

DRAFT

# MINUTES

June 21, 2023

## Executive Committee

Employee Trust Funds Board  
State of Wisconsin



### Location:

This meeting was held via teleconference.  
3:35 p.m. – 4:54 p.m.

### COMMITTEE MEMBERS PRESENT:

William Ford, Chair  
Steve Wilding, Vice Chair  
Chris Heller, Secretary

### PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

**Office of the Secretary:**  
John Voelker, Secretary  
Shirley Eckes, Deputy Secretary  
Pam Henning, Assistant Deputy Secretary  
Kimberly Schnurr, Board Liaison  
**Division of Management Services:**  
Lisa Dally, Human Resources Manager

### OTHERS PRESENT:

**Division of Retirement Services:**  
Matt Stohr  
**Office of the Secretary:**  
Kathryn Young

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

### ANNOUNCEMENTS

Mr. Voelker said the new Employee Trust Funds Board (ETF Board) member, Michelle Stanton, would attend the ETF Board meeting.

### CONSIDERATION OF MARCH 22, 2023, OPEN SESSION MEETING MINUTES

**MOTION:** *Mr. Wilding moved to approve the open session minutes of the March 22, 2023, meeting as submitted by the Board Liaison. Mr. Heller seconded the motion, which passed unanimously on a voice vote.*

Board	Mtg Date	Item #
EXC	09.20.23	2A

## **GOVERNANCE MATTERS**

Mr. Ford updated the board on committee appointments as follows:

- Chris Heller would remain on the Budget and Operations Committee as well as serve on the Executive Committee.
- Angela Miller would become a new member on the Audit Committee.

### Board Agenda Review

Mr. Voelker provided an overview of the ETF Board agenda. He indicated that the theme of this board meeting is actuarial valuations of the major benefit programs. Those would include:

- Wisconsin Retirement System (WRS) Active Lives 42nd Annual Actuarial Valuation by Gabriel, Roeder, Smith & Company (GRS) will show increases for all WRS categories: general, executive, and elected are up 0.2%; protectives with social security are up by 1.2%; and protectives without social security are up by 1.1%.
- Gain/Loss Analysis shows an investment earning loss of \$132 million for the Core Fund. This analysis is the second of the three-year experience cycle.
- Sick leave conversion credit program will recommend no rate changes from current year rates.
- Duty Disability Actuarial Report includes both an insurance experience study and actuarial evaluation with rates being recommended to stay the same as current rates due to an overall healthy financial position with funding levels in the ETF Board's policy range.

Under educational topics, Bonnie Cyganek will be presenting more on ETF's Customer Experience (CX) activities, and Tarna Hunter will provide more detail on all the action and activities from the recent biennial budget process and new and proposed legislation.

Under closed session, the Department of Justice (DOJ) will provide an update to the ETF Board to close the loop on the Board's past request for a DOJ opinion on the board's authority for awarding the ETF secretary's compensation. Following that discussion, Lisa Dally, HR Director would provide an overview of the evaluation process and results from staff and board surveys, plus discuss compensation. Mr. Voelker will join the ETF Board for his secretary's evaluation.

Mr. Ford asked if a separate meeting will be scheduled with ETF staff and GRS actuaries to discuss Milwaukee City and County's new employees entering the WRS. If there is board interest, Mr. Voelker indicated that this could be put on the agenda for the September ETF Board meeting, but it will be covered by GRS at the meeting tomorrow, too.

## **OBJECTIVES AND ACCOMPLISHMENTS**

### Department Quarterly Progress Report

Ms. Eckes discussed the "Department Quarterly Progress Report" (Ref. EXC | 06.21.23 | 4A) and provided insight on ETF's progress meeting transformation journey challenges while performing necessary day-to-day work. Overall, staff, members, employers, vendors, and legislative stakeholders are engaged.

Good progress continued to be made both from a strategic initiative and a day-to-day operations perspective. Cybersecurity oversight and other continuity of operations planning and protections continued to be a focus. While positive, there are some concerns across the agency of what lies ahead relative to modernization, implementing the jailers law, and onboarding Milwaukee County and City into the WRS.

Ms. Eckes highlighted a specific accomplishment with the completion of mid-year evaluations using the new performance management system and related process. The new process experienced a few bumps. However, those were actively being addressed, and staff were clearly engaged. The system and process provided staff and managers opportunities to stay regularly connected and aligned as ETF transforms.

## **PERSONNEL MATTERS**

### Quarterly Human Resources Report

Ms. Henning provided an update on current vacancies and recent new hires, highlighting some significant recruitments underway for leadership positions due to vacancies and the reorganization. This includes the hiring of Kevin Acker as ETF's new Administrator of the Division of Technology, Security and Data Services due to the retirement of Steve Mueller who served as the Management Services Division administrator.

She mentioned that ETF submitted and received approval from the State Budget Office on several organizational changes effective July 1, 2023. These included:

- The Division of Management Services (DMS) will be renamed the Division of Technology, Security and Data Services (DTSDS).
  - The Bureaus of Information Technology Services (BITS), Information Security Management (BISM), and Data Management (DMB), and two current IS Business Automation (Special Project Lead) roles will report directly to a newly recruited DTSDS administrator.
  - The Records Officer moved to the Office of Communications reporting to Mark Lamkins. Recruitment efforts are underway.
- The Bureau of Budget, Contract Administration and Procurement (BCAP) will move under a newly created Office of Budget and Management (OBM). Tim Steiner, ETF Budget Director, will report to a newly recruited OBM Director.

- Supplies/Mail (SAMS), Records and Facilities Operations will now report to Tim Steiner under BCAP.
- The Strategic Engagement and Government Relations Director (Tarna Hunter) will report to a newly recruited OBM Director.
- Laura Patterson from the Office of Policy, Privacy and Compliance (OPPC) will report to the new OBM Director to provide agency policy review and coordinate with Tarna on legislative matters.
- The Human Resources Bureau will be elevated to an office and renamed the Office of Talent Management with Lisa Dally as the new director reporting to the assistant deputy secretary.

### **MOVE TO CLOSED SESSION**

Mr. Ford announced that the Committee would be meeting in closed session to discuss personnel matters regarding the ETF Secretary's Annual Evaluation. The Committee would vote to reconvene in open session following the closed session.

Mr. Ford also announced that unless there was any objection, he, as the Executive Committee chair, would be the sole member to return to open session and announce the business deliberated during closed session and adjourn the meeting. No objections were made.

***MOTION: Mr. Ford moved to convene in closed session pursuant to the exemptions contained in Wis. Stat. § 19.85 (1) (c) to discuss employment, promotion compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. Mr. Wilding seconded the motion, which passed on the following roll call vote:***

***Ayes: Ford, Wilding, Heller.***

***Nays: None.***

Ms. Dally was invited to remain during closed session.

The Committee convened in closed session at 4:08 p.m.

Mr. Ford returned to open session at 4:53 p.m.

### **ANNOUNCEMENT OF BUSINESS DELIBERATED DURING CLOSED SESSION**

Mr. Ford announced the Committee met in closed session and Ms. Dally answered questions on the Secretary's annual evaluation and compensation memo.

**ADJOURNMENT**

Mr. Ford adjourned the meeting at 4:54 p.m.

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

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

Chris Heller, Secretary  
Executive Committee