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FOR INFORMATION CALL

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Milwaukee Pension System Found To Be Best Funded Nationally *Investments Outperform Heavyweights From Across U.S.*

Milwaukee's pension system was found to be the best funded public retirement system nationally in a study just released by R. V. Kuhns & Associates, Inc., according to City Comptroller W. Martin "Wally" Morics.

The study, which included more than 80 of the largest public retirement systems in the country and was just released to the city's Annuity and Pension Board, also showed Milwaukee's pension fund's investments outperformed the likes of the State of Wisconsin Investment Board, the California Public Employees' Retirement System, the Illinois Municipal Retirement Fund, the New York State Common Retirement Fund, and the State of Michigan retirement system.

Morics said the analysis shows Milwaukee Employees' Retirement System (MERS) achieving an annualized five-year return of 12.7%, compared to the median fund five-year return of 11.7%. "This review shows Milwaukee's city retirees are benefiting from a healthy, well-managed pension fund that carries its own weight and then some," said Morics.

Ald. Michael J. Murphy, chair of the Annuity and Pension Board's Investment Committee and chair of the Common Council's Finance and Personnel Committee, compared the report to a David vs. Goliath scenario from Major League Baseball.

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Pension System Report/ADD ONE

“The city’s system has finished in the top tier the past several years, and this (first place finish) is like a small market team like the Brewers sweeping the World Series from a heavily bankrolled, heavily managed top market team like the New York Yankees,” Ald. Murphy said.

“The City of Milwaukee has a well-funded pension system that beat the largest and most complex public pension funds in the nation, and that’s a pretty nice early Christmas present at a time when the city can really use one,” he said.

Morics said the R.V. Kuhns study surveyed 83 large public funds. He said MERS’ funding leveling is largely a function of three key factors:

- Regular ongoing contributions from the city and other sponsoring agencies.
- Use of conservative funding methods.
- Sound investment policies resulting in strong long-term investment performance of the fund.

The R.V. Kuhns study is available on-line at <http://www.cmers.com> (under “Investment Reports”).