

DRAFT

MINUTES

December 14, 2016

Executive Committee
Employee Trust Funds Board
State of Wisconsin



Location:
Department of Employee Trust Funds
Executive Conference Room – CR 140
801 West Badger Road, Madison, WI

COMMITTEE MEMBERS PRESENT:

Wayne Koessler, Chair (via teleconference) Robert Niendorf, Secretary
John David, Vice Chair (via teleconference)

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Bob Conlin, Secretary Pam Henning, Assistant Deputy
John Voelker, Deputy Secretary Secretary

Wayne Koessler, Chair, Executive Committee (Committee), called the meeting to order at 3:30 p.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

Motion: Mr. David moved to accept the open session minutes of the September 28, 2016, Executive Committee meeting, as submitted by the Board Liaison. Mr. Niendorf seconded the motion, which passed unanimously on a voice vote.

GOVERNANCE MATTERS

The Committee reviewed the December 15, 2016, Joint Meeting of the Retirement Boards (JM) and ETF Board meeting agendas, highlighting the following:

- A presentation by Pam Henning on the new Hill Farms Facility, including current photos on the development and parking structure;
- A presentation by ETF’s Chief Information Officer providing an overview and update on the agency’s IT security efforts;

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- An update by ETF's Legal Counsel on a Winnebago County case regarding open meetings law and notice recommendations;
- A presentation from the Office of Communications highlighting the new member outreach displays, recent member engagement efforts and awards received by ETF;
- An update on the operations and compliance efforts of the Employee Reimbursement Accounts program;
- A progress update by ETF's Disability Program Director on the redesign of the Long-Term Disability Insurance program;
- A presentation by the Board's consulting actuary, Gabriel, Roeder, Smith & Co., discussing the changes from the frozen initial liability funding mechanism to the required Governmental Accounting Standards Board (GASB) entry age normal cost methodology;
- A discussion on the dividend reserve options;
- An update on the 2017-2019 biennial budget initiatives and the passive review request to the Joint Committee on Finance seeking additional security resources for the Benefits Administration System; and
- The progress on the appeal cases for stagehands and jailers.

OBJECTIVES AND ACCOMPLISHMENTS

Department Quarterly Progress Report

Mr. Voelker discussed the Quarterly Accomplishments Report (Ref. EXC | 12.14.16 | 4A), highlighting:

- Special meetings of the Group Insurance Board to discuss self-insurance options;
- The new contract for wellness management selected StayWell as the new vendor consolidating all communication and education in one vendor;
- Contract negotiations started with the new data warehouse vendor, Truven Health Analytics;
- A Request For Proposal was issued for a pharmacy benefits manager in 2018; and
- ETF Outreach staff have been offering virtual appointments to members in lieu of onsite appointments.

PERSONNEL MATTERS

Human Resources Report

Ms. Henning reviewed and responded to questions from the Committee regarding the Quarterly Human Resources Activities Report (Ref. EXC | 12.14.16 | 5A), highlighting:

- Recruitment efforts, including new hires and vacancies; and
- The launch of a Financial Fitness Challenge program that is available to all state employees. This educational effort includes a survey with a fitness score, financial advising and educational tutorials on various financial topics.

OPERATIONAL MATTERS

Status of Annual Financial and GASB Reports:

Mr. Conlin discussed the recent Legislative Audit Bureau's report and findings. The official Comprehensive Annual Financial Report (CAFR) will be available in February 2017.

Facility Update:

Ms. Henning provided an update on an insect infestation on the third floor of the Department of Revenue building, which ETF occupies. Staff were displaced for one week to have inspections and treatments. Discussed the financial cost to contain and resolve this matter.

Mr. David left the meeting at 4:15 p.m.

ADJOURNMENT

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

The Committee adjourned at 4:23 p.m.

Date Approved: _____

Signed: _____

Robert Niendorf, Secretary
Executive Committee