

City of Milwaukee  
Employees' Retirement System

Bernard J. Allen  
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November 20, 2024

SENT VIA EMAIL

Sen. Erick Wimberger,  
Co-Chair, Joint Legislative Audit Committee  
[Sen.Wimberger@legis.wisconsin.gov](mailto:Sen.Wimberger@legis.wisconsin.gov)

Representative Robert Wittke,  
Co-chairperson, Joint Legislative Audit Committee  
[Rep.Wittke@legis.wisconsin.gov](mailto:Rep.Wittke@legis.wisconsin.gov)

Joe Chrisman  
State Auditor, Legislative Audit Bureau  
[joe.chrisman@legis.wisconsin.gov](mailto:joe.chrisman@legis.wisconsin.gov)

RE: Audit Recommendations Follow-up

Dear Senator Wimberger, Representative Wittke, and Mr. Chrisman:

This letter is a follow-up regarding recommendations made in Legislative Audit Bureau (LAB) Reports 24-19 and 24-20, regarding the Employees' Retirement System of the City of Milwaukee (ERS).

As discussed in our responses to the LAB reports, ERS staff has already made the necessary changes to our procedures as identified by LAB.

**Report 24-19**

*LAB Recommendation #1: Review and update existing accounting processes to ensure financial statements and related note disclosures are prepared in accordance with accounting standards.*

ERS staff have developed additional procedures after discussions with our custodian bank and consulting actuary, to ensure that the data developed by third parties included in our Annual Comprehensive Financial Report meets accounting standards.

Each year, ERS staff will work with our custodian bank to implement any necessary changes to the investment reporting data, so that the data requires minimal manual adjustment going forward

by ERS staff. The custodian bank will also review any new investments to confirm accurate classification under the applicable accounting standards. Additionally, ERS staff will conduct further testing of the data provided by both the custodian bank and consulting actuary to ensure compliance with accounting standards.

*LAB Recommendation #2: Update procedures for preparing meeting notices for the Annuity and Pension Board and its committees to ensure compliance with open meeting law.*

ERS staff has reviewed all of its notice templates and updated its open meeting compliance processes to ensure that it complies with Wisconsin open meeting requirements under § 19.83, Wis. Stats. ERS staff will also be requesting the open meetings expert on staff at the City Attorney's Office, ERS' statutory legal counsel, to review all of our notices to ensure that they contain the correct closed session language, prior to publication. Additionally, ERS trustees and responsible staff have completed or scheduled open meetings law compliance refresher training.


**Report 24-20**

*LAB Recommendation #3: Review and update existing accounting processes to ensure the Schedule of Pension Amounts by Employer and related note disclosures are prepared in accordance with accounting standards.*

Following discussions with ERS' consulting actuary, ERS staff has reviewed and updated its accounting procedures to ensure that the data provided by the consulting actuary meets accounting standards. ERS staff will conduct a thorough review and additional testing to confirm its compliance with accounting standards.

If you would like any additional information regarding the issues above, please contact me via email at [jerry.allen@cmers.com](mailto:jerry.allen@cmers.com) or by phone at (414) 286-5454.

Sincerely,

  
Bernard J. Allen  
ERS Executive Director