

Draft

MINUTES

September 21, 2022

Executive Committee

Employee Trust Funds Board
State of Wisconsin



Location:

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

COMMITTEE MEMBERS PRESENT:

William Ford, Chair
John David, Vice Chair
Steve Wilding, Secretary

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Office of the Secretary:

John Voelker, Secretary
Shirley Eckes, Deputy Secretary

Pam Henning, Assistant Deputy
Secretary

OTHERS PRESENT:

ETF Office of the Secretary:
Cheryllynn Wilkins

Mr. Ford, Executive Committee (Committee) Chair, called the meeting to order at 3:33 p.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

Motion: Mr. David moved to accept the open and closed session minutes of the June 22, 2022, Executive Committee meeting, as submitted by the Board Liaison. Mr. Wilding seconded the motion, which passed unanimously on a voice vote.

Board	Mtg Date	Item #
EXC	12.07.22	1

GOVERNANCE MATTERS

Board Agenda Review

Mr. Voelker reviewed the ETF Board agenda. Some of the highlights included the following:

- Due to a possible quorum of Wisconsin Retirement Board members expected to be present at the ETF Board meeting, the meeting has been noticed as a Joint Meeting;
- Matt Stohr will present an overview and data trends focusing on Wisconsin Retirement System annuitants highlighting population trends, income replacement, and annuity adjustments over the years;
- Pam Henning and Kristin Gunther will provide the annual ETF Strategic Plan update focusing on the past year's accomplishments and highlighting any new initiatives for Fiscal Year 2023;
- Tarna Hunter will review ETF's 2023-2025 Biennial Budget request to be submitted to the Governor soon after the board meeting. As indicated by on numerous occasions, this budget will be larger than in the past and focuses on three things: 1) reducing critical risk; 2) increasing responsiveness to members and employers; and 3) strengthening our financial and compliance area. Overall, ETF is requesting 16.0 FTE and \$21 million SEG funding. The request includes 7.0 FTE and contractor support to help reduce the risk of fragile, old legacy systems; 7.0 FTE to respond to critical service needs for retirement estimates/appointments, call volume increases, employer and insurance issues, and processing retirement estimates and applications; and 2.0 FTE for actuarial and financial reporting for workload and compliance purposes. Of the \$21 million SEG funding request, \$11 million is dedicated to financing a new pension administration system.

OBJECTIVES AND ACCOMPLISHMENTS

Department Quarterly Progress Report

Ms. Eckes discussed the Quarterly Accomplishments Report (Ref. EXC | 9.21.22 | 4A) and provided insight on ETF's progress meeting transformation journey challenges while performing necessary day-to-day work. She highlighted the following accomplishments:

- Increasing targeted communications to employers and members via website (insurance webpage) – combining insurance information; Wisconsin Deferred Compensation (WDC) revamped website.
- It's Your Choice (IYC) – significant disruption for members due to WEA Trust leaving the State of Wisconsin Group Health Insurance program.
- Created a local employer group especially for the Insurance Administration System (IAS) and goal to expand it for all benefit programs.
- Performance and process management – emphasis on data and streamlining processes; disparate systems to talk to one another and better manage our programs; reviewing duplications in processes to streamline and consolidate.

- Talented and Agile Workforce – push to fill vacancies in a streamlined manner; learning business needs across the organization – a good example was the coordination of position requests on biennial budget request.
- Modernize systems – IAS project plan revised with new June 2024 date for single deployment; policy updates for security.
- Other – finalized FY23 operating budget and aligned with strategic priorities; transitioned off of the 7th floor.
- Governance – the whole agency has a single focus - the customers; operate benefit plan so employers don't get confused, reviewing employer engagement framework, and creating a customer experience workgroup.
- Mastering data – disparate data and functions – performing quality check on data to avoid revalidating and reconfirming.
- Group Insurance Board (GIB) for November – reviewing wellness program (\$13 million annually) and its role to reduce pharmaceutical and medical costs; revisit Income Continuation Insurance disability program and streamlining/decoupling sick leave program.

ETF's Strategic Plan Fiscal Year 2022 Accomplishments and Fiscal Year 2023 Initiatives

Ms. Henning provided a high-level overview of the Strategic Plan presentation that will be presented at the ETF Board meeting.

PERSONNEL MATTERS

Human Resources Report

Ms. Henning provided an update on current vacancies and recent new hires. Ms. Henning mentioned initiatives under way for the agency's Equity and Inclusion Plan, including piloting a staff network group on culture, race and ethnicity and beginning development of a mentoring program. She also mentioned various mandatory trainings and certifications completed by staff.

ADJOURNMENT

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

The Committee adjourned at 4:33 p.m.

Date Approved: _____

Signed: _____

Steven Wilding, Secretary
Executive Committee