

DRAFT

# MINUTES

March 23, 2022

## Executive Committee

Employee Trust Funds Board  
State of Wisconsin



## Location:

Department of Employee Trust Funds  
This meeting was held via teleconference.

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## COMMITTEE MEMBERS PRESENT:

Wayne Koessl, Chair  
John David, Vice Chair  
William Ford, Secretary

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## PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary:

John Voelker, Secretary  
Shirley Eckes, Deputy Secretary

Division of Management Services:

Lisa Dally, Human Resource Director

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## OTHERS PRESENT:

ETF Office of the Secretary:

Cheryllynn Wilkins  
Kimberly Schnurr  
Kathryn Young

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Mr. Koessl, Executive Committee (Committee) Chair, called the meeting to order at 3:35 p.m.

## CONSIDERATION OF MINUTES OF PREVIOUS MEETING

***Motion: Mr. Ford moved to accept the open session minutes of the December 8, 2021, Executive Committee meeting, as submitted by the Board Liaison. Mr. David seconded the motion, which passed unanimously on a voice vote.***

Board	Mtg Date	Item #
EXC	6.22.22	1

## **GOVERNANCE MATTERS**

### COVID-19 Update

Mr. Voelker provided an update (Ref. EXC | 3.23.22 | 3A) on ETF staff returning to the office on March 7, 2022, under a new hybrid work model. The state employee mask mandate and the Public Health of Madison and Dane County mask mandate expired March 1, 2022. The hybrid work model allows supervisors and staff to develop individualized schedules that prioritize onsite coverage and the opportunity to work from home.

ETF has been providing member services onsite, including front desk and quick service functions and one-on-one individual counseling sessions since July 2021. Virtual appointments continue to be well attended and they provide more flexibility for members.

In addition to the mask mandate ending, the Department of Administration (DOA) has ended COVID testing requirements. However, all state employees and contractors are still required to report their vaccination status. More than 93% of ETF staff are vaccinated.

ETF's priority is the health and safety of our staff and members. ETF will continue to monitor guidance from health experts as we embrace our new hybrid working environment.

### Board Agenda Review

Mr. Voelker reviewed the Joint Meeting of the Retirement Boards and the ETF Board agendas with the Committee. Some of the highlights will include the State of Wisconsin Investment Board (SWIB) presenting on the 2021 Wisconsin Retirement System (WRS) investment performance, in addition to providing a 2022 outlook; and ETF's Communications Director sharing the member engagement survey results. The primary discussion item will involve Gabriel, Roeder, Smith & Company's (GRS) review of the WRS 39<sup>th</sup> Annual Valuation of Retired Lives and the annual annuity adjustments.

The Teachers Retirement (TR) Board and the Wisconsin Retirement (WR) Board will meet concurrently; the WR Board will meet in closed session to consider an appeal.

The ETF Board will receive its regular updates, including Committee reports, the Secretary's Report, and the Organizational ETF Metrics report. In addition, the ETF Board will receive an update on ETF's new Enterprise Content Management System (ECM) and will vote on the annual annuity adjustments and a revised WRS Funding Policy. The Wisconsin Department of Justice will provide a legal update in closed session regarding pending litigation involving a former software vendor.

## **OBJECTIVES AND ACCOMPLISHMENTS**

### Department Quarterly Progress Report

Ms. Eckes discussed the Quarterly Accomplishments Report (Ref. EXC | 3.23.22 | 4A) and provided insight on how ETF is doing. Mr. Voelker will elaborate on this in his Secretary's Report and in June as part of his evaluation.

Ms. Eckes remarked on potential challenges that staff have and will experience as we deploy resources to transform ETF while performing necessary day-to-day work.

For example, from a customer perspective, although employers and members continue to want more, until we fully implement the insurance and pension administration systems, ETF will continue to rely on incremental operational improvements. Some of these include:

- Expanding insurance outreach to local employers by starting quarterly sessions focused on benefit changes
- Increasing the number of one-on-one retirement appointments
- Using Empower, our Wisconsin Deferred Compensation Program third-party administrator, to provide mobile app technologies to members, and
- Implementing technologies considered "low hanging fruit" to better serve members, including the BOX technology and piloting an online disability fill-in form capability.

From a risk perspective, we have limited resources, so we are constantly evaluating how much of our resources are available to build for the future versus spend on meeting current customer demands and dealing with unanticipated events. Recent uncontrollable events required our IT staff to work closely with Department of Administration staff to mitigate global cybersecurity risks. Shifting IT staff focus between transformative type projects to address necessary daily responsibilities is stressful. The executive team and senior leaders are keeping a pulse on staff's work/life balance.

ETF continues to invest in staff and their functional skills and competencies to build a talented and agile workforce. There is functional expertise needed for the future of ETF, for example, business and data analysis. The risk is that our workforce is not ready to apply our new technologies, processes, and data as we modernize ETF. It will take time to not only create our learning, development, and performance evaluation program but also to develop training opportunities.

## **PERSONNEL MATTERS**

### Human Resources Report

Ms. Eckes provided an update on recent hires. ETF has a relatively low vacancy rate, which is reflective of our favorable staff engagement survey results—ETF is a great place to work and employees are recognized and appreciated.

ETF tries to create promotional opportunities in order to retain our talented workforce. Thus, some of the positions filled this past quarter were filled by current staff, which creates a different vacancy. The employment market is tight, and ETF must be competitive. While our culture is attractive to staff, we are seeing greater weight to pay resulting in staff leaving the agency.

There is continued progress in implementing ETF's Equity and Inclusion Plan. ETF's engaged IDEA Committee is focused on workforce diversity and collaboration. The Wellness Workgroup helps employees deal with stress and other wellness issues, which is especially important during ETF's transformation journey.

Secretary's Evaluation and Timetable

Ms. Dally provided an overview of the Secretary's Evaluation process and timetable.

**ADJOURNMENT**

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

The Committee adjourned at 4:28 p.m.

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

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

William Ford, Secretary  
Executive Committee