

DRAFT

MINUTES

December 19, 2019

Deferred Compensation Board

State of Wisconsin



Location:

State Hill Farms Building – CR N922
4822 Madison Yards Way, Madison, WI 53705
11:00 a.m. – 12:30 p.m.

BOARD MEMBERS PRESENT:

Ed Main, Chair (teleconference) Terry Craney (teleconference)
Gail Hanson, Vice-Chair (teleconference) Jason Rothenberg (teleconference)
Art Zimmerman, Secretary (teleconference)

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

John Voelker, Deputy Secretary Office of the Secretary:
Deferred Compensation Program: Lisa Gurley, Board Liaison
Shelly Schueller, Director

OTHERS PRESENT:

Empower Retirement: Great-West Financial:
Emily Lockwood Bill Thornton (teleconference)
ETF Staff:
Dan Hayes

Mr. Main, Chair, called the meeting of the Deferred Compensation Board (Board) to order at 11:01 a.m.

ANNOUNCEMENTS

Ms. Schueller introduced a Board member, Terry Craney, to the Board. Mr. Craney was appointed by Governor Evers to replace Board member Mr. John Sherer, whose term expired July 1, 2019.

2020 STRATEGIC PARTNERSHIP PLAN PROPOSAL: ASSET ALLOCATION GOALS

Ms. Schueller referred the Board to the 2020 Strategic Partnership Plan Proposal: Asset Allocation Goals memo dated November 25, 2019 (Ref. DC | 12.19.19 | 2) and provided an overview of ETF’s proposed targeted communications to WDC participant groups as part of specific asset allocation goals for 2020.

Board	Mtg Date	Item #
DC	3.12.20	2B

Ms. Lockwood discussed the details of the proposed asset allocation goals, including:

- Shifting at least 2% of those participants using both a target date fund and other investments to either one target date fund or to the managed accounts service. As of September 30, 2019, 9,823 WDC participants were invested in a target date fund and another fund;
- Seeking to improve investment diversification for participants aged 58 or older who have 90% or more of their account in equities by holding personalized retirement readiness reviews with at least 10% of them. As of September 30, 2019, nearly 3,350 participants were in this category;
- Increasing contribution rates by 7% via a “save more” campaign to participants currently saving \$50 or less per paycheck. As of September 30, 2019, more than 7,900 WDC participants were saving \$50, or less than 1%, via their deferrals; and
- Offering the managed accounts “free look” to newly enrolled participants and those participants aged 58 or older who have 90% or more of their account in equities, with a goal of enrolling and retaining 2% in the service after the free look period ends.

Ms. Schueller stated specific numbers for the asset allocation goals will be generated after the calendar year end on December 31, 2019 and will be provided to the Board at the March 2020 meeting.

MOTION: Ms. Hanson moved to approve the revised asset allocation goals for the 2020 Strategic Partnership Plan as presented to the Board. Mr. Zimmerman seconded the motion, which passed unanimously on a voice vote.

ADJOURNMENT

MOTION: Mr. Zimmerman moved to adjourn. Mr. Rothenberg seconded the motion, which passed unanimously on a voice vote.

The Board adjourned at 11:25 a.m.

Date Approved: _____

Signed: _____

Arthur M. Zimmerman, Secretary
Deferred Compensation Board