

Wisconsin Coalition of Annuitants

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Minutes of Meeting November 26, 2018

The meeting was held at the Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, and was called to order by the Chair James Palmer at 9:30 a.m.

DIRECTORS & ALTERNATES PRESENT: R. Beglinger, WFT-R; B. Bird, DOT; J. Blank, BLUE-R; B. Brooks, CWCR; S. Drew, SWIB; E. Frank, DNR; S. Haase, UWRA; P. Haubrich, UWMRA; B. Holmes, ESP; A. Knop, WEAC-R; R. Kratz, DOC; K. Kreul, WFT-R; J. Maydak, West Allis; J. Munro, WARSDA; F. Nepple, OCI; J. Palmer, WPPA; E. Reiter, KM-R; B. Schaefer, SEA; J. Stangl, DCAREA; J. Thiel, ACE; J. Vreeland, Wauwatosa; D. Wilcenski, WREA.

GUESTS: J. Forester, T. Hunter, C. Preisler, R. Wojciak.

EXCUSED: J. Egan, B. Fendel, J. Grosklaus, J. Miller, G. Mitchell, R. Springman, S. Sweet, C. Welch.

MINUTES of the October meeting were approved as mailed.

GUEST: Tarna Hunter, Director of Strategic Engagement and Governmental Relations, ETF.

The state elections have been completed and ETF will be contacting legislative members and sharing future plans along with the budget that was submitted to DOA. It appears that the legislative committees ETF deals with will not have much change in membership.

ETF will be updating the government relations publication to include the latest numbers and information on the health insurance programs. This publication has been beneficial especially for newly elected legislators and as a resource for new employees.

Looking at the future there will be concern on re-hiring annuitants because of the restrictions and shortage of teachers in various parts of the state. This is a concern for WCOA organizations.

ETF Boards, there are several candidates for annuitant on the retirement board and also several vacancies for teachers on other boards.

A website survey was sent out and resulted in a tremendous response. The website re-design will be a complete makeover of the information location and with ease of accessing.

ETF will be doing a member engagement survey (customer service) to compare ETF with other systems. It will be a brief survey.

The Comprehensive Annual Financial Report 2017 has been released and is online.

Medicare Advantage appears to be popular with the annuitants.

Question: The ETF modernization software project made the news indicating the vendor, Viteck, walked off the job and ceased work in March.

Of the three implementation phases the first one and most of the second phase were completed. ETF and Vitech both changed project managers without success. ETF has now referred the case to the Department of Justice.

Question: The ETF budget has four classified positions being eliminated and four unclassified positions created to establish an independent Office of Internal Audit.

The four unclassified positions would report directly to the ETF board. The board will have the authority to hire and establish/set compensation, this is best practice in other systems.

GUEST: Chris Preisler, Communications Specialist, SWIB.

The summary of preliminary returns as of October 31, 2018 was handed out. The Core Fund is -1.35% with a benchmark of -1.63%. The Variable Fund is -1.67% with a benchmark of -1.62%. The core fund is at \$96 billion and variable fund is at \$7.6 billion. October was a brutal month for investments and so far November has not been much better. It is predicted that 2019 will be a difficult year, but fortunately, there is no prediction of a recession.

The SWIB Chair has indicated a willingness to speak to our group in the early part of next year. Please inform Chris of any topics that you would like Mr. Stein to address.

Chief Investment magazine publishes an annual list of the 100 most influential investors and David Villa is number 18. David has been on the list since the initial publishing in 2012.

Chuck Carpenter, Director of Private Markets, is celebrating a 30 year anniversary with SWIB. There are two others in the private markets with many years experience at SWIB.

A recruitment program at the University of North Carolina involves 16 of the top business schools and SWIB recruiters will be attending for the first time.

The Board will be meeting December 11 & 12 and will receive reports from CEM and Callan.

The Legislative Audit Bureau is completing the SWIB biannual (2 year) management audit. The LAB financial audit is done annually. SWIB is also completing a report for Wisconsin investments.

CORRESPONDENCE - None

OLD BUSINESS - WCOA officer nominations have been received: Chair; Sandy Drew, Gary Mitchell, Jim Palmer, Jerold Vreeland. Nominations for Vice Chair; Gary Mitchell, Jerold Vreeland. The secretary contacted all the nominees and they have agreed to serve. Voting will be done by email with each organization responding via email to the Secretary.

NEW BUSINESS - A brief discussion resulted in the following motions.

MSC The WCOA secretary be given a \$150 honorarium.

MSC The WCOA treasurer be given a \$100 honorarium.

MSC The WCOA Annual Conference Assistant be given a \$50 honorarium.

TREASURER'S REPORT - Check book balance \$9697.00. No activity
Billing statements of \$50 for annual dues are available for each organization. Those that are not picked up today will be mailed. Treasures report was accepted as presented.

NEXT MEETING: December 17, 2018, 9:30 a.m. Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.

The meeting adjourned by 11:15 a.m.

Respectfully submitted – Dick Kratz