



Milwaukee County
Department of Human Resources
INTER-OFFICE COMMUNICATION

Date: September 22, 2022

To: Supervisor Liz Sumner, Chairperson, Finance Committee

From: Erika Bronikowski, Director of Retirement Plan Services

**Subject: 2022 Pension Contribution Informational Report (File 22-982) Referral Response
Re: Historical Pension Fund Investment Performance**

On September 15, 2022, during the discussion of File [22-982](#) at the Finance Committee meeting, Board Supervisors requested the following information:

- Information regarding the historical investment performance of the pension fund.

The information below is the response to the Supervisor's request.

Information regarding recent historical investment performance of the pension fund.

The pension fund's last nine years of Funding Variance can be found on pages 25 and 26 of the [January 1, 2022 Actuarial Valuation](#). Additionally, the pension fund's rates of return dating back to 2004 can be found on page 20 of the same report. Images of those pages are below.

Investment Return – Actuarial Value vs. Market Value: 2004 – 2021

Actuarial Value Investment Return			Market Value Investment Return		Actuarial Value Investment Return			Market Value Investment Return		
Year Ended Dec. 31	Amount	Percent	Amount	Percent	Year Ended Dec. 31	Amount	Percent	Amount	Percent	
					2012	\$84,397,065	4.79%	\$178,833,104	10.74%	
					2013	146,900,302	8.66	253,385,088	14.93	
2004	\$106,051,092	7.67%	\$184,521,294	12.91%	2014	150,527,504	8.87	92,284,293	5.15	
2005	142,925,632	10.45	123,206,736	8.25	2015	135,399,964	7.95	35,190,400	2.01	
2006	174,981,665	12.48	202,170,056	13.41	2016	124,121,244	7.34	106,649,356	6.50	
2007	193,083,715	13.05	98,642,968	6.12	2017	133,662,416	8.04	249,003,287	15.63	
2008	53,668,265	3.03	-357,462,777	-22.44	2018	121,956,182	7.31	-38,060,799	-2.22	
2009	74,459,006	3.87	313,462,671	20.19	2019	122,175,139	7.32	245,570,699	15.78	
2010	104,127,935	5.51	203,770,758	11.60	2020	132,695,030	7.96	179,567,176	10.71	
2011	64,214,736	3.47	\$4,039,718	0.22	2021	154,153,737	9.21	304,173,201	17.58	
							Most recent five-year average return		7.97%	11.25%
							Most recent ten-year average return		7.74%	9.50%
							Most recent fifteen-year average return		7.06%	6.95%

Budget Contribution Amortization Schedule for 2023

Type	Date Established	Initial Period	Initial Amount	Annual Payment*	Years Remaining	Outstanding Balance
Reestablished UAAL	01/01/2015	21	\$448,982,279	\$40,538,434	13	\$387,002,581
Increase to UAAL	01/01/2016	20	49,830,707	4,533,338	13	43,277,786
Actuarial Loss	01/01/2017	20	26,129,846	2,332,609	14	23,409,896
MyChoice Contribution	01/01/2017	20	(2,918,641)	(260,547)	14	(2,614,829)
Actuarial Gain	01/01/2018	20	(3,290,263)	(288,229)	15	(3,026,147)
Change in Assumptions	01/01/2018	20	63,931,243	5,600,405	15	58,799,346
Actuarial Loss	01/01/2019	20	6,600,732	567,843	16	6,210,805
Contribution Variance	01/01/2019	5	(4,687,868)	(1,089,052)	1	(1,089,052)
Actuarial Gain	01/01/2020	20	(9,111,095)	(769,741)	17	(8,738,496)
Contribution Variance	01/01/2020	5	(3,246,621)	(746,465)	2	(1,440,851)
Change in Assumptions	01/01/2020	20	52,178,675	4,408,260	17	50,044,826
Actuarial Gain	01/01/2021	20	(5,769,471)	(479,044)	18	(5,626,513)
Contribution Variance	01/01/2021	5	(5,177,416)	(1,190,395)	3	(3,327,827)
Actuarial Gain	01/01/2022	20	(14,749,782)	(1,203,624)	19	(14,584,374)
Contribution Variance	01/01/2022	5	(4,280,697)	(984,220)	4	(3,543,711)
Actuarial Gain	01/01/2023	20	(24,405,158)	(1,957,278)	20	(24,405,158)
Contribution Variance	01/01/2023	5	(1,744,422)	(401,079)	5	(1,744,422)
Total				\$52,257,056		\$498,603,860

If you have any questions, please let me know.

ATTCH

CC: County Executive David Crowley
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 County Board of Supervisors
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