

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

Minutes of the Special Administration and Operations Committee Meeting
held October 18, 2023 via teleconference

The meeting was called to order at 9:05 a.m.

Committee Members Present: Molly King
Aycha Sawa, Chair

Committee Members Not Present: Tom Klusman (excused)

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

Others Present: Christine Webb, Jennifer Falkenholm, Ryan Young, Brown & Brown Insurance of Hays Companies; Deborah Ford, ERS Board Trustee; Alex Foundos, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc., one member of the public called in to the meeting.

Renewal of Property Insurance. Ms. Webb went over the ERS' property coverage, general liability exposure, personal injury liability, and ERS members using automobiles. She noted there is also an excess liability limit. She said Hanover Insurance has provided the coverage the last few years and the premium last year was \$13,800. Ms. Webb said this year's premium is \$15,029 due to an increase in property limit. She commented that the overall price increase is 8.9%. She said they also received a quote from The Cincinnati Insurance Company at \$11,789. Ms. Webb said they quoted a \$10,000 property deductible instead of \$1,000 because.. She said there would be a \$3,000 savings with The Cincinnati Insurance Company. Discussion ensued.

It was moved by Ms. King, and seconded by Ms. Sawa to approve the Renewal of Property Insurance with The Cincinnati Insurance Company.

Renewal of Fiduciary and Cyber Insurance. The Fiduciary Insurance renewal was discussed and approved at the September 20, 2023 A&O Committee meeting, so Ms. Falkenholm only discussed the Cyber Insurance. She said Cyber Insurance covers the ERS for third party liability associated with network and privacy security, first party coverage for hiring a lawyer, computer forensics firm, or ransom negotiator. She noted the expiring policy has \$5 million with \$100,00 each claim occurrence retention using three carriers. Ms. Falkenholm said that premium cost was \$165,601. She said for the renewal, they went to the incumbent carrier and noted the cyber market

is stabilizing now so higher coverage limits are being offered. Ms. Falkenholm said the new premium rate would be \$109,915 for a 33% reduction over last year. Discussion ensued.

It was moved by Ms. King, and seconded by Ms. Sawa to approve the Renewal of Cyber Insurance.

Ms. Sawa 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 Administration & Operations Committee may then vote to reconvene in open session following the closed session.

ERS Banking Services Contract.

It was moved by Ms. King, and seconded by Ms. Sawa to convene in closed session by the following roll call vote: AYES: Ms. Sawa, Ms. King. NOES: None.

The Committee convened in closed session at 9:35 a.m.

The Committee reconvened in open session at 9:50 a.m.

It was moved by Ms. King, and seconded by Ms. Sawa to approve the finalist identified in closed session for the ERS Banking Services Contract.

It was moved by Ms. King, and seconded by Ms. Sawa to adjourn the meeting.

Ms. Sawa adjourned the meeting at 9:54 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.)