

# Wisconsin Coalition of Annuitants

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## Minutes of Meeting March 15, 2021

The meeting was held by Zoom 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; J. Blank, BLUE-R; B. Brooks, CWCR; S. Drew, SWIB; E. Frank, DNR; J. Grosklaus, WestAllis; S. Haase, UWRA; P. Haubrich, UWMRA; B. Holmes, ESP; A. Knop, WEAC-R; R. Kratz, DOC; J. Lawton, ACE; T. Leithold, KM-R; J. Maydak, West Allis; J. Miller, DNR; G. Mitchell, AFSCME 52; J. Munro, WARSDA; F. Nepple, OCI; E. Reiter, KM-R; B. Schaefer, SEA; R. Springman, WFT-R; J. Stangl, DCAREA; J. Vreeland, Wauwatosa; D. Wilcenski, WREA; C. Wren, WSAA.

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

**EXCUSED:** J. Egan, J.

**MINUTES** of the February meeting were approved as mailed.

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

Tarna was asked by our guest Mr. Voelker to begin today's meeting.

Tarna indicated that the ETF 2021-2023 budget had gone to the Governor's Office and had been returned with several changes. The changes from when we last reviewed the budget include adding domestic partner benefits to insurance and adding provisions for teachers returning to work. The Governor removed three full-time positions (request to be converted from project positions) for cybersecurity and data management and did not include ETF's disability redesign proposal. Office of Internal Audit will not be changed to unclassified. Remaining in the budget, support for modernization IT expenses, retirement boards consolidation, and trust fund earnings allocation technical change.

WiCOA had written to the Governor and Joint Finance Committee members supporting the budget. There will be opportunity for budget changes.

Annuity adjustments - Core Fund adjustment 5.1% and Variable Fund adjustment 13%.

### **GUEST: John Voelker, Secretary ETF.**

This is Mr. Voelker's first time presenting to the WCOA. Background, he was raised in Menasha, attended University of Wisconsin Oshkosh, and upon graduation became employed with the Legislative Audit Bureau. Next was the Wisconsin Court System as the Executive Assistant to Supreme Court Chief Justice Abrahamson and 11 years as Director of State Courts. Seven years ago he was appointed ETF Deputy Secretary.

He stated the following is a summary of his interview with the ETF Board.

He reaffirmed the Mission and Vision for the Department. He believes that the agency must do the right things well. If you're doing things well, you have good management and if you're doing the right things well you have good leadership. Both are needed for success. ETF is doing the right things but are they doing it well?

The ETF mission is to provide quality benefits and services. Services need to be improved and eliminate manual processes. We know the workload will increase and services need to be better. Routine services need to be available when the members want them.

ETF modernization has three independent systems for improvements. Internally working on imaging and workflow, followed by the insurance benefits, and then pensions.

ETF has maintained leadership in the pension benefits program and needs to continually do the right things and watch for threats. The integrity and trust of the agency must be maintained.

The WRS is a strong system but needs the basic resources to maintain the service and benefits provided. Items that are in the budget are there because of need.

He stated that he also reviewed the WCOA mission statement. The WCOA is committed to assist in achieving the mission and goals found at ETF.

Work at home has been going well. Start return to the office July 1, 2021?

ETF is not looking to be a total computer or non-person response agency, but a customer service agency that is easily assessable when needed. ETF is considered the second largest financial institution in the State of Wisconsin.

ETF executive team candidates will be interviewed in the next few weeks.

**GUEST: Chris Preisler, Communications Specialist, SWIB.**

Preliminary returns as of February 28, 2021. Core fund .5% with a benchmark of .6%, Variable fund 2% with a benchmark of 2.5%. Total \$120 billion in the Core fund and \$9.5 billion in the Variable fund.

The investment performance of SWIB matches the US market indicators. All seem to be within a couple of percentage points positive or negative.

The incentive compensation will be announced this coming Wednesday, March 17. It will be a large amount and the most number of staff to ever receive it.

The benefit pay-for-performance is based on a five-year average of returns. Chris will be providing talking points later today.

The Board met on February 23 and again last week on the 10th, 11th, 12th and will be meeting today. Focus for CIO is on internal candidates. The three investment managers are acting as CIO and Rochelle Klaskin is the Interim Executive Director.

Anne-Marie Fink, Private Markets and Funds Alpha managing director, has been named one of Institutional Investor's Allocator Intel's 1st Annual Global Top 50 Women in Investment Management.

The next podcast will be with Derek Drummond who is portfolio Manager of Funds Alpha, which includes supervising external managers and managing hedge funds.

Chris was asking if the structure of the management team was going to change, having an individual chief investment officer and an executive director. He stated that as far as he knew there would not be any changes. Staff: SWIB has 142 investment staff, 92 investment service staff.

**CORRESPONDENCE - None**

**OLD BUSINESS - Annual Conference -**

Letters have been sent to two possible speakers, David Stein, Chair of SWIB and John Voelker, Secretary ETF.

WebMaster Rick provided information on webinars and zoom. The pros and cons of each were provided and after discussion it was determined that we would conduct a webinar. The presenter would not be interrupted and any questions would be submitted and answered at the close of the presentation. Rick will handle the registration and license. A 100 person webinar is \$40 a month and a 500 person webinar is \$140 per month. You can have as many webinars as you want during the month. Rick will handle Zoom registration and when 100 are reached will increase to the 500 level. It was agreed that we will begin discussion of the webinar with our membership and encourage registration on April 17, which will be one month prior to the event.

**MSC The WCOA will purchase a webinar license at a maximum cost of \$280.**

Handout and agenda are looking good and will be available after next Monday's committee meeting. Rick will handle the set up. WCOA members have had good experiences with Zoom and Webinars and are willing to help conduct an educational/informative seminar. Watch your email for registration of a possible trial webinar and registration for the WCOA Webinar on May 17, 2021.

**NEW BUSINESS -** Discussion on the structure of the SWIB. The combining of Chief Investment Officer and Executive Director is a concern for our membership. The skill sets are different for the two positions. The hiring decisions appear to be moving quickly. Chris will check on Mr. Stein's availability to meet with us within the next few days. Watch emails for zoom meeting.

**TREASURER'S REPORT -** Checkbook balance \$9,231.59. Treasurer Report accepted as presented.

**NEXT MEETING:** April 19, 2021, Zoom

The meeting adjourned by 11:50 a.m.

Annual Zoom Conference Friday May 17, 2021 9:30-12:30

Respectfully submitted – Dick Kratz

ETF Board - 6/17/21, 9/16/21, 12/9/21. SWIB Board - 6/15-16/21, 9/14-15/21, 10/27-28/21, 12/14-15/21