erich Sauer, Deputy Chief Investment Officer Thomas Courtright, Pension Investment Analyst Dan Gopalan, Deputy Director Robin Hayes, Chief Financial Officer Gust Petropoulos, Deputy Director Jan Wills, Board Stenographer

Others present: Bo Abesamis, John Jackson, Mike Joecken, Ashley Kahn, Joe McGuane, Callan; Lauren Albanese, Financial News; Lauri Rollings, Alex Foundos, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc.; four members of the public called into the meeting.

Chairman Heling first asked for a brief moment of silence for the celebration of Rosh Hashanah and the 25th anniversary of September 11.

Callan 2027 Private Equity Commitment Pacing and Reinvestments Presentation. As a matter of information, Committee members received from Callan the "CMERS Private Equity Portfolio 2027 Commitment Pacing and Portfolio Review." Ms. Kahn mentioned to the Committee that this was the annual review of the Private Equity program. She presented information to the Committee on the following topics: Private Equity Market Trends, Portfolio Review & Performance Analysis, Commitment Pacing, Manager Performance, and Conclusion & Recommendations. Ms. Kahn started with a few market trends, walked through performance of the program, discussed the commitment pacing exercise for the year, and looked at each manager individually. She noted due to the Fund's de-risking glidepath, it is expected that the Private Equity target will decline significantly over the next 10 years, and as a result of that, there are no new commitments projected to the asset class, although it is recommended to re-visit the allocation annually. Ms. Kahn said the program is performing well, it is mature, and additive to the overall

plan. Ms. Kahn noted that the remaining uncalled capital is approximately $500 million and said net distributions are projected to average about $100 million over the next 10 years which can then be invested in other asset classes. She said during the last year, $73 million was contributed to the asset class, $109 million was received in distributions, and the portfolio has appreciated by $63 million. Discussion ensued.

Approval of 2027 Private Equity Commitment Recommendation.

It was moved by Mr. Heling, and seconded by Mr. Barmore to approve the Approval of 2027 Private Equity Commitment Recommendation. The motion was adopted by unanimous consent.

Approval of BlackRock Institutional Trust Company Passive International Equities Strategy Guidelines. As a matter of information, Committee members received the "BlackRock Passive International Growth Equities Objectives and Guidelines." Mr. Sauer stated this is the ACWI ex US strategy that became a permanent part of CMERS's structure during the last Public Equity Structure review. He said because it is permanent, there should be guidelines in the IPS. Mr. Sauer said BlackRock helped him put the guidelines together and they okayed this final document which lays out how the strategy is run, including the three funds used to create the exposure. He noted the tracking error target of 100 basis points over a five-year period is quite a bit higher than one would see in a passive strategy and that comes down to the three funds used to construct this. Mr. Sauer said BlackRock is trying to replicate a growth index but they use core Canada and core Emerging Markets funds because they do not have Growth versions of those strategies, so the tracking error comes from there.

It was moved by Mr. Heling, and seconded by Mr. Christianson to approve the Approval of BlackRock Institutional Trust Company Passive International Equities Strategy Guidelines. The motion was adopted by unanimous consent.

Approval of Adviser Compliance Associates, L.L.C. Contract Amendment. As a matter of information, Committee members received the "Second Amendment To The Contract For Services Between The Employes' Retirement System of the City of Milwaukee And Adviser Compliance Associates, L.L.C." Mr. Sauer said the amendment to the contract with Adviser Compliance Associates (ACA), which is ERS's transaction cost analysis provider. He said at the June Investment Committee Meeting, the Committee instructed Staff to seek a one-year contract extension by exercising one of the options that was in the contract and ACA was happy to extend. Mr. Sauer said the document before the Committee was drafted by Mr. Foundos in the City Attorney's office. He said ACA accepted it with no comments or changes and they have signed it already. Mr. Sauer concluded it is just a straightforward one-year extension and Staff recommends approval. Discussion ensued.

It was moved by Mr. Heling, and seconded by Mr. DeCleene to approve the Approval of Adviser Compliance Associates, L.L.C. Contract Amendment.

Harrison Street Due Diligence Report. As a matter of information, Committee members received a memo from Mr. Sauer regarding the "Harrison Street Due Diligence Meeting December 9, 2025." Mr. Sauer said he and Mr. Dickerson met with Harrison Street in their offices on

December 9, 2025. He said CMERS is invested in the Harrison Street Core Property Fund which is a Core Real Estate Fund focused on alternative property types such as senior housing, student housing, life science, medical office, and self-storage. Mr. Sauer said they also recently added the ability to invest in data centers, but had not made any data center investments at the time of the meeting. He said the news they were focused on at this meeting was that Colliers International, which is Harrison Street's parent company, had combined Harrison Street with a couple of other boutique firms that Colliers owns to create a new combined firm which they branded Harrison Street Asset Management. Mr. Sauer said it was clear they were trying to take the reputation Harrison Street has and extend it to some of their other investment managers. He said what they were looking out for is the team that manages CMERS's product is not being pulled in a bunch of different directions or having new demands put on their time that pulls their focus from CMERS's product. Mr. Sauer said they found that CMERS's strategy and team is being run the way it is always run and are not seeing any changes. He concluded the team, philosophy, and process are still in place and CMERS is comfortable with Harrison Street as part of CMERS's Private Real Estate allocation.

CMERS 2nd Quarter 2026 Performance Update. As a matter of information, Committee members received the "2nd Quarter 2026 Performance Report September 10, 2026." Mr. Sauer's agenda included Fund Overview, Public Equity, Fixed Income, Absolute Return, Private Equity, Recent Performance Update and Manager Charts & Statistics. He said the big story of the 2nd quarter is the strong Public Equity performance, which was a big bounce back from the market fall at the end of the first quarter with the surprise Iran War. He noted stocks bounced back very strongly with what turned out to be an erroneous view that the war would be over quickly and easily. Mr. Sauer noted the style biases built into the portfolio and said the Value equity bias was the only thing against CMERS. He said looking at the performance, CMERS matched the benchmark, meaning something else was going on and that was manager performance. Mr. Sauer said Value detracted 20 basis points and manager underperformance within Public Equity detracted 78 basis points, which were Brandes, MFS, DFA US Small Cap, and International Small Cap as the bigger ones in that category. He stated the market rally was driven by two things − investors chasing AI exposure and unprofitable companies outperforming profitable companies so that is not an environment where CMERS expects its managers to perform well. Mr. Sauer noted on the bright side that Private Equity added 62 basis points with modest Private Equity returns in Q4 2025 statements, as well as the Q1 2026 statements which were reflected this quarter. This happens every year because of the extra time those Q4 statements take. He said there was a modest positive there comparing it to a negative benchmark that will reverse in the third quarter. Mr. Sauer said Aptitude had a strong quarter and added 24 basis points. Discussion ensued. He said main drivers of year-to-date relative performance were style bias in Public Equity being a benefit, with both Value and Small Cap adding 49 basis points. Mr. Sauer said Private Equity added 24 basis points and Aptitude added 19 basis points of relative performance. He said MFS detracted 44 basis points and the overweight to Fixed Income and Private Equity detracted 24 basis points. Mr. Sauer concluded with a recent performance update and as of September 9, 2026, the Fund value was $6.70 billion. Through June 30, 2026, the Fund was up 5.6% year-to-date and the benchmark was 5.3%. Mr. Sauer said it was a good July, with the Fund up 0.3% and the benchmark was down 0.5%. He said for the early estimate for August, the Fund was at 1.2% and the benchmark was up 1.2%. Month-to-date through September 9, 2026, the Fund was down 0.4%, with the benchmark

up 1.7%. He added year-to-date, the estimate is up 6.7% versus 7.8% for the benchmark. Discussion ensued.

Chairman Heling then took the meeting out of order to item XII. Informational.

Informational.

Chief Investment Officer Report.
Preliminary Performance Report and Asset Allocation.
Adjusted Quarterly Cost Basis of Equity.
Class Action Income 2026 YTD.
Callan 2nd Quarter 2026 Performance Report.

Mr. Heling accepted the items and placed them on file.

Chairman Heling then returned the meeting to order at item VII.

Mr. Heling called for a break at 10:15 a.m.

Mr. Heling resumed the meeting at 10:27 a.m.

Mr. Silber explained the need for closed session on items VII through XI. He said agenda item VII relates to Apogem Capital, one of the investment managers that manages some of the ERS's Private Equity allocation. He said all of the ERS's Private Equity investments are made by committing money to limited partnership vehicles that are invested by managers such as Apogem Capital. Mr. Silber said Apogem requested that the ERS amend its Side Letter for the Apogem Private Equity Fund XI LPA, which is a Fund that the ERS has previously committed $40 million dollars to. To deliberate or negotiate the ERS's investment in Apogem Private Equity Fund XI LPA, Staff needed to request that the Committee go into closed session for competitive or bargaining reasons. Mr. Silber noted agenda item VIII relates to the Fund's Securities Lending program, which Northern Trust manages. He said ERS participates in securities lending with the goal of generating extra revenue. Mr. Silber said Northern recently made changes to the Core Collective Guidelines that they invest the ERS's cash collateral into. He said for competitive or bargaining reasons, to fully discuss the potential impact of these guideline changes, and to discuss options and receive direction from the Committee on how to move forward with respect to securities lending, Staff requests that the Committee convene in closed session to discuss the matter. He stated agenda item IX relates to one of the ERS's current investment managers that has had some investment-related developments that Staff believes are notable and would like to discuss with the Committee. Mr. Silber said these discussions need to be done in closed session for competitive or bargaining reasons, so Staff is requesting the Committee convene in closed session to discuss the matter. Agenda items X and XI are related to two open positions within the ERS Investment Team that Staff is currently recruiting for under the job titles of Pension Investment Analysts I, II, III, and Investments and Financial Services Specialists. Mr. Silber said since this Board exercises responsibility over certain parts of this process, Staff requests that the Committee meet in closed session to consider, discuss, and potentially approve matters that the Board exercises responsibility over.

Mr. Heling advised that the Investment Committee may vote to convene in closed session on the following items (VII, VIII, IX, X, and XI), 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 Committee may then vote to reconvene in open session following the closed session.

Mr. McClain clarified that the 19.85(1)(e) exception only applies to items VII, VIII, and IX. He said there is a different exception for items X and XI which is exception 19.85(1)(c).

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

The Committee convened in closed session at 10:30 a.m.

The Committee re-convened in open session at 11:58 a.m.

Mr. Heling noted there were four approvals to go through for agenda items VII., VIII., X., and XI.

Consider, Discuss, and Potentially Approve the Amended and Restated Side Letter for the Apogem Private Equity Fund XI, LP.

It was moved by Mr. Heling, and seconded by Mr. Allen to approve the Amended and Restated Side Letter for the Apogem Private Equity Fund XI, LP. The motion was adopted by unanimous consent.

Discuss Recent Changes to Northern Trust's Securities Lending Core Collective Guidelines, and Consider and Potentially Approve a Different Securities Lending Option.

It was moved by Mr. Heling, and seconded by Mr. Barmore to approve a Different Securities Lending Option, as discussed in closed session. The motion was adopted by unanimous consent.

Consider, Discuss, and Potentially Approve Recruiting Travel and Relocation Expenses for Pension Investment Analysts I – III and for Investments and Financial Services Specialists.

It was moved by Mr. Heling, and seconded by Mr. Bell to approve the Recruiting Travel and Relocation Expenses for Pension Investment Analysts I – III and for Investments and Financial Services Specialists, as discussed in closed session. The motion was adopted by unanimous consent.

Consider, Discuss, and Potentially Approve Initial Salary for Pension Investment Analysts I – III and for Investments and Financial Services Specialists.

It was moved by Mr. Heling, and seconded by Ms. Ford to approve the Initial Salary for Pension Investment Analysts I – III and for Investments and Financial Services Specialists, as discussed in closed session. The motion was adopted by unanimous consent.

It was moved by Mr. Barmore and seconded by Mr. DeCleene to adjourn the meeting.

There being no further business, Mr. Heling adjourned the meeting at 12:00 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 Employes' Retirement System, 789 N. Water Street, Suite 300.)

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

Minutes of the Administration and Operations Committee Meeting
held September 17, 2026 via teleconference

The meeting was called to order at 9:30 a.m.

Committee Members Present:	Bill Christianson, Chair Jerry Allen Justin DeCleene Timothy Heling
ERS Staff Present:	Patrick McClain, Executive Director Dan Gopalan, Deputy Director David Silber, Chief Investment Officer Erich Sauer, Deputy Chief Investment Officer Robin Hayes, Chief Financial Officer Jeff Shober, Chief Technology Officer Gust Petropoulos, Deputy Director Mary Turk, Business Operations Analyst Jan Wills, Board Stenographer

Others Present: John Barmore, ERS Annuity and Pension Board Trustee; Alex Foundos, Lauri Rollings, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc., one member of the public called in to the meeting.

Presentation of 2025 Annual Comprehensive Financial Report (ACFR) – by Daniel Gopalan. As a matter of information, Committee members received the "2025 Annual Comprehensive Financial Report and Audit Review" booklets. Mr. Gopalan stated he would go over the ACFR and the audit at a high level since he had presented the financial statements to the Board in July. He noted there were no changes to the financial statements since July. Mr. Gopalan stated the auditors issued an unmodified audit opinion or a clean audit opinion on the ERS's financial statements. He noted the audit revealed zero material weaknesses and no significant deficiencies in the ERS's internal controls. Mr. Gopalan said there were no instances of non-compliance with any statutory or legal requirements. He stated it was a clean audit with no findings, and no internal control deficiencies or statutory issues were identified by LAB (Legislative Audit Bureau). Mr. Gopalan said the audit represents not only the Accounting Department's hard work, but ERS as a whole. Management has focused on setting strong internal controls and ensuring those controls are followed to make sure ERS pays everyone as required and has enough funds available to do that. Total fiduciary net position grew to $6.5 billion as of December 31, 2025 which was an 8.4% increase over the prior year. Mr. Gopalan said investment income was the main driver of that growth. Net investment income was $756 million, which was up from $408.5 million in 2024. Net investment return for the year came in at 12.9%, which was a strong return. ERS outperformed its five-year average return, net of fees, of 8.1%. Mr. Gopalan noted the discount rate assumption is capped at 6.8% per 2023 Wisconsin Act 12. He provided a snapshot of the operational cash flows,

which excludes investment activities because the majority of the ERS's investment income is unrealized gains. Mr. Gopalan stated for the operational cash flow, the actuarially required employer contributions totaled almost $221 million. He said of the $221 million, $141.3 million was funded through the City's new sales under Act 12, which covered 64% of employer contributions. Mr. Gopalan said that on the outflow side, the ERS dispersed almost $500 million of benefit payments across nearly 14,000 retirees and beneficiaries. The average annual pension payment is $35,323. He said for the pension liabilities and funded ratio, the ERS's strong asset growth directly improved the ERS's net pension liability. He said the total pension liability increased to $8.2 billion due to unexpected increases in salaries and the plan assets also increased faster to $6.4 billion dollars. As a result, the net pension liability decreased by about $300 million dollars (from $2.1 billion to $1.8 billion). Mr. Gopalan noted the funded ratio went up to 77.8%. He stated for operations and governance, the administrative expenses were $10.1 million in 2025, with staff salaries making up 54% of that cost. Mr. Gopalan said the 9% increase over 2024 was driven by planned IT upgrades and professional fees. LAB conducted an independent actuarial audit and they confirmed that the ERS's valuation methods comply with both the Governmental Accounting Standards Board and actuarial standards of practice. Mr. Gopalan said the auditing actuary, Milliman, had two technical recommendations related to the mortality tables. The first recommendation was to update the ERS's contingent annuitants mortality assumption by using the retiree mortality tables rather than the contingent beneficiary tables. Mr. Gopalan said CavMac will continue to look at that recommendation as part of the upcoming 2027 experience study. He stated the other recommendation is for CavMac to use updated mortality tables as part of the valuation. Mr. Gopalan noted they currently use the Pub 2110 mortality tables with an update with projections through 2019. He said CavMac would review those mortality tables as part of their experience study as well. Mr. Gopalan stated they would get both of those recommendations addressed next year as part of the experience study. Going forward, ERS will work to speed up the issuance of the financial statements. Mr. Gopalan noted they are working closely with LAB to increase efficiencies in order to get the financial statements out in a more timely manner. The goal is to get the 2026 ACFR issued by the end of June 2027. Mr. Gopalan concluded that the ERS remains financially stable with the ERS's funded status increasing slightly from 2024. He thanked the Staff for their work on the ACFR, particularly the assistance from Investments, IT, and Member Services. Discussion ensued.

Approval of CliftonLarsonAllen (CLA) Contract for Internal Audit Services.

Mr. McClain stated the items were noticed for closed session because both contracts have not yet been approved and are potentially subject to further negotiations.

Mr. Christianson advised that the Administration & Operations Committee may vote to convene in closed session on the following items (II.) and (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 Administration & Operations Committee may then vote to reconvene in open session following the closed session.

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

The Committee convened in closed session at 9:42 a.m.

The Committee re-convened in open session at 9:53 a.m.

It was moved by Mr. DeCleene and seconded by Mr. Heling, to approve the Approval of CliftonLarsonAllen (CLA) Contract for Internal Audit Services as discussed in closed session. The motion passed by unanimous consent.

Approval of Cavanaugh Macdonald Consulting, LLC Contract for Actuarial Services. It was moved by Mr. Heling and seconded by Mr. Christianson to approve the Approval of Cavanaugh Macdonald Consulting, LLC Contract for Actuarial Services as discussed in closed session. The motion passed by unanimous consent.

Approval of Annual Report of the Annuity & Pension Board 88th Edition, December 31, 2025. As a matter of information, Committee members received the "Annual Report of the Annuity & Pension Board 88th Edition, December 31, 2025." Mr. Gopalan said this was essentially the 132-page ACFR distilled down into two pages. He noted this will be sent out at the end of September to all retirees receiving a benefit, and is included with the mailing containing direct deposit notices or checks. Mr. Gopalan said all the information has been audited and is based off the ACFR.

It was moved by Mr. Heling and seconded by Mr. DeCleene to approve the Approval of Annual Report of the Annuity & Pension Board 88th Edition, December 31, 2025. The motion passed by unanimous consent.

Approval of Legislative Audit Bureau Invoice for the 2025 Audit. Mr. Gopalan said that under Wisconsin Act 12, the LAB is required to do a financial audit of ERS and to bill ERS for the cost of the audit. He said that in April, the LAB sent a quote for $145,000 for the 2025 audit. Mr. Gopalan said the actual invoice is for $129,372.50. He said in the past, ERS has hit the budgeted amount, but this year, as LAB has gotten to know how ERS works, the invoice is for less than $145,000. Mr. McClain stated that state law gives the LAB the ability to conduct the audit and to bill the system for the audit, but, as was discussed last year, the Board still has an independent fiduciary obligation to ensure the fees are reasonable. He said paying this bill is not just a ministerial action, but is something that the Board will be presented with each year. He said the amount that is being billed is reasonable for the scope of the work that was performed, so Staff recommends approval of this item. Discussion ensued.

It was moved by Mr. Christianson and seconded by Mr. Heling to approve the Approval of Legislative Audit Bureau Invoice for the 2025 Audit. The motion passed by unanimous consent.

Approval of Medical Council Alternate Doctor – Joel Smukowski, MD. As a matter of information, Committee members received from Mr. Petropoulos a memo regarding "Medical Council Alternate Doctor – Joel Smukowski, MD." Mr. Petropoulos said there is not much more

to add other than what is in the memo. He stated the concern he had was that the Council's alternate doctor would be at a remote location and there is a need to have someone available in the event of the last-minute unavailability of one of the regular members of the Council. Dr. Smukowski is local and would be available in such circumstances. The Medical Council has examined Dr. Smukowski's qualifications and recommend him for service on the Council. Discussion ensued. Mr. McClain noted that because a new doctor will be coming on board, Mr. Petropoulos has arranged for General Counsel Lauri Rollings to provide legal training for the entire Medical Council on November 6th. He said it would be a nice welcome for the new doctor and an opportunity to introduce him to the concepts he will experience on the Medical Council. Mr. McClain said that if any Trustee would like to attend the training, they are more than welcome. He said a couple of Trustees have attended in the past. It is certainly not required, but it provides a good peek into the DDR (Duty Disability Retirement) process. Mr. Allen confirmed with Mr. McClain that the Medical Council is a public meeting, unless they are talking about any individual's medical situation. Mr. Christianson asked if there are alternates as well as retainer fees paid to alternates and a maximum number of alternates needed. Mr. Petropoulos said historically he would like to have two alternates, but there is not any limit on how many alternates the ERS could have. He said there is no retainer and it is simply an hourly rate that all the Medical Council members have agreed to in the past and the same rate will be presented to Dr. Smukowski. Upon approval at this meeting and at the Board meeting, Dr. Smukowski will be presented with a formal contract that is the same as that presented to other members of the Council. Mr. McClain noted that the Council is comprised of three physicians and as long as three physicians are present, the requirements under Chapter 36 are met. Mr. Petropoulos stated that the Medical Council meetings cannot be held without three members and it is important to have a couple of alternates available. He said without three members, it would delay the process of applications and re-exams.

It was moved by Mr. DeCleene and seconded by Mr. Heling to approve the Approval of Medical Council Alternate Doctor – Joel Smukowski, MD. The motion passed by unanimous consent.

Consider Approving the Posting of Trustee Election Candidate Campaign Materials on the CMERS Website. As a matter of information, Committee members received the candidates' biographical information form for the 2026 At Large Active Member Election. Mr. McClain stated each individual who is running for a Trustee position is asked to fill out a form so information about the candidates and their platforms can be provided to the voting constituency that elects them. He said the bios are printed and go out with the ballot mailings to each member who will be voting in the election. Mr. McClain said there was a request from a Trustee to post the bios on the cmers.com website as an opportunity for members to have easier access to the information. The item is on the Committee agenda for discussion because it is something that is new, but does not necessarily require a formal vote of approval or a change to any of the rules. Because it is the first time ERS would do this, Staff simply wanted to get the Committee's and Board's feedback on whether they like the idea. Mr. Allen said the motivation behind this proposal is enhanced transparency. He said the current election and many of the elections are for active members, but there are elections for retirees, and there are also inactive participants who do not have voting rights but still have an interest in the Fund whether or not they can vote in any specific election. Mr. Allen said it would enhance transparency not only to post the bios, but also to allow the candidates to post their campaign materials on the cmers.com website. Mr. Allen said when active candidates post their flyers at City Hall, retirees would not see those materials unless they went to

City Hall. He thought it would be a good idea to post on the website because the cost of sending the materials out is substantial, and candidates cannot typically afford to send it to all the 28,000 or 29,000 ERS members. Mr. Allen said candidates, as a practical matter, would be confined to sending out their materials to constituency groups and the electorate as an active member election involves around 7,500 members. Mr. McClain added that the ERS reaches out to the various City departments to ask for their assistance in allowing candidates to post materials on the billboards available in each department. He said this idea would be similar to CMERS providing a billboard, only on the website instead of a physical location. Mr. McClain said it facilitates distribution of information to a wider audience, especially for retirees who are not in City buildings very frequently. Mr. Allen said what prompted his request was an extended conversation with an inactive member over the last couple of years about voting rights for inactive members, as inactive members do not have voting rights. He stated inactive members terminated employment with the City, but have the same financial interest in their benefits and they are eventually going to be eligible to withdraw benefits at retirement. Mr. Allen said inactive members do not have any voting rights, but they do have a financial interest in the Fund and want to keep track of what is going on. Discussion ensued.

It was moved by DeCleene and seconded by Mr. Heling to approve the Posting of Trustee Election Candidate Campaign Materials on the CMERS Website. The motion passed by unanimous consent.

IT Projects Portfolio. As a matter of information, Committee members received the IT Projects Portfolio. Mr. Shober discussed the ongoing and completed IT projects. Discussion ensued.

Organizational/Personnel Update. Mr. McClain stated that ERS's Chief Technology Officer, Jeff Shober, is planning to retire on December 18, 2026. He noted it is an important position and Mr. Shober has done an amazing job. Mr. McClain said they have been making plans for several months regarding Jeff's replacement and have secured advance approval from F&P (Finance and Personnel Committee) to fill his position, and will be posting the job announcement bulletin in the coming weeks. Mr. Shober thanked Mr. McClain for the kind words and said it has been a long career, as he has been working 54 years. He said everything has gone splendidly at ERS, which is a testimony to the Staff. Mr. Shober said the attitude of the Board members, the Staff members, and the Executive Director that allow him to do his job the way it ought to be done is a testimony to the entire organization, and he appreciated working with everybody. Mr. McClain discussed the other items on the Personnel Update section, and said ERS is working to fill the Pension Accounting Manager position and should be posting a job announcement bulletin soon. He noted for the two Pension Investment Analyst positions, DER (Department of Employee Relations) has returned the eligible lists for these positions and Mr. Silber and his team have been scheduling first-round interviews with some of the candidates on those lists. Mr. McClain said interviews will be completed in the next couple of weeks and there will be second round interviews after that. He added that two new employees joined ERS on August 17. William Corley III joined the ERS as an Office Assistant III and is the new face of ERS when people walk through the front doors. He mentioned Will is doing a great job and is getting settled in, and the ERS is happy to have him. Mr. McClain said additionally that Theresa "Jessi" Bird joined the ERS as a Records Technician II on the same day and is also doing very well. He concluded that Will and Jessi are both excellent additions and ERS is happy to have them both. Discussion ensued.

It was moved by Mr. DeCleene and seconded by Mr. Heling to adjourn the meeting.

Mr. Christianson adjourned the meeting at 10:33 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 Employes' Retirement System, 789 N. Water Street, Suite 300.

Fiscal Year
2026
Department
Employes' Retirement System

City of Milwaukee
Departmental
Appropriation Budget Balances

As of: 2026-09-30

	Budget	2026-7	2026-8	2026-9	Year to Date Encumbrances	Life to Date Commitments	Remaining Budget
Regular Departmental Appropriations:							
Employee Salaries & Wages	5,384,455.00	-	-	-	-	-	5,384,455.00
Base Pay-Salary & Wage	-	506,026.34	360,780.22	166,691.38	-	-	(3,101,122.76)
Overtime Premium	-	492.82	112.17	-	-	-	(2,280.35)
Other Worked Compensation	-	8,605.44	1,078.67	-	-	-	(24,030.70)
Non-Worked Compensation	-	6,166.90	-	-	-	-	(58,779.70)
Time Paid Not Worked	-	84,044.57	46,432.10	37,811.84	-	-	(772,114.35)
Employee Salaries & Wages	$ 5,384,455.00	605,336.07	408,403.16	$ 204,503.22	$ -	$ -	1,426,127.14
Fringe Benefits Applied	2,423,005.00	-	-	-	-	-	2,423,005.00
Fringe Benefits Applied	-	266,018.04	189,662.16	87,629.66	-	-	(1,630,260.24)
Applied Employee Benefits	$ 2,423,005.00	266,018.04	189,662.16	$ 87,629.66	$ -	$ -	792,744.76
Operating Expenditures	15,770,400.00	-	-	-	-	-	15,770,400.00
Office Supplies	-	669.63	81.60	-	-	-	(7,612.46)
Magazines,Subscription	-	461.07	1,331.21	-	-	-	(4,326.88)
Postal and Mailing Services	-	13,386.75	21,834.67	18,171.70	-	-	(158,082.04)
Electricity	-	2,564.56	4,941.46	2,291.69	-	-	(31,591.36)
Other Operating Supply	-	-	-	-	-	-	(14,532.80)
Building Rental	-	40,716.32	39,216.32	40,716.32	-	-	(400,816.17)
Printing & Dupl Machine Rental	-	81.48	787.26	1,695.54	-	-	(10,874.17)
Consulting	-	-	42,446.90	71,573.80	-	-	(318,131.40)
Medical,Surgical & Lab	-	6,856.48	24,805.34	10,150.00	-	-	(69,668.07)
Administrative Charges	-	20,117.34	30,997.59	61,196.73	-	-	(502,155.25)
Other Professional Services	-	706,457.43	1,208,268.39	425,997.41	-	-	(3,228,777.25)
Systems Support	-	85,905.50	56,560.74	41,783.50	-	-	(606,121.89)
IT Infrastructure	-	46,608.17	-	15,175.10	-	-	(95,812.26)
Infrastructure	-	-	779.98	792.69	-	-	(37,416.13)
Telephone, Communications	-	4,366.31	4,476.63	5,313.33	-	-	(49,666.62)
Bldgs-Machinery & Equip Repair	-	-	524.09	-	-	-	(14,408.68)
Travel & Subsistence	-	5,206.15	7,747.57	3,821.33	-	-	(59,736.62)
Printing Services	-	734.46	-	3,825.25	-	-	(7,897.14)
Insurance-Non Health	-	-	-	-	-	-	(12,787.00)
Other Misc Services	-	44,957.25	4,600.00	3,585.42	-	-	(106,499.08)
Operating Expenditures	$ 15,770,400.00	979,088.90	1,449,399.75	$ 706,089.81	$ -	$ -	10,033,486.73
All Equipment	1,558,000.00	-	-	-	-	-	1,558,000.00
Computer Server & Components	-	-	-	-	-	-	(112,916.33)
Total Equipment	$ 1,558,000.00	-	-	$ -	$ -	$ -	1,445,083.67
Total Regular Class	$ 25,135,860.00	1,850,443.01	2,047,465.07	$ 998,222.69	$ -	$ -	13,697,442.30
Other Departmental Appropriations:							
Group Life Insurance Premium	4,200,000.00	383,447.18	383,506.54	381,432.98	-	-	779,274.49
Retiree's Benefit Adjustment	15,000.00	851.22	1,967.26	-	-	-	7,055.12
Other Classes	$ 4,215,000.00	384,298.40	385,473.80	$ 381,432.98	$ -	$ -	786,329.61
Total Dept Appropriations	$ 29,350,860.00	2,234,741.41	2,432,938.87	$ 1,379,655.67	$ -	$ -	14,483,771.91

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

Date	Income From Lending	Amounts Expended: Fees	Amounts Expended: Administrative Transfers	Balance
Balance 12-31-25				**$697,277.74**
Quarter 1 Totals	$272,446.88	$53,545.59	$698,000.00	218,179.03
Quarter 2 Totals	$278,197.63	$55,156.74	$0.00	441,219.92
07/06/26	$1,207.62	$0.00	$0.00	442,427.54
07/15/26	$98,779.14	$19,750.95	$0.00	521,455.73
08/05/26	$1,518.25	$0.00	$0.00	522,973.98
08/17/26	$120,458.01	$23,985.61	$0.00	619,446.38
09/03/26	$1,789.88	$0.00	$0.00	621,236.26
09/15/26	$139,200.46	$27,833.30	$0.00	732,603.42
Current Totals	**$913,597.87**	**$180,272.19**	**$698,000.00**	**$732,603.42**

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

MERS PERFORMANCE ESTIMATES
September 30, 2026

Account	2025 Return	1st Quarter 2026	2nd Quarter 2026	Jul 2026	Aug 2026	Sep 2026	3rd Quarter 2026	YTD Thru 9/30/2026
Northern Trust S&P 500 Index	17.88%	-4.33%	15.20%	-0.06%	2.72%	-0.34%	2.30%	12.74%
S&P 500	17.88%	-4.33%	15.20%	-0.06%	2.72%	-0.35%	2.30%	12.75%
Difference	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BlackRock Russell 1000 Value Index	15.92%	2.11%	13.83%	3.83%	2.03%	-3.13%	2.62%	19.28%
Russell 1000 Value	15.91%	2.10%	13.84%	3.82%	2.03%	-3.13%	2.61%	19.27%
Difference	0.01%	0.01%	-0.01%	0.01%	0.00%	0.00%	0.01%	0.01%
DFA US Large Cap Value	16.95%	4.57%	13.51%	1.88%	2.85%	-2.77%	1.88%	20.93%
Russell 1000 Value	15.91%	2.10%	13.84%	3.82%	2.03%	-3.13%	2.61%	19.27%
Difference	1.04%	2.47%	-0.33%	-1.94%	0.82%	0.36%	-0.73%	1.66%
Polen	5.18%	-11.28%						-11.28%
S&P 500	17.88%	-1.32%						-1.32%
Difference	-12.70%	-9.96%						-9.96%
Earnest	10.70%	3.49%	13.23%	-2.25%	1.21%	-1.98%	-3.02%	13.65%
Russell MidCap	10.60%	1.29%	13.83%	-0.62%	1.86%	-4.17%	-3.00%	11.84%
Difference	0.10%	2.20%	-0.60%	-1.63%	-0.65%	2.20%	-0.02%	1.80%
DFA US Small Cap Value	9.15%	6.92%	11.68%	2.51%	0.48%	-5.44%	-2.60%	16.31%
Russell 2000 Value	12.59%	4.96%	17.19%	0.01%	0.30%	-5.20%	-4.91%	16.96%
Difference	-3.45%	1.97%	-5.51%	2.51%	0.17%	-0.24%	2.31%	-0.65%
Brandes	40.03%	1.45%	5.07%	7.11%	0.99%	-4.05%	3.78%	10.62%
MSCI EAFE	31.22%	-1.24%	10.82%	1.96%	1.99%	-3.05%	0.81%	10.33%
Difference	8.81%	2.69%	-5.75%	5.15%	-1.00%	-1.00%	2.97%	0.29%
DFA Int'l Small Cap Value	52.07%	3.05%	4.26%	3.26%	6.64%	-2.14%	7.77%	15.78%
MSCI EAFE Small Cap	31.83%	-1.25%	9.02%	1.95%	3.81%	-2.79%	2.89%	10.76%
Difference	20.24%	4.31%	-4.76%	1.31%	2.83%	0.65%	4.88%	5.02%
AQR	30.89%	3.19%	25.09%	-2.76%	3.32%	1.69%	2.16%	31.87%
MSCI EM	33.57%	-0.17%	24.05%	-3.07%	3.37%	-0.56%	-0.37%	23.39%
Difference	-2.68%	3.36%	1.03%	0.31%	-0.05%	2.25%	2.53%	8.48%
BlackRock ACWI Ex US Growth		-2.43%	16.90%	-1.83%	2.85%	-2.38%	-1.43%	12.43%
MSCI ACWI ex US Growth		-3.62%	17.04%	-2.73%	3.29%	-2.92%	-2.47%	10.02%
Difference		1.19%	-0.13%	0.91%	-0.44%	0.54%	1.03%	2.41%
BlackRock Global Alpha Tilts	25.05%	0.35%	16.21%	0.87%	2.64%	-0.39%	3.12%	20.26%
MSCI ACWI	22.34%	-3.20%	14.93%	0.08%	2.67%	-1.11%	1.60%	13.03%
Difference	2.71%	3.56%	1.28%	0.79%	-0.03%	0.72%	1.52%	7.22%
MFS	8.77%	-9.51%	7.15%	3.22%	1.50%	-2.63%	2.02%	-1.08%
MSCI ACWI	22.34%	-3.20%	14.93%	0.08%	2.67%	-1.11%	1.60%	13.03%
Difference	-13.57%	-6.30%	-7.78%	3.15%	-1.17%	-1.51%	0.42%	-14.11%
BlackRock Gov't Bond Index	6.24%	0.06%	0.33%	-1.10%	0.31%	-2.23%	-3.00%	-2.62%
Bloomberg Gov't Bond	6.31%	-0.04%	0.32%	-1.10%	0.31%	-2.24%	-3.02%	-2.75%
Difference	-0.07%	0.10%	0.01%	0.01%	0.00%	0.01%	0.02%	0.13%
BlackRock Aggregate Bond Index		0.06%	0.68%	-0.89%			-0.89%	-0.16%
Bloomberg US Aggregate		-0.05%	0.67%	-0.89%			-0.89%	-0.28%
Difference		0.10%	0.01%	0.00%			0.00%	0.12%
Galliard				-0.70%	0.29%	-2.81%	-3.21%	-3.21%
Bloomberg US Aggregate				-0.42%	0.39%	-2.61%	-2.64%	-2.64%
Difference				-0.28%	-0.10%	-0.19%	-0.57%	-0.57%
Reams	8.70%	0.01%	1.04%	-1.41%	0.33%	-3.00%	-4.05%	-3.04%
Bloomberg US Aggregate	7.30%	-0.05%	0.67%	-1.30%	0.39%	-2.61%	-3.51%	-2.91%
Difference	1.40%	0.06%	0.37%	-0.11%	-0.06%	-0.39%	-0.54%	-0.13%
Loomis Sayles	9.78%	-0.70%	1.31%	-0.72%	0.49%	-2.42%	-2.65%	-2.07%
Bloomberg US Aggregate	7.30%	-0.05%	0.67%	-1.30%	0.39%	-2.61%	-3.51%	-2.91%
Difference	2.48%	-0.66%	0.64%	0.58%	0.10%	0.20%	0.86%	0.84%
UBS	9.75%	1.20%	2.93%	0.77%	0.38%	-0.09%	1.05%	5.27%
SOFR + 4%	8.34%	1.89%	1.87%	0.62%	0.62%	0.61%	1.87%	5.74%
Difference	1.41%	-0.69%	1.06%	0.15%	-0.25%	-0.71%	-0.82%	-0.48%
Aptitude	11.94%	0.39%	8.92%	-1.36%	-0.44%	0.21%	-1.59%	7.61%
SOFR + 4%	8.34%	1.89%	1.87%	0.62%	0.62%	0.61%	1.87%	5.74%
Difference	3.59%	-1.51%	7.05%	-1.98%	-1.06%	-0.41%	-3.46%	1.86%
Principal	14.82%	4.67%						4.67%
Blended Benchmark	16.54%	4.05%						4.05%
Difference	-1.72%	0.62%						0.62%
Baird	5.10%	0.52%	0.77%	0.22%	0.32%	-0.22%	0.32%	1.61%
Bloomberg Govt/Credit 1-3 Year	5.35%	0.28%	0.48%	0.14%	0.26%	-0.58%	-0.18%	0.58%
Difference	-0.25%	0.23%	0.29%	0.08%	0.05%	0.36%	0.50%	1.03%
Total MERS	**12.88%**	**0.16%**	**5.44%**	**0.30%**	**1.20%**	**-1.46%**	**0.02%**	**5.62%**

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.

BlackRock US Agg performance runs through 7/13/2026.

Galliard performance began 7/14/2026.

ACTUAL ALLOCATIONS

Sep 30, 2026

		Target		Market Value	Allocation
EQUITY					
Public Equity					
Domestic					
Passive Large Cap Equity	Northern Trust (S&P 500)	4.41%	$	291,217,495	4.42%
	BlackRock (Russell 1000 Value)	1.98%	$	132,313,834	2.01%
	Sub-Total Passive Large Cap Equity	6.39%	$	423,531,329	6.43%
Active Large Cap Equity	DFA (Russell 1000 Value)	3.15%	$	206,579,239	3.14%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	3.42%	$	218,712,656	3.32%
	DFA (Russell 2000 Value)	3.24%	$	209,691,504	3.18%
	Sub-Total Active Mid/Small Cap Equity	6.66%	$	428,404,160	6.50%
Total Domestic		16.20%	$	1,058,514,728	16.07%
International					
Active International Equity	Brandes (MSCI EAFE)	5.76%	$	366,363,621	5.56%
	DFA (MSCI EAFE Small Cap)	3.15%	$	208,302,420	3.16%
	AQR (MSCI EM)	1.44%	$	100,608,302	1.53%
	Sub-Total Active International Equity	10.35%	$	675,274,343	10.25%
Passive International Equity	BlackRock (MSCI ACWI ex US Growth)	3.33%	$	219,597,371	3.33%
Total International		13.68%	$	894,871,714	13.59%
Global					
Active Global Equity	BlackRock (MSCI ACWI)	3.60%	$	238,574,621	3.62%
	MFS (MSCI ACWI)	2.52%	$	170,950,031	2.60%
Total Global		6.12%	$	409,524,652	6.22%
Total Public Equity		**36.00%**	**$**	**2,362,911,094**	**35.88%**
Private Equity					
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.85%	$	316,506,918	4.81%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.85%	$	317,819,090	4.83%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.65%	$	88,288,136	1.34%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.65%	$	104,941,442	1.59%
Total Private Equity		**11.00%**	**$**	**827,555,586**	**12.56%**
TOTAL EQUITY (Public Equity + Private Equity)		**47.00%**	**$**	**3,190,466,680**	**48.44%**
FIXED INCOME & ABSOLUTE RETURN					
Fixed Income					
Cash		1.00%	$	103,075,279	1.57%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.75%	$	492,844,323	7.48%
Active Fixed Income	Galliard (Bloomberg US Aggregate)	3.41%	$	208,098,438	3.16%
	Reams (Bloomberg US Aggregate)	9.92%	$	812,086,392	12.33%
	Loomis Sayles (Bloomberg US Aggregate)	9.92%	$	630,788,416	9.58%
	Sub-Total Active Fixed Income	23.25%	$	1,650,973,246	25.07%
Total Fixed Income		**32.00%**	**$**	**2,246,892,849**	**34.11%**
Absolute Return					
	Aptitude (SOFR + 4%)	3.86%	$	234,321,574	3.56%
	UBS (SOFR + 4%)	5.14%	$	322,333,481	4.89%
Total Absolute Return		**9.00%**	**$**	**556,655,055**	**8.45%**
TOTAL FIXED INCOME & ABSOLUTE RETURN		**41.00%**	**$**	**2,803,547,904**	**42.57%**
PRIVATE REAL ESTATE					
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.55%	$	137,754,506	2.09%
	Morgan Stanley (NFI-ODCE)	3.20%	$	152,828,779	2.32%
	LaSalle (NFI-ODCE)	2.98%	$	138,798,303	2.11%
	Prologis (NFI-ODCE)	1.61%	$	86,553,891	1.31%
	Harrison Street (NFI-ODCE)	1.66%	$	73,084,784	1.11%
	Sub-Total Private Real Estate - Core	12.00%	$	589,020,263	8.94%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	$	3,227,293	0.05%
TOTAL PRIVATE REAL ESTATE		**12.00%**	**$**	**592,247,556**	**8.99%**
TOTAL ERS			**$**	**6,586,262,140**	**100.00%**

Total City Reserve Fund	**R. W. Baird**	**95,468,421**	

PROJECTED TARGET ALLOCATIONS

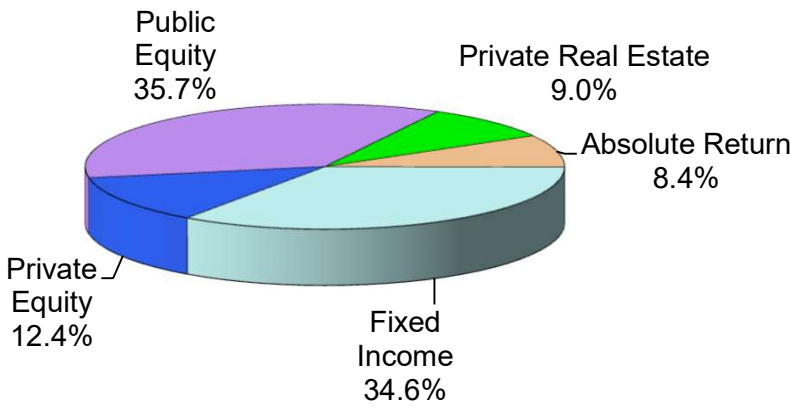
Oct 20, 2026

		Target		Market Value	Allocation
EQUITY					
Public Equity					
Domestic					
Passive Large Cap Equity	Northern Trust (S&P 500)	4.41%	$	281,172,117	4.24%
	BlackRock (Russell 1000 Value)	1.98%	$	137,504,963	2.07%
	Sub-Total Passive Large Cap Equity	6.39%	$	418,677,080	6.31%
Active Large Cap Equity	DFA (Russell 1000 Value)	3.15%	$	214,015,462	3.22%
Active Mid/Small Cap Equity	Earnest Partners (Russell MidCap)	3.42%	$	221,499,313	3.34%
	DFA (Russell 2000 Value)	3.24%	$	215,149,418	3.24%
	Sub-Total Active Mid/Small Cap Equity	6.66%	$	436,648,732	6.58%
Total Domestic		16.20%	$	1,069,341,274	16.11%
International					
Active International Equity	Brandes (MSCI EAFE)	5.76%	$	379,279,991	5.71%
	DFA (MSCI EAFE Small Cap)	3.15%	$	197,887,237	2.98%
	AQR (MSCI EM)	1.44%	$	94,458,035	1.42%
	Sub-Total Acitve International Equity	10.35%	$	671,625,263	10.12%
Passive International Equity	BlackRock (MSCI ACWI ex US Growth)	3.33%	$	214,083,765	3.23%
Total International		13.68%	$	885,709,028	13.34%
Global					
Active Global Equity	BlackRock (MSCI ACWI)	3.60%	$	236,894,315	3.57%
	MFS (MSCI ACWI)	2.52%	$	176,508,487	2.66%
Total Global		6.12%	$	413,402,802	6.23%
Total Public Equity		**36.00%**	**$**	**2,368,453,104**	**35.68%**
Private Equity					
	Abbott Capital (Russell 3000 Quarter Lag + 2%)	3.85%	$	316,506,918	4.77%
	Mesirow (Russell 3000 Quarter Lag + 2%)	3.85%	$	317,819,090	4.79%
	Neuberger Berman (Russell 3000 Quarter Lag + 2%)	1.65%	$	84,712,084	1.28%
	Apogem (Russell 3000 Quarter Lag + 2%)	1.65%	$	104,004,996	1.57%
Total Private Equity		**11.00%**	**$**	**823,043,088**	**12.40%**
TOTAL EQUITY (Public Equity + Private Equity)		**47.00%**	**$**	**3,191,496,192**	**48.08%**
FIXED INCOME & ABSOLUTE RETURN					
Fixed Income					
Cash		1.00%	$	125,707,199	1.89%
Passive Fixed Income	BlackRock (Bloomberg US Government)	7.75%	$	498,583,580	7.51%
Active Fixed Income	Galliard (Bloomberg US Aggregate)	3.41%	$	210,700,444	3.17%
	Reams (Bloomberg US Aggregate)	9.92%	$	824,196,818	12.42%
	Loomis Sayles (Bloomberg US Aggregate)	9.92%	$	635,863,618	9.58%
	Sub-Total Active Fixed Income	23.25%	$	1,670,760,880	25.17%
Total Fixed Income		**32.00%**	**$**	**2,295,051,659**	**34.57%**
Absolute Return					
	Aptitude (SOFR + 4%)	3.86%	$	234,321,574	3.53%
	UBS (SOFR + 4%)	5.14%	$	322,333,481	4.86%
Total Absolute Return		**9.00%**	**$**	**556,655,055**	**8.39%**
TOTAL FIXED INCOME & ABSOLUTE RETURN		**41.00%**	**$**	**2,851,706,714**	**42.96%**
PRIVATE REAL ESTATE					
Private Real Estate - Core	JP Morgan (NFI-ODCE)	2.55%	$	136,659,508	2.06%
	Morgan Stanley (NFI-ODCE)	3.20%	$	152,828,779	2.30%
	LaSalle (NFI-ODCE)	2.98%	$	140,474,287	2.12%
	Prologis (NFI-ODCE)	1.61%	$	88,903,091	1.34%
	Harrison Street (NFI-ODCE)	1.66%	$	72,894,489	1.10%
	Sub-Total Private Real Estate - Core	12.00%	$	591,760,154	8.91%
Private Real Estate - Non-Core	Non-Core Real Estate (NFI-ODCE)	0.00%	$	3,226,181	0.05%
TOTAL PRIVATE REAL ESTATE		**12.00%**	**$**	**594,986,335**	**8.96%**
TOTAL ERS		**100.00%**	**$**	**6,638,189,241**	**100.00%**

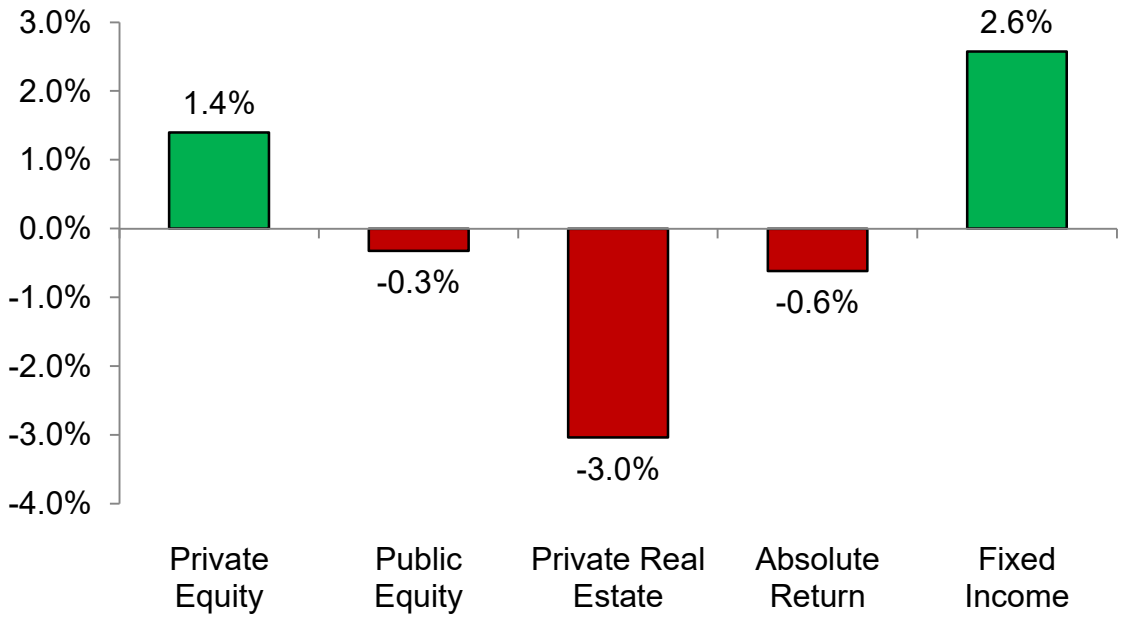
Total City Reserve Fund	**R. W. Baird**	**95,732,451**	

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	October 20, 2026		
Retiree Payroll Expense		$ (380,013,433)	
PABF Payroll Expense		$ -	
Expenses Paid		$ (14,509,040)	
GPS Benefit Payments		$ (4,641,520)	
Sub-Total Monthly Cash Outflows			$ (399,163,994)
Monthly Cash Inflows thru	October 20, 2026		
Contributions		$ 233,120,864	
PABF Contribution		$ -	
Sub-Total Monthly Contributions			$ 233,120,864
Capital Market Gain/(Loss)			$ 425,933,497
Value including City Reserve & PABF Accounts as of	October 20, 2026		$ 6,733,921,692
Less City Reserve Account[1]			$ 95,732,451
Less PABF Fund[2]			$ 2,650
Net Projected ERS Fund Value as of	October 20, 2026		$ 6,638,186,591

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 10/21/2026

(in 000's)

	12/31/2025	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026	9/30/2026	10/31/2026	11/30/2026	
Beginning Cash Account Balance													
Townsend Cash Account	-	-	-	-	-	-	-	-	-	-			
Cash Contribution Account	-	-	-	-	-	-	-	-	-	-	-	-	
Milwaukee Cash Account	53,360	71,342	168,690	138,962	62,957	76,124	161,666	116,889	111,318	100,913			
Total Cash Available	53,360	71,342	168,690	138,962	62,957	76,124	161,666	116,889	111,318	100,913	-	-	
Less: Estimated Cash Needs for non-Investment Outflows	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500			
Cash Available for Other Outflows	11,860	29,842	127,190	97,462	21,457	34,624	120,166	75,389	69,818	59,413	-	-	
For Monthly Cash Outflows of:	**Jan-2026**	**Feb-2026**	**Mar-2026**	**Apr-2026**	**May-2026**	**Jun-2026**	**Jul-2026**	**Aug-2026**	**Sep-2026**	**Oct-2026**	**Nov-2026**	**Dec-2026**	**Total 2026**
Retiree Payroll Expense	(41,364)	(41,785)	(43,226)	(43,005)	(42,765)	(43,335)	(43,171)	(43,340)	(41,802)	(43,902)	(43,146)	(43,253)	(514,093)
Normal Retirement Payroll	(41,298)	(41,406)	(42,592)	(42,459)	(41,949)	(42,886)	(42,333)	(42,656)	(41,571)	(43,402)	(42,646)	(42,753)	(507,952)
Retiree Lump Sum Payments	(66)	(379)	(634)	(546)	(815)	(449)	(837)	(684)	(231)	(500)	(500)	(500)	(6,142)
Real Estate Capital Calls	-	-	(25)	(46,000)	-	-	(50,405)	-	-	-	-	-	(96,430)
Private Equity Capital Calls	(59)	(3,870)	(2,317)	(1,190)	(11,383)	(16,677)	(2,808)	-	(10,211)	(3,101)	-	-	(51,617)
Expenses Paid through City	(2,053)	(552)	(1,457)	(990)	(1,277)	(1,529)	(1,579)	(1,433)	(2,195)	(1,444)	(2,053)	(2,053)	(18,615)
PABF Payroll	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total Monthly Cash Outflows	**(43,476)**	**(46,207)**	**(47,026)**	**(91,185)**	**(55,424)**	**(61,541)**	**(97,963)**	**(44,773)**	**(54,208)**	**(48,448)**	**(45,199)**	**(45,306)**	**(680,755)**
For Monthly Cash Inflows:													
Sponsoring Agency and Employee Contribution	4,429	2,629	2,606	2,622	2,688	2,605	3,450	2,391	2,505	2,511	2,517	3,524	34,476
Real Estate Distributions	1,599	-	94	2,744	-	359	6,472	-	19	1,095	-	-	12,384
Private Equity Distributions	11,965	7,848	9,632	9,274	12,189	13,317	6,721	4,933	9,624	5,512	-	-	91,014
Miscellaneous Income	183	358	462	533	307	301	552	483	429	437	300	300	4,647
Security Lending Transfer	698	-	-	-	-	-	-	-	-	-	-	-	698
City and Agency Required Contribution	205,085	-	207	-	-	-		-	-	-	-		205,293
PABF Inflow	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total Monthly Cash Inflows	**223,959**	**10,835**	**13,002**	**15,173**	**15,185**	**16,583**	**17,195**	**7,807**	**12,576**	**9,556**	**2,817**	**3,824**	**348,512**
Net Monthly Cash Inflows/(Outflows) Before Withdrawals	180,483	(35,372)	(34,024)	(76,012)	(40,239)	(44,958)	(80,768)	(36,966)	(41,632)	(38,892)	(42,382)	(41,482)	(332,244)
Net Monthly Cash Surplus (Need)	**192,342**	**(5,529)**	**93,167**	**21,450**	**(18,782)**	**(10,334)**	**39,398**	**38,423**	**28,186**	**20,521**	**(42,382)**	**(41,482)**	**314,977**
Monthly Cash Withdrawals (Additions)													
AQR		4,200			17,500	13,000		3,500					
BlackRock Global Alpha Tilts					35,000	29,000		6,100					
BlackRock Russell 1000 Value Index					50,000	55,000	4,800						
BlackRock ACWI ex US Growth					15,000	13,000		8,200					
BlackRock US Government Bond Index	(24,000)												
Blackrock US Aggregate Index Fund	(151,000)						221,991						
Brandes		12,400			(14,000)	(21,000)		9,000					
Dimensional Fund Advisors US Large Cap						(31,000)		4,000					
Dimensional Fund Advisors International		7,100			(11,000)	(5,000)	5,300	5,400	5,200				
Dimensional Fund Advisors US Small Cap		7,700					8,100	2,000					
Earnest		7,300				(11,000)							
Galliard							(215,000)						
Loomis Sayles	(55,000)	(50,000)											
MFS					36,000								
Northern Trust S&P 500 Index					42,400			6,000	12,400				
Polen			47	7									
Principal	67,500	148,213											
Reams													
Transition Account		7	49		6	0		195	27	117			
UBS A&Q													
Goldman/Aptitude													
Sub-Total Monthly Cash Withdrawals	**(162,500)**	**136,920**	**96**	**7**	**170,906**	**42,000**	**25,191**	**44,395**	**17,627**	**117**			
Estimated Month-End Cash Balance													
Cash Available	29,842	131,390	93,262	21,457	152,124	31,666	64,589	82,818	45,813	20,638			
Estimated Cash Needs for non-Investment Outflows	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500			
Total Cash Estimated on Hand For Next Month	71,342	172,890	134,762	62,957	193,624	73,166	106,089	124,318	87,313	62,138			