

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

Minutes of the Administration and Operations Committee Meeting  
held December 15, 2021 via teleconference during COVID-19

The meeting was called to order at 9:01 a.m.

Committee Members Present:       Joshua Benson  
  Molly King, Vice-Chair  
  Tom Klusman

ERS Staff Present:                    Bernard Allen, Executive Director  
  Melody Johnson, Deputy Director  
  Jeff Shober, Chief Technology Officer  
  Daniel Gopalan, Chief Financial Officer  
  David Silber, Chief Investment Officer  
  Erich Sauer, Deputy Chief Investment Officer  
  Robin Earleywine, Pension Accounting Manager  
  Mary Turk, Business Operations Analyst  
  Jan Wills, Board Stenographer

Others Present: Ray Emry, Bill Judd, Dan Ludwig, CliftonLarsonAllen (CLA); Terry Siddiqui, DS Consulting Partners, Inc.

Ms. King advised that the Administration & Operations Committee may vote to convene in closed session on the following 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. Klusman and seconded by Mr. Benson, to convene in closed session. The motion prevailed by the following roll call vote: AYES: Ms. King; Messrs. Benson and Klusman. NOES: None.

The Committee convened in closed session at 9:04 a.m.

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

**Results of RFQ for Mailing Services.** Staff noted the approval for the proposed Mailing Services contract renewal would be on the agenda for the March 2022 A&O quarterly meeting when there is a draft contract from the City Attorney's office.

**Approve Technical Correction to 2020 Expense Reimbursement Report.** Mr. Gopalan provided some background and noted the City pays the ERS' administrative expenses throughout the year and the ERS is required to reimburse the City for the ERS Trust expenses. He said every

month the ERS reimburses the City based on what expenses have been paid out. Mr. Gopalan also said after year end, the Trust expenses are reconciled in order to determine the final payment to the City. He noted, the Board approved the final payment to the City totaling \$940,052.41 at the February 2021 Board meeting. However, in March 2021, accounting staff discovered a calculation error in one of the spreadsheets used to reconcile the Trust expenses. This error resulted in misclassification of expenses totaling \$630,121.45 as non-trust items instead of the correct amount of \$397,581.45. An adjustment was made to correct the error prior to making the payment to the City. Staff added that the actual amount paid to the City did not change as it remained the same. Further, staff said expenses reimbursed to the city would be no more or less as a result of reclassification of the totals from non-Trust to Trust. It was noted the calculation error occurred within a spreadsheet cell that affected only summary totals not specific line item expense amounts paid to the City. Discussion ensued.

It was moved by Mr. Klusman, seconded by Mr. Benson, and unanimously carried, to approve the technical correction to 2020 Expense Reimbursement Report.

Ms. King advised that the Administration & Operations Committee may vote to convene in closed session on the following item as provided in Section 19.85(1)(i), Wisconsin State Statutes, for considering all matters related to acts by businesses under s. 560.15 which, if discussed in public could adversely affect the business, its employees or former employees. The Committee may then vote to reconvene in open session following the closed session.

**Audit Reports.** It was moved by Mr. Klusman and seconded by Mr. Benson, to convene in closed session. The motion prevailed by the following roll call vote: AYES: Ms. King; Messrs. Benson and Klusman. NOES: None.

The Committee convened in closed session at 9:24 a.m.

The Committee reconvened in open session at 10:11 a.m.

It was moved by Mr. Benson, seconded by Mr. Klusman, and unanimously carried, to approve and place on file the Audit Reports as completed by CliftonLarsonAllen.

**IT Projects Portfolio.** As a matter of information, Committee members received the IT Projects and Ticket Statistics, as well as the IT Portfolio. Mr. Shober discussed individual items on the reports.

**Organizational/Personnel Update.** Ms. Johnson stated the ERS has been working with DER for several months to fill the Network Administrator position as there has been difficulty in finding qualified candidates. She said another option is being pursued to reclassify the position as a Network Security Administrator. Discussion ensued. Ms. Johnson said the job description would also be updated to incorporate cyber security due to the uptick in incidents. Mr. Shober added that cyber security would be their primary responsibility. Mr. Benson suggested that Staff work with DER to try to get them to hire anywhere within the pay range. Ms. Johnson noted the Program Assistant II position is vacant but Mr. Gopalan is not filling it at this time because DER will

reevaluate pay grades for the positions in the ERS, beginning with Accounting and Member Services. She added that the Program Assistant II could possibly be reclassified.

It was moved by Mr. Klusman, seconded by Mr. Benson, and unanimously carried, to adjourn the meeting.

There being no further business, Ms. King adjourned the meeting at 10:21 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.)