

Welcome to the Employee Trust Funds Board

March 28, 2024

Meeting will begin at: 9:00 a.m.



WIFI

WI-GUEST

No Password is needed



Please Sign In

- Who? All meeting attendees
- Sheet available at the door



Meeting Materials

- Available at etf.wi.gov



**Please Silence your
Cell Phone and Mute
your Microphone**

Announcements

Item 1 – No Memo

Shirley Eckes, Deputy Secretary

Office of the Secretary



ETF Board Members

- [“ETF Board Members”](#) page added to ETF website

Consideration of:

Open Minutes of December 14, 2023, Meeting
Closed Minutes of December 14, 2023, Meeting



Items 2A-2B – Memos Only





Action Needed

- Motion needed to accept the Open and Closed Session Minutes of the December 14, 2023, meeting as presented by the Board Liaison.

Election of Officers



Item 3 – Memo Only

Erin Casper, Board Liaison

Kimberly Schnurr, Board Liaison

Office of the Secretary



Action Needed

- The Board will conduct its annual election of officers.
- Motion needed to nominate individuals for the position of:
 - Secretary of the Employee Trust Funds Board
 - Vice Chair of the Employee Trust Funds Board
 - Chair of the Employee Trust Funds Board

Committee Reports: Executive Committee

Item 4A – No Memo



Committee Reports: Secretary's Evaluation and Timeline

Item 4A1 – Memo Only

Lisa Dally, Director

Office of Talent Management



Informational Item Only

- No Board action is required.

The background is a dark blue gradient with numerous out-of-focus light spots in shades of blue and purple, creating a bokeh effect.

Questions?

Committee Reports: Audit Committee

Item 4B – No Memo



Committee Reports: Budget and Operations Committee

Item 4C – No Memo



State of Wisconsin Investment Board (SWIB) – 2023 Wisconsin Retirement System (WRS) Investment Performance and 2024 Outlook

Item 5A – Employee Trust Funds Board

Edwin Denson, Executive Director/Chief Investment Officer

Rochelle Klaskin, Deputy Executive Director/Chief Operating Officer

Todd Mattina, Head Economist & Asset and Risk Allocation Chief Investment Officer

SWIB



Informational Item Only

- No Board action is required.

SWIB Update

Joint Meeting of Retirement Boards

March 28, 2024

Edwin Denson

Executive Director/Chief Investment Officer

Rochelle Klaskin

Deputy Executive Director/Chief Operating Officer

Todd Mattina

Head Economist & Asset and Risk Allocation Chief Investment Officer



Agenda



Performance



Asset Allocation



Cost Effectiveness



Economic Outlook



SWIB News



Questions



Performance



WRS Core Fund Performance

As of December 31, 2023

Calendar Year-to-Date

11.40%

Benchmark: 11.00%

5-Year

9.29%

Benchmark: 8.72%

10-Year

7.09%

Benchmark: 6.69%

The investment objective of the Core Fund is to meet or exceed an average nominal return of **6.8% over the long-term.**

Note: Calendar year-to-date and 5-year returns are net of fees, and 10-year returns are net of external manager fees.

Net Performance – WRS Variable Fund

As of December 31, 2023

- The Variable Trust Fund is an optional all-stock fund as required by state statute.
- Approximately 7% of WRS assets are in the Variable Trust Fund.

Calendar Year-to-Date

22.24%

Benchmark: 23.14%

5-Year

12.71%

Benchmark: 12.90%

10-Year

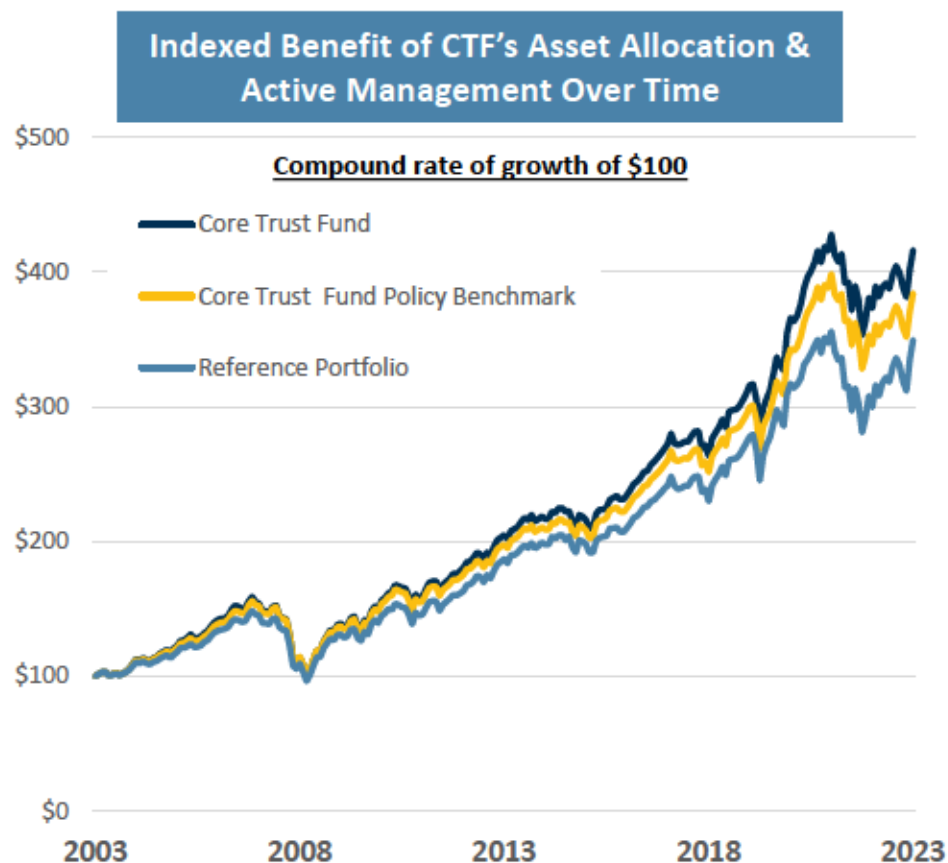
9.25%

Benchmark: 9.32%

Note: Five-year returns are net of fees, and 10-year returns are net of external manager fees.

CTF Performance vs. 60/40 Reference Portfolio

20-year cumulative return¹: January 1, 2004, to December 31, 2023



Portfolio / Benchmark	Annualized Gross Return	Cumulative Gross Return	Cumulative \$ Excess Value Added
Reference Portfolio² (60% equity/40% bonds)	6.5%	249.7%	= Passive Market Return
Benefit of CTF Asset Allocation			
CTF Policy Benchmark	7.0%	284.4%	+\$16.6B
Benefit of CTF Active Management			
CTF Actual Results	7.4%	316.5%	+\$12.9B
CTF Excess Return vs. Reference Portfolio	+0.9% pts	+66.8% pts	+\$29.5B

¹ Core Trust Fund beginning market value, as of January 1, 2004, was \$56.9B and ending market value, as of December 31, 2023, was \$122.6B

² Reference Portfolio is composed of 60% MSCI World and 40% Bloomberg US Gov't / Credit (rebalanced monthly)



Asset Allocation



Summary of Asset Allocation Changes

Public Markets Allocation

- Reduce Public Equity from 48% to 40%
- Increase Fixed Income from 25% to 27%

Private Markets Allocation

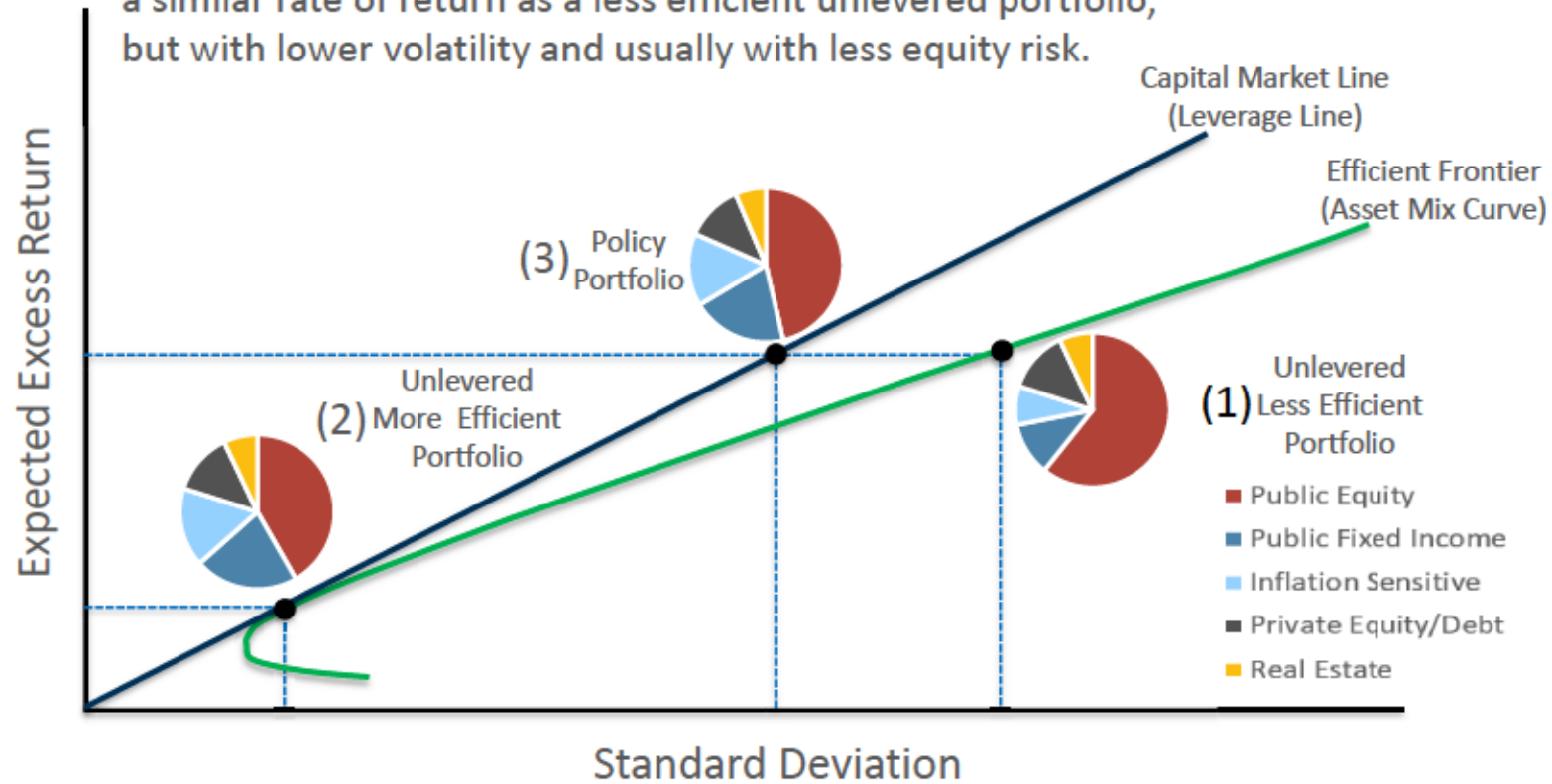
- Increase Private Equity & Debt from 15% to 18%

Leverage Level

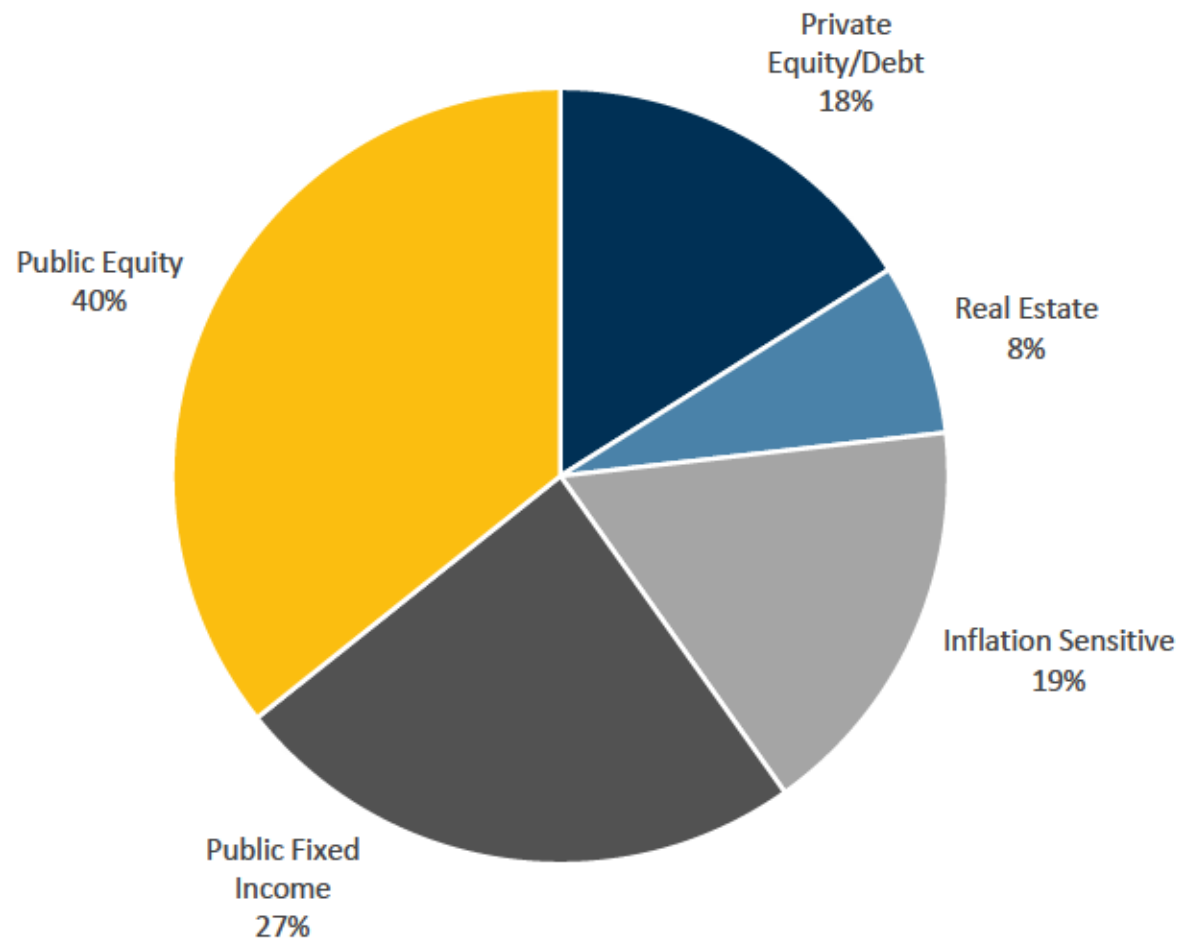
- Reduce Leverage Level from 15% to 12%

Use of Policy Leverage

By leveraging a more efficient portfolio an investor can achieve a similar rate of return as a less efficient unlevered portfolio, but with lower volatility and usually with less equity risk.



2024 Asset Allocation Targets



Note: Asset allocation target totals exceed 100% due to SWIB's overall leverage of CTF assets.

Long Term Target Returns and Risk	
	2024 Policy Portfolio
10-Year Expected Return	6.5%
30-Year Expected Return	7.4%
Standard Deviation	12.4%
Sharpe Ratio 10 Yr.	0.20
Target Active Risk	120 bps +/- 60bps



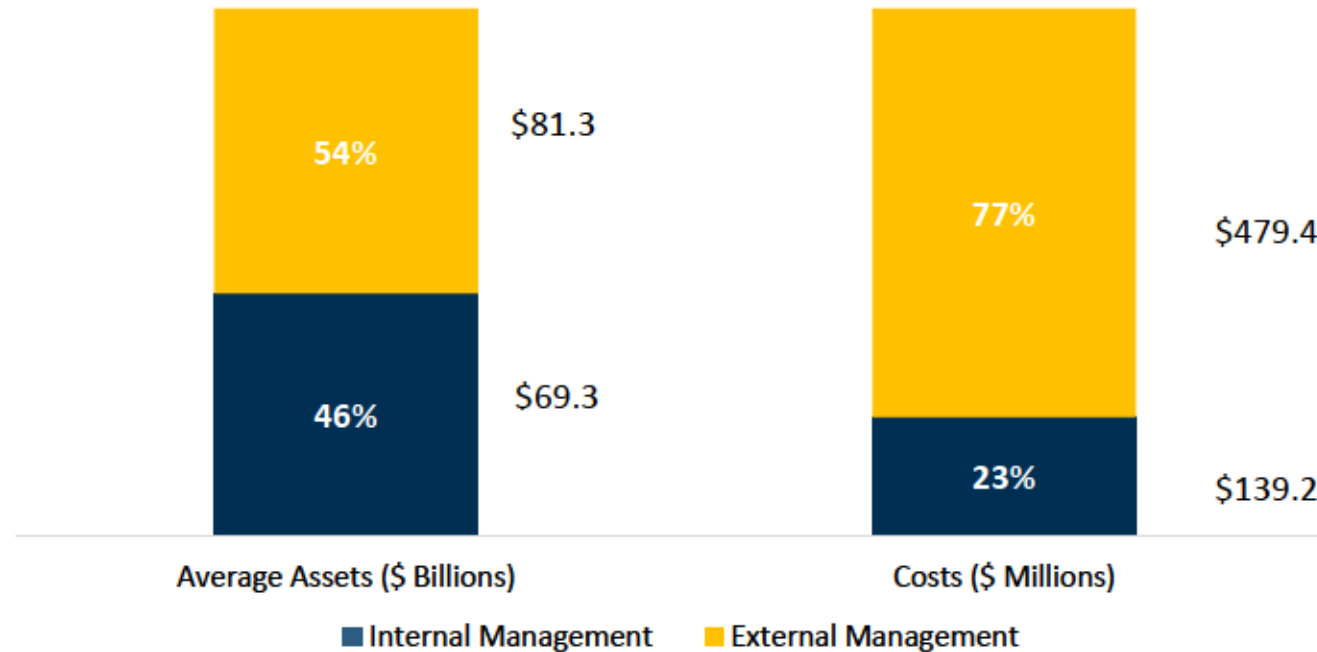
Cost Effectiveness



Internal Costs vs. External Base Fees

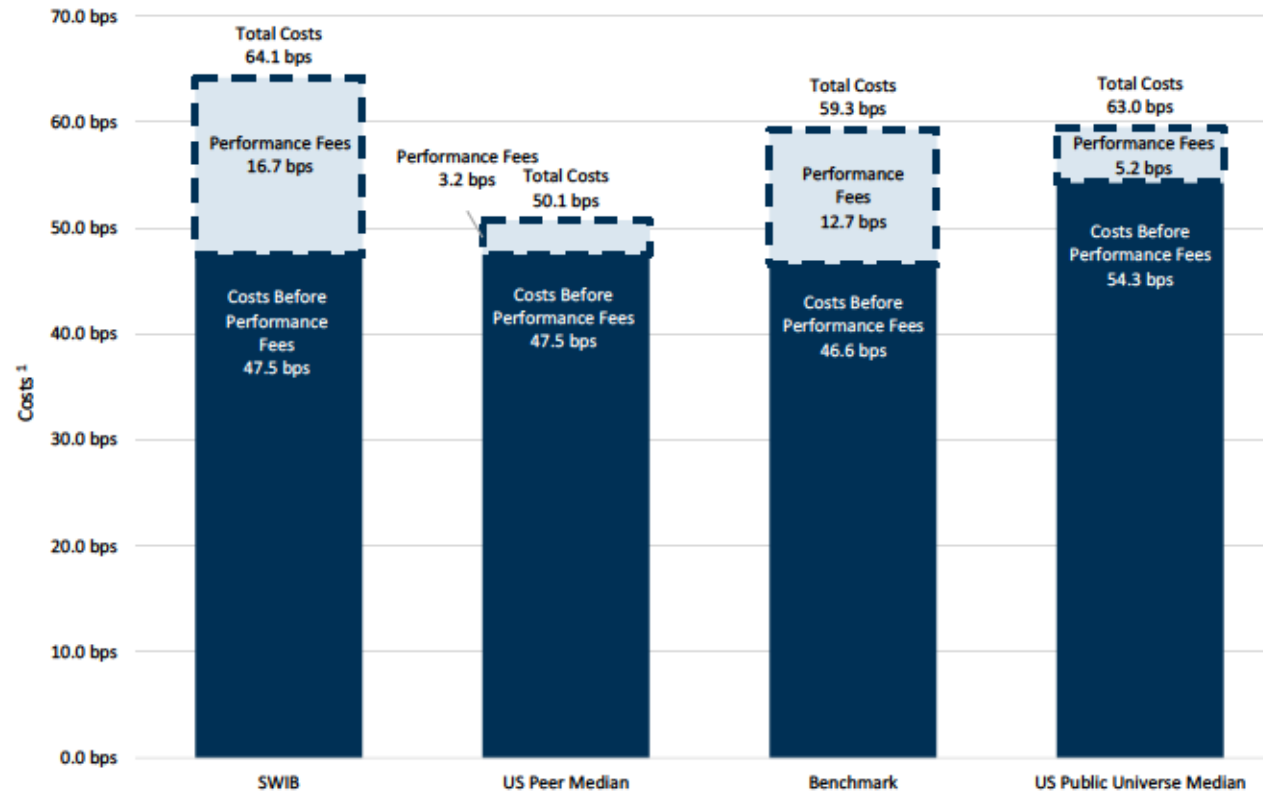
Internal management costs significantly less

SWIB saved **\$536 million** vs. peers from 2013-2022.



CY 2023 Internal + External Manager Base Fees = \$618.6 million

Median Costs Including Performance Fees



¹ Costs for US Peer Median and US Public Universe Median represent the median of each data point, resulting in the sum of the median cost before performance fees and the median performance fees not equaling the median total costs for each category. As a result, the above total median figures vary modestly from the sum of the individual median inputs.

When adjusted for performance fees, SWIB's costs are equal to the peer median, slightly higher than the CEM Benchmark, and lower than the U.S. Public Universe.



Economic Outlook



Summary

Cyclical Outlook:

- Leading economic forecasters expect continuing disinflation as supply chains normalize.
- Expected economic growth remains strong in 2024, gradually moderating by year-end due to restrictive financial conditions and the running down of pandemic-era excess savings.
- Macro risks this year include the potential lagged effects of high interest rates on growth, negative leading economic indicators, credit losses in commercial real estate loans held disproportionately by smaller banks and geopolitical shocks.

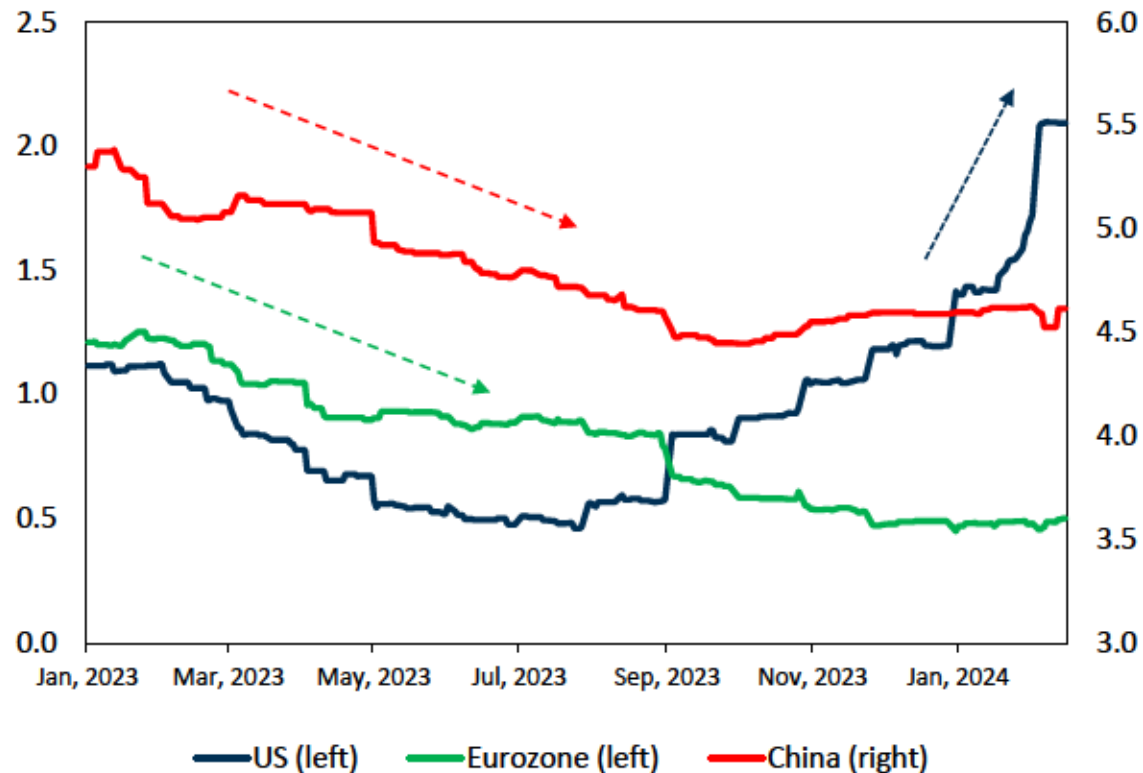
Long-term Outlook:

- The WRS has a long-term investment horizon, matching the plan's long-term pension liabilities. The plan's objective is to generate a sufficient average investment return over time to keep the system stable while balancing downside risks.
- The risk-return frontier has flattened at a 10-year horizon, owing to higher risk-free interest rates and richer starting valuations in key return-generating asset classes like US equities and credit. The outlook improves at longer horizons.
- The long-term Policy Portfolio will shift this year with an increase in fixed income, reduced policy leverage and higher private market allocations funded from a reduction in public equity.

Cyclical Outlook: Growth

U.S. expected growth remains resilient in 2024 while other major economies expected to slow

Consensus Forecast of 2024 Economic Growth
(forecast of average annual real GDP growth in %)



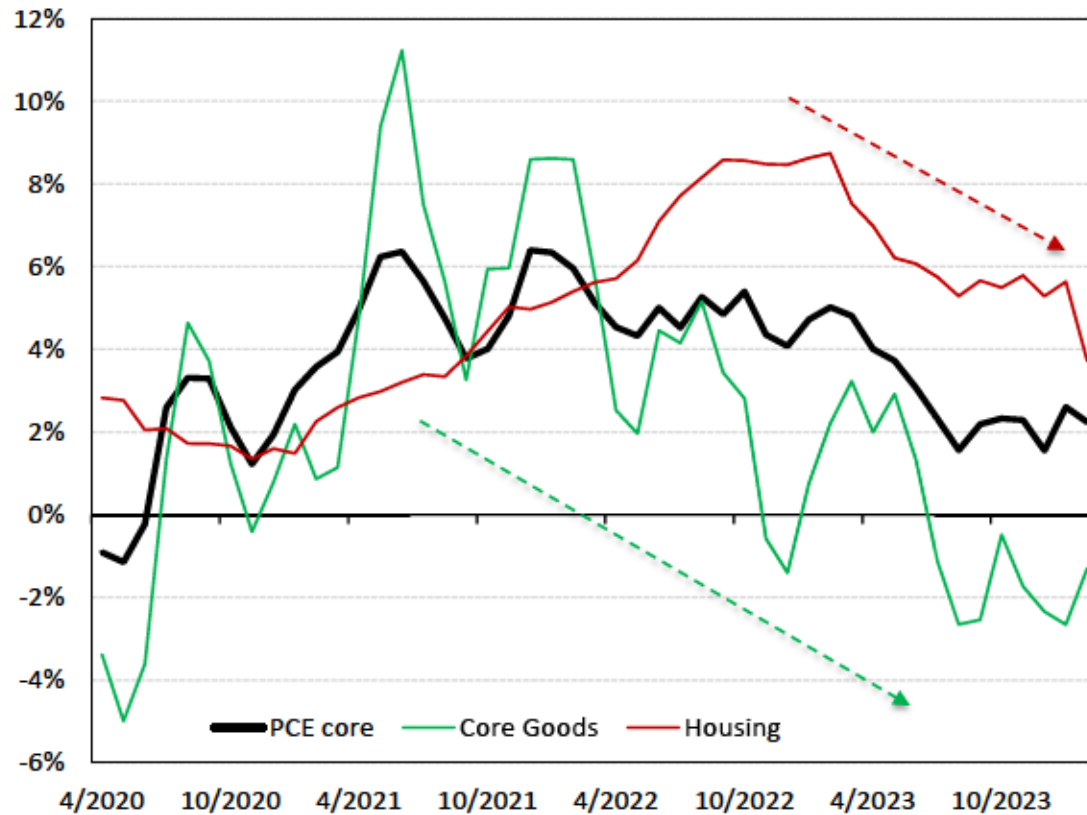
- Survey of leading economic forecasters have consistently downgraded their projections of 2024 economic growth in China and the Eurozone.
- China's Covid recovery has been stifled by regulatory mis-steps, declining investment, a weak job market and continued stress in property markets.
- The Eurozone has been weighed down by uncertainty in Ukraine, higher energy prices, weak manufacturing in Germany and the impact of higher ECB rates.
- By contrast, expected US economic growth remains resilient in 2024 at about 2%, although slowing by year-end.

Cyclical Outlook: Inflation

Disinflation led by lower goods prices and moderating housing prices

US Core Inflation: Trend and Key Components

(PCE core inflation, 3m/3m SAAR in %)

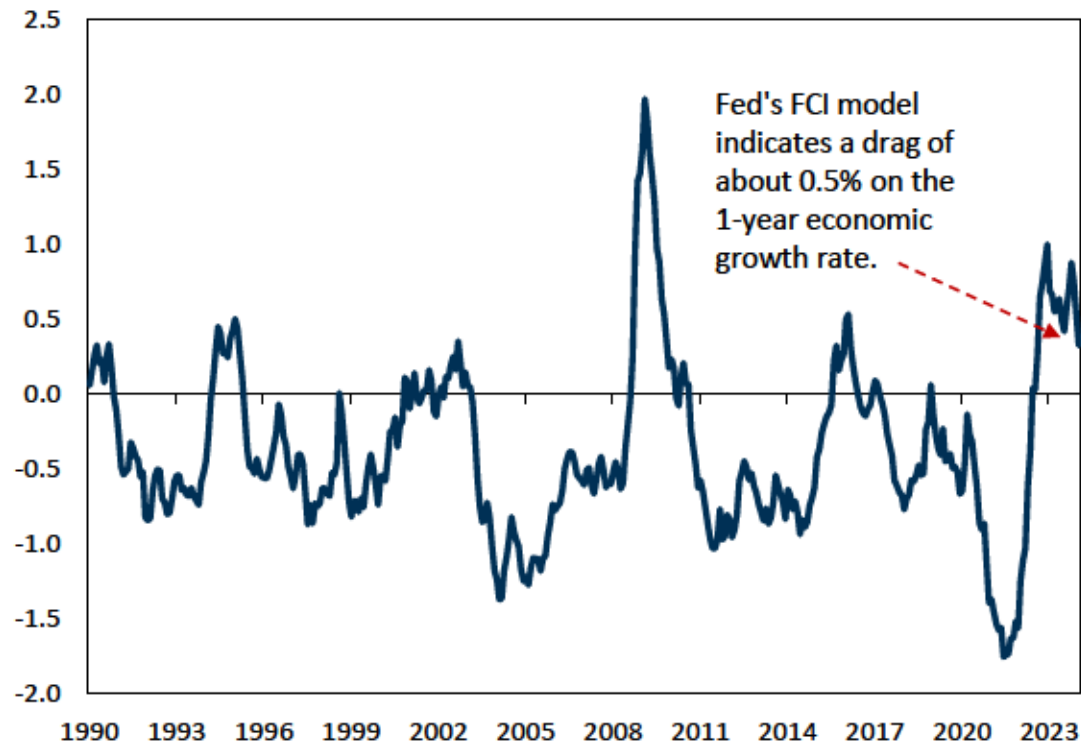


- Core inflation using the Fed's preferred index, the PCE Core deflator (black line), has slowed considerably since its peak in 2021.
- The decline has been led by lower goods prices (green line) as supply chains have normalized after the pandemic.
- Housing costs were a major contributor to inflationary pressures (red line) but have decelerated sharply since 2022.
- The Fed would like to see a further deceleration in service price inflation, excluding housing, for greater reassurance that inflationary pressures are sustainably easing.

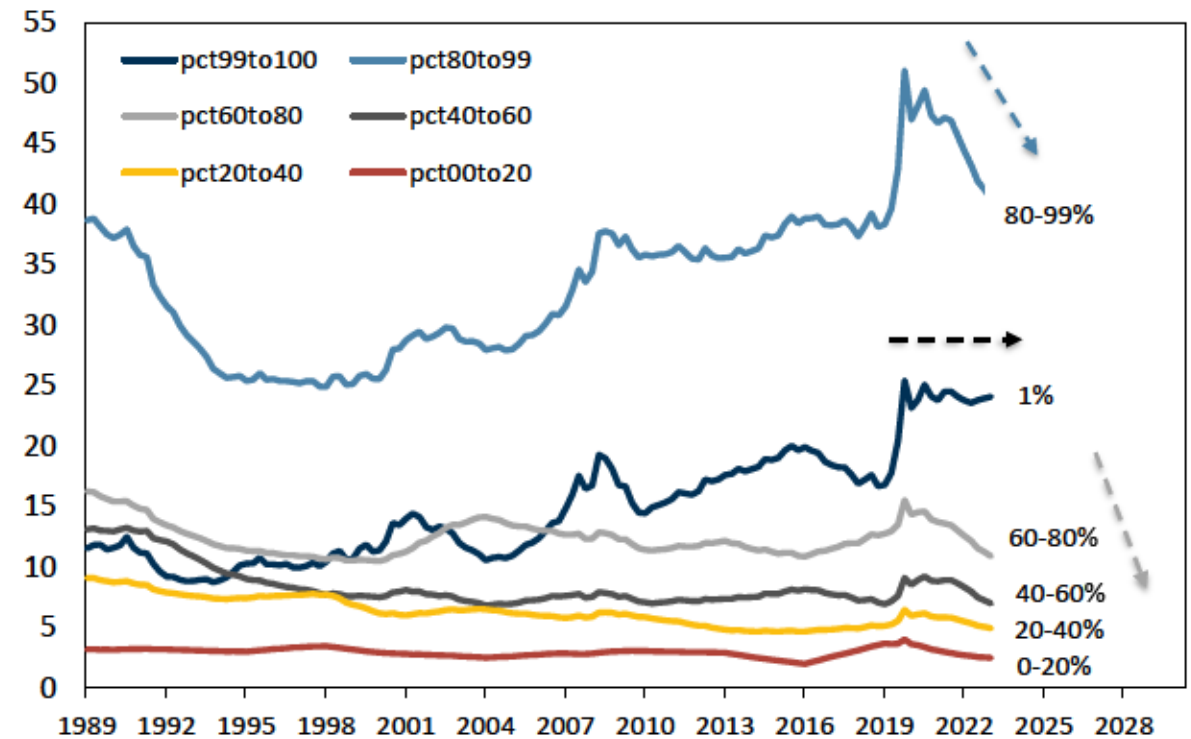
Cyclical Outlook: Drivers of Disinflation Without Recession

Financial conditions are moderately restrictive and household excess savings are getting gradually run down

U.S. Financial Conditions: Moderately Restrictive (Fed's Financial Conditions Index in %)



Household Liquid Assets by Income Percentile (Deposits and Money Market Funds in % of Personal Spending)

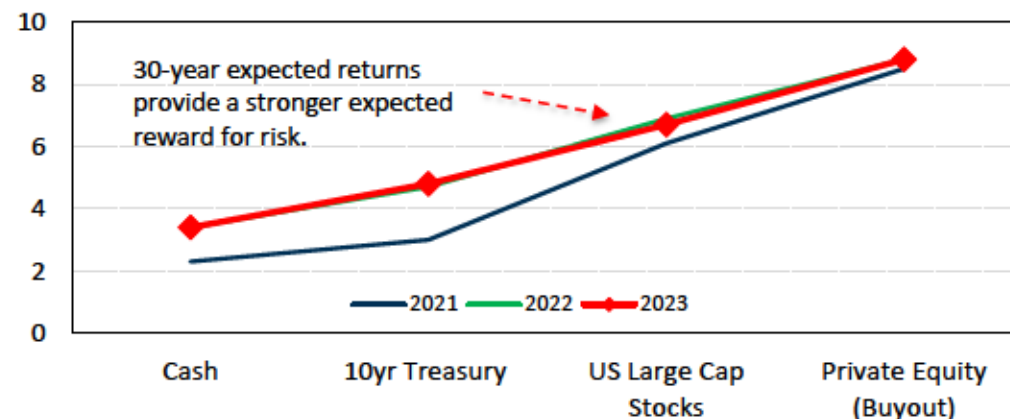
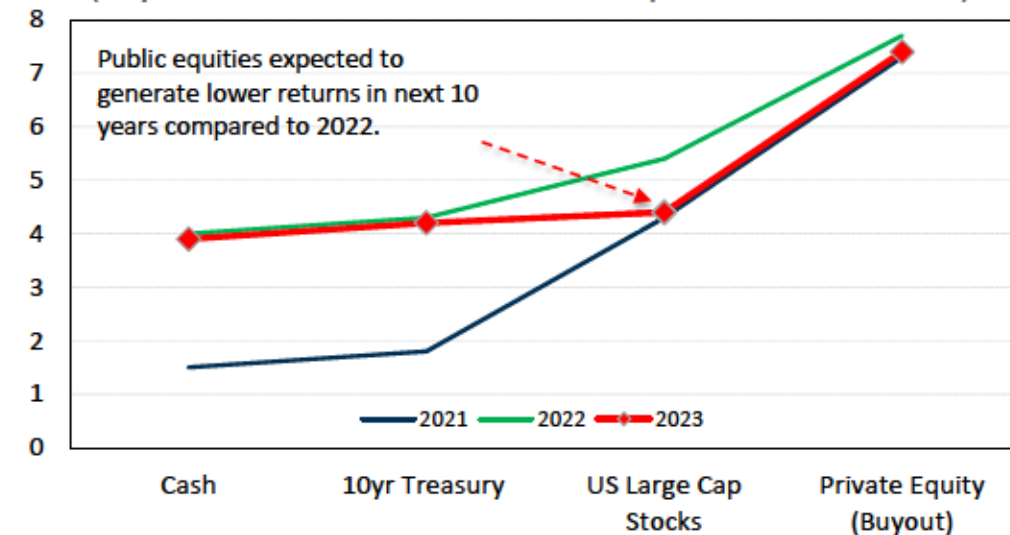


Long-term Outlook: Expected Returns

Risk-reward frontier getting flatter compared to recent years

Risk-Return Frontier Getting Flatter

(expected returns at 10- and 30-year horizons in %)



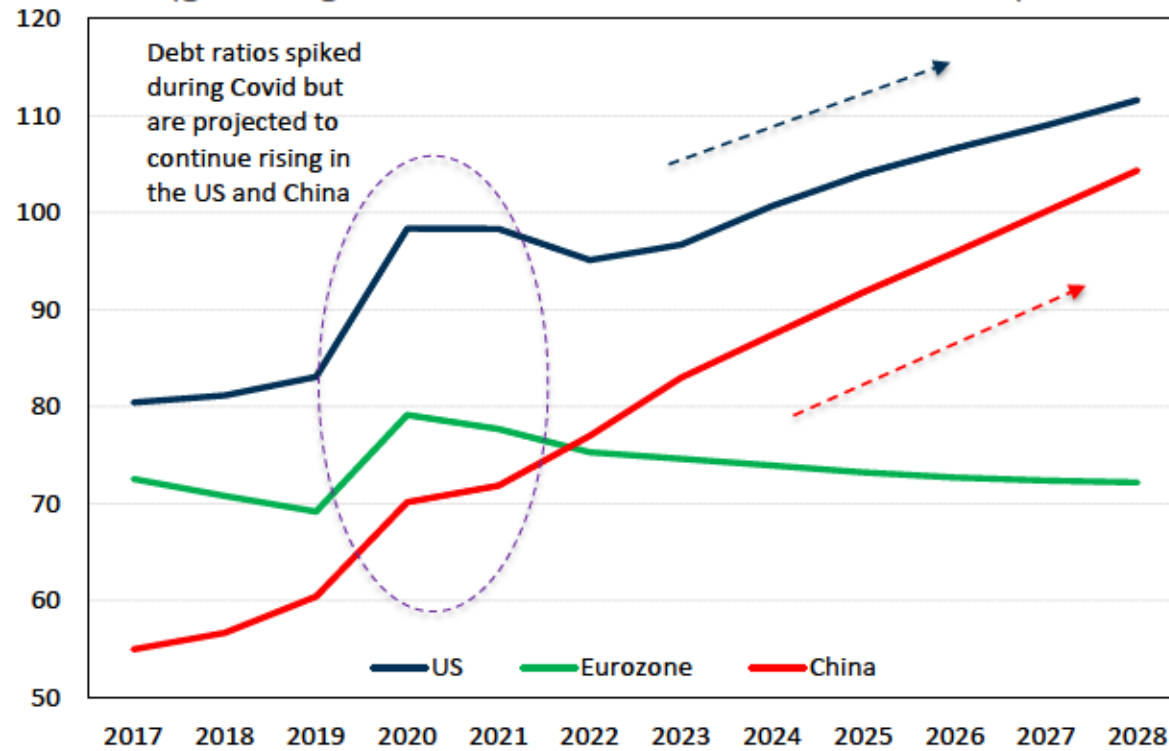
- 10-year expected returns (top panel) suggest that the expected reward for taking additional risk in 2023 (red line) was weaker than in 2021 and 2022 (blue and green lines, respectively).
- Cash yields have increased sharply since 2021, reducing the incremental reward of 10-year Treasuries. The starting valuations of public equities are also richer after the 2021 rally and the recent rise in the “Magnificent 7” implies that just 7 stocks now account for about 30% of the total market value of the S&P500. Private Equity offers higher expected returns, although risk is correspondingly higher.
- 30-year expected returns (bottom panel) illustrate a steady increase in expected reward for increasingly risky asset classes. The upward shift since 2021 reflects a higher average risk-free rate over the next 10 to 30 years.
- Reflecting the shifting long-term market outlook, SWIB increased the CTF’s policy allocation to fixed income, reduced costly financial leverage, increased private equity/debt and reduced public equity.

Long-term Outlook: Government Debt

Unsustainable government debt may put pressure on long-term interest rates and leaves less room to fund future spending pressures

Rising Government Debt Ratios

(general government debt as a share of GDP in %)



- The deteriorating health of US public finances has become a growing long-term economic risk.
- Debt surged due to emergency stabilization measures during the pandemic. However, private savings also surged during the pandemic, allowing higher government debt to be easily financed.
- After the economy re-opened, the US budget deficit continued to rise despite strong economic growth and higher borrowing costs. At the same time, the Fed sharply reduced its Treasury holdings.
- China's debt is also growing rapidly while the Eurozone is projected to reduce its debt ratio gradually despite a softer economic outlook in Europe.



SWIB News



Board of Trustees Update



Clyde Tinnen



Tom Merfeld



Barb Bolens

- Gov. Evers appointed Clyde Tinnen as Board Chair and Tom Merfeld as vice chair.
- Trustee Tinnen replaces Barb Nick as Board Chair. Nick stepped down last December after 8 years of service.
- Gov. Evers appointed Barb Bolens to the Board.
- All outstanding Trustee nominations were approved by the Senate this quarter.



www.swib.state.wi.us/podcasts

NEW EPISODE COMING!

Episode 27

How SWIB's Co-Investment Portfolio Benefits the WRS, with Chris Eckerman and Kirk Wolff from SWIB's Private Equity & Co-Investment Team

Some Recent Episodes:

Episode 26

'It Ain't Over Till It's Over' : A Look Back at 2023 and Ahead to 2024 with SWIB Executive Director/Chief Investment Officer Edwin Denson

Episode 25

A Look Into the Housing Market and SWIB's MBS Portfolio with Mike Shearer, head of fixed income strategies, and Leo Kropywiansky, senior portfolio manager

Need More Information?



(800) 424-7942



www.swib.state.wi.us



info@swib.state.wi.us



www.linkedin.com/company/the-state-of-wisconsin-investment-board



www.swib.state.wi.us/podcasts

? Questions



WRS 41st Annual Valuation of Retired Lives – December 31, 2023



Item 5B – Employee Trust Funds Board

Jim Anderson, FSA, EA, FCA, MAAA

Mark Buis, FSA, EA, FCA, MAAA

Rich Koch, FSA, EA, MAAA

Gabriel Roeder Smith & Company (GRS)



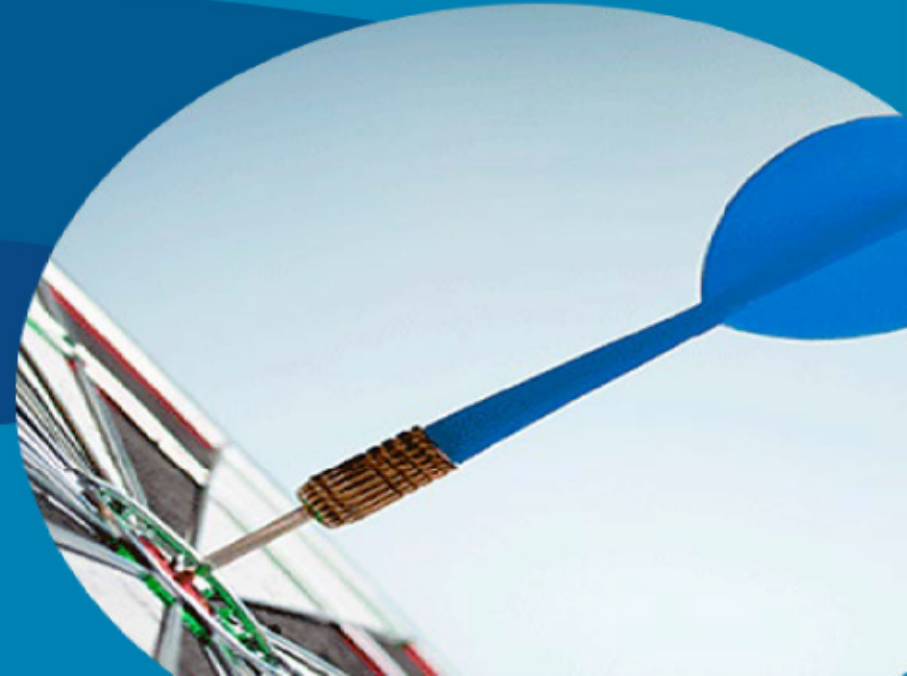
Action Needed

- Motion needed to approve the report, 41st Annual Actuarial Valuation of Retired Lives as of December 31, 2023.



Wisconsin Retirement System

41st Annual Actuarial Valuation of Retired Lives
December 31, 2023



Operation of the System (Simplified Description)

	Core Annuities	Variable Annuities
Investment Return Hurdle to Trigger Annuity Adjustment	Returns over/under 5%	Returns over/under 5%
Ratio of Assets to Liabilities	If > 0.5%, dividend may be granted If <-0.5%, prior dividends reduced	If > 2%, variable annuity increased If <-2%, variable annuity decreased
Increase/Decrease Rounding Conventions	Rounded to nearest 0.1%	Truncated, carried to next year
Adjustment Effective Date	April following 12/31 valuation	April following 12/31 valuation

Smoothing Mechanisms

Core

- Undesirable for retirees to experience wide swings in monthly benefits from year to year (especially downward swings)
- Mitigated in Core division by asset smoothing process and portfolio mix
- Asset smoothing has worked well historically, but could not prevent negative dividends in 2009-2013

Smoothing Mechanisms

Variable

- Variable fund is marked to market each year and subject to wide swings
- Dropping fractions of a percent from the adjustment is a form of smoothing
- Usually has very little effect due to the magnitude of the gains and losses

Summary of Results – December 31, 2023

\$ Millions

	Core	Variable
Number of Annuitants	238,111	43,560
Annual Amount of Annuities Paid	\$ 6,639.1	\$ 457.8
Fund Balance	75,583.6	5,089.2
Actuarial Reserve	72,951.6	4,404.8
Ratio	1.036	1.155

Core effective earnings rate = 9.1%, dividend adjustment = 3.6%.
Variable effective earnings rate = 22.0%, and the variable adjustment = 15.0%.

(Report- Cover Letter & Pages 6 and 16)



Summary of Results – Annuity Adjustments

- * 3.6% Core Dividend > 3.4% CPI Increase
- * 15.0% Variable Adjustment follows -21%/15% Adjustments in previous two years

- Positive core dividend despite volatile investment markets
 - Provides inflationary protection
 - This is a byproduct of the dividend process and not a primary objective
- Positive variable adjustment
 - Previous three of four years had double digit positive variable adjustments
 - Similar to previous periods with double digit negative variable adjustments; increased variable adjustment reflects stronger subsequent market returns

Summary of Results – Core Assets

Due to smoothing via Market Recognition Account, as of December 31, 2023 there are approximately \$4.7 billion in unrecognized losses in the Core fund

- Last year was \$7.0 billion in unrecognized losses
- Will be recognized over the next four years
- Roughly ½ of gain applies to the annuitant reserve, the other half shared by active members and employers
- May decrease probability of future positive annuity adjustments

Operation of Market Recognition Account (MRA) – \$ Millions

2022 Valuation

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Actual Investment Earnings	\$ (17,445)				
Assumed Investment Earnings	7,894				
Gain/(Loss) to be phased-in	(25,339)				
Phased-in recognition					
• Current year	\$ (5,068)	?	?	?	?
• First prior year	2,495	\$ (5,068)	?	?	?
• Second prior year	1,774	2,495	\$(5,068)	?	?
• Third prior year	2,204	1,774	2,495	\$ (5,068)	?
• Fourth prior year	<u>(2,049)</u>	<u>2,204</u>	<u>1,774</u>	<u>2,495</u>	<u>\$ (5,068)</u>
Total recognized gain (loss)	\$ (644)	\$ 1,405	\$ (799)	\$ (2,573)	\$ (5,068)

2023-2026: Expect \$7.0 billion in deferred asset LOSSES
-- Shared by annuitants, actives and employers

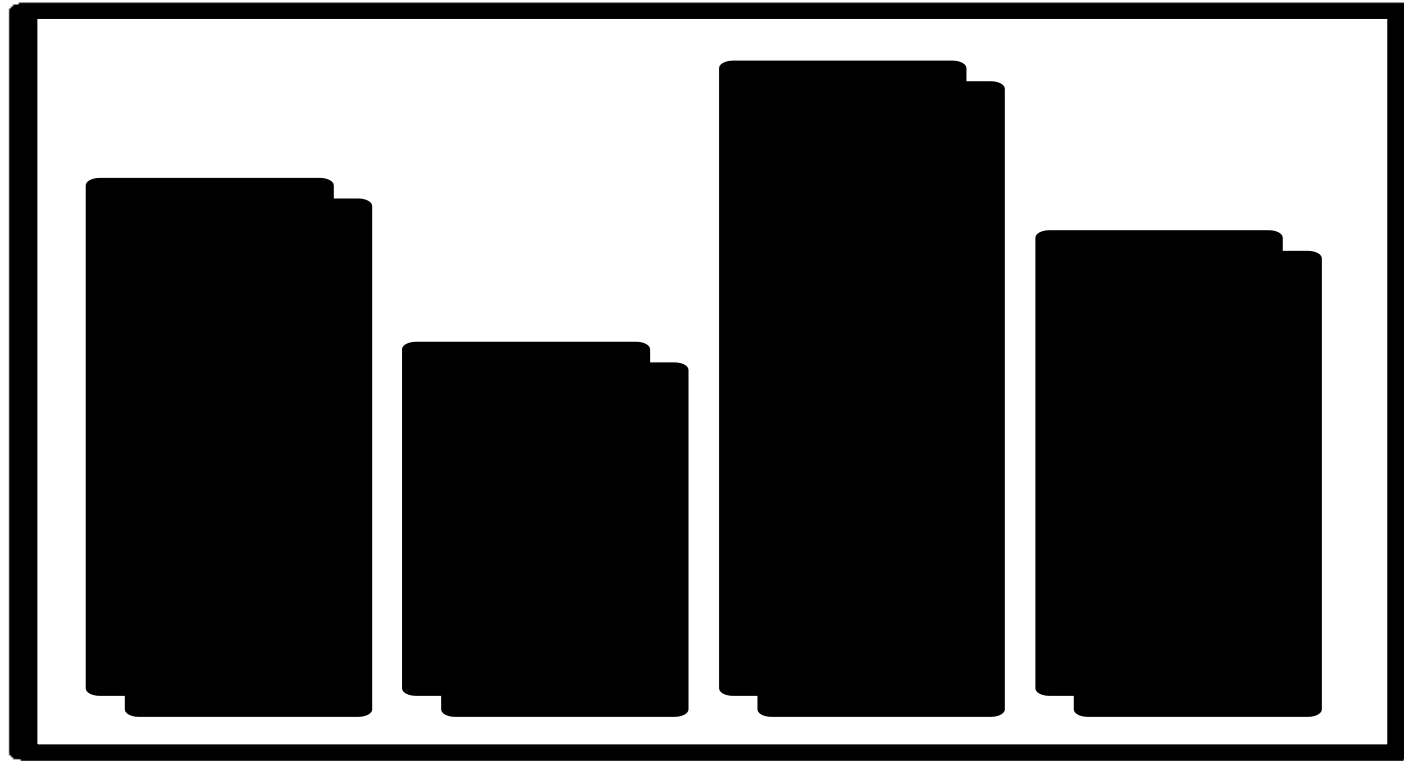
Operation of Market Recognition Account (MRA) – \$ Millions

2023 Valuation

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Actual Investment Earnings	\$ 12,721				
Assumed Investment Earnings	8,082				
Gain/(Loss) to be phased-in	4,639				
Phased-in recognition					
• Current year	\$ 928	?	?	?	?
• First prior year	(5,068)	\$ 928	?	?	?
• Second prior year	2,495	(5,068)	\$ 928	?	?
• Third prior year	1,773	2,495	(5,068)	\$ 928	?
• Fourth prior year	<u>2,204</u>	<u>1,773</u>	<u>2,495</u>	<u>(5,068)</u>	<u>\$ 928</u>
Total recognized gain (loss)	\$ 2,332	\$ 128	\$ (1,645)	\$ (4,140)	\$ 928

2024-2027: Expect \$4.7 billion in deferred asset Losses
-- Shared by annuitants, actives and employers

Core Fund Returns – Market Value vs. Market Recognition Account



Asset Rate of Return Calculation

$$\text{Rate of Return} = \text{Investment Earnings} / \text{Asset Value}$$

- Rate of Return will vary based on calculation inputs:
 - Asset value could be smoothed or unsmoothed
 - Asset value could be beginning, middle or end of year
 - Timing of Contributions and Benefit Payments will vary
- Result is different Rate of Return calculated by:
 - SWIB (investment manager)
 - ETF (calculations governed by statute)
 - GRS (actuaries)

Primary Sources of Core Dividend

	<u>% of APV⁽¹⁾</u>
1. SWIB net of fee investment return	11.40%
2. MRA adjustment	(2.30)%
3. Published effective earnings rate	9.10%
4. Adjustment to relate earnings to average core annuity fund balance	<u>(0.42)%</u>
5. Earnings rate based on average balance	8.68%
6. Expected dividend before adjustments: 1.0868/1.05-1	3.50%
7. Adjustment to relate average asset to ending liability	0.07%
8. Carryover from last year due to timing of dividend, accounting adjustments and rounding	0.05%
9. Experience study adjustment	0.00%
10. Experience and other effects	(0.01)%
11. Statutory adjustment to round to nearest one-tenth percent	<u>(0.01)%</u>
12. Computed average dividend rate: (6)+(7)+(8)+(9)+(10)+(11)	3.6%
13. Adjustment for members at or near the statutory floor	0.0%
14. Final computed dividend rate: (12)+(13), if greater than 0.5% (or less than -0.5%) of core annuities, otherwise 0%	3.6%

⁽¹⁾ Actuarial Present Value

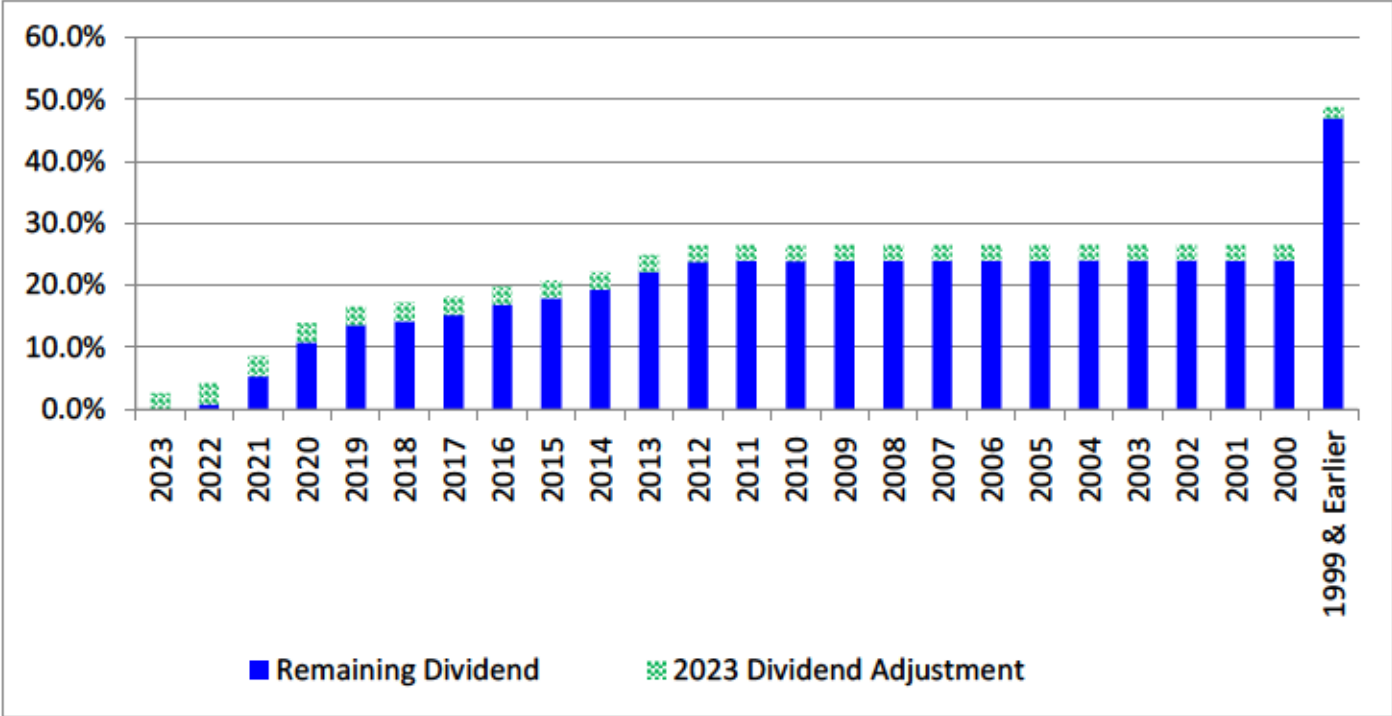


Liabilities (as a Percentage of Total) by Year of Retirement



(Report-7)

Dividend Remaining (as a Percentage of Total Benefit) by Year of Retirement



(Report-7)



Liability Attributable to Dividends – “Dividend Liability”

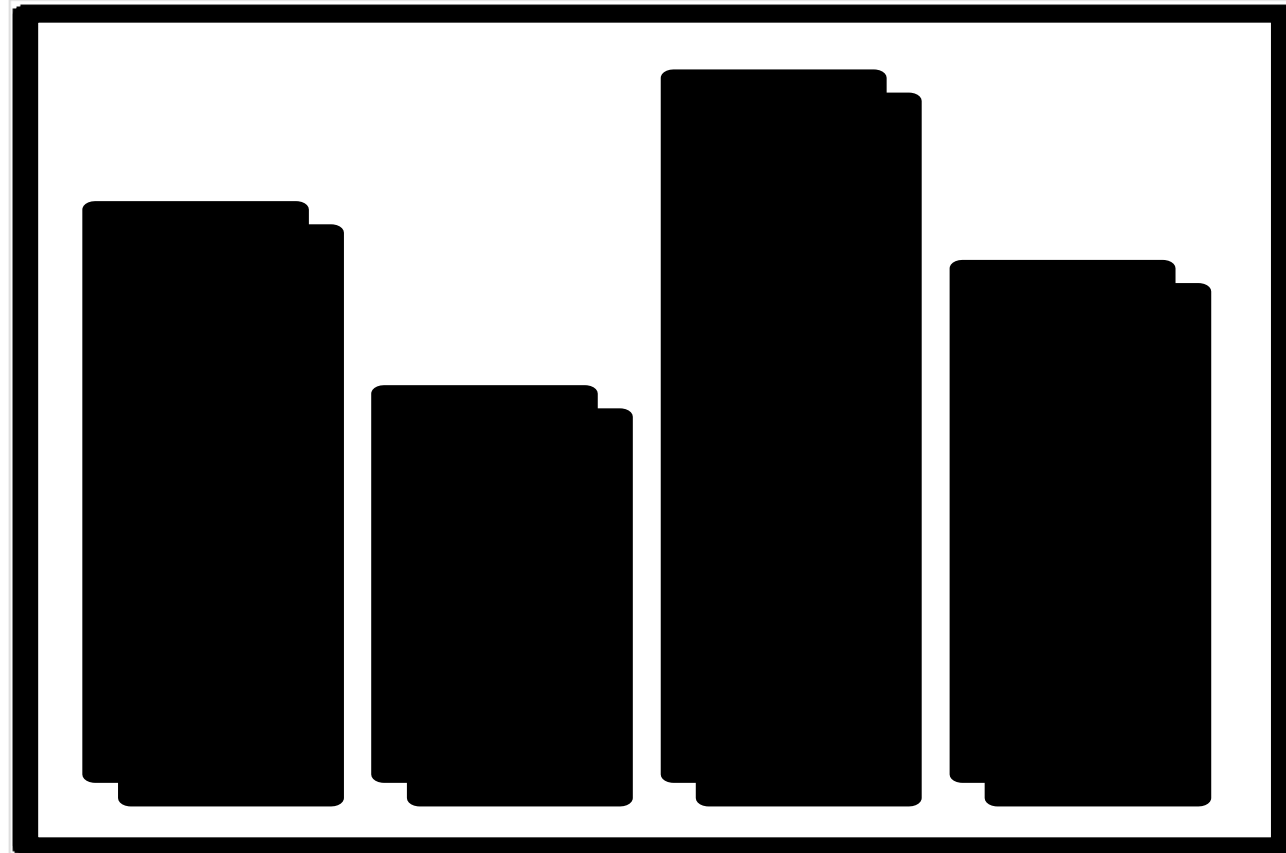
<u>Valuation</u>	<u>Liability for Dividend Remaining (billions)</u>	<u>Liability for Dividend Adjustment (billions)</u>	<u>Liability after Dividend Adjustment (billions)</u>
12/31/2014	\$4.6	\$1.3	\$5.9
12/31/2015	5.5	0.2	5.7
12/31/2016	5.4	1.0	6.4
12/31/2017	6.1	1.3	7.4
12/31/2018	6.9	0.0	6.9
12/31/2019	6.5	1.0	7.5
12/31/2020	7.0	3.1	10.1
12/31/2021	9.4	4.8	14.2
12/31/2022	13.4	1.1	14.5
12/31/2023	13.7	2.7	16.4

- “Liability for dividend remaining” = value of all previously granted dividends
 - (\$9.2 Billion at 12/31/2008 decreasing to \$3.0 Billion at 12/31/2013)
- 2024 “liability for dividend remaining” is >2008, BUT as a percentage of total liabilities, it is smaller
- Substantial asset losses could decrease the “liability for dividend remaining” to low levels

Dividend Risk Measure (MRA)

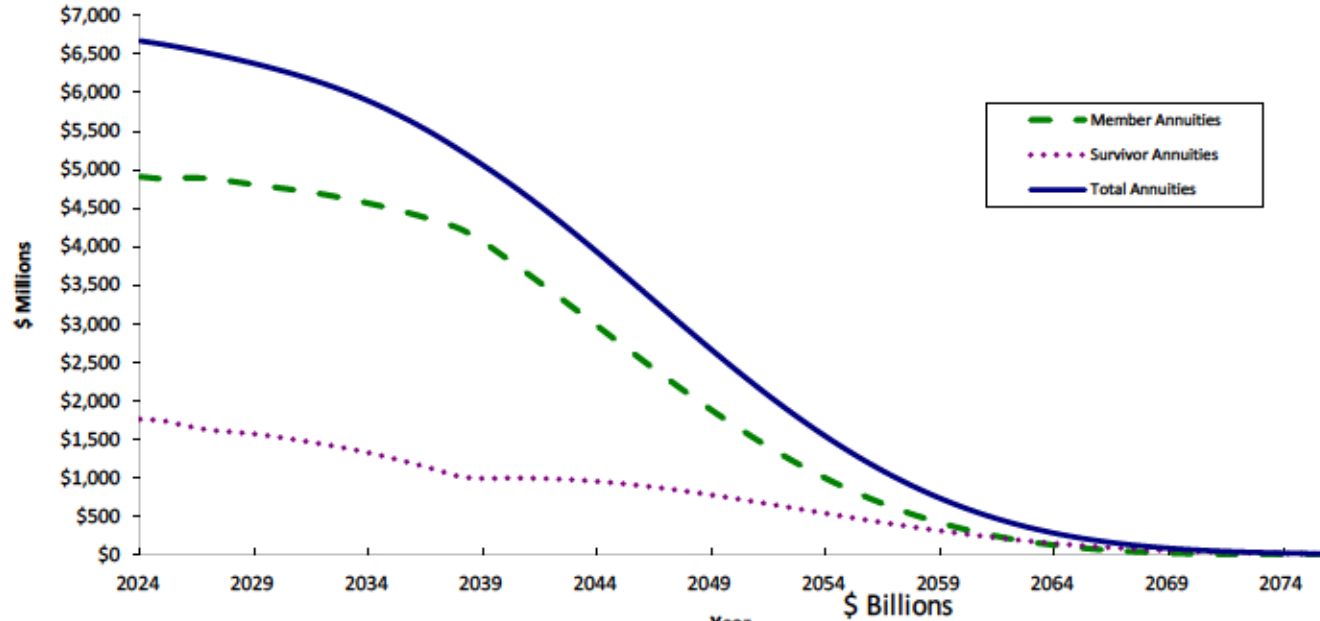
- Dividend Liability (after Dividend adjustment in April) / Total Core Retiree Assets
- Example (2023)
 - Dividend Liability = \$16.4 billion
 - Total Retiree Assets (Core) = \$75.6 billion
 - Dividend Risk Measure = $16.4/75.6 = 21.6\%$
- In other words, Retiree Assets (after MRA smoothing) would need to decrease by 21.6% to deplete the existing Dividend Liability by year end
- Dividend Risk Measure was 20.1% last year

Dividend Risk Measures History*



**Higher values are desirable.*

Projected Future Core Annuities



	Year	<u>With Expected Dividends</u>	<u>Without Expected Dividends</u>
Total Future Benefit Payments		\$153.0	\$121.7
Present Assets		75.6	75.6
Future Investment Return Needed		77.4	46.1

Based upon the assumptions used in the valuation, future dividends are expected to be approximately 1.7% per year. Of course actual dividends will be based upon actual future investment return and the operation of the Market Recognition Account.

(Report-13)



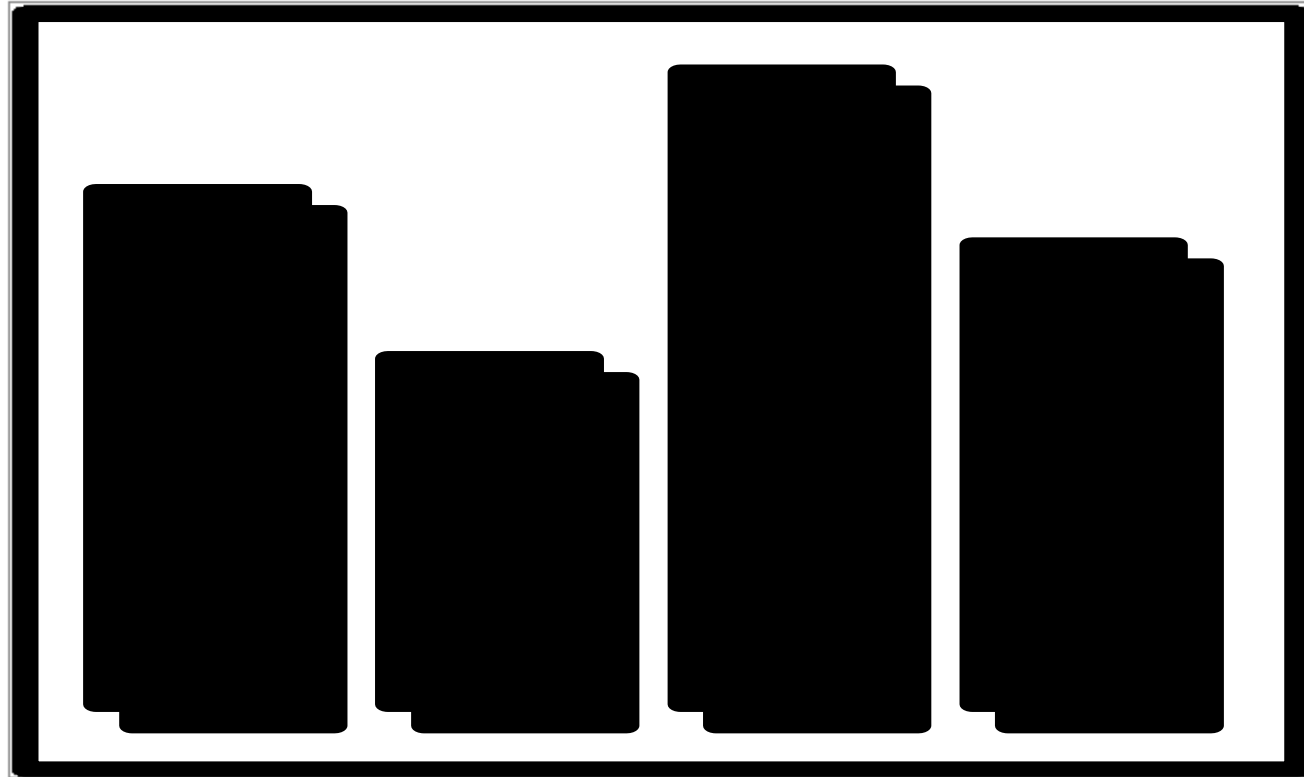
Primary Sources of Variable Adjustment

	<u>% of APV⁽¹⁾</u>
1. SWIB net of fee investment return	22.2%
2. Adjustment to published effective rate	<u>(0.2)%</u>
3. Published effective earnings rate	22.0%
4. Adjustment to relate earnings to average variable annuity fund balance	<u>(0.5)%</u>
5. Earnings rate based on average balance	21.5%
6. Expected change before adjustments: $1.215/1.05-1$	15.7%
7. Adjustment to relate average asset to ending liability	0.3%
8. Carryover from last year due to timing of distribution, accounting adjustments and truncation	(0.7)%
9. Experience study adjustment	0.0%
10. Experience and other effects	0.2%
11. Statutory adjustment: (truncate to whole percent)	<u>(0.5)%</u>
12. Variable annuity change: (6)+(7)+(8)+(9)+(10)+(11)	15.0%

⁽¹⁾ Actuarial Present Value

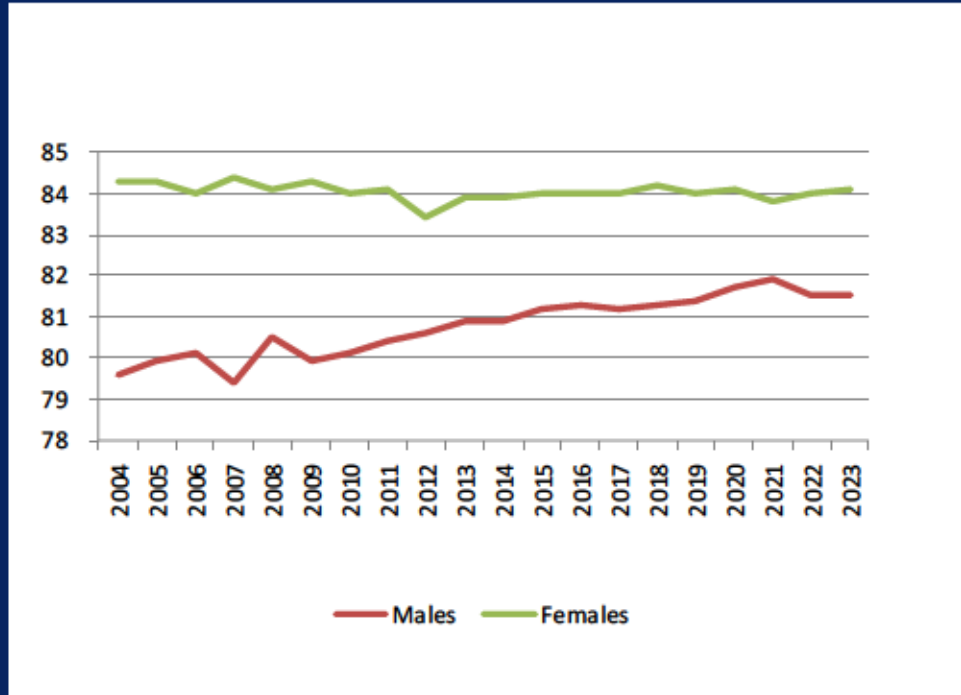


Average Retirement Age



Average Age at Death

Average age at death, while an interesting statistic, is not a proper measure of life expectancy, because it does not include people who have not yet died. The expected age at death for a healthy 65-year-old retiree is 87.0 for males and 89.0 for females.



Comparative Statement – Core

Valuation Date	Number	\$ Millions			Ratio	Change in		
		Annual Annuities	Fund Balance	Actuarial Reserve		Annuities		CPI*
						Average	Maximum	
2014	185,605	\$ 4,102.3	\$ 47,135.7	\$ 45,790.7	1.029	2.9 %		0.8 %
2015	191,795	4,364.9	49,147.0	48,897.5	1.005	0.5 %		0.7 %
2016	197,647	4,523.1	51,972.0	50,941.4	1.020	2.0 %		2.1 %
2017	203,202	4,747.0	54,900.0	53,590.0	1.024	2.4 %		2.1 %
2018	211,126	5,040.9	56,493.8	56,629.3	0.998	0.0 %		1.9 %
2019	216,944	5,183.7	59,138.4	58,157.0	1.017	1.7 %		2.3 %
2020	222,723	5,423.2	63,805.8	60,691.1	1.051	5.1 %		1.4 %
2021	228,161	5,842.6	69,910.7	65,085.4	1.074	7.4 %		7.0 %
2022	233,804	6,409.7	72,108.4	70,987.2	1.016	1.6%		6.5 %
2023	238,111	6,639.1	75,583.6	72,951.6	1.036	3.6%		3.4 %
35-Year Average						3.4 %		2.7 %
20-Year Average						1.6 %		2.6 %
10-Year Average						2.7 %		2.8 %
5-Year Average						3.9 %		4.1 %

*Based on December CPI-U67 index.

(Report-21)

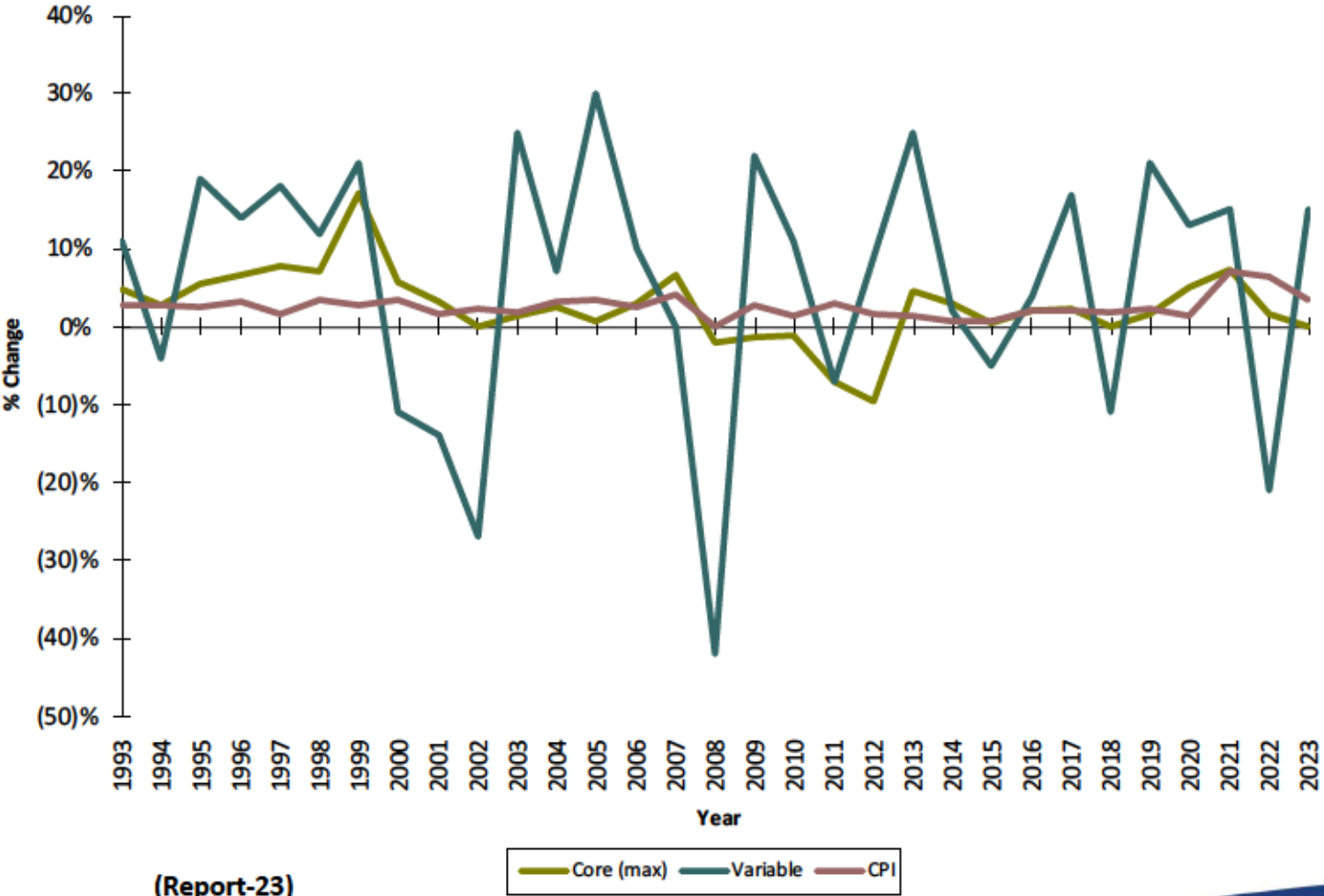
Comparative Statement – Variable

Valuation Date	Number	\$ Millions				Change in	
		Annual Annuities	Fund Balance	Actuarial Reserve	Ratio	Annuities	CPI*
2014	39,420	\$ 386.5	\$ 3,995.4	\$ 3,917.1	1.020	2.0 %	0.8 %
2015	40,152	387.8	3,704.8	3,910.1	0.947	(5.0)%	0.7 %
2016	40,647	363.6	3,792.0	3,645.1	1.040	4.0 %	2.1 %
2017	40,877	369.9	4,324.9	3,682.1	1.175	17.0 %	2.1 %
2018	41,187	425.8	3,738.6	4,207.6	0.891	(10.0)%	1.9 %
2019	41,777	379.7	4,519.4	3,728.6	1.212	21.0 %	2.3 %
2020	41,753	449.7	4,954.0	4,383.0	1.130	13.0 %	1.4 %
2021	42,251	502.6	5,618.0	4,866.0	1.155	15.0 %	7.0 %
2022	43,007	578.5	4,403.0	5,586.5	0.788	(21.0)%	6.5 %
2023	43,560	457.8	5,089.2	4,404.8	1.155	15.0 %	3.4 %
35-Year Average						3.8 %	2.7 %
20-Year Average						3.1 %	2.6 %
10-Year Average						4.2 %	2.8 %
5-Year Average						7.4 %	4.1 %

**Based on December CPI-U67 index.*

(Report-22)

History of % Dividend Adjustments



(Report-23)



Looking Ahead

- As of the December 31, 2023 valuation, there are about \$4.7 billion in unrecognized asset losses in the Core fund
 - About half of this will be applied to annuitant reserve
 - Will be recognized over the next four years
 - May decrease probability of future positive annuity adjustments
- We will continue monitoring various plan risks, including dividend liability risk

WRS STRESS TESTING

This is a brief summary of the material presented to the SWIB Board in 4th quarter, 2023

Objectives of this Presentation

- Provide an overview of the WRS
 - Relationship of Investment Return to Success Measures
 - Effects of bad outcomes
- Evaluate several points along the asset allocation spectrum against the measures of success
 - Deterministic stress tests
 - Stochastic simulations
- Find the “Sweet Spot” if it exists



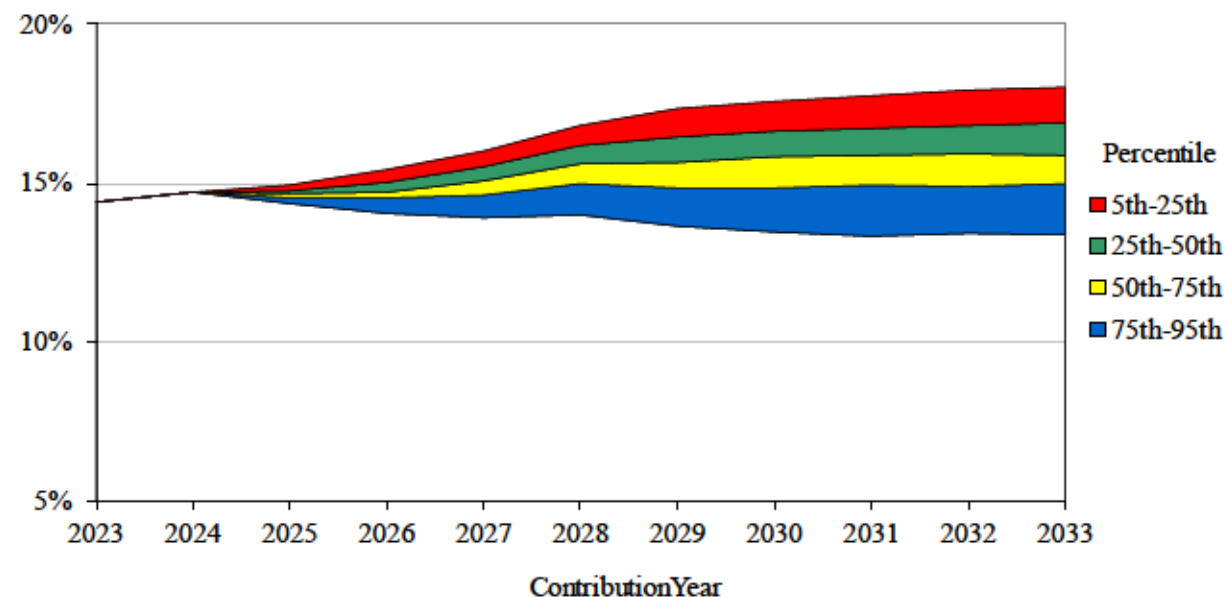
Monte Carlo Simulations

- Based on 10,000 random trials (normal distribution)
- Valuation Assumptions held constant
- Assumes nine sets of expected return/standard deviations (provided by NEPC)



Contribution as a % of Payroll

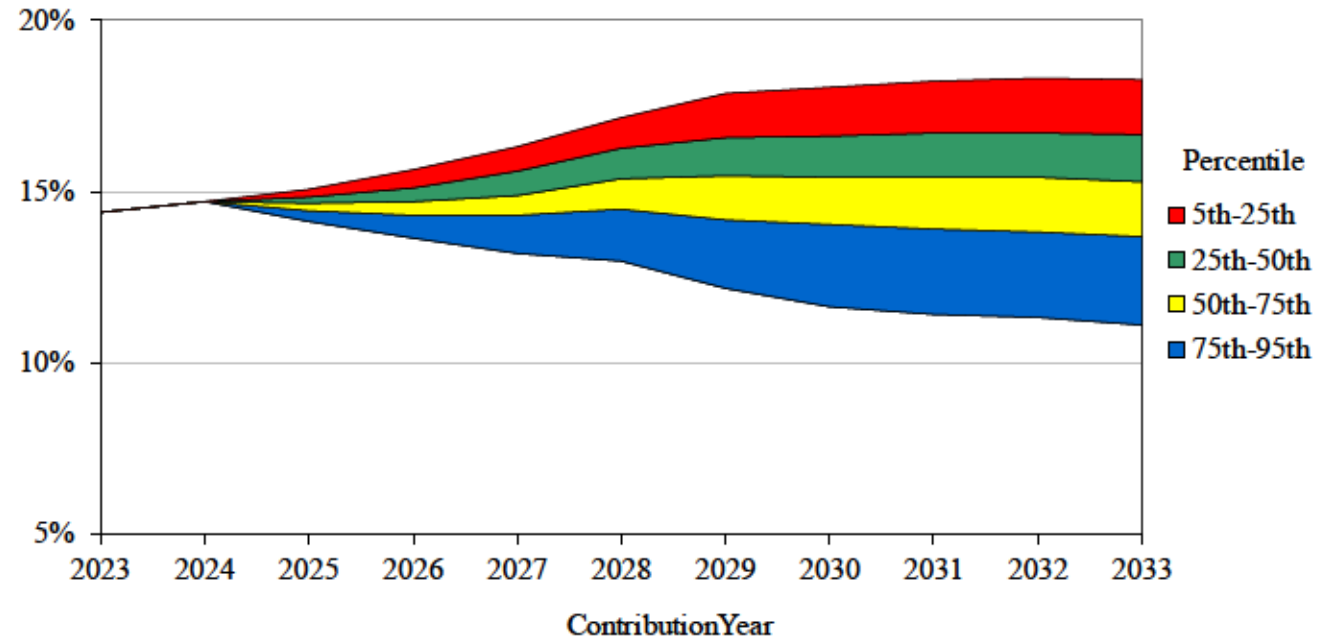
Scenario 4 – 6.0% Return, 9.4% Volatility



5th Percentile	14.4%	14.7%	15.0%	15.4%	16.0%	16.8%	17.4%	17.5%	17.7%	17.9%	18.0%
25th Percentile	14.4%	14.7%	14.8%	15.0%	15.5%	16.2%	16.5%	16.6%	16.7%	16.8%	16.9%
Median	14.4%	14.7%	14.7%	14.7%	15.1%	15.6%	15.7%	15.8%	15.9%	15.9%	15.9%
75th Percentile	14.4%	14.7%	14.6%	14.5%	14.6%	15.0%	14.9%	14.8%	14.9%	14.9%	15.0%
95th Percentile	14.4%	14.7%	14.4%	14.0%	13.9%	14.0%	13.7%	13.4%	13.3%	13.4%	13.4%

Contribution as a % of Payroll

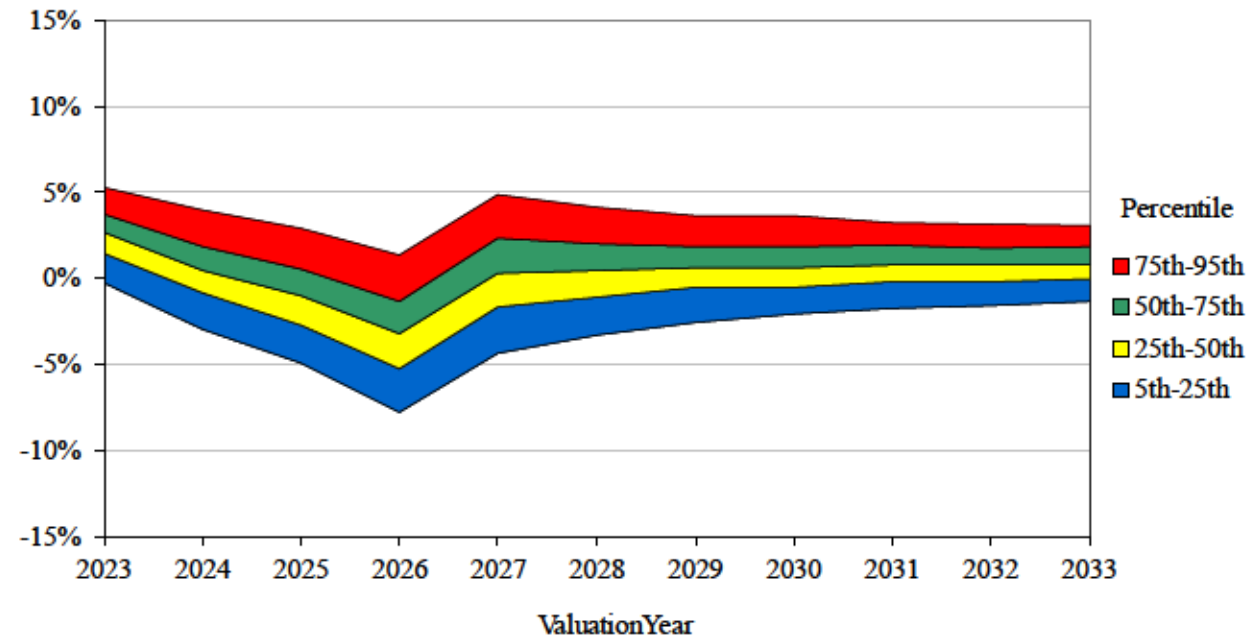
Scenario 6 – 7.0% Return, 13.6% Volatility



5th Percentile	14.4%	14.7%	15.1%	15.6%	16.3%	17.2%	17.9%	18.0%	18.2%	18.3%	18.3%
25th Percentile	14.4%	14.7%	14.9%	15.1%	15.6%	16.3%	16.6%	16.6%	16.7%	16.7%	16.7%
Median	14.4%	14.7%	14.7%	14.7%	14.9%	15.4%	15.5%	15.4%	15.4%	15.4%	15.3%
75th Percentile	14.4%	14.7%	14.5%	14.3%	14.3%	14.5%	14.2%	14.0%	13.9%	13.8%	13.7%
95th Percentile	14.4%	14.7%	14.2%	13.6%	13.2%	13.0%	12.2%	11.6%	11.4%	11.3%	11.1%

Dividend Rates

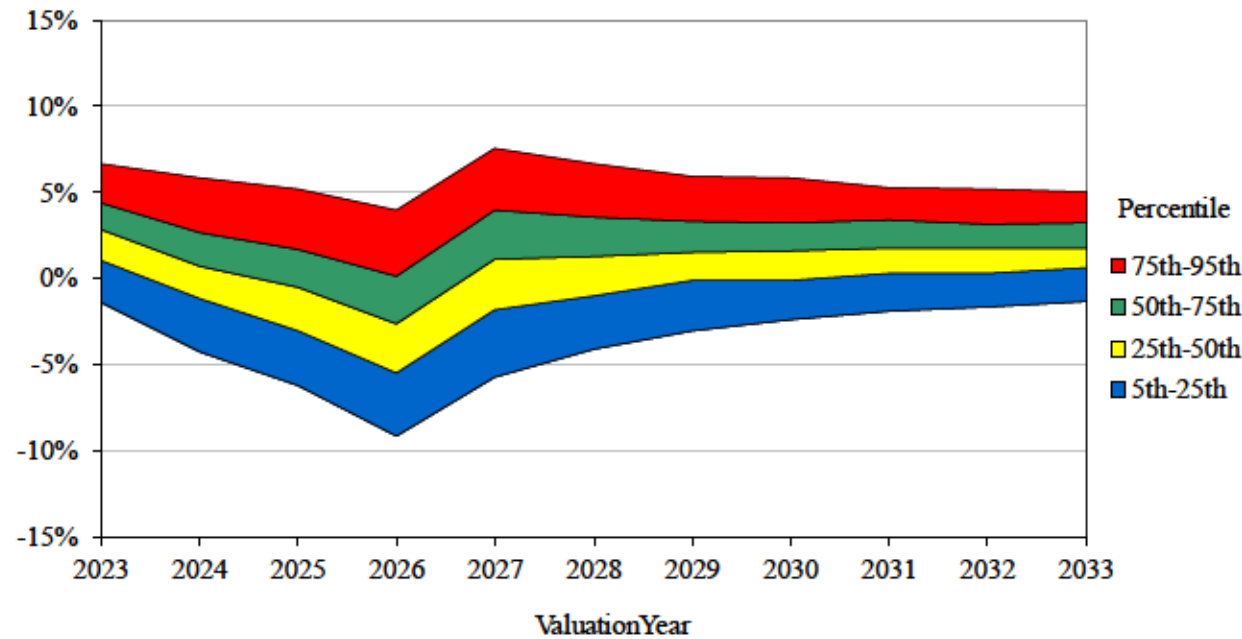
Scenario 4 – 6.0% Return, 9.4% Volatility



5th Percentile	-0.3%	-3.0%	-4.9%	-7.7%	-4.3%	-3.3%	-2.5%	-2.1%	-1.7%	-1.6%	-1.3%
25th Percentile	1.4%	-0.9%	-2.8%	-5.2%	-1.7%	-1.1%	-0.5%	-0.5%	-0.2%	-0.2%	0.0%
Median	2.6%	0.5%	-1.0%	-3.2%	0.3%	0.5%	0.6%	0.7%	0.8%	0.8%	0.8%
75th Percentile	3.7%	1.8%	0.5%	-1.3%	2.3%	2.0%	1.8%	1.8%	1.9%	1.8%	1.8%
95th Percentile	5.3%	4.0%	2.9%	1.3%	4.9%	4.2%	3.7%	3.7%	3.3%	3.2%	3.1%

Dividend Rates

Scenario 6 – 7.0% Return, 13.6% Volatility



5th Percentile	-1.4%	-4.3%	-6.2%	-9.2%	-5.7%	-4.1%	-3.0%	-2.4%	-1.9%	-1.7%	-1.4%
25th Percentile	1.1%	-1.2%	-3.1%	-5.5%	-1.8%	-1.0%	-0.1%	-0.1%	0.3%	0.3%	0.6%
Median	2.8%	0.7%	-0.5%	-2.6%	1.1%	1.3%	1.5%	1.6%	1.8%	1.8%	1.8%
75th Percentile	4.4%	2.7%	1.7%	0.2%	4.0%	3.6%	3.3%	3.3%	3.4%	3.2%	3.2%
95th Percentile	6.7%	5.9%	5.2%	4.0%	7.6%	6.6%	5.9%	5.9%	5.2%	5.2%	5.0%

Stress Testing Dividend Depletion and Retiree Funded Status

- Definitions
 - Dividend Liability = Total Retiree Liability (w/div.)
less Base Benefit Liability (w/o div.)
 - Retiree Funded Status =
Total Retiree Liability (w/div.) / Base Benefit Liability
(w/o div.)
- Dividend Stress Test studied
 - Probability that dividend liability will be depleted
 - Number of paths leading to Dividend Depletion
 - Worst case scenario of Retiree Funded Status
 - Depletion Severity measure

Stress Testing Dividend Depletion and Retiree Funded Status



Probability {Dividend Depletion in
Year i}

Represents the number of times the Retiree Funded Status is less than 1 in year i divided by 10,000 (allows for recovery in future years)

Dividend Stress Test

**Probability That Dividend Liability Will Be Depleted in Year
(allows for recovery in future year)**

Actuarial
Rate 6.8%
→



Stress Testing Dividend Depletion and Retiree Funded Status



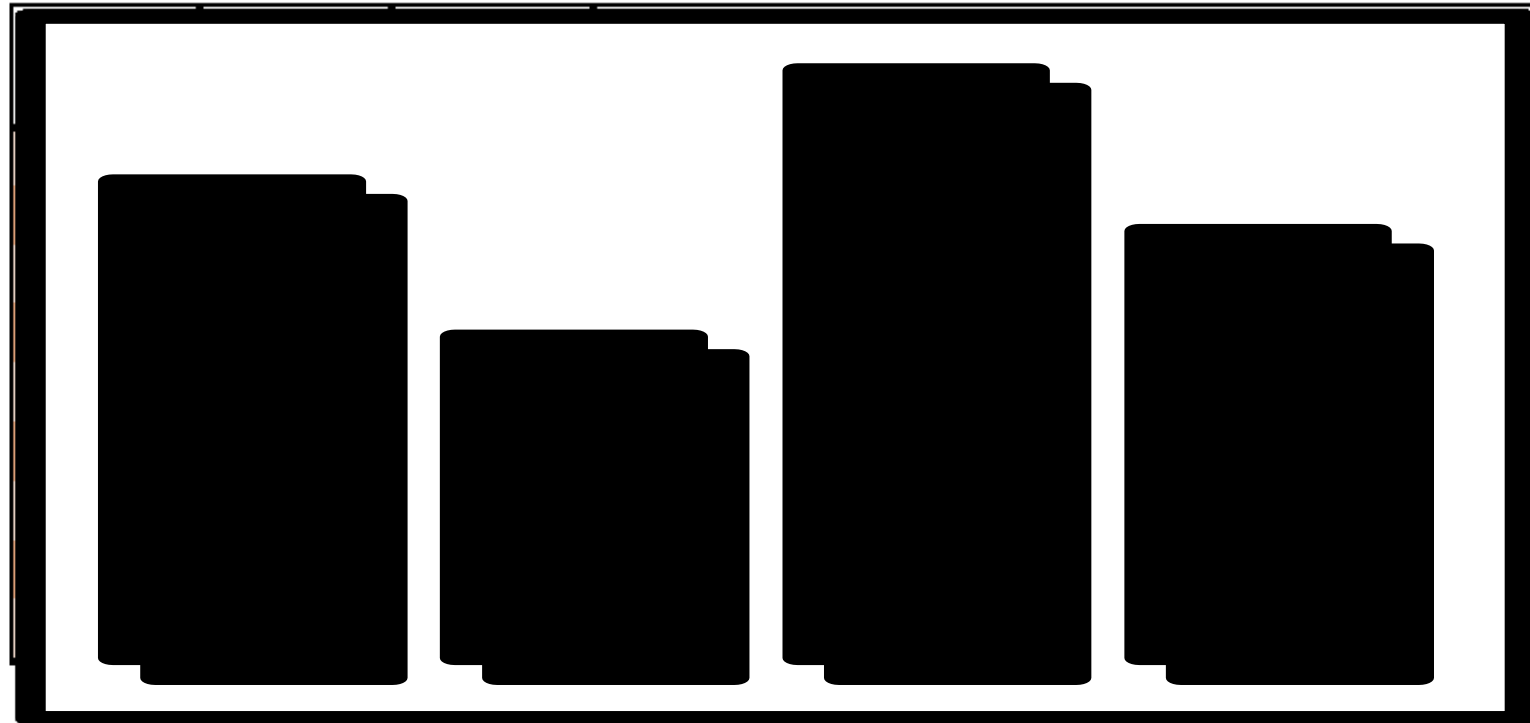
Percentage of Paths Leading to
Dividend Depletion on or before i

Counts the number of times on or before year i the Retiree Funded Status is less than 1 (does not allow for recovery in future years)

Dividend Stress Test

Percentage of Paths Leading to Dividend Depletion on or before Year i

Actuarial Rate 6.8%



Stress Testing Dividend Depletion and Retiree Funded Status

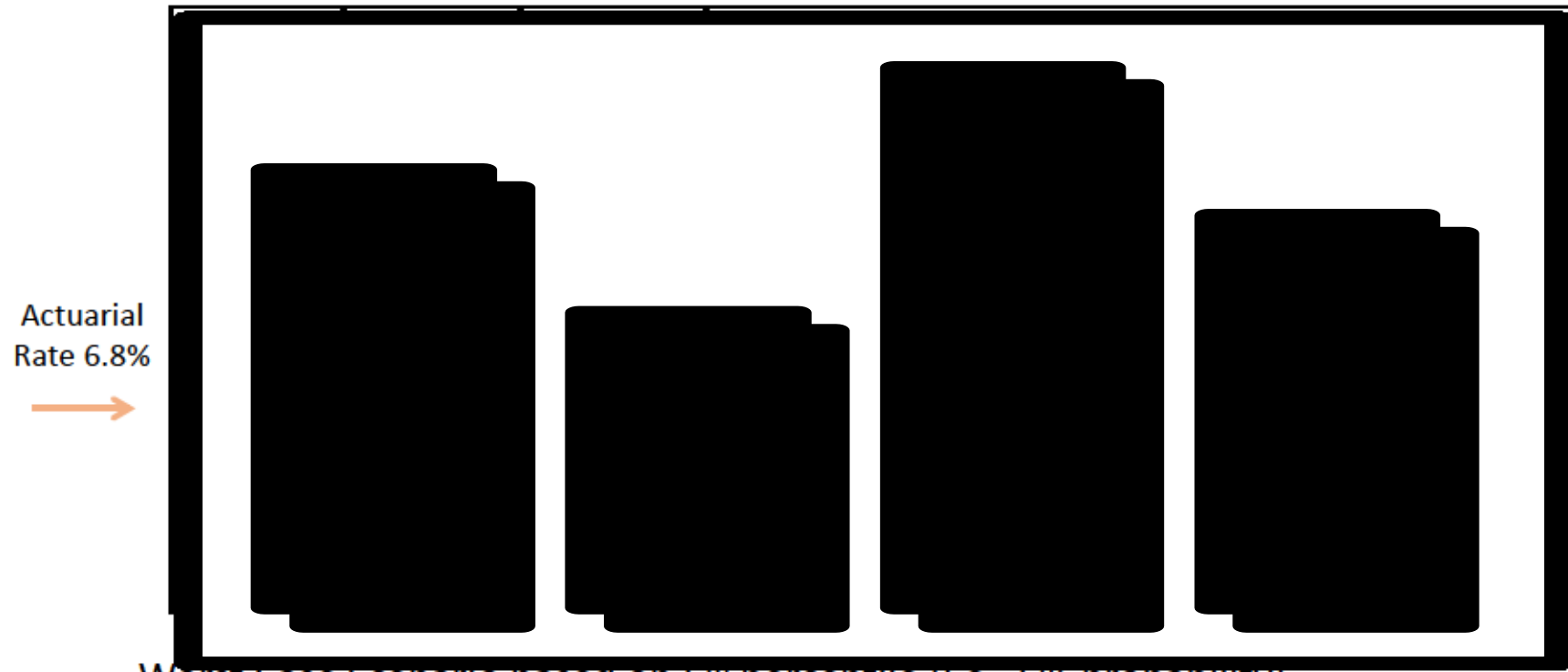


Worst Case Scenario of Retiree Funded Status

Finds the 5th percentile of retiree funded status for any given year in any given scenario (very unlikely scenario)

Dividend Stress Test

Worst Case Scenario of Retiree Funded Status (% of Floor Benefit That Is Funded)



Worst Case Scenario based on 5th percentile (i.e., 5% probability)

Stress Testing Dividend Depletion and Retiree Funded Status



Depletion Severity Measure

Of the stress test simulations that result in a Retiree Funded Status of less than 1, finds the average Retiree Funded Status (or degree of depletion)

Dividend Stress Test Depletion Severity Measure

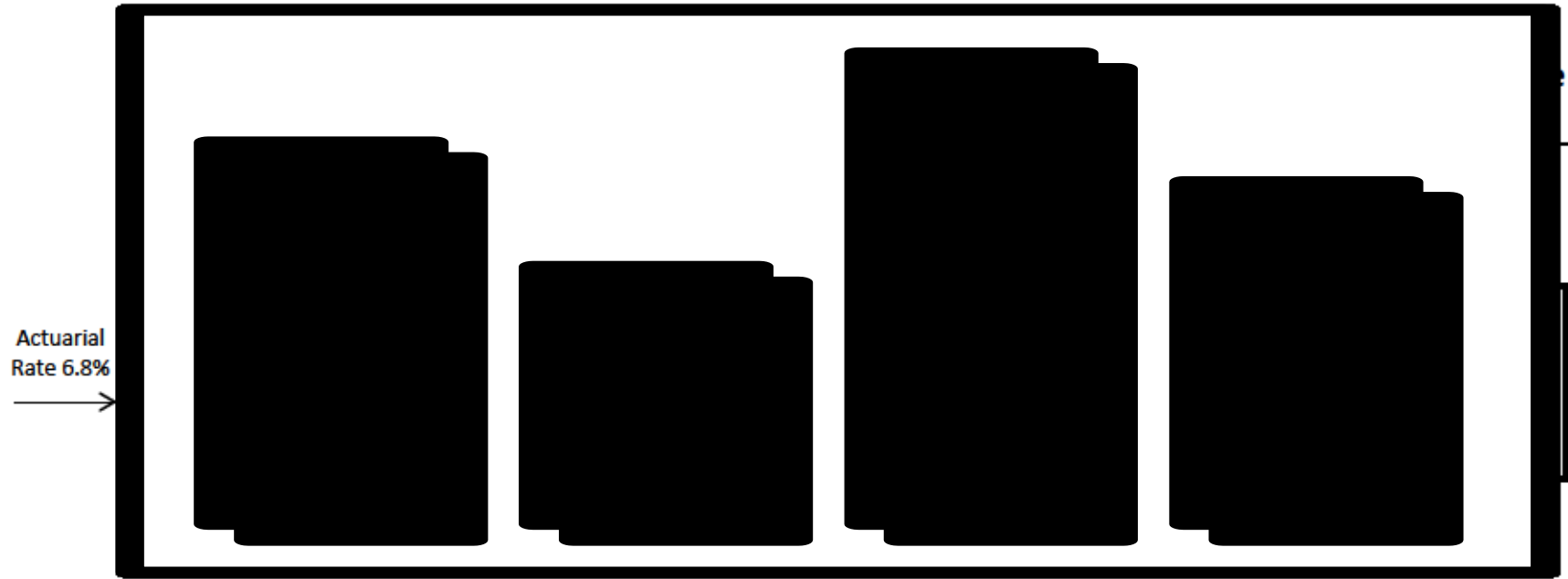
Average Retiree Funded Status for Depletion Scenarios



Dividend Stress Test Observations

- The low risk scenarios are actually risky in the sense that, for example, 4% and 5% expected return has a much higher chance of dividend depletion in later years than higher risk scenarios
- Must balance short and long term volatility
- Consider probability of dividend depletion
- Consider level of worst case scenario that is acceptable

Combination of All Scenarios



- Portfolios with lower expected return result in higher expected contributions and lower expected dividends
- Higher assumed rates of return are associated with higher standard deviation (i.e., risk) and 5th percentile scenario for retiree dividend pool falling below 75% (Worst Retiree Funded %)
- Scenarios 4 through 7 represent potential 'Goldilocks Zone'

2023 Observations

- Changes from 2021 Study
 - Returns over 2021 and 2022 were 16.9% and (12.9)%
 - MRA returns of 12.9% and 6.5%
 - 2021 – 11B in unrecognized gains, 2023 – 7B in unrecognized losses
 - Much lower Standard Deviation than 2021 Study
 - Changes in assumptions (7.0% to 6.8%, mortality, retirement)
 - Additional return breakpoint scenarios (50 bp increments)

2023 Observations

- Overall results are similar to 2021 study
 - Probability of depleting dividend liability varies due to factors on previous slide
 - Smaller range of dividend/contribution results due to lower standard deviation
- ‘Goldilocks zone’ has widened to 6.0% to 7.5%
 - Provides for positive return with appropriate downside protection

Questions

Disclaimers

- This presentation shall not be construed to provide tax advice, legal advice or investment advice.
- This presentation is intended to be used in conjunction with the actuarial valuation report for retired lives issued on February 23, 2024. This presentation should not be relied on for any purpose other than the purpose described in the valuation report.
- Readers are cautioned to examine original source materials and to consult with subject matter experts before making decisions related to the subject matter of this presentation.
- This presentation expresses the views of the authors and does not necessarily express the views of Gabriel, Roeder, Smith & Company.

Action Needed

- Motion needed to approve the report, 41st Annual Actuarial Valuation of Retired Lives as of December 31, 2023.

The background is a dark blue gradient with numerous out-of-focus light spots in shades of blue and purple, creating a bokeh effect.

Questions?

Core Fund Annuity Adjustments and Effective Rate Projections

Item 5C – Employee Trust Funds Board

Cindy Klimke-Armatoski, CPA, Chief Trust Financial Officer

Division of Trust Finance



Informational Item Only

- No Board action is required.

Current Value of Annuities*

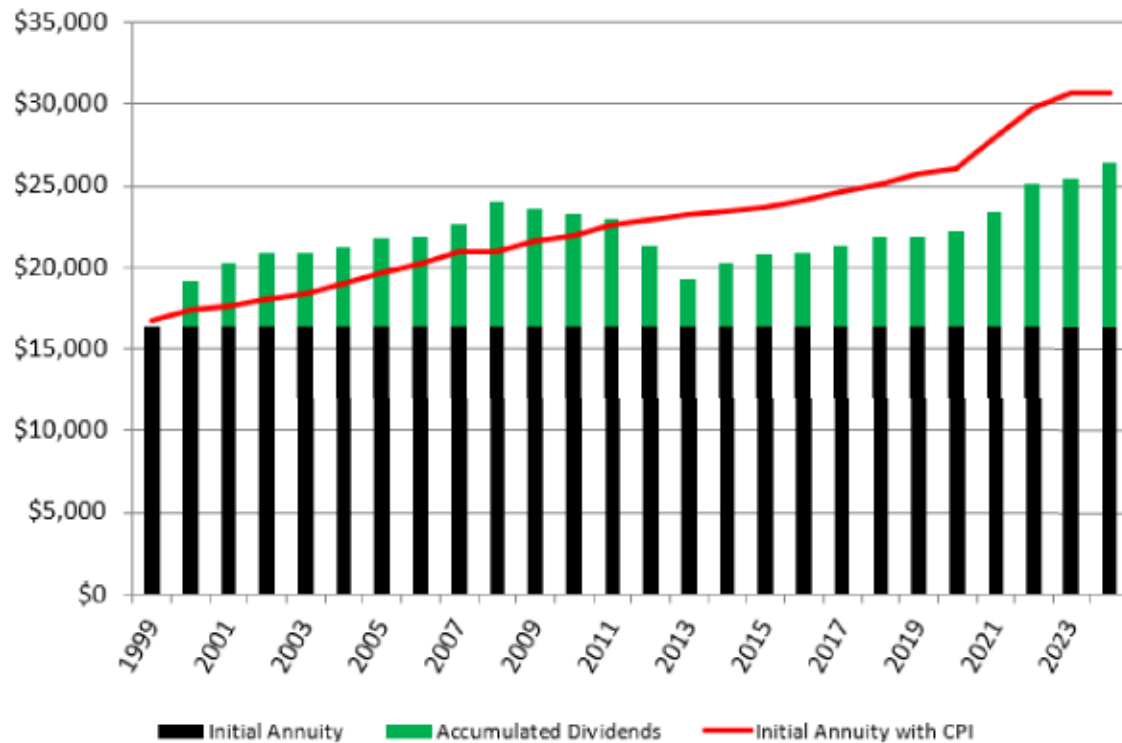
If You Retired in	A \$1,000 Core Annuity is Receiving	The Annual Rate of Increase is	A \$1,000 Variable Annuity is Receiving	The Annual Rate of Increase is	The Annual Change in CPI is
2019	\$1,208	3.9%	\$1,429	7.4%	4.1%
2014	\$1,305	2.7%	\$1,516	4.2%	2.8%
2009	\$1,367	2.1%	\$2,601	6.6%	2.6%
2004	\$1,367	1.6%	\$1,829	3.1%	2.6%
1999	\$1,615	1.9%	\$1,546	1.8%	2.5%

* Including annuity adjustments to be made effective April 1, 2024

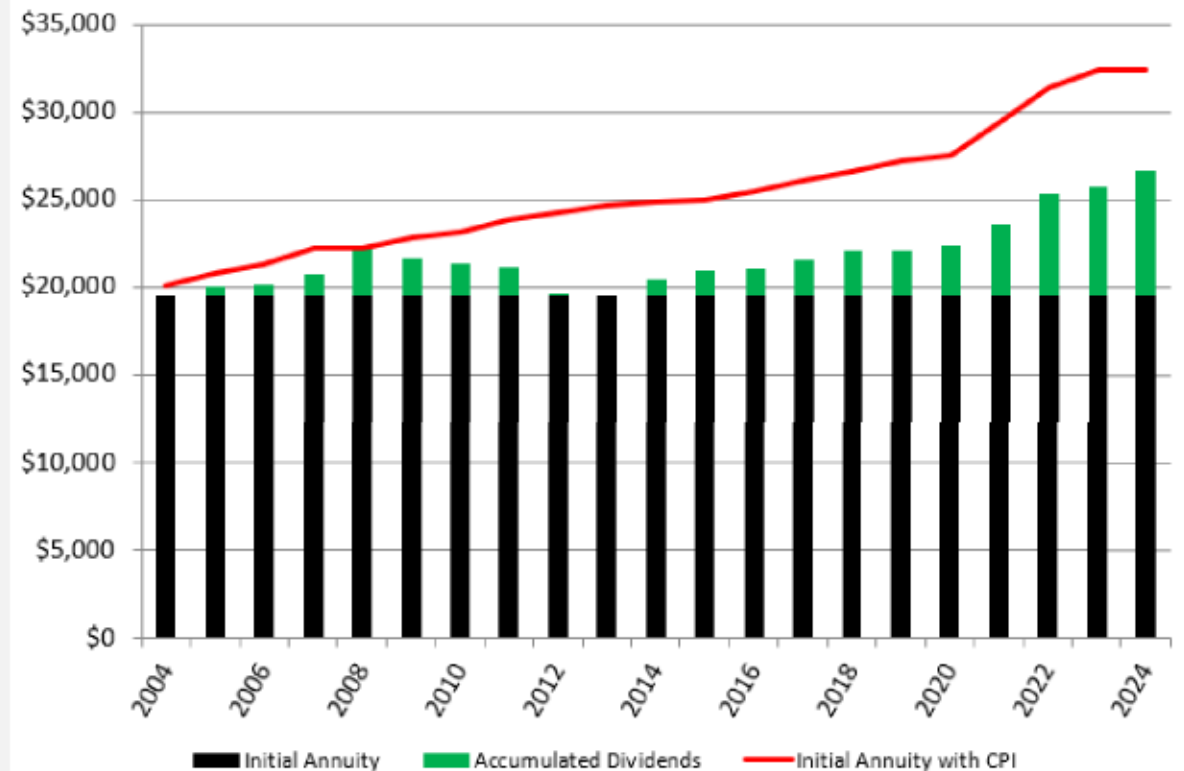
A Look at Core Annuity Increases versus Cost of Living

Change in Value of 1999 and 2004 Annuity

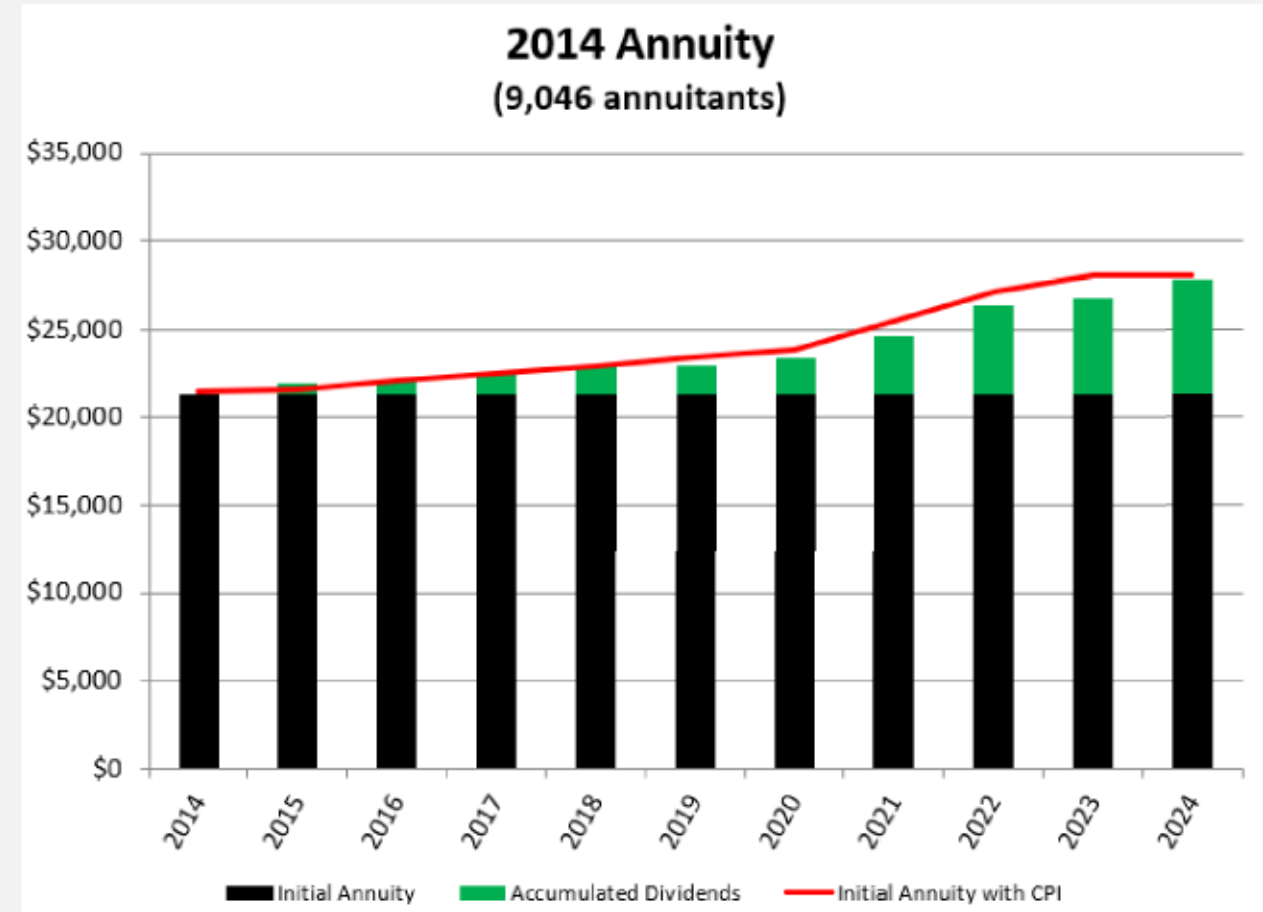
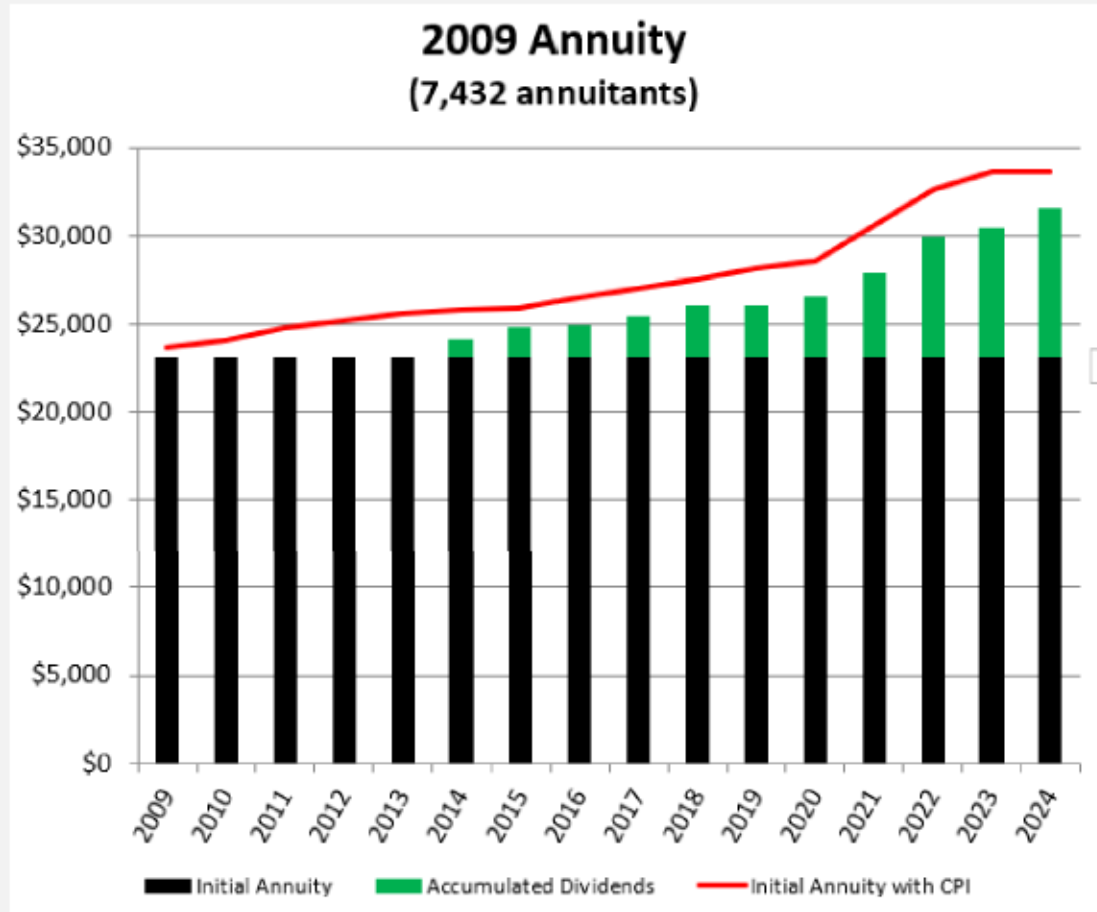
1999 Annuity
(4,512 annuitants)



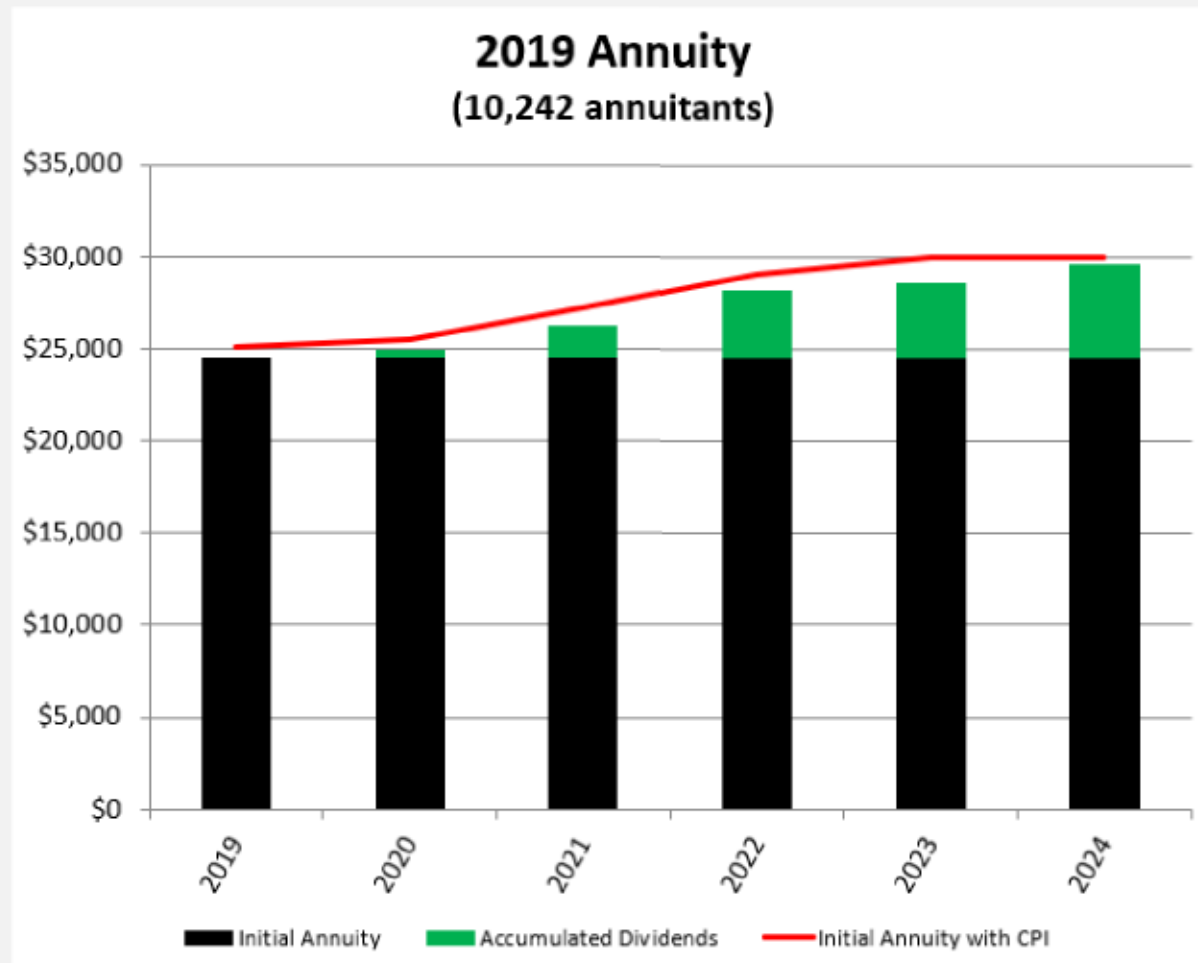
2004 Annuity
(6,370 annuitants)



Change in Value of 2009 and 2014 Annuity



Change in Value of 2019 Annuity



Annuity Adjustment Projections

Disclaimers

- Projections only. Several assumptions and estimates used.
- Only an actuarial valuation can accurately calculate the annuity adjustments.
- Useful for anticipating the magnitude, not exact amount, of future adjustments.

The Basics

- Annuities will be increased if annuity reserve surplus provides at least a 0.5% increase. Annuities will be reduced if annuity reserve shortfall would require at least a -0.5% adjustment.
- Negative adjustments can only reduce increases granted in prior years. A core annuity cannot be reduced below the original value.
- In calculating annuity adjustments, a 5.0% assumed investment return is used to fund the original benefit. Thus, in a world where experience matched assumptions each year perfectly, annuitants would receive a 1.8% adjustment each year (6.8% less 5.0%). We don't live in that world.

Assumptions

- Based on preliminary 2023 Core Trust Fund net of all costs investment return.
- Based on most recent WRS experience study (2018-2020 period), no longer reserving a percentage for mortality improvement.
- The projections include 2020 - 2023 investment gains and losses carried forward in the Market Recognition Account (MRA).

Market Recognition Account

- Investment gains / losses are “smoothed” through the Market Recognition Account (MRA):
 - The MRA is intended to give recognition to long-term changes in asset values while minimizing the impact of short-term fluctuations in the capital markets;
 - Investment gains equal to the assumed rate of 6.8%;
 - The difference between actual gains or losses and the assumed rate is spread equally over 5 years.

Investment Gain/Loss to be Recognized in Future Years

Year Earned	Year to Be Recognized (\$ millions)					Core Net of Fee Investment Return
	2023	2024	2025	2026	2027	
2024	?	?	?	?	?	?
2023	928	928	928	928	928	11.40%
2022	(5,068)	(5,068)	(5,068)	(5,068)		(12.92%)
2021	2,495	2,495	2,495			16.89%
2020	1,773	1,773				15.21%
2019	2,204					19.36%
Totals (may not add due to rounding)	2,332	128	(1,646)	(4,141)	928	

Result of 6.8% Investment Return in 2024 - 2027

	2023	2024	2025	2026	2027
SWIB Net Investment Return	11.40%	6.8%	6.8%	6.8%	6.8%
Effective Rate	9.1%	6.9% to 7.3%	5.4% to 5.8%	3.4% to 3.8%	7.4% to 7.8%
Average Annuity Adjustment	3.6%	1.7% to 2.1%	0%	(1.4%) to (1.0%)	2.0% to 2.4%
Dividend Liability*	~\$16.4b	~\$16.6b	~\$15.8b	~\$13.5b	~\$14.3b

* Dividend liability is the present value of previously granted post-retirement annuity adjustments. Some refer to this as the 'dividend reserve' although it is not a separate reserve. The funds are part of the annuity reserve.

Result of 0% Investment Return in 2024 and 6.8% in 2025 - 2027

	2023	2024	2025	2026	2027
SWIB Net Investment Return	11.40%	0%	6.8%	6.8%	6.8%
Effective Rate	9.1%	5.5% to 5.9%	3.9% to 4.3%	1.8% to 2.2%	5.9% to 6.3%
Average Annuity Adjustment	3.6%	0% to .8%	(1.1%) to (.7%)	(3.2%) to (2.8%)	.4% to .8%
Dividend Liability*	~\$16.4b	~\$15.7b	~\$13.8b	~\$10.4b	~\$10.2b

* Dividend liability is the present value of previously granted post-retirement annuity adjustments. Some refer to this as the 'dividend reserve' although it is not a separate reserve. The funds are part of the annuity reserve.

Result of -6% Investment Return in 2024 and 6.8% in 2025 - 2027

	2023	2024	2025	2026	2027
SWIB Net Investment Return	11.40%	(6.0%)	6.8%	6.8%	6.8%
Effective Rate	9.1%	4.3% to 4.7%	2.7% to 3.1%	.4% to .8%	4.5% to 4.9%
Average Annuity Adjustment	3.6%	(.7%) to 0%	(2.4%) to (2.0%)	(4.5%) to (4.1%)	(.9%) to (.5%)
Dividend Liability*	~\$16.4b	~\$14.8b	~\$12.1b	~\$7.7b	~\$6.6b

* Dividend liability is the present value of previously granted post-retirement annuity adjustments. Some refer to this as the 'dividend reserve' although it is not a separate reserve. The funds are part of the annuity reserve.

Result of 12% Investment Return in 2024 and 6.8% in 2025 - 2027

	2023	2024	2025	2026	2027
SWIB Net Investment Return	11.40%	12.0%	6.8%	6.8%	6.8%
Effective Rate	9.1%	7.9% to 8.3%	6.4% to 6.8%	4.5% to 4.9%	8.5% to 8.9%
Average Annuity Adjustment	3.6%	2.6 to 3.0%	1.2% to 1.6%	0%	2.6% to 3.0%
Dividend Liability*	~\$16.4b	~\$17.4b	~\$17.4b	~\$15.8b	~\$17.4b

* Dividend liability is the present value of previously granted post-retirement annuity adjustments. Some refer to this as the 'dividend reserve' although it is not a separate reserve. The funds are part of the annuity reserve.



Questions?

Department of Employee Trust Funds Annual Comprehensive Financial Report Calendar Year 2022

Item 5D – Employee Trust Funds Board

Amelia Slaney, CPA, Financial Compliance Bureau Director

Division of Trust Finance



Informational Item Only

- No Board action is required.

Agenda

- Annual Comprehensive Financial Report (ACFR) Contents
- Audit Results
- Wisconsin Retirement System (WRS) Financial Statistics
- Looking ahead

ACFR Contents

ACFR Section	Areas of Interest
Introduction	Letter of transmittal, professional awards, board and management members
Financial	Independent auditors' report, management's discussion and analysis, basic financial statements, summary of significant accounting policies, notes to the financial statements, required supplementary information, other supplementary information
Statistical	Financial trends, demographic and economic information, and operating information. This section also shows a summary of administrative fees for programs
Actuarial	Shows information used in WRS actuarial funding valuations, including the actuary's certification letter, valuation data, plan provisions, actuarial assumptions, contribution rates, and number of covered individuals
Investment	Written by State of Wisconsin Investment Board (SWIB) and includes report on investment activities, investment policies, schedule of investment results, asset allocation, list of portfolios largest holdings, and schedule of income and fees
Contribution and Unfunded Liabilities	This is primarily a reference of payroll, contributions, and WRS unfunded liabilities by employer

Calendar Year (CY) 2022 ACFR

- Limited changes in display and organization of report
- No accounting changes



Net Position by Program

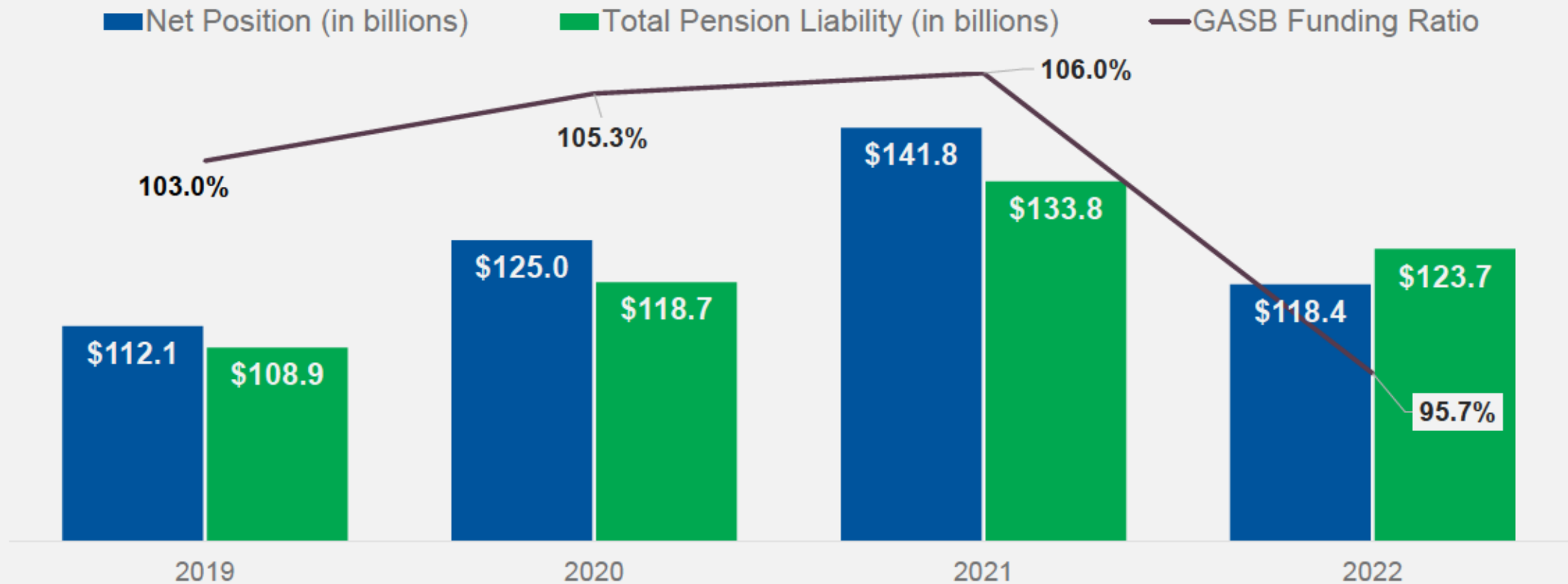
Program	2022	2021	\$ Change	% Change
Wisconsin Retirement System	\$ 118,368,226	\$ 141,847,701	\$ (23,479,475)	(17) %
Supplemental Health Insurance Conversion Credit	1,148,788	1,371,706	(222,918)	(16)
Employee Reimbursement Accounts/Commuter Benefits	3,025	1,950	1,075	55
State Retiree Life Insurance	303,246	319,606	(16,360)	(5)
Local Retiree Life Insurance	241,630	248,190	(6,560)	(3)
Milwaukee Retirement Systems	200,505	252,426	(51,921)	(21)
Local Retiree Health Insurance	0	0	0	0
Duty Disability Insurance	153,152	331,443	(178,291)	(54)
Health Insurance	159,605	227,516	(67,911)	(30)
Income Continuation Insurance	103,206	137,512	(34,306)	(25)
State Retiree Health Insurance	0	0	0	0
Accumulated Sick Leave Conversion Credit	(702,846)	(254,144)	(448,702)	(177)
Total	\$ 119,978,537	\$ 144,483,906	\$ (24,505,369)	(17) %

Audit Results

- Financial statements as of and for the year ending December 31, 2022
- Unmodified Opinion (clean) and no recommendations
- Standalone financial and employer schedule reports issued in September 2023
- Full ETF ACFR issued January 5, 2024

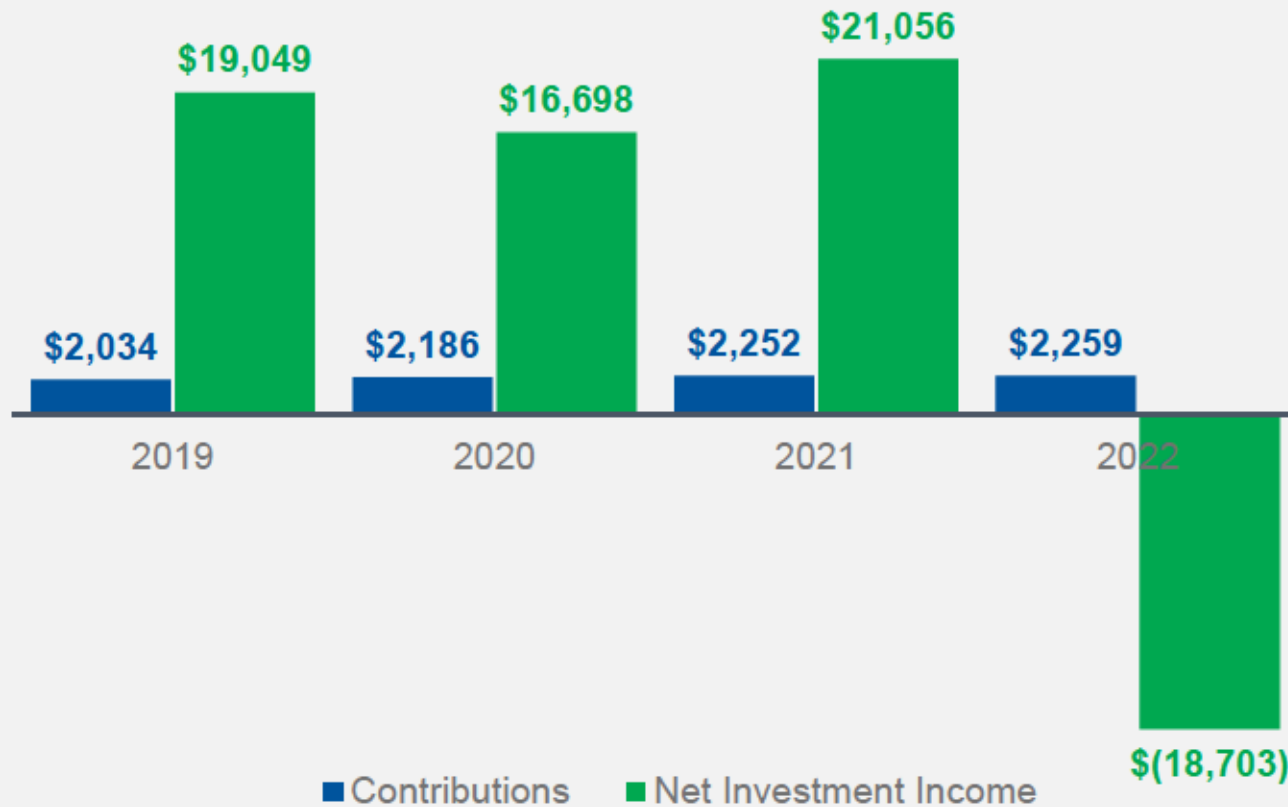
WRS Financially Strong

As of December 31

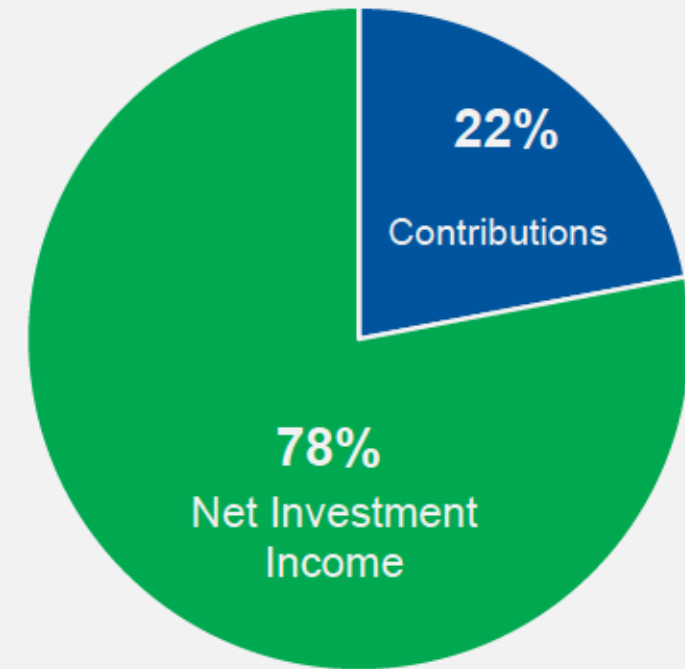


Investment Income 78% of WRS Revenue

WRS Revenues (in Millions) as of December 31



WRS Funding Sources
2013 – 2022



Looking Ahead

- CY 2023 financial reporting is already underway
- Reporting changes for CY 2023
 - Implementing Governmental Accounting Standards Board (GASB) Statement 96, *“Subscription-Based Information Technology Arrangements”*
 - Changing reporting of certain capital assets
- Plan to issue Standalone Financial Reports in September 2024 and a full ETF ACFR after

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Questions?

BREAK

The Board is on a short break. Audio and visual feed will resume upon the Board's return.



ETF Modernization Projects Update – Insurance Administration System (IAS) Implementation

Item 6A – Employee Trust Funds Board

Michelle Baxter, Director, Office of Enterprise Initiatives

Alene Kleczek, Director, Employer Services Bureau



Informational Item Only

- No Board action is required.

IAS Project Scope

- Over 900 employers and 17 vendor partners
- Insurance Administration System (aka My Insurance Benefits)
 - Benefitfocus Eligibility, Enrollment and Billing (Benefitplace and Certifi Billing)
 - Voya (COBRA)
 - In house-built solutions:
 - Employer Transaction Application
 - Employer and Member Portals
 - Employer Payment Application
 - Retiree Administration System
 - Employer Premium Rate Split Reports
 - Data and Integration Platform

IAS Accomplishments

- ✓ Working eligibility and enrollment system for active employees
- ✓ Working eligibility and enrollment system for HR administrators- Locals, State, University of Wisconsin, University of Wisconsin Hospitals & Clinics
- ✓ Testing of enrollment and eligibility system, file exchanges, billing solution
- ✓ Collection of security access agreements for employers
- ✓ Creation of Employer Transaction Application (ETA) user interface

IAS Timeline Update

- To fully meet the needs of members, staff, and employers, the new timeline will:
 - Provide a solution to increase adoption by end users in the way members interact with their ETF-administered insurance benefits.
 - Address the complexity of ETF's benefit programs.
 - Minimize risks.
- Evaluated remaining roadmap, business calendar, and employer needs in establishing updated go live date
- **New go-live: Prior to Open Enrollment 2025**

Impacts

- Open Enrollment for Plan Year 2025 will occur in legacy system, MEBS, and through third-party administrators
- Agency operations, budget, strategic initiatives
- Limited downtime between IAS go live and Pension Administration System project kickoff
- Resources will continue to be constrained; additional resources required

Path to Go Live



Data conversion and local employer data



Configuration for unique policies



Technical system development



Critical Benefitplace enhancements



Report development



Training

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Questions?

Customer Service Member and Employer Data, Improvements, and Trends

Item 6B – Employee Trust Funds Board

Anne Boudreau, Deputy Administrator

Division of Benefits Administration



Informational Item Only

- No Board action is required.

Member Retirement Data and Trends

North Star Dashboards

A) Beneficiary Designation

Q4 2022	Q4 2023	SLA
93.5%	99.6%	90%

B) Contacts with ETF (Calls)

Q4 2022	Q4 2023	SLA
59.5%	81.3%	70%

B) Contacts with ETF (Email)

Q4 2022	Q4 2023	SLA
100.0%	100.0%	95%

C) Retirement Estimates

Q4 2022	Q4 2023	SLA
5.4	29.7	15

D) Retirement Applications

Q4 2022	Q4 2023	SLA
73.0%	77.0%	90%

E) Appointments

Q4 2022	Q4 2023	SLA
35.6	30.9	15

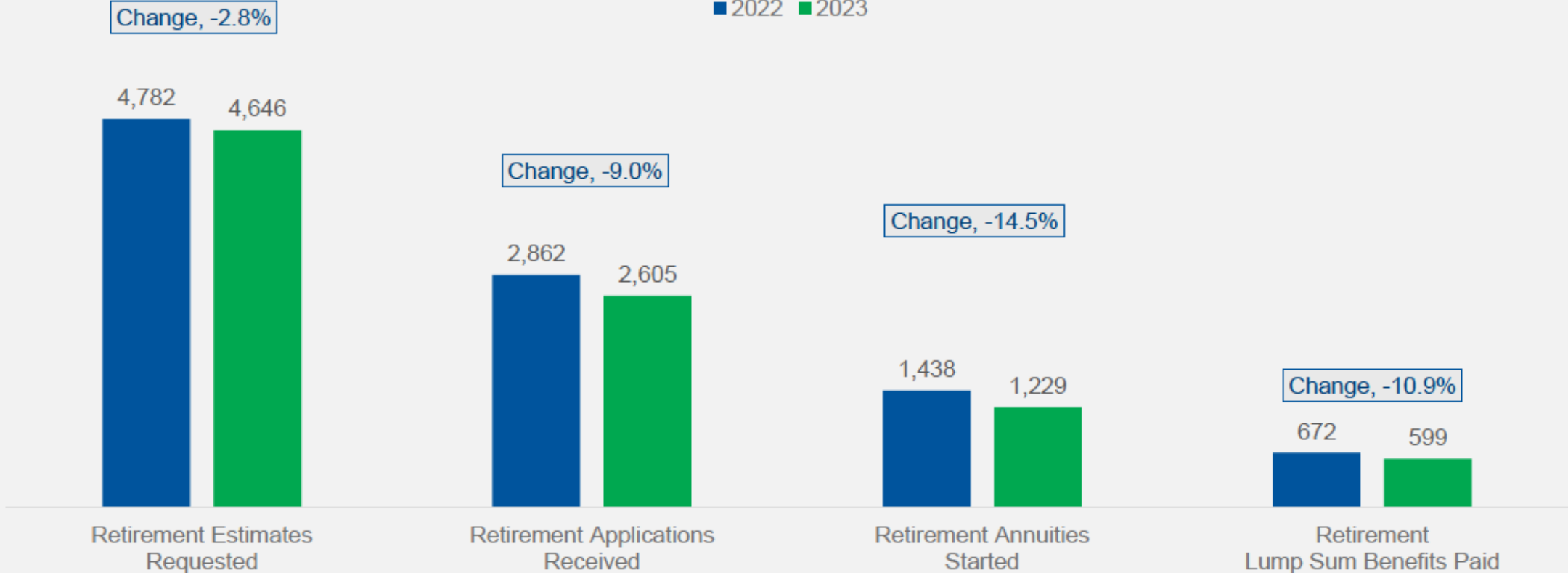
F) Payment Set-up

Q4 2022	Q4 2023	SLA
100.0%	100.0%	100%

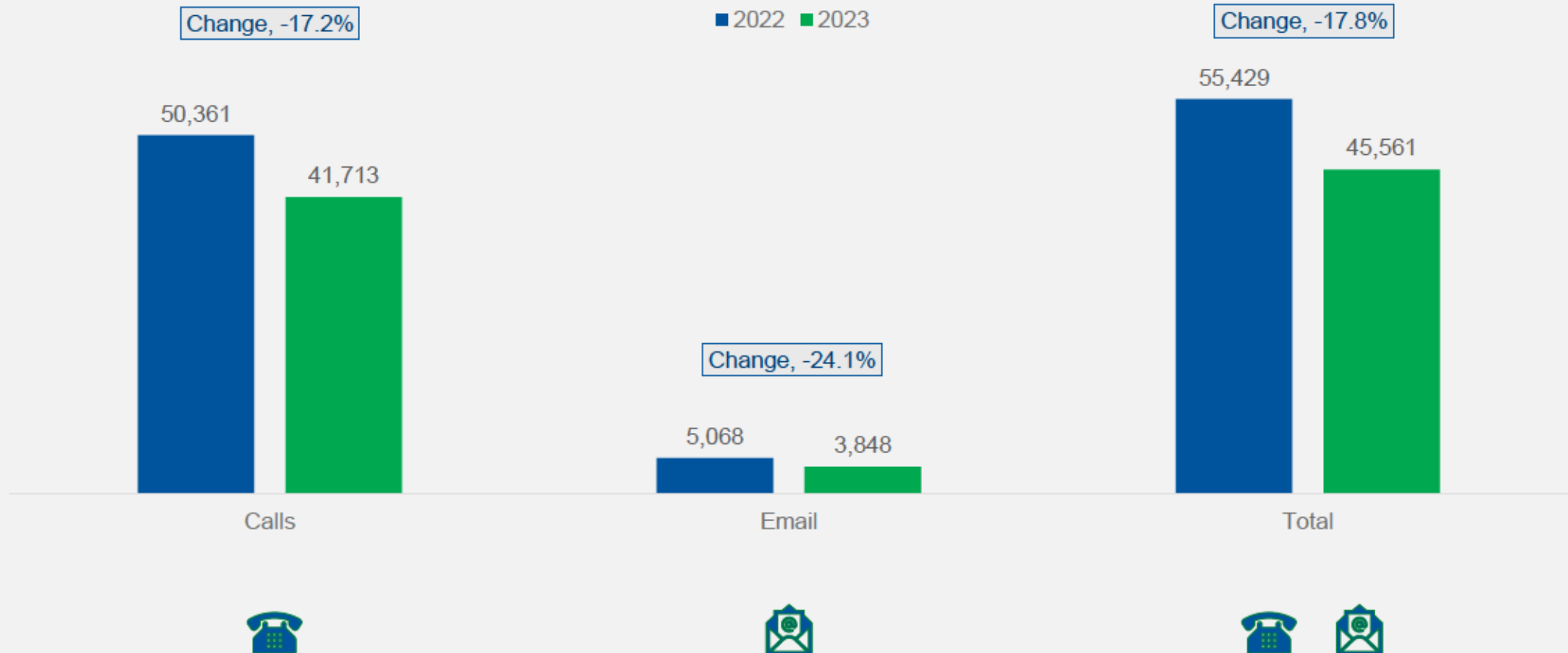
G) Death Benefit Estimates

Q4 2022	Q4 2023	SLA
97.0%	98.0%	90%

Retirement Data – Quarter 4



Customer Service - Quarter 4



New WRS Employers

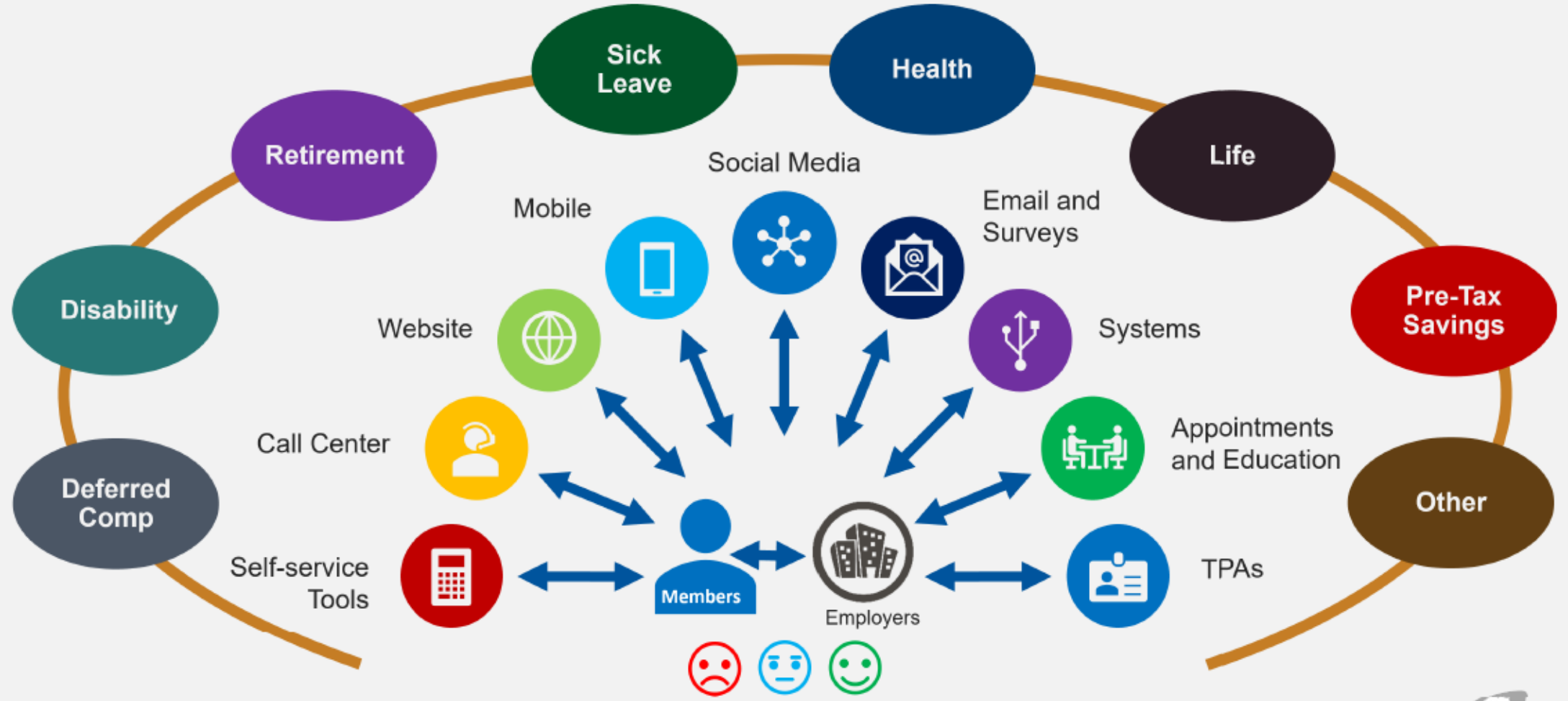
New Employers – 2024

	New Employers	WRS Eligible Employees
School District	3	29
City	1	66
Town	19	28
Village	6	17
Other	3	5
TOTAL	32	145

ETF Operational Improvements

Customer Interactions

Continuous incremental improvements as we strategically build for the future – *One ETF Voice.*



Customer Service Improvements



Detailed Information
for County Jailer
Members

Process Improved – Metrics



Better Metrics to
Improve Customer
Service

Process Improved – Call Routing



Upgraded Call
Routing System



Questions?

2023 Disability Statistical Report

Item 6C – Employee Trust Funds Board

Jim Guidry, Benefit Services Bureau Director

Division of Benefits Administration

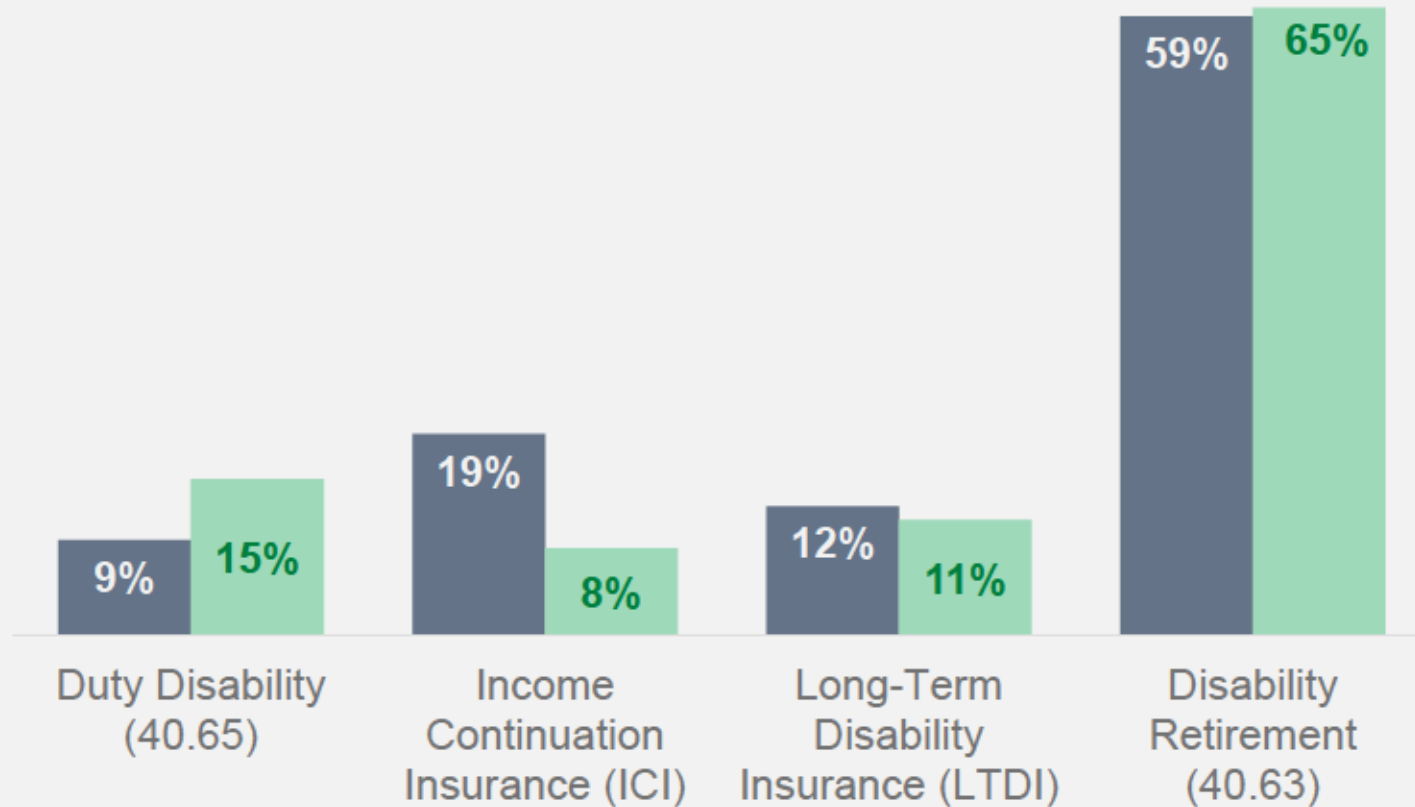


Informational Item Only

- No Board action is required.

Disability Programs

■ Share of benefit recipients ■ Share of benefit payments


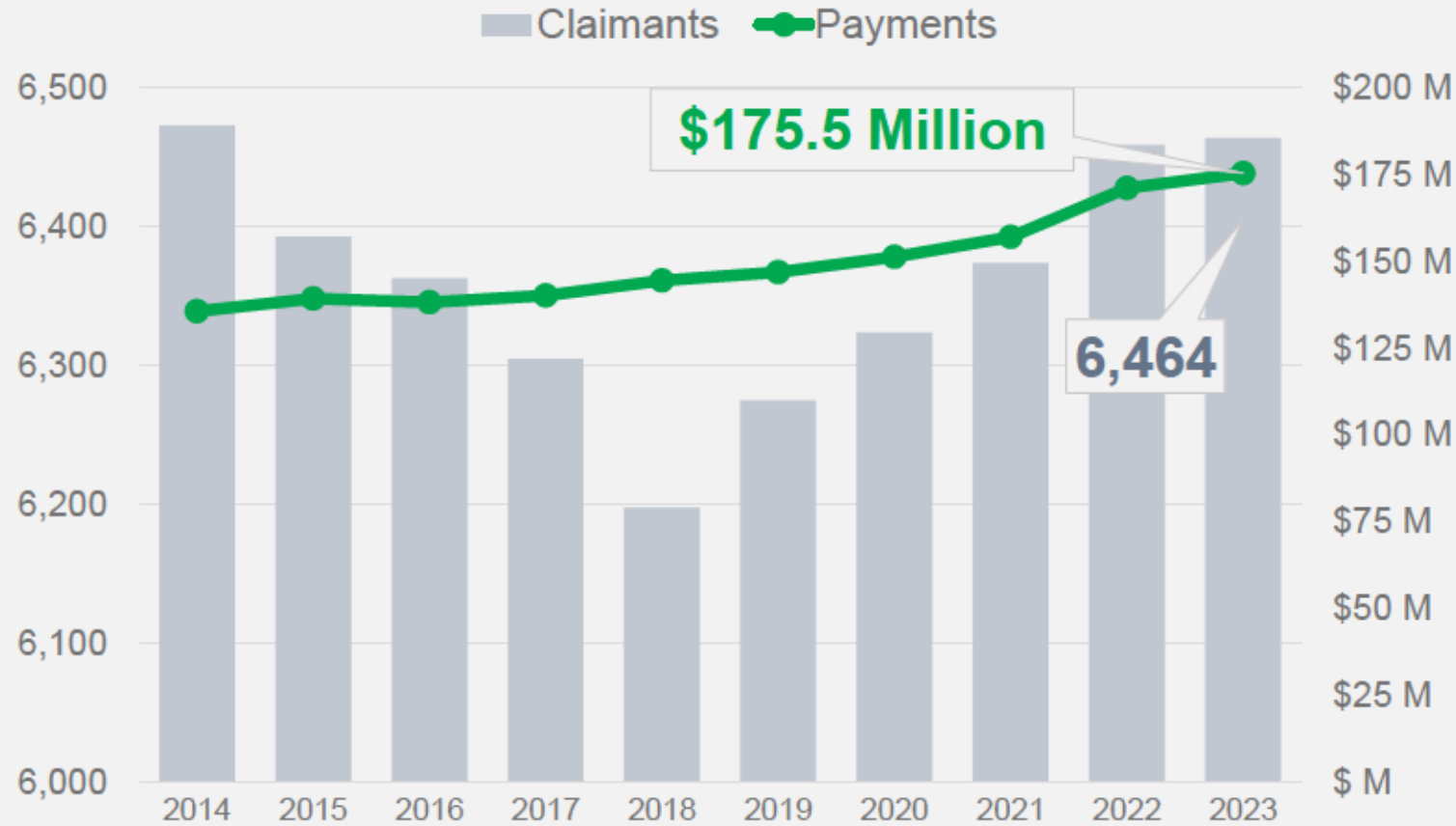


\$268.2 million
annual benefit payments



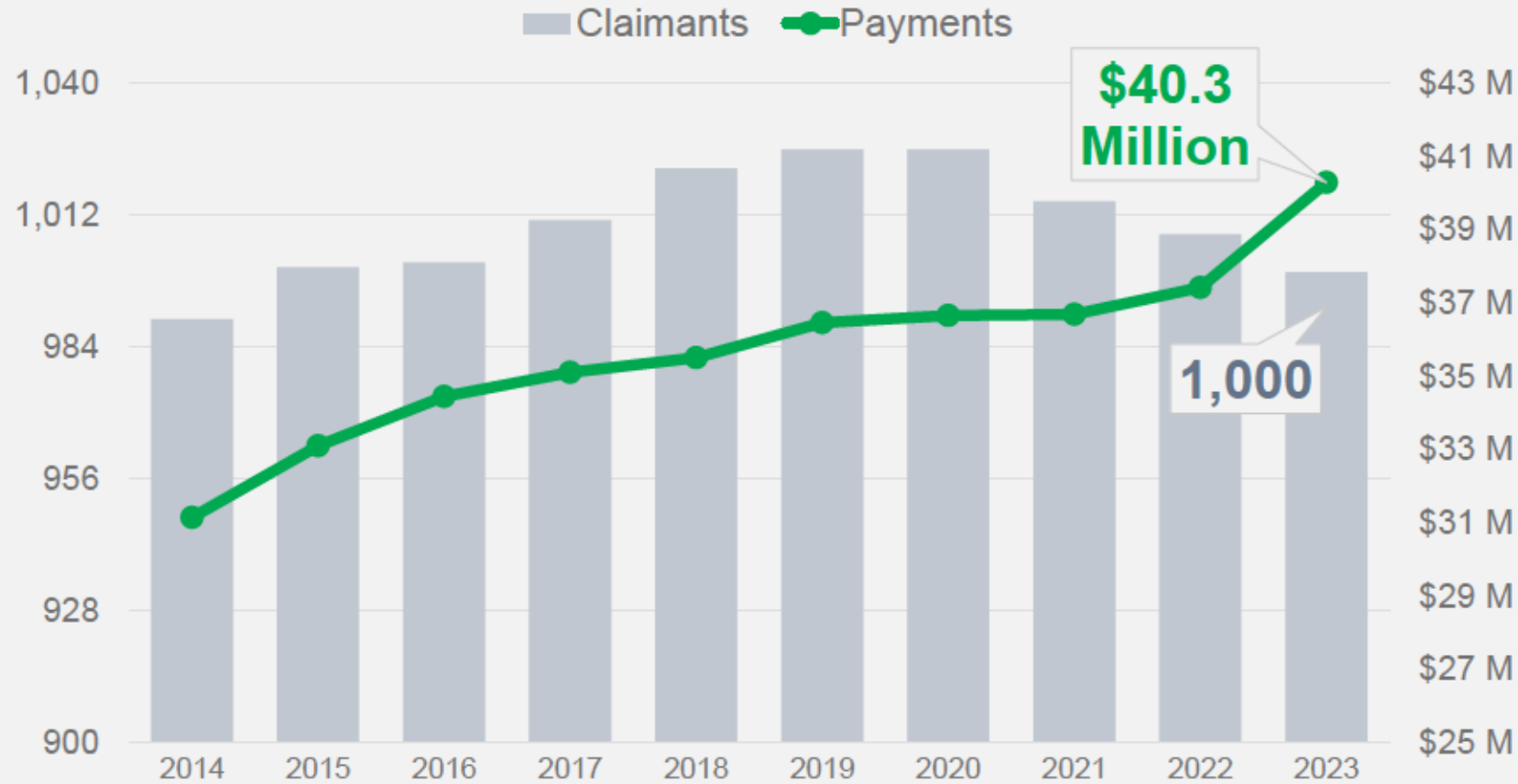
10,918
separate claims

Disability Retirement (40.63)



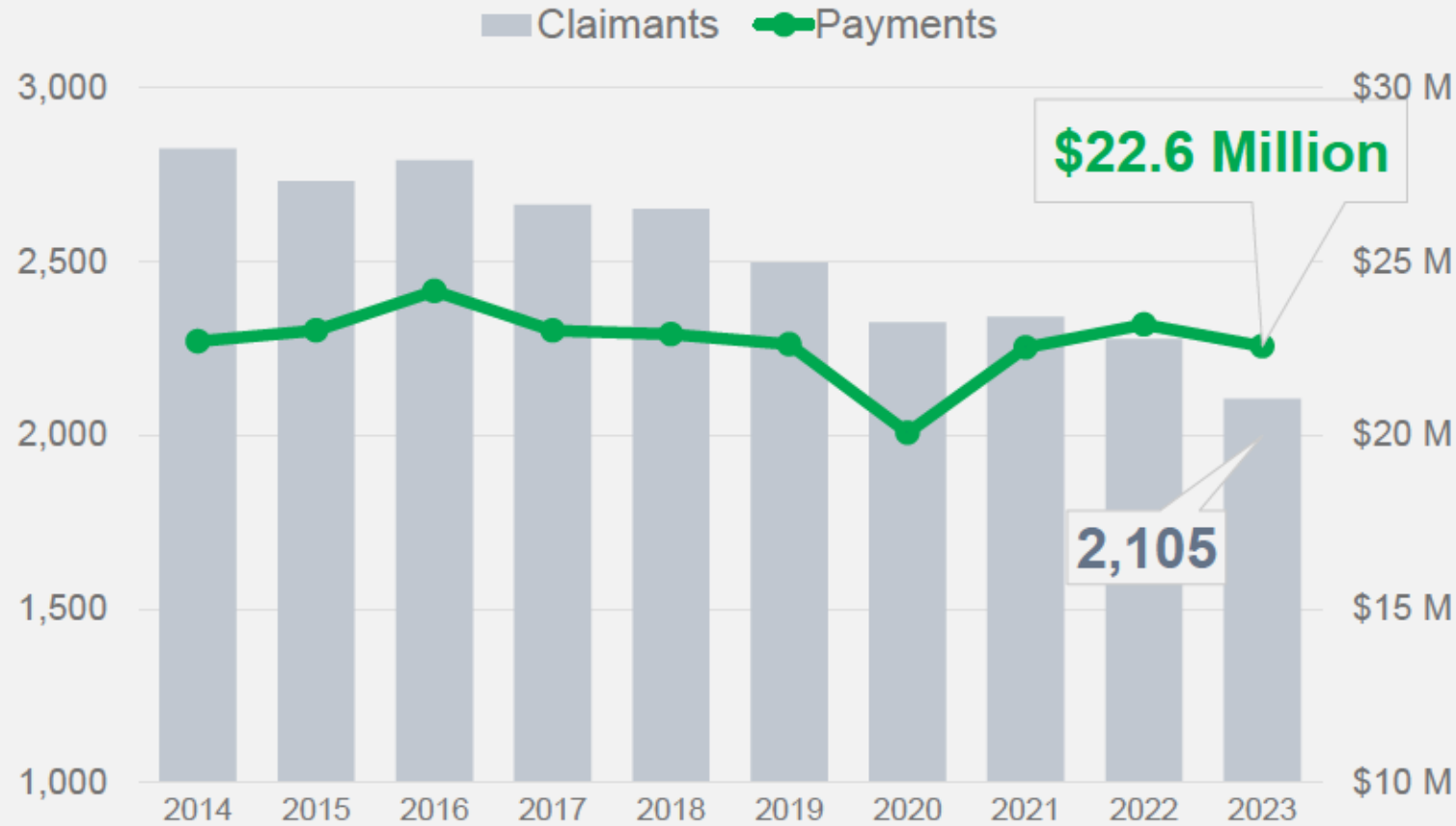
\$2,263/month
2023 average benefit

Duty Disability (40.65)



\$3,355/month
2023 average benefit

Income Continuation Insurance (ICI)

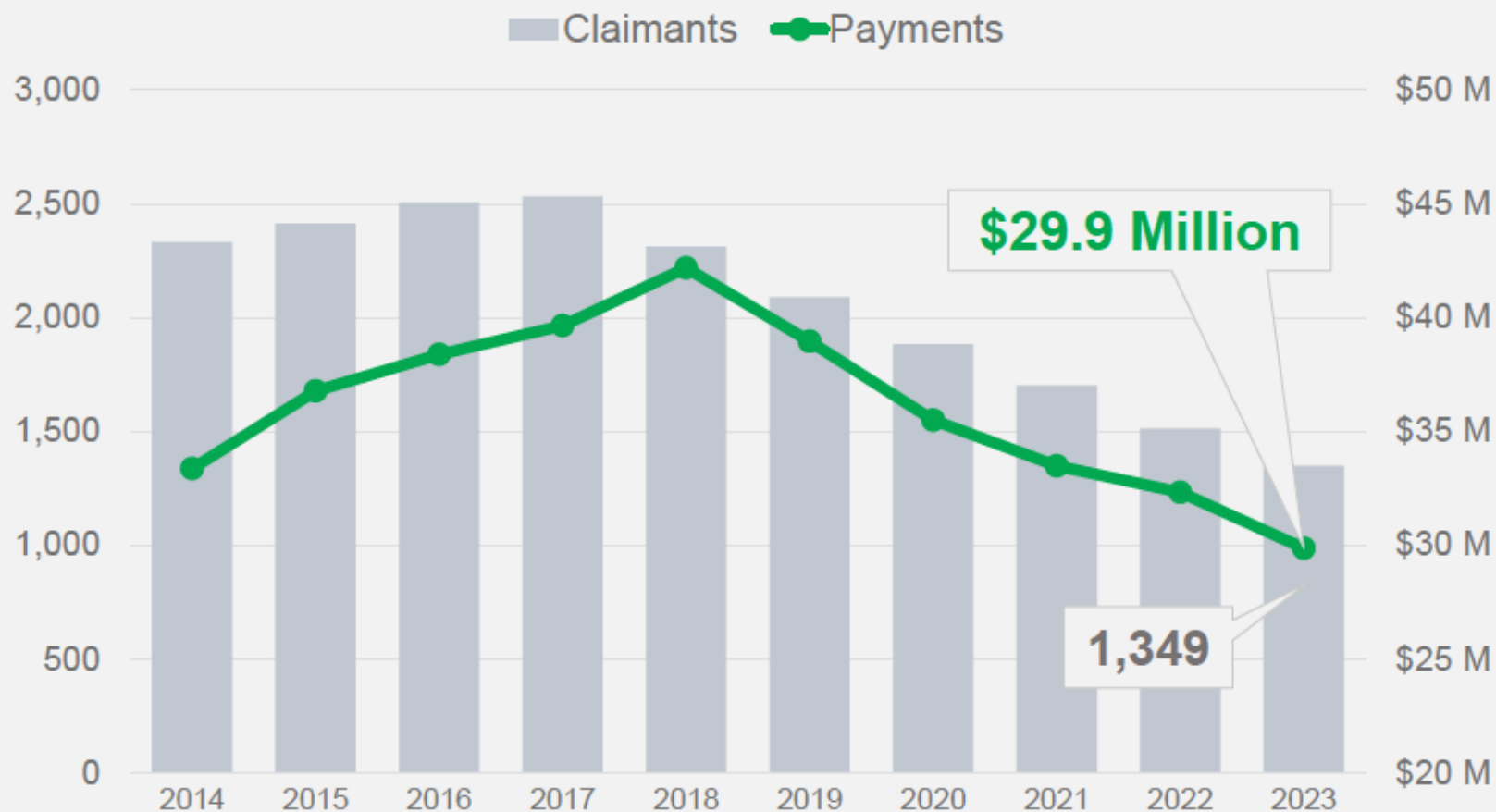


\$894/month*

2023 average benefit

*2023 data is preliminary

Long-Term Disability Insurance (LTDI)



28-year run-out



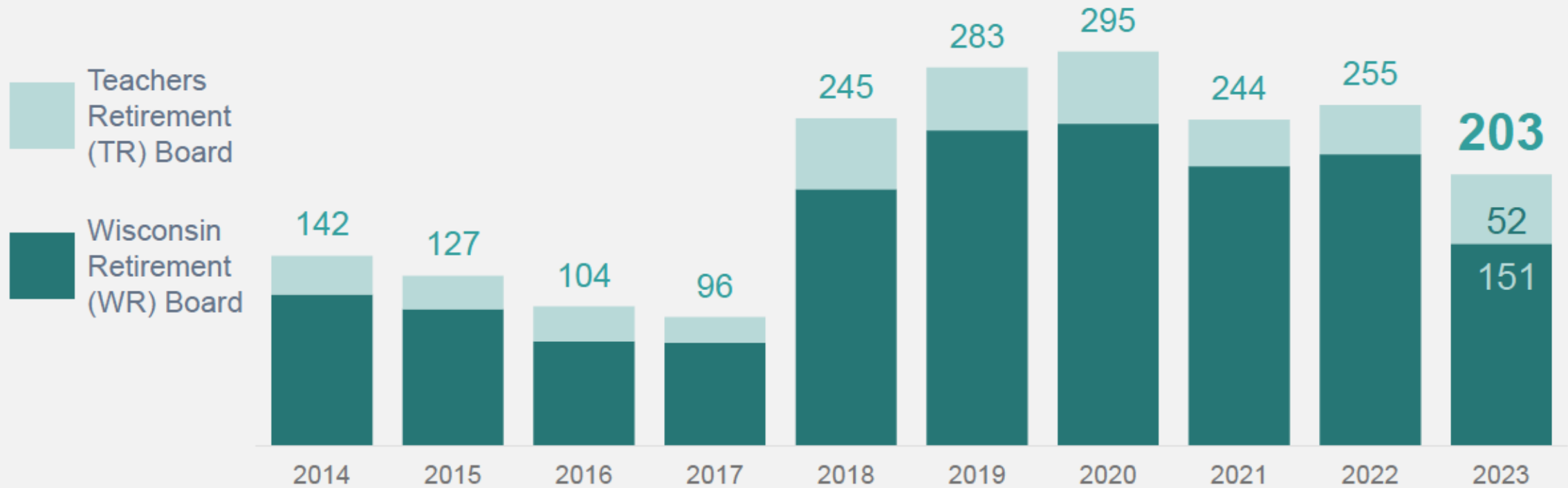
Most claims run out in 10 years or less

47%

Open claims since closure

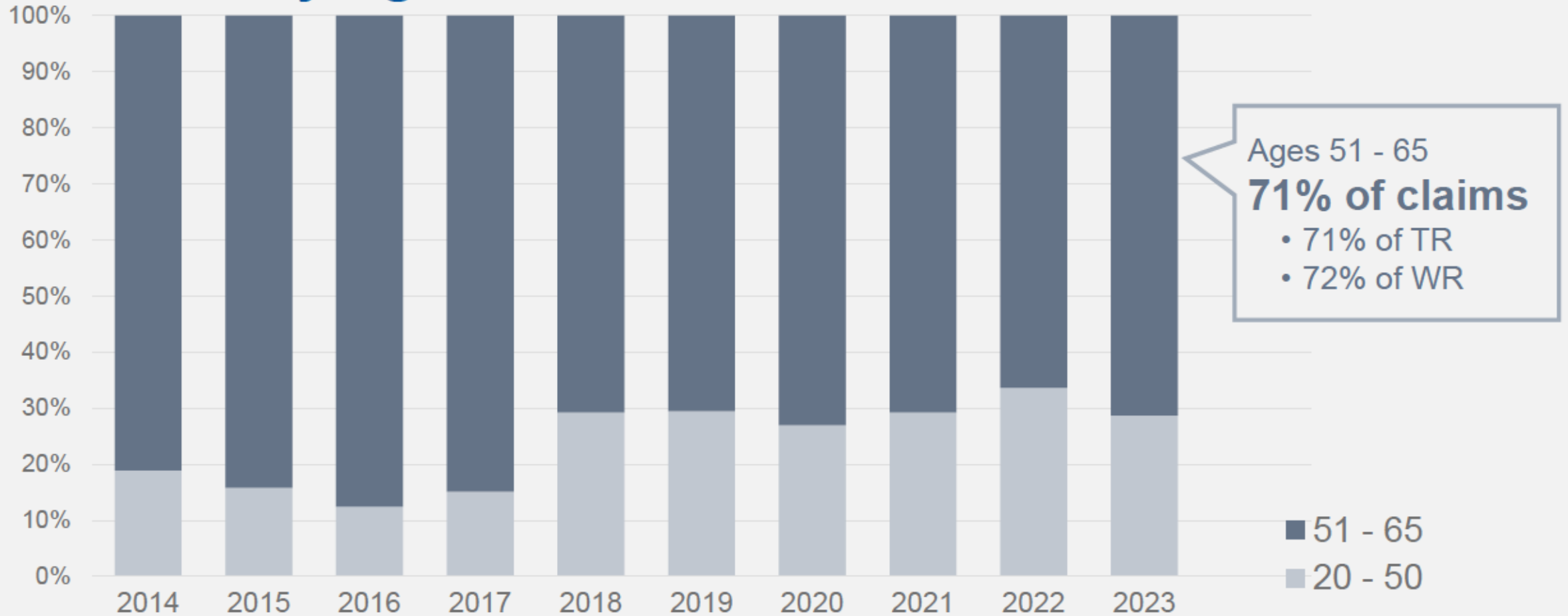
Disability Retirement (40.63)

Benefits Started

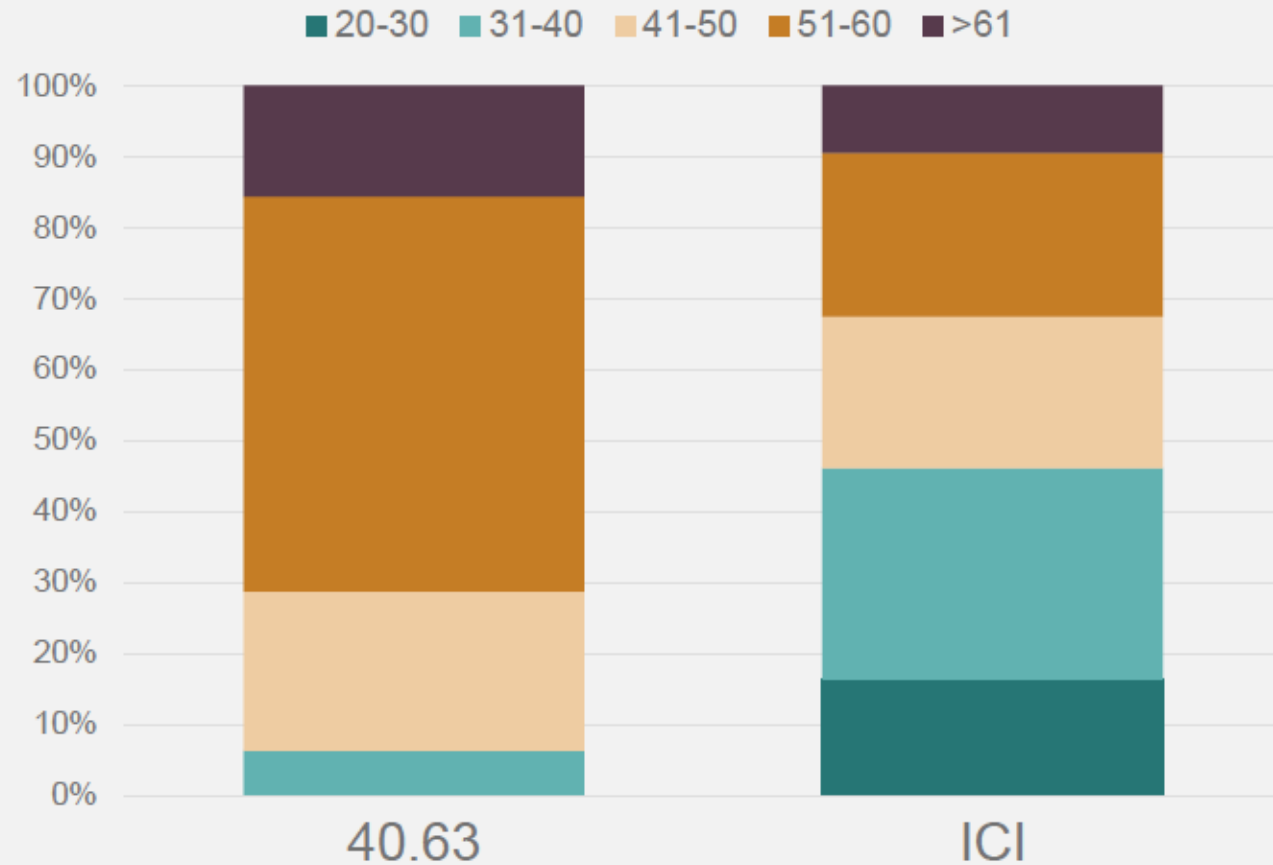


Disability Retirement (40.63)

Claims by Age



Age Distribution by Program



- ICI claims show broader age distribution than 40.63
- ICI includes short-term disabilities
- Only 33% of claims for 51 & older

Program Updates

- Income Continuation Insurance
 - Expanded coverage/benefits for employees over age 70 – Effective May 1, 2023
 - Expansion of ICI standard coverage to \$120,000 – Effective Jan. 1, 2024
 - Simplified premium rate tables for 2024
 - New effective date for state ICI premium increases moved to April 1 – Beginning in 2025
- Other Disability
 - 2023 WI Act 4, County Jailers – Effective Jan. 1, 2024
 - City of Milwaukee addition to WRS
 - New hires only

Disability Types

40.63 TR Board

- Multiple Medical
- Neurology
- Cancer
- Orthopedic

40.63 WR Board

- Multiple Medical
- Orthopedic
- Cancer
- Neurology

ICI

- Musculo-skeletal
- Behavioral
- Neurology
- Injury

Duty Disability

- Musculo-skeletal
- Cancer
- Neurology

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ETF E-mail Updates



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Questions?

Legislative Update

Item 6D – Memo Only

Tarna Hunter, Government Relations Director

Office of Budget and Management



Informational Item Only

- No Board action is required.

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Questions?

Secretary's Report

Item 6E – No Memo

John Voelker, Secretary
Office of the Secretary



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Questions?

Operational Updates

Items 6F-6P – Memos Only



Informational Items Only

- No Board action is required.

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Questions?

Tentative June 2024 Agenda

Item 7A – Memo Only

Shirley Eckes, Deputy Secretary

Office of the Secretary



Informational Item Only

- No Board action is required.

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Questions?

CLOSED SESSION

The Board may meet in closed session pursuant to the exemption contained in Wis. Stat. § 19.85 (1) (e) to deliberate or negotiate the investing of public funds or to conduct other specified public business, whenever competitive or bargaining reasons require a closed session. If a closed session is held, the Board may vote to reconvene into open session following the closed session.



Item 8 – No Memo



Announcement of Business Deliberated During Closed Session Discussion

Item 11A – No Memo



Vote on RFP ETD0055-59

Actuarial Audits



Item 11B – No Memo



Adjournment



Item 12 – No Memo



Thank you



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