

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

Minutes of the Administration and Operations Committee Meeting  
held June 11, 2025 via teleconference

The meeting was called to order at 9:00 a.m.

Committee Members Present:        Timothy Heling, Chair  
   Justin DeCleene

Committee Members No Present:    Bill Christianson (excused)

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

Others Present: Patrick McClain, Alex Foundos, City Attorney's Office; Terry Siddiqui, DS Consulting, Inc.; one member of the public called in to the meeting.

**Approval of CliftonLarsonAllen (CLA) Contract.** Mr. Allen stated Mr. Gopalan is proposing to retain CliftonLarsonAllen as independent accountants. Mr. Gopalan said the contract came about as a result of Act 12 which requires ERS' financial statements be audited annually by the Wisconsin Legislative Audit Bureau (LAB). He noted the ERS issues two audited financial reports every year – the Annual Comprehensive Financial Report (ACFR) which LAB is required to audit and the Schedule of Employer Allocations by pension amounts by employer, also known as Employer Schedules. Mr. Gopalan said Act 12 is silent on who should audit the Employer Schedules, but ERS Staff thought it important that the Board retain its ability to choose the auditor for the Employer Schedules. He noted the Employer Schedules are used by our employer (the City of Milwaukee), and the City Agencies that issue their own financial statements. Mr. Gopalan said the employers take ERS' pension expenses, contributions they have made, and the pension liabilities, and they are required to report their share of the pension liabilities and expense on their financial statements. He noted in order for the City of Milwaukee to rely on these amounts, the Schedules need to be audited.. Mr. Gopalan said when they did the RFQ, he only expected a few CPA firms to respond because it is such a unique situation with Act 12. Discussion ensued. Mr. Allen added that there are two accounting standards of Government Accounting Standards Board 67 (GASB 67) which are for the main audited financials and the employer schedules are covered by a companion standard called GASB 68. He noted that the ERS financial statements under GASB 67 are an aggregate of all the liabilities, expenses, and contributions for the system as a whole. Mr. Foundos added that he reviewed the contract and CLA

requested several edits to the contract which were accepted or denied. He said the auditor proposed a two-year reduction of the statute of limitations for which claims could be brought against the contractor. Mr. Foundos said the ERS proposed to set it to 24 months which was higher than some of the limits of the contract it was proposing. He said this was consistent with other ERS contracts with other auditors which was agreed to in the past. Mr. Foundos said everything in acceptable in the contract and can be approved.

It was moved by Mr. Heling and seconded by Mr. DeCleene to approve the Approval of CliftonLarsonAllen (CLA) Contract.

**Approval of DS Consulting Contract.** Mr. Allen announced that Mr. Siddiqui left the Board Room during his contract discussion. He noted that DS Consulting is Mr. Terry Siddiqui and it is his firm. Mr. Allen said Mr. Siddiqui has been with the ERS since 2003 and is the living embodiment of the ERS' institutional knowledge. He said he came to the ERS after working at Accenture, a spinoff of Arthur Andersen. Mr. Allen stated he was brought in to help with the development and installation of MERITS which was accomplished by 2006. He said his contract runs through next year and is not expiring this year. Mr. Allen noted the many retirements coming up with persons who are familiar with the plan and he wanted to secure this resource for the plan as part of the management succession transition to provide for continuity. He noted the ERS does not run without Mr. Siddiqui. He stated Mr. Siddiqui is in charge of quality assurance, which includes IT and every department in the ERS. Mr. Allen said Mr. Siddiqui works with each area of the business to assure that the records are kept and that IT works. He said by trade, he is an industrial engineer, but has mastered disciplines such as tax reporting and is essential to that aspect of the ERS payroll as well. Mr. Allen stated is asking the Committee to extend Mr. Siddiqui's contract, because his skills are in high demand in the marketplace. He said Mr. Siddiqui is providing a market analysis of the cost of his services compared to other firms. Mr. Allen concluded this agency needs him. Mr. Shober said Mr. Siddiqui was integral in building MERITS and doing the customization required for it and he understands the product inside and out. Mr. Shober added that any operational question that comes up that needs to be addressed in that product, he knows about, and is able to facilitate getting it fixed in a timely and expedient fashion. He said because Mr. Siddiqui knows the operation so well, up to and including Chapter 36, there is no one who has more institutional knowledge than he does. Mr. Shober said Mr. Siddiqui has the knowledge and the discipline because of what he has done in his career that allows him to think off the cuff to get the solution quickly, averting many crises because of his ability to do that. Mr. Heling asked if there were a successor to Mr. Siddiqui to shadow him to learn some of the duties. Mr. Allen said there is documentation but there is no one else here who has the experience of developing MERITS. He said the shell of a product was purchased, customized and has to be maintained and updated. Mr. Allen said an organizational review was done in 2009 and the ERS was told that is among the most complex public pension plans in the world because there are 40,000 benefit iterations. Mr. Shober added that Mr. Siddiqui wrote most of the documentation, and brings value in that he can get to the crux of the problem, without having to wade through the document and do any research.

It was moved by Mr. Heling and seconded by Mr. DeCleene to approve the Approval of DS Consulting Contract.

**IT Projects Portfolio.** As a matter of information, Committee members received the IT Projects Portfolio. Mr. Shober discussed the ongoing and completed IT projects. Discussion ensued.

**Organizational/Personnel Update.** Ms. Johnson stated that there are no ERS vacancies, but she noted they will be recruiting for her position when she retires next February. Mr. Allen added that there is a finalist candidate for the management recruitment firm position and the City Attorney will be contacting their attorneys. He said if the contract is in place, the discussion can begin next month with the Trustees and other stakeholders for the Executive Director candidate.

It was moved by Mr. Heling and seconded by Mr. DeCleene to adjourn the meeting.

Mr. Heling adjourned the meeting at 9:26 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.