

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

Minutes of the Administration and Operations Committee Meeting  
held April 20, 2022 via teleconference during COVID-19

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

Committee Members Present: Tom Klusman  
Aycha Sawa, Chair

Committee Members Not Present: Molly King

ERS Staff Present: Bernard Allen, Executive Director  
Jeff Shober, Chief Technology Officer  
Daniel Gopalan, Chief Financial Officer  
David Silber, Chief Investment Officer  
Mary Turk, Business Operations Analyst

Others Present: Andrea Fowler, City Attorney's Office; Terry Siddiqui, DS Consulting Partners, Inc., no member of the public called in to the meeting.

**Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor.** As a matter of information, Committee members received the “Third Amendment to the Contract” and the “Cost Proposal – Fees Worksheet.” Ms. Turk reminded Committee members at the last meeting that the Committee wanted to extend the contract for three years. She noted only the fee structure changed and the “amount to exceed” was reduced by half a million dollars due to the ERS not needing their services as much. Ms. Turk said the new fee structure eliminates a monthly fee but has a reasonable price increase comparable to one of the other responders. Mr. Gopalan said \$275,000 was budgeted for 2023 toward medical exams but only \$142,000 had been spent on medical exams during 2021. Discussion ensued.

It was moved by Mr. Klusman and seconded by Ms. Sawa to approve the Approval of Contract Extension for Managed Medical Review Organization, Inc. (MMRO) – Disability Claims Vendor. The motion prevailed by the following roll call vote: AYES: Mr. Klusman, Ms. Sawa. NOES: None.

**Approval of Draft ERS 2023 City Budget Request.** As a matter of information, Committee members received materials related to the Draft ERS 2023 City Budget Request, which included a letter from Mr. Gopalan, a “Summary of 2023 Draft Budget Request as compared to 2022 Adopted Budget and 2021 Actual Expenditures,” and “Analysis of 2023 Operating Expenditure and Equipment Draft Budget Request as compared to 2022 Authority and 2021 Actual Expenditures.”

Mr. Gopalan said the Budget Request for 2023 is just under \$2.4 million dollars. He noted the request is due to three items – the salaries and fringe due to reclasses for a number of positions as

DER is doing a review of lower-level positions. Mr. Gopalan is projecting 5% and 3% increases. Mr. Allen noted DER is doing a market study to evaluate all positions and is starting with Business Operations. He said DER asked for job descriptions and they were submitted for all positions. He added some of the employees' duties have changed so reclassifications were requested. Mr. Gopalan noted that for the fringe benefit rate he used the same rate of 47% as used for 2022. He said the increase in the fringe is dependent on the total salaries. Mr. Gopalan said another large increase is for Other Operating Services. He said the biggest item in that category is fiduciary and cyber insurance as well as employee training. He said the other major item is Equipment due to IT infrastructure upgrades, the largest being the FileNet upgrade. Mr. Gopalan added that the building lease is up for renewal in 2023 so the facility rent was bumped up by \$23,000. He noted he reduced Legal Services by \$85,000 since it had not been utilized as much. Mr. Gopalan said Legal Services had been \$200,000 for 2022 but he reduced it to \$115,000 for 2023. Discussion ensued.

It was moved by Mr. Klusman and seconded by Ms. Sawa to approve the Approval of Draft ERS 2023 City Budget Request. The motion prevailed by the following roll call vote: AYES: Mr. Klusman, Ms. Sawa. NOES: None.

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

There being no further business, Ms. Sawa 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.)