

Draft

MINUTES

December 8, 2022

Budget and Operations Committee

Employee Trust Funds Board
State of Wisconsin



Location:

Hill Farms State Office Building – Room N112
4822 Madison Yards Way, Madison, WI 53705

COMMITTEE MEMBERS PRESENT:

Roberta Rasmus, Chair
Chris Heller, Vice Chair

Jen Flogel, Secretary

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Division of Retirement Services:
Matt Stohr, Administrator

Office of the Secretary:

Shirley Eckes, Deputy Secretary
Pam Henning, Assistant Deputy Secretary
Tarna Hunter, Director of Strategic
Engagement and Government Relations

Office of Enterprise Initiatives:
Michelle Baxter, Director

OTHERS PRESENT:

ETF Division of Management Services:
Victor Dupuy *, Patrick Hughes *

Wisconsin Court System:
Caitlin Frederick *

* Attended via teleconference

Ms. Rasmus, Chair, called the Budget and Operations Committee (Committee) to order at 8:00 a.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

MOTION: Mr. Heller moved to accept the minutes of the September 22, 2022, Budget and Operations Committee meeting, as submitted by the Board Liaison. Ms. Flogel seconded the motion, which passed unanimously on a voice vote.

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ANNOUNCEMENTS

Mr. Stohr talked about today's schedule. There will be a joint meeting of the three retirement boards, then separate meetings for each board.

OPERATIONS UPDATE

Mr. Stohr provided an operations update. The two most prominent operational items for ETF since the September meeting were insurance open enrollment in October and the implementation of the state and federal tax changes.

ETF answered 21% more calls from members during this year's insurance open enrollment period compared to last year. Additionally, calls lasted longer than normal because of the large number of members needing to switch from WEA Trust to a new health insurance provider. Nevertheless, ETF Call Center staff received around a 99% customer satisfaction rating during open enrollment. ETF staff do a great job for members, but there is not enough staff to serve the growing WRS population. For example, the wait time on the phone for members to get to an ETF specialist was approximately 10 minutes during open enrollment. ETF's standard is three minutes. Discussion occurred about how the Division of Retirement Services prepared and had ETF staff from outside the Call Center back up to help with the spike in member calls.

ETF successfully implemented federally mandated W4-P changes last weekend. Numerous ETF publications and IT systems needed to be changed to comply with the tax modifications. Staff deployed the changes over the weekend when IT systems were able to be shut down. The federal changes are required to be implemented by January 2023. Discussion occurred about the IRS and the possibility of the effective date being pushed back again.

ETF Modernization Projects Update

Ms. Baxter provided an update on the various projects needed for ETF to modernize IT systems and to provide self-service for customers (Ref. BUD | 12.08.22 | 4). Ms. Baxter provided an update on the Insurance Administration System (IAS) project. The new IAS will enable ETF to fully leverage an integrated solution for insurance and create a better customer experience. She shared that the first of many forums with employers is scheduled for this coming Monday. This outreach is a way to keep employers aware of the timeline and the impact of the new system on them. Discussion occurred.

Specifically, the Committee asked about each of the IAS-related risks listed in the report, such as resource availability, the timeline, and the budget. Ms. Baxter provided details about each, including successful change order negotiations with the vendor. Ms. Eckes and Ms. Henning talked about the importance of ETF's budget request and the succession planning ETF has gone through to prepare for the future state of ETF.

Budget and Legislative Updates

Ms. Hunter provided an update regarding the various meetings with stakeholders to talk about ETF's 2023-25 state budget request (Ref. BUD | 12.08.22 | 5) and the necessity to modernize IT systems to provide online tools for customers, the substantial risk associated with aging and out-of-date legacy IT systems, and the staffing needed to service members and employers. Like it has in the past, ETF will partner with the State of Wisconsin Investment Board to offer WRS 101 meetings for newly elected legislators. This is a great way for new legislators to learn about their benefits, the roles of ETF and SWIB, and to get the word out about the importance of ETF's budget request. Discussion occurred. The Committee and staff talked about legislative champions for ETF's causes.

ETF Organizational North Star Metrics Highlights

Ms. Henning reviewed the North Star Metrics report (Ref. BUD | 12.08.22 | 6). She highlighted the recent milestones on the Customer Experience (CX) Initiative, in particular the development of a CX roadmap and vision statement. In addition, Ms. Henning talked about the progress in Goal 3 and the accomplishments made with goal setting for employees and establishing competencies.

ADJOURNMENT

MOTION: Ms. Flogel moved to adjourn the meeting. Mr. Heller seconded the motion, which passed unanimously on a voice vote.

The Committee adjourned at 8:55 a.m.

Date Approved: _____

Signed: _____

Jen Flogel, Secretary
Budget and Operations Committee