

# Draft

# MINUTES

## March 23, 2023

### Employee Trust Funds Board

State of Wisconsin



### Location:

Hill Farms State Office Building – Room N134  
4822 Madison Yards Way, Madison WI 53705

### ETF BOARD MEMBERS PRESENT:

William Ford, Chair  
 Steve Wilding, Secretary  
 Stephen Arnold  
 Jen Flogel  
 Chris Heller \*  
 Wayne Koessl

Katy Lounsbury \*  
 Angela Miller \*  
 Amy Mizialko \*  
 Leilani Paul  
 David Schalow

### BOARD MEMBERS NOT PRESENT:

Roberta Rasmus

### PARTICIPATING EMPLOYEE TRUST FUNDS STAFF:

Office of the Secretary:

John Voelker, Secretary  
 Shirley Eckes, Deputy Secretary  
 Pam Henning, Assistant Deputy Secretary  
 Tarna Hunter, Government Relations Director  
 Cheryllynn Wilkins, Board Liaison

Budget, Contract Administration & Procurement:

Joanne Klaas, Contract Specialist

Division of Retirement Services:

Matt Stohr, Administrator

Jim Guidry, Director of Benefit Services Bureau

Division of Trust Finance (DTF):

Cindy Klimke-Armatoski, Chief Trust Financial Officer

Amelia Slaney, Director of Financial Compliance Bureau

Division of Management Services

Lisa Dally, Human Resources Director

### OTHERS PRESENT:

Teachers Retirement (TR) Board

Members: Esther Ancel \*, Adam Balz \*, Allison Pratt, Tony Przybylski

Wisconsin Retirement (WR) Board

Members: Mary Von Ruden \*

ETF Budget, Contract Administration & Procurement: Tim Steiner \*

ETF Division of Management Services:

Taylor DeBroux, Victor Dupuy \*, Barry Tucker

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# Employee Trust Funds Board Open Session Minutes

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ETF Division of Retirement Services:  
Roger Fletcher \*, Gene Janke, Kyle Kundert \*

ETF Division of Trust Finance (DTF):  
Paulina Erdman \*, Caroline Marsh \*, Erin Seliger \*

ETF Office of Communications: Nancy Ketterhagen \*, Mark Lamkins \*, Nicole Linskens \*

ETF Office of Internal Audit (OIA):  
Shellee Bauknecht, Michelle Hoehne, Kurt Petrie, Yikchau Sze

ETF Office of Legal Services (OLS):  
Laura Brauer, Diana Felsmann, Dan Hayes \*, Peter Rank

ETF Office of Policy, Privacy & Compliance: Julie Coleman \*, Steve Hurley \*, Laura Patterson

ETF Office of the Secretary: Kimberly Schnurr, Kathryn Young

Gabriel, Roeder, Smith & Company (GRS):  
Jim Anderson, Mark Buis, Brian Murphy

Legislative Audit Bureau (LAB):  
Erin Scharlau \*

State of Wisconsin Investment Board (SWIB): Edwin Denson, Rochelle Klaskin, Todd Mattina

Public: Jacob Dickerson \*, David Dies \*, Freuck Harrison \*

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\* Attended via teleconference

Bill Ford, Chair, called the meeting of the Employee Trust Funds Board (Board) to order at 9:01 a.m. Because some of the members of the Board are attending virtually, the board liaison took roll call, and confirmed quorum was present.

The Chair acknowledge that several TR Board and WR Board members were in attendance both virtually and in-person at today's ETF Board meeting. The Chair invited these board members to ask questions.

## **ANNOUNCEMENT**

Mr. Stohr made the following announcements:

- In February, the TR Board met and approved the board policies. The WR Board also met to hear a member appeal.
- In the board packet is a Wisconsin Public Records Law training that is required by the Department of Administration. Upon completion, please sign and return the confirmation paper to the board liaison.
- The ETF Board Election Certification Committee met this morning to certify the annuitant Member board election. Mr. Ford won the election, retaining this seat. Mr. Ford thanked the other three candidates who ran, stating they are all well qualified; he commended those willing to commit their time to the Wisconsin Retirement System (WRS).
- Today is Ms. Paul's last meeting. Ms. Paul holds the Educational Support Personnel Member seat. Ms. Paul no longer meets the eligibility requirements of the seat and could not continue to serve under the provisions in Wisconsin state statute. Effective May 1, 2023, this seat will remain vacant until the 2024 election cycle.
- Mr. John David resigned from the WR Board and ETF Board for health reasons.

- Ms. Ancel decided not to run for the Teacher Annuitant seat on the TR Board, whose term ends May 1, 2023. However, a former board member, Mr. Michael Langyel, was the only person to submit nomination papers. Mr. Lanygel will join the board at the June meeting.

## **RECOGNITION OF OUTGOING BOARD MEMBERS**

Mr. Voelker recognized three outgoing board members and presented each with a certificate for their years of service on the boards.

Ms. Esther Ancel served in the Annuitant Teacher Member seat on the TR Board since 2018. Ms. Ancel shared many fond memories of her time on the TR Board.

Ms. Leilani Paul served in the Educational Support Personnel Member seat on the ETF Board since 2015. Ms. Paul shared kind words about ETF and looks forward to watching ETF's modernization journey as she receives her first annuity check next month.

Mr. Voelker recognized Mr. John David, who served on the WR Board and ETF Board and recently resigned for health reasons. Mr. David faithfully served the WRS for 18 years, and his commitment to the system has been exceptional.

## **CONSIDERATION OF MEETING MINUTES**

***MOTION: Ms. Paul moved to approve the open and closed session minutes of the December 8, 2022, meeting of the Employee Trust Funds Board, as submitted by the Board Liaison. Mr. Koessl seconded the motion, which passed unanimously on a voice vote.***

## **ELECTION OF OFFICERS**

***MOTION: Mr. Heller moved to nominate the following slate of officers, William Ford as Chair, Steve Wilding as Vice Chair, and himself as Secretary of the Employee Trust Funds Board. Mr. Koessl seconded the motion, which passed unanimously on a voice vote.***

## **COMMITTEE REPORTS**

### Executive Committee

Mr. Ford noted that the Executive Committee met via teleconference on March 22, 2023. The committee approved minutes, reviewed the Board's agenda, and discussed the actions that need to be acted upon. Ms. Eckes provided the committee with some of the Department's highest-value strategic/objective accomplishments from the past quarter. This included Strategic Goal 1, the Effortless Customer Experience (CX), and the reassignment of a veteran ETF manager, Bonnie Cyganek, to the new CX manager role. Ms. Cyganek's work will focus on helping ETF prioritize and focus on employers and members as the agency makes incremental operational changes. Mr. Ford also

highlighted that ETF has begun expanding its member outreach effort which has been well received by members and employers alike. Ms. Henning provided the quarterly Human Resource report including key staff vacancies and other workforce -related activities. ETF continues to be able to hire from within. The committee also discussed the Equity and Inclusion (E&I) initiatives and staff Learning and Development (L&D) requirements and opportunities.

### Audit Committee

Ms. Paul noted the Audit Committee met this morning. Ms. Sze made the following announcements:

- ETF and SWIB will be co-hosting the Association of Public Pension Fund Auditors conference in Madison in June.
- Internal Auditor Amanda Williams obtained her Certified Internal Auditor credentials.

As suggested by the ETF Board chair, the committee deferred the election of officers to the June Meeting. The committee discussed the LAB 2021 Financial Audit, which did not identify any material weakness or significant deficiencies. Another internal audit was OIA's review of ETF's resource management software, Eclipse, to determine whether Eclipse is the tool that can improve resource demand and capacity data collection and monitoring. The committee also discussed ETF's Third-Party Administrator (TPA) Contract Compliance audit for pre-tax savings account programs.

The OIA Director discussed two periodic reviews of annuity calculations and informed the committee that OIA had engaged Virginia Retirement System for a peer review to be performed in June. The peer review results will be reported to the committee in September. The peer review is an external quality assessment required by the Internal Auditing Standards to be performed every five years. The committee also discussed the quarterly audit plan status report on the open issues of the TPA Life Insurance Audit.

### Budget and Operations Committee

Mr. Heller noted the Budget and Operations Committee met this morning. The committee discussed the following matters:

- Mr. Stohr provided an operations update. ETF's Call Center continues to be extremely busy. Much of the call volume is from retirees who have questions about the federal tax changes. ETF's goal is to answer calls within three minutes, but the wait time has been around six or seven minutes for much of the year so far. From a workload perspective, he noted that retirement estimates, and application requests were down in 2022 compared to 2021.
- Ms. Hunter covered ETF's 2023-2025 state budget request that was submitted to the Department of Administration (DOA) in October and the Governor's budget proposal that was introduced in February. Ms. Hunter also talked about the bills that were introduced that affect the WRS. Both the budget and the bills will be covered at today's meeting.

- Ms. Henning presented ETF's Organizational North Star Metrics report, which will also be covered at today's meeting.
- Ms. Baxter provided an update on ETF's transformation journey and modernization projects. Currently, the key focus is the Insurance Administration System (IAS). The project is scheduled for deployment in the summer of 2024.

Ms. Dally explained the ETF Secretary's evaluation process and timetable in the members' packets. (Ref. ETF | 3.23.22 | 5A1) At the Executive Committee meeting, there was a suggestion to modify the manager/supervisor survey. Instead of requiring a positive or negative answer for each question, the committee asked Ms. Dally to add a "not enough information" option, which would not be scored.

### **Discussion / Consideration**

#### State of Wisconsin Investment Board (SWIB) – 2022 Wisconsin Retirement System (WRS) Investment Performance and 2023 Outlook

Mr. Denson, Ms. Klaskin, and Mr. Mattina (Ref. ETF | 3.23.22 | 6A) talked about the difficult investment climate in 2022. SWIB takes a long-term view and outperformed its 5-year 10-year, and 20-year benchmarks due to active, internal management that provides additional monies to the WRS. The investment objective of the Core Fund is to meet or exceed an average nominal return of 6.8% over the long-term.

Ms. Klaskin explained that SWIB is cost effective and optimizes its costs. SWIB's costs are \$91 million lower than U.S. public fund average. SWIB can manage assets internally at considerably lower costs than if those same assets were managed externally. SWIB saved \$903 million vs. the peers from 2012-2021.

Mr. Denson explained 2023 asset allocation changes made and reviewed targeted expected returns based on the assumed rate.

Mr. Mattina, SWIB's Head Economist and Asset & Risk Allocation Chief Investment Officer, discussed the 2023 economic outlook. In the past week, there have been a lot of changes in the banking industry in Switzerland, as well as issues in Silicon Valley. He explained the implications of these events on the economy. The expectation is global growth, but there is still a large amount of uncertainty. The thought is that inflation has peaked, but still running at 4.5%, which is above the target of 2%. Housing and shelter costs are still high and expected to remain so for 6-12 months. Unemployment is at record lows. The number of workers has not yet reached pre-pandemic levels.

Ms. Klaskin shared an overview of new SWIB trustees and that there is a new podcast available at [www.swib.state.wi.us/podcasts](http://www.swib.state.wi.us/podcasts).

The Board discussed the value of the Variable Fund given the relatively low number of members investing in the Fund and the year-over-year investment performance

volatility.

Wisconsin Retirement System 40<sup>th</sup> Annual Valuation of Retired Lives—December 31, 2022

Mr. Murphy, Mr. Anderson, and Mr. Buis from Gabriel, Roeder, Smith Company (GRS) (Ref. ETF | 3.23.22 | 6B) presented on the Wisconsin Retirement System (WRS) Retired Lives valuation.

Mr. Anderson reviewed how the system operates and the differences between the Core Trust Fund and the Variable Trust Fund. Mr. Anderson also explained the smoothing mechanism within the Core Fund. Asset smoothing has worked well historically but could not prevent negative dividends in 2009 – 2013.

The summary of results as of December 31, 2022, are below with the dollar in Millions.

	<b>Core</b>	<b>Variable</b>
Number of Annuitants	233,804	43,007
Annual Amount of Annuities Paid	\$ 6,409.7	\$ 578.5
Fund Balance	72,108.4	4,403.0
Actuarial Reserve	70,987.2	5,586.5
<b>Ratio</b>	<b>1.016</b>	<b>0.788</b>

Mr. Anderson reviewed the ratio of assets compared to liabilities and how that equates to the dividends. He also discussed demographic information about WRS participants and detailed description of WRS assets and liabilities, including annuities paid and fund balances in both trust funds.

Based on a formulaic calculation, GRS recommended a 1.6% (increase) annuity adjustment for the Core Fund and a -21% (decrease) for the Variable Fund. These adjustments are effective April 1 and will first appear on retirees' May 1, 2023, payments.

Mr. Anderson discussed the dividend liability, which is the liability for dividends remaining or the value of all the previously granted dividends. Retiree assets (after MRA smoothing) would need to decrease by 20.1% to deplete the existing dividend liability by the year end.

Mr. Buis stated that with the Core Fund design, the 2022 investment earnings losses are smoothed over a five-year period via the market recognition account. As of December 31, 2022, there are about \$7 billion in remaining unrecognized asset losses in the Core Fund that will need to be recognized over the next four years. Mr. Buis also discussed WRS mortality experience and the impact on the Core annuity adjustment, stating the overall impact on the adjustment being relatively small.

Mr. Murphy summarized the experience study that GRS conducts on the WRS every three years, and the stress testing conducted with SWIB every two years. One of the distinguishing features of the WRS structure is risk-sharing. There have been changes in the WRS Investment Return Assumptions (IRA), most recently in 2021 from 7.0% to 6.8%. The IRA affects the contribution rates for employees and employers. Mr. Murphy stated the current 6.8% investment return assumption is reasonable. Due to poor investment returns in 2022, most investment consultants have adjusted their 10-year forecasts, and high volatility continues to add risk that should be monitored, he said.

Board members asked questions about incrementally lowering the investment return assumption. GRS commented that how the last adjustment was made showed the Board's expertise.

***MOTION: Mr. Schalow moved to accept the Actuaries report, 40<sup>th</sup> Annual Actuarial Valuation of Retired Lives as of December 31, 2022, and adopt the recommendations. Ms. Flogel seconded the motion, which passed unanimously on the following roll call vote:***

***Members Voting Aye: Arnold, Flogel, Ford, Heller, Koessl, Lounsbury, Miller, Paul, Schalow, Wilding***

***Member No Response: Mizialko***

***Members Absent: Rasmus***

#### Core Annuity Adjustments and Effective Rate Projections

Ms. Klimke-Armatoski (Ref. ETF | 3.23.23 | 6C) explained the current value of annuities, comparing the annuity increases versus inflation, aka the Consumer Price Index (CPI). She presented information regarding projections for Core annuity adjustments and effective rates, based on varying investment return possibilities. The projections detailed how the current and future investment gains/losses would be recognized in the next five years, and the effect on the dividend liability (previously granted post-retirement annuity adjustments), using a 6.8% investment return. She noted that only an actuarial valuation can accurately calculate the annuity adjustments. These projections are useful for anticipating the magnitude, not the exact amount, of future adjustments.

Ms. Klimke-Armatoski discussed how annuity adjustments are calculated, resulting in an increase or decrease. She reviewed the assumptions used in the projections and the effect that investment gains and losses, including smoothing, has on the MRA based on a 6.8% investment return for the remaining four years of smoothing.

Department of Employee Trust Funds 2021 Annual Comprehensive Financial Report (ACFR) Highlights

Ms. Slaney (Ref. ETF | 3.23.23 | 6D) highlighted ETF's 2021 ACFR. There were limited changes in the ACFR, and only one accounting change in 2021. This report shows the net position of the various programs ETF administers. The LAB performed an audit of the report and had an unmodified opinion (clean) and no recommendations, which is indicative of the hard work of DTF staff. The WRS continues to be financially strong. The Governmental Accounting Standards Board (GASB) funding ratio for the WRS is 106%, which is one of the highest in the United States. WRS assets come from two forms of revenue: contributions (employees and employers) and investment returns.

Delegation of Authority to Solicit Proposals from Qualified Firms to Assist with Procurement of Pension Administration System Consulting Services

Ms. Klaas (Ref. ETF | 3.23.23 | 6E) provided an overview of ETF's continuing modernization efforts that address outdated systems and processes using modern technology solutions and industry best practices. The Pension Administration System (PAS) is the next solution to be procured, while other systems are in various stages of implementation. The current consultant partner's contract, including extensions, ends December 31, 2023. ETF would like this consultant partner to be focused on the PAS project, assist in developing requirements, change management, independent verification, and transferring of knowledge. ETF is requesting permission to conduct a new Request for Proposal (RFP) for a consultant to assist with the PAS project. Upon the Board's approval to release an RFP, staff plan to complete the necessary research and come back to the Board in September with a recommendation.

Board members asked questions regarding how this RFP and PAS project would be realized in the budget. Mr. Voelker explained the funding needed for the PAS and the current status of the funding in the state budget.

***MOTION: Mr. Wilding moved that the Board to delegate its authority under Wis. Stat. § 40.03 (1)(c) to the Secretary or designee of the Department of Employee Trust Funds (Department) to solicit proposals from qualified firms to be a strategic partner for the search, selection, implementation, and oversight of a pension administration system. Ms. Paul seconded the motion, which passed on the following roll call vote:***

***Members Voting Aye: Arnold, Flogel, Ford, Heller, Koessler, Lounsbury, Miller, Mizialko, Paul, Schalow, Wilding***

***Members Absent: Rasmus***

The Board took a break from 11:33 a.m. to 12:06 p.m.

## **Operational Updates**

### ETF Workforce Overview



Ms. Dally (Ref. ETF | 3.23.23 | 7A) reviewed ETF's workforce, which is composed of 71% permanent staff, 26% contractors, and 3% limited-term employees. Ms. Dally explained the current diversity status and ETF's aim to increase diversity with the hiring of a new equity and inclusion officer. ETF departures are made up of retirements, resignations, and terminations. Since 2019, terminations are relatively the same and retirements are down, but resignations are up, with the largest happening in 2020 during the pandemic. ETF also has large numbers of people moving within the department. The future of ETF's workforce will continue to have turnover, due to modernization. Additionally, in five years, 37% of current employees will be eligible to retire. ETF Strategic Goal 3 is to build a talented and agile workforce. ETF Human Resources has utilized several tools to position the agency to build the culture and recruit and retain a strong workforce that will make ETF an equitable and inclusive organization. These include a Total Rewards Calculator that show compensation, including employer paid benefits, employee development opportunities, the employee performance management system, and expanded diversity, equity, and inclusion activities.

#### Customer Service Improvements and Trends

Mr. Stohr (Ref. ETF | 3.23.23 | 7B) presented fourth quarter comparisons of 2021 and 2022 and did an annual review. ETF has come far with its metrics and dashboards, he stated. Teachers make up about 30-35% of the WRS and have consistent time periods when they retire, creating spikes in the metrics (retirement estimates and actual retirements) and increasing workloads. ETF operations areas prepare for those spikes. The request for retirement estimates are down 9.3% and retirement applications are down 12.4%. There has been a steady influx of member calls and emails that were up 19.6%. Members are waiting longer than desired. WEA Trust's withdrawal from the state group health insurance program that affected nearly 55,000 members was a large part of the reason for increased member calls in 2022, and the federal tax change is the primary reason for increased calls in 2023.

ETF is continually trying to improve how it serves customers. Mr. Stohr highlighted a few of the business area improvements made this quarter: 1) Improved employer resources to help them report information to ETF, such as the revised sick leave manual for employers; 2) Outreach staff have resumed "field" presentations and outreach statewide; 3) Process improvements, such as being able to upload documents more efficiently and have access to them earlier in the process; and 4) The use of a new tool to improve the death benefits payment process.

#### Legislative and Budget Update

Ms. Hunter (Ref. ETF | 3.23.23 | 7C2) updated the Board on ETF's biennial budget request. The Governor included everything ETF asked for, but there were some changes to the mechanics of funding for the Pension Administration System. This budget version added the OIA reporting directly to the Board, but it keeps OIA staff as classified. Additionally, two items ETF did not ask for were added to the Governor's

budget: reinstatement of the domestic partnerships provision and the return-to-work law (changing the break in service from 75 days to 30 days). ETF has communicated the legal concern with having the break in service being too short to remain compliant with the federal law requirements.

Ms. Hunter (Ref. ETF | 3.23.23 | 7C1) highlighted two bills that were introduced this legislative session, the return-to-work for substitute teachers and the “jailers bill” that allows jailers to be classified as a protective occupation. ETF is making sure this bill is compliant with federal tax law. Ms. Hunter said, to expect to see more return-to-work bills. Ms. Hunter mentioned a bill that would eliminate sick leave for legislators and one potential bill allowing the tribes to join the WRS. The City of Milwaukee and Milwaukee County request to be added to the WRS has gained more traction. ETF’s position is the bill should only have new hires join the WRS, as it is ETF’s responsibility to protect the integrity of the trust fund.

ETF will continue to provide a WRS 101 training for new legislators training.

#### Disability Programs Annual Statistics Update

Mr. Guidry (Ref. ETF | 3.23.23 | 7D) introduced Gene Janke, a new Deputy Director of the Benefit Services Bureau to the Board. Mr. Guidry then provided an overview of the four disability programs, which pay \$264.1 million in annual benefits to 11,258 members. The average 2022 monthly Disability Retirement program (40.63) benefit is \$2,209/month; the average duty disability (40.65) benefit is \$3,095/month. The Long-Term Disability Insurance (LTDI) program is on a steady decline, with open claims down 40% since closure. Most claims run out in 10 years or less. The Income Continuation Insurance (ICI) claims show a broader age distribution than 40.63, due to ICI including short-term disabilities, with an average benefit being \$849/month.

ETF proposed changes to the ICI program with some of the updates including expanding ICI standard coverage to \$120,000, decoupling sick leave from the state ICI program, and consolidating all the disability programs to governing board authority from the Group Insurance Board to the ETF Board.

#### Secretary’s Report

Mr. Voelker shared his perspective on ETF’s strategic direction of transforming the agency and the variety of risks ETF faces. These include people risks, third-party risks, legislative risks, and budget risks. Risk is not necessarily bad, but ETF needs to be aware of them, he stated. How ETF manages and mitigates risk will determine its success. To expand on a few of those in more detail:

Mr. Voelker discussed resource risks at ETF. The Governor saw our “story” in our budget request and recognized our need for the 16 positions requested.

The only funding difference in the Governor’s budget and ETF’s request is the timing of

the money for the Pension Administration System. The Governor's budget pushed the request for funding to the next biennium budget. Mr. Voelker stated that without funding in this biennium it puts ETF in a difficult position to maintain modernization momentum and procure a system in advance of implementation to begin in the 2025-27 biennium.

We are starting our story all over again because the Legislature will likely use a different version of the budget. If we do not modernize our systems, he stated, the systems will fail. And if the IT systems fail, ETF cannot even perform basic services like paying benefits.

Mr. Voelker also discussed legislative risk and the "jailer bill." Ms. Hunter has gone above and beyond to work with the authors of this bill to make sure it was right to ensure IRS compliance regulation issues have been resolved. Implementing the jailer changes will require resources and time and will likely impact ETF resources available for strategic initiatives, such as the insurance administration system. The City of Milwaukee being added to the WRS has involved active discussions that continue between Milwaukee and legislative leaders on the extent of the unfunded liability for the Milwaukee plans. There also seems to be political momentum for changing the shared revenue model for local governments. Adding new Milwaukee employees is the only path ETF can accept. Mr. Voelker emphasized that any state or federal law changes affecting ETF needs to be implemented for ETF to be compliant, resulting in fewer resources available to transform ETF for the future. Mr. Voelker also mentioned that LAB started an audit of work-from-home state employees. ETF adopted a hybrid model to allow employees flexibility to work from home. ETF will be closely monitoring this audit and its potential impact on ETF resources and culture.

Mr. Voelker went on to discuss financial risk. Annuity projections using the 6.8% assumed rate of return will result in a negative Core annuity adjustment in 2025. Multiple years of negative investment returns lead to negative annuity adjustments and put pressure on raising increasing contribution rates.

We need to be proactive in identifying these risks, managing these risks, and responding if we want to be successful.

The Board asked questions regarding the specific risks mentioned by Mr. Voelker.

#### ETF Organizational North Star Metrics

Ms. Henning (Ref. ETF | 3.23.23 | 7F) discussed the ETF Organizational North Star Metrics report ending December 30, 2022, and highlighted the following:

Goal 1 – Added phase 1 roadmap milestones. This new initiative continues developing ETF's new customer experience. The Board will receive an update at the June or September meeting on the progress.

The percent of Group Insurance Board-approved projects is not on target. These projects were put “on-hold” because of the WEA Trust departure but now are being worked on resulting in a return to “active status”.

Goal 2 – added this initiative as Business Intelligence (BI) building block is intended to develop a BI roadmap to support initiatives of other goals and serve as a foundation for planning activities, events, and projects. This includes how to optimize data, governance, dashboards, platforms, and data literacy videos. With focus on data and analytics, the skill set of staff is going to change.

The Insurance Administration System (IAS) process documentation is significantly off track. An adjustment was made extending future state documentation through 2024, and it’s now on track

Ms. Henning highlighted the accomplishments under Goal 3: Build a talented and agile workforce. Yesterday was ETF’s mid-year review due date with all supervisors needing to meet with their staff. Final evaluations begin in May with a June deadline. Goal setting for FY 2024 starts in July. We can see the full range of ETF’s workforce competencies and design training programs, accordingly.

Mr. Ford referred the Board to the additional operational update memos (Ref. ETF | 3.23.23 | 7G through 7Q) included in the Board packets.

### **FUTURE ITEMS FOR DISCUSSION**

Mr. Stohr referred the Board to the June 22, 2023, Agenda Topics memo (Ref. ETF | 3.23.23 | 8A). GRS will be in attendance in June to discuss the active lives valuation. Additionally, there may be a customer experience presentation in June, by ETF CX Manager, Bonnie Cyganek.

### **ADJOURNMENT**

***Motion: Ms. Paul moved to adjourn the meeting. Mr. Koessler seconded the motion, which passed unanimously on a voice vote.***

The Board adjourned at 1:21 p.m.

Date Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Chris Heller, Secretary  
Employee Trust Funds Board