

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

Minutes of the Administration and Operations Committee Meeting
held October 19, 2011

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

Committee Members Present: John Barmore, Chair
 Larry Holland

Committee Members Not Present: William C. Carey

Retirement System Staff Present: Bernard J. Allen, Executive Director
 Tom Rick, Chief Investment Officer
 Martin Matson, Deputy Director
 Kelly Reid, Chief Technology Officer
 Suzanne Fortier, Board Stenographer

Others Present: Beth Cleary, City Attorney's Office; Jay Patel, S&S Consulting Group, and Jon Granger, PDG Consulting.

ERS Special Projects Report. As a matter of information, Committee members received copies of the ERS Special Projects Report, dated October 19, 2011, and the ERS Disaster Recovery Plan Executive Summary, dated October 13, 2011. Ms. Reid updated the Committee on the organization study reclassifications and talked about the ERS IT staffing changes. She updated the Committee on the current information technology projects also talking about the Disaster Recovery Plan Executive Summary. Mr. Patel briefly talked about the project status summary; defect and deficiency inventory; year-to-date. He updated the Committee on the 2011 product lifecycle management, and the service level agreement performance. Mr. Granger updated the Committee on the business continuity program schedule and detailed status. Discussion ensued throughout the presentation.

Approval to Contract for Network Services. Ms. Reid stated that staff has received resumes' and are planning on holding interviews within the next week, but she wanted to make sure the Committee was comfortable with bringing on another resource. Mr. Matson stated that a contract would come before the Committee next month, assuming staff has the Committee's approval to move forward to actually execute a contract. He directed the Committee's attention to the one-page sheet regarding the ERS IT Staffing changes. Mr. Barmore directed this item be held over until the November Committee meeting. Brief discussion ensued.

Approval of DS Consulting Contract. As a matter of information, Committee members received a copy of the Contract for Services. Ms. Reid indicated that ERS is going out for an RFQ prior to approval of this contract.

It was moved by Mr. Holland, seconded by Mr. Barmore, and unanimously carried, to hold items II. and III.

Approval of Buck Contract Amendment. As a matter of information, Committee members received a copy of the Amendment to Agreement. Mr. Matson stated that earlier this year the Committee and Board approved amending the Buck Contract for an additional year to coincide with the amendment to the Baker Tilly contract due to the upcoming five-year experience study. He indicated that the financial audit and five-year experience study are now coordinated events, so it makes sense to keep the current vendors in place for the five-year experience study. Mr. Matson stated that moving forward ERS would put in a contract with the actuary where the five-year experience study is automatically included at the end of the contract, rather than the beginning. Mr. Matson noted that due to the change to the contract for an additional \$2,200, he felt this should be brought back to the Committee for re-approval. It was moved by Mr. Holland, seconded by Mr. Barmore, and unanimously carried, to approve the Buck contract amendment.

Approval of Joxel Group Contract. As a matter of information, Committee members received a copy of the Contract for Services. Ms. Reid said this is the contract for the optimization proposal discussed last month. Mr. Matson noted the contract date should read 1/2/2012. After discussion, it was moved by Mr. Holland, seconded by Mr. Barmore, and unanimously carried, to approve the Joxel Group Contract.

Mr. Matson also pointed out another change to the Buck Consultant contract, which is for an address change as Buck Consultants has relocated their offices.

There being no further business, Mr. Barmore adjourned the meeting at 9:25 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.)