

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

Minutes of the Administration and Operations Committee Meeting
held October 19, 2017

The meeting was called to order at 9:12 a.m.

Committee Members Present: John Barmore
 Martin Matson

ERS Staff Present: Melody Johnson, Chief Financial Officer/
 Deputy Director
 Kelly Reid, Chief Technology Officer
 Erich Sauer, Pension Investment Analyst
 Mary Turk, Business Operations Analyst
 Liisa Gary, Administrative Assistant II
 Jan Wills, Board Stenographer

Approval of Baker Tilly Contract Amendment. Ms. Johnson said the contract amendment with Baker Tilly is for an additional \$6,000. It was moved by Mr. Matson, seconded by Mr. Barmore, and unanimously carried, to approve the Baker Tilly Contract Amendment.

Approval of the DS Consulting Contract Renewal. Mr. Barmore advised that the Administration & Operations Committee may vote to convene in closed session on this item, as provided in Section 19.85(1)(e), Wisconsin State 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. It was moved by Mr. Matson, and seconded by Mr. Barmore that the Committee convene in closed session.

The Committee convened in closed session at 9:16 a.m. The Committee reconvened in open session at 9:30 a.m.

IT Projects Portfolio. As a matter of information, Committee members received the ERS IT Portfolio Report dated October 19, 2017. Ms. Reid noted the IT reorganization is currently in progress with DER and job announcements are being drafted for the three IT positions requested. Ms. Reid said the reorganization will be completed before contracts expire at year-end. Ms. Reid stated the MERITS Optimization is in progress to replace equipment in a staged approach and the quote was just submitted to Ms. Johnson for approval. The Struts 2 Upgrade is in progress which enables MERITS and Member Self-Service to work on mobile devices. Ms. Reid said the Business Continuity Test in September was successful. She stated the ERS-IT Strategic Plan for 2018-2022 is done and she just needs to review the financials before the next committee meeting. Mr. Barmore commented that a Board member would like the IT department to have a network security presentation for the Board. Ms. Reid said she would schedule that. Ms. Reid said the CMERS website upgrade will be live in two weeks. The SAN upgrade is being deferred to February, Ms. Reid commented, due to the network upgrade. She said the Asset Management Software upgrade is also in progress, the laptop asset management program is completed, as are the Network

Firmware upgrades. Ms. Reid said the “in progress” items will continue to progress, the Storage Area Network Array (SAN) will be purchased, a controlled Patch Deployment Methodology for desktops will be tested, network equipment will be order for Cisco products, and a Social Engineering Audit and Network Vulnerability Audit will be completed. Ms. Reid said another phishing e-mail will also be done for the staff. Discussion ensued.

Organizational/Personnel Update. As a matter of information, Committee members received a copy of the Organizational/Personnel Update dated October 19, 2017. Ms. Johnson stated ERS is working with DER to fill the Pension Accounting Manager position. The position was posted internally and externally and there are five candidates for the position. Ms. Johnson said they have interviewed four candidates this week for the Chief Financial Officer position and they have one more candidate to interview this week. She said a decision will be made next week. Ms. Johnson said ERS is working with DER to reclassify two IT positions and DER has met with Ms. Reid’s staff. Ms. Reid has heard back from DER regarding insourcing of three IT positions. Ms. Reid stated the insourcing of the IT positions goes to the Civil Service Commission next week. Ms. Johnson commented that two other positions, a Pension Accounting Specialist position and Disability Manager position are also being reclassified. Discussion ensued.

There being no further business, Mr. Barmore adjourned the meeting at 9:40 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.)