

Wisconsin Coalition of Annuitants

www.wicoa.org

Minutes of Meeting January 27, 2020

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

DIRECTORS & ALTERNATES PRESENT: W. Backes, AFSCME 32; R. Beglinger, WFT-R; B. Bird, DOT; B. Brooks, CWCR; E. Frank, DNR; B. Holmes, ESP; A. Knop, WEAC-R; R. Kratz, DOC; J. Lawton, ACE; T. Leithold, KM-R; J. Maydak, West Allis; G. Mitchell, AFSCME 52; F. Nepple, OCI; B. Schaefer, SEA; R. Springman, WFT-R; J. Stangl, DCAREA; S. Sweet, BAREA; J. Vreeland, Wauwatosa; C. Welch, BAREA; D. Wilcenski, WREA; C. Wren, WSAA.

GUESTS: J. Forester, T. Hunter, C. Preisler, J. Strohl.

EXCUSED: J. Blank, J. Egan, J. Grosklaus, J. Miller.

MINUTES of the December meeting were approved as mailed.

GUEST: Chris Preisler, Communications Specialist, SWIB.

Preliminary gross returns as of 12/31/19. Core fund 19.9% with a benchmark of 19.2%, Variable fund 28.3% with a benchmark of 28.6%. Total assets under management \$116.5 billion.

The market has been fluctuating with the Chinese virus an issue.

In October the SWIB Board met with their consultant and reviewed asset allocations. The present allocations seemed appropriate and were not changed. In the December meeting the allocation targets were approved: stocks 49%, fixed income 25%, inflation sensitive 16%, private equity 9%, real estate 8%, multi-asset 4%. The allocation may vary plus or minus 6%. Stocks at 49% represents both global and domestic. Internal management of all assets is around 54%.

Kristi Palmer has been appointed to the Board. She has been the Marathon County Finance Director since 2001. She holds a bachelors and masters from the University of Wisconsin-White water.

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

The preliminary projected annuity adjustment is: Core 1.5-1.9% and the Variable 19-23%.

There is a 5% assumed earnings to maintain the WRS. When there is a loss there needs to be an additional 5% included in the loss and when there is a gain the 5% must also be considered. Within the five year smoothing we had two years of losses. Next year the 2016 losses will be dropped

There was a question regarding the past five years earnings being approximately 45% and the annuity adjustments being much lower. Additional detailed information is available at the March ETF Board minutes: <https://etf.wi.gov/boards/etf/2019/03/21/item5a/direct>.

Tarna is handling inquires from legislative members. Several meeting have been held by Tarna and Jay sharing knowledge with government representatives. The March ETF Board meeting will finalize annuity adjustments.

The WRS news includes a notice of the WCOA Annual Conference Friday, May 15. Go to wicoa.org for registration, agenda and conference information.

Tax information will be mailed by February 1.

ETF received an award for their newly designed website.

Legislative session is wrapping up with minimal activity. ACT 71 was signed by the governor which permits restitution to be court ordered from individual annuity.

A bill has been introduced to change the age for retirement and return to work for some and not others. We will watch if it becomes law. It will be an administrative problem for ETF. The employer will have added responsibility.

CORRESPONDENCE - None

OLD BUSINESS - The WCOA trifold/brochure is being worked on.

- The by-laws have been reviewed and will be sent to the membership.
- The Annual Conference speakers, are confirmed. Notice to retirees and others will be in the WRS NEWS. Registration will be online, thanks to our webmaster Rick.
Go to: wicoa.org

NEW BUSINESS - None

TREASURER'S REPORT - Check book balance \$10,075.39. Approved as presented.

NEXT MEETING: February 17, 2020 at 9:30 a.m. Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.

The meeting adjourned by 11:00 a.m.

Annual Conference Friday May 15, 2020

Respectfully submitted – Dick Kratz

Upcoming meetings: ETF Board - 3/26; 6/18; 9/17; 12/10. SWIB Board - 3/17-18; 6/9-10; 9/8-9; 10/20-21; 12/15-16