

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

Minutes of the Administration and Operations Committee Meeting
held December 16, 2009

The meeting was called to order at 10:05 a.m.

Committee Members Present: John Barmore, Chair

Committee Members Not Present: William C. Carey (excused)
 Angela Henschel (excused)
 Thomas Fischer (excused)

Retirement System Staff Present: Bernard J. Allen, Executive Director
 Martin Matson, Deputy Director
 Tom Rick, Chief Investment Officer
 Kathleen Conway, Board Stenographer

Others Present: Beth Cleary, City Attorney; Jon Granger, Sagetic Solutions; Jay Patel, S&S Consulting.

Due to the lack of a quorum, the meeting convened as a sub-committee.

Mr. Barmore indicated that items II. through VII. would be forwarded to the full Board for action.

ERS Special Projects Report. As a matter of information, Committee members received a copy of the ERS Special Projects Report, dated December 16, 2009. Mr. Granger briefly talked about the ERS Special Projects Work Plan and updated the Committee on the organizational study activities. He talked about the MERITS 2.0 Project – Risk Management Perspective; project planning horizon; RFI process update; and procurement options and costs. Lengthy discussion ensued.

Mr. Patel talked about the Request for Information process. Mr. Patel stated that staff has gone through nine vendor presentations, with one more being held today. He indicated that staff will review our notes; do an analysis and bring the findings back to the A & O Committee sometime in the first quarter of 2010. Mr. Patel noted that the thinking of the staff is there is not really any breakthrough product solution set out in the marketplace. Discussion ensued. Mr. Patel indicated that all member services, payroll services and employer reporting were satisfactory. He noted that approximately 1,743 members have signed up for Member Self Service. Staff has also started the testing for annual processing jobs for 2009-2010, and the IT staff has been working on the software for the DC48 related changes.

Mr. Patel talked about the Program Incident and Change Request Activity; defect and deficiency trends and inventory, and the year-to-year high priority PIR/CCR comparisons. Mr. Patel handed out an updated Ticket Inventory Forecast – December 7, 2009 – The Next 6 Months, Based Upon the Past 12 Months and discussion ensued. Mr. Barmore asked that the new chart replace the existing chart. Mr. Patel also noted that for November the on-line application was 100 percent, but the batch time was down for 1 day as DPW was performing the work at the 809 data center where they were putting in the floor drain. This work was done during non-working hours; therefore; ERS had to shut down everything so the batch was not run. Mr. Patel briefly talked about the Websphere Application Server (WAS) Upgrade Consulting Service Procurement process. He updated the Committee on the IT Audit – Standard Operating Guidelines. Brief discussion ensued.

Mr. Granger briefly talked about the Virtual Private Network (VPN) Services. Discussion ensued. Mr. Granger updated the Committee on the 789 and 809 data centers. He indicated the lease for Two Park Plaza has been negotiated for a remote office site. Staff is also reviewing the various AT&T agreements submitted related to their products and services. Mr. Granger updated the Committee on the disaster recovery action items and financial reports. Discussion ensued.

Mr. Matson briefly talked about items II. through VI. that will go to the Board for approval. Brief discussion ensued.

There being no further business, Mr. Barmore adjourned the meeting at 10:53 a.m.

Bernard J. Allen
Secretary and Executive Director

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