

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

Minutes of the Legislative Committee Meeting
held April 25, 2018

The meeting was called to order at 9:04 a.m.

Committee Members Present: Tom Klusman
 Rudolph Konrad, Chair
 Himanshu Parikh

ERS Staff Present: Bernard J. Allen, Executive Director
 Melody Johnson, Deputy Director
 Erich Sauer, Pension Investment Analyst
 Karen McElwee, Management Services Analyst
 Mary Turk, Business Operations Analyst
 Jan Wills, Board Stenographer

Others Present: Miriam Horwitz, Patrick McClain, City Attorney's office; Martin Matson, Comptroller, City of Milwaukee; Gust Petropoulos, Adecco; Terry Siddiqui, Partner, DS Consulting Group.

Review and Approval of Contracts.

Proposed amendment to Board Rule VII.G. regarding contracting authority of Investment Committee. Mr. Sauer spoke to the Committee regarding the Investment team's proposal to have investment contracts approved by the Investment Committee in lieu of Board approval in as much as the Investment Committee is a committee of the whole Board. He noted this would prevent having to have special meetings to get Investment Committee contracts approved more quickly. Mr. Sauer noted a six-trustee quorum of the Investment Committee would be required for approval. Mr. Sauer said if there were major changes to the investment portfolio, the item for discussion would still go to the Board. Discussion ensued. Mr. Konrad stated that language for the proposed Board rule would be prepared for Board approval stating the vote of the Investment Committee should be equal in number required for a quorum of the Board (six Trustees) and that the Investment Committee by rule should be a committee of the whole.

Proposed amendment of Board Rule XVII.G. regarding Earnings Capacity Evaluation of DDR Beneficiaries pursuant to MCC-36-07-2-a and Case Review pursuant to MCC-36-05-3-c-1-b. As a matter of information, Committee members received copies of the Disability Earnings Capacity Offset and Case Review presentation prepared by staff. Mr. Konrad noted it is posted for closed session but said the presentation will be in open session followed by the closed session to discuss any individual case reviews.

Mr. Allen gave a presentation regarding Disability Earnings Capacity Offset provisions of MCC-36, a copy of which is on file with the Board Secretary.

Discussion ensued on earnings capacity and outside earnings.

Mr. Konrad advised that the Legislative Committee may vote to convene in closed session on this item as provided in Section 19.85(1)(g), Wisconsin State Statutes, to confer with legal counsel concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Committee may then vote to reconvene in open session following the closed session. The Committee convened in closed session by the following roll call vote: AYES: Messrs. Klusman, Parikh, and Konrad. NOES: None.

The Committee convened in closed session at 10:03 a.m.

It was moved by Mr. Klusman, seconded by Mr. Parikh, and unanimously carried, to reconvene in open session at 11:08 a.m.

There being no further business, Mr. Konrad adjourned the meeting at 11:08 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.)