

Wisconsin Coalition of Annuitants

October 16, 2023, Minutes

www.wicoa.org

Meeting called to order by the Chair Diane Wilcenski at 9:30a.m.

DIRECTORS & ALTERNATES PRESENT: Barbara Bird, DOT; James Blank, Bay Lakes United Educators-R; Tom Broman, UW-Madison Retirement Association; Robert Brooks, Central Wisconsin Center Retirees; Sandy Drew, SWIB Retiree; Jean Grosklaus, West Allis Retirees; Brian Holmes, Epsilon Sigma Phi; Bruce Johnson, SWIB Retiree; Rick Klemme, Epsilon Sigma Phi; Allen Knop, WEAC-Retired; Dick Kratz, WI Retired Corrections Personnel; Jack Lawton, ACE; John Maydak, West Allis Retirees; Elaine Reiter, Kettle Moraine Retired; Robert Schaefer, WI Assoc of Retired Conservationists and State Engineering Association; Roger Springman, WFT/AFT Retirees; Joe Strohl, Retired Professional Fire Fighters of WI; Jim Thiel, Association of Career Employees; Diane Wilcenski, WREA; Rick Wojciak, DNR; Christopher Wren, Wisconsin State Attorneys Association; and wicoa.org

DIRECTORS & ALTERNATES NOT PRESENT: Robert Beglinger, AFT-R; Dave Bosanko, Retired Professional Fire Fighters of WI; Ed Frank, WI Assoc of Retired Conservationists; Paul Haubrich, UW Milwaukee Retiree's Assoc.; Kathy Kreul, WFT/AFT Retirees; Tara Leithold, Kettle Moraine Retirees; Lucrecia Mattson, UW-Eau Claire Emeritus; James Munro, WASDA; Fred Nepple, OCI; Jim Palmer, WI Professional Police Association Retired; Dee Pettack, SAA; Tom Speranza, Retired Professional Fire Fighters of WI; Shirley Sweet, Beloit Area REA, and Clara Welch, Beloit Area REA

DIRECTORS & ALTERNATES EXCUSED: Willie Backes, AFSCME24; Jeanne Stangl, Dodge County Area REA;

Roll Call: Taken on Zoom by Rick

Guests: Chris Preisler, Senior Communications Specialist, SWIB

Tarna Hunter, Director of Strategic Engagement and Government Relations, ETF

New Member: Diane introduced Tom Broman, UW-Madison Retirement Association. He will be replacing Sandi Haase.

Approval of the September Minutes: Approved

Guest: Chris Preisler, Senior Communications Specialist, SWIB

Performance Final Numbers as of August 31, 2023:

Core 6.87% Benchmark 6.88%

Variable 14.70% Benchmark 15.5%

Assets Under Management as of August 31, 2023

Core 119.3B

Variable 9.3B

For a total of 128.6B of retirement funds are under SWIB management.

The US economy has been very resilient through the last ten months according to Todd Mattina, SWIB's Chief Economist and Head of Asset & Risk Allocation. As of now, inflation is still high. There are lots of different pressures on the markets. The Mid-East conflict between Israel and Hamas is something to continue to watch. In addition, September-October is historically a tougher time for the markets.

The Board of Trustees and selected staff will meet off-site at the Heidel House on October 17-18. There will be discussions on the economy, meetings with WRS actuaries who will give an overview of what they do and results of stress test scenarios. A guest speaker will lead a discussion on AI and how it impacts the markets.

Here is a link to the meeting packet that participants will receive:

https://www.swib.state.wi.us/_files/ugd/69fc6d_25d7eeeb7266472eac7b5dd70cb7dd5c.pdf

Chris encouraged everyone to listen to the podcast of Andrea Ruiz speaking about her job as portfolio manager of the State Investment Fund which includes the cash balances of 47 state agencies and over 1,000 local government units. Here is the Podcast link:

https://www.swib.state.wi.us/_files/ugd/69fc6d_25d7eeeb7266472eac7b5dd70cb7dd5c.pdf

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

Open Enrollment for health insurance choices for 2024 closes on October 20,2023. This is the only time that changes can be made. The new insurance system should be live for the 2025 enrollment period.

The ETF Board approved a strategic partner to assist in the oversight of the ETF pension administration system at their September meeting. Linea Solutions was selected. Linea Solutions is a management and technology consulting service. You can find out more about them at <https://www.lineasolutions.com>

The Insurance Administration System is making very good progress. The Project Team has engaged several insurance vendors with file exchanges. This process has gone well. The Department of Administration has also started testing. ETF will be using a multi factor authentication tool in the employer portal.

John Voelker spoke at the WREA State Convention in September. His presentation was titled WRS and You. He spoke on the importance of stakeholders playing a part in the success of the gains that were made by ETF with their budget. He thanked people for contacting their legislators and supporting ETF.

If SWIB continues at 6.8% returns through the end of the year, the projected annuity increase would be between 2.6% to 3.0%.

There are a few things happening in the legislature that affect ETF. One is the Sick Leave Bill which states that legislators can no longer accrue sick leave. This bill has had a hearing. Additionally, two co-sponsorship memos are circulating for bills that include provisions to increase retirement tax deductions.

The Legislature has not acted on the multiple return-to-work bills. As noted in previous ETF communication, the IRS requires that there is a bona fide separation of service and ETF must comply with this IRS requirements. For this reason, ETF does not support reducing the break-in-service from 75 days to 30 days.

Correspondence: None

Old Business: Medicare Committee Update presented by Jack Lawton

This committee has met three-four times via Zoom. They are sending a 12+questionnaire to ETF regarding details about the rights of members to change plans or leave and come back to a plan. Roger Springman expressed concerns regarding the timing of the letter sent by ETF, information about depletion of sick leave and the lack of quality of information. Also mentioned was an article that appeared in the Wisconsin State Journal titled "Shopping for Medicare Advantage" It had six different points mentioning the problems encountered when signing up for Medicare Advantage. The committee will work to find the article and share with us. Diane met with Representative Mark Pocan (D-WI 2nd District) concerning Medicare Advantage. Rep. Pocan expressed that he wants the term Medicare removed from ads about Medicare Advantage programs because it really isn't Medicare.

The committee is meeting with Dr. Ed Weisbert via Zoom in the near future. Dr. Weisbert is a member of Physicians for National Health Program which has completed a report on Medicare Advantage that has many specific objections to it.

New Business: Diane questioned how we can support ETF through WICOA. Tarna stated that she would keep us informed if anything comes up.

Treasurer Report: Our treasurer was absent today, so his report has been tabled until next month.

Next Meeting: Monday, November 20, 2023 at 9:30AM

Stand Adjourned at 10:40 AM

Respectfully submitted,

Jeanne Stangl

WICOA Secretary