

DRAFT

MINUTES

March 27, 2024

Executive Committee

Employee Trust Funds Board (Board)
State of Wisconsin



Location:

This meeting was held via teleconference.
3:30 p.m. – 4:42 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
Office of Talent Management:
Lisa Dally, Director

OTHERS PRESENT:

Office of the Secretary:
Kathryn Young

Mr. Ford, chair, called the Executive Committee (Committee) meeting to order at 3:30 p.m.

ANNOUNCEMENTS

Secretary Voelker announced that Wayne Koessl will be resigning from the ETF Board effective immediately. The Chief Benefit Officer vacancy has been posted for recruitment. The ETF Board member photos are posted on ETF’s website. ETF provided new board orientation in the past weeks for the new members of the Teachers Retirement (TR), Wisconsin Retirement (WR), and ETF Boards. Mr. Ford appointed Michele Stanton to the vacant seat to replace Roberta Rasmus on the Budget and Operations Committee.

Board	Mtg Date	Item #
EXC	06.19.24	2

CONSIDERATION OF OPEN MINUTES OF DECEMBER 13, 2023, COMMITTEE MEETING ([Ref. EXC | 03.27.24 | 2](#))

MOTION: Mr. Wilding moved to approve the open minutes of the December 13, 2023, meeting, as submitted by the Board Liaison. Mr. Heller seconded the motion, which passed unanimously on a voice vote.

BOARD MEMBERSHIP UPDATES

Ms. Henning discussed current vacancies on the ETF Board as well as those member seats eligible to be appointed from the TR and WR Boards to the ETF Board. TR and WR Board chairs are responsible for appointing members from their respective boards to the ETF Board seats. ETF will provide eligible members to the chairs to review prior to the June Board meeting.

DISCUSSION AND CONSIDERATION ([Ref. EXC | 03.27.24 | 4A](#))

Ms. Eckes reviewed the memo on Board member meeting participation expectations. She mentioned the existing governance manual contains Board Policies and Procedures that set attendance expectations, encouraging Board members to attend Board meetings in person. She discussed a few options for consideration.

Mr. Ford suggested initially a soft approach where Board members are asked to make every effort to meet in person at ETF Board meetings. He believes board participation is important based on role of the Wisconsin Retirement System (WRS) and fiduciary responsibilities to the trust and the members. Mr. Heller believes members should meet in person and is willing to contact TR Board members serving on the ETF Board to discuss the importance of serving in this role and the value of having discussions in person.

Mr. Wilding agrees that in-person participation is important. He will discuss with any new members appointed from the WR Board to the ETF Board the value of in-person meetings and his expectations for attendance at these meetings.

Secretary Voelker suggested that those not attending in person contact the ETF Board chair instead of the Board Liaisons to indicate their rationale for needing to attend virtually. All committee members agreed on this approach going forward. Mr. Ford will inform ETF Board members at the ETF Board meeting as part of his Executive Committee report.

GOVERNANCE MATTERS

Secretary Voelker reviewed the ETF Board agenda with the Committee. The following was discussed:

- State of Wisconsin Investment Board Executive Director Edwin Denson and staff will provide overview on WRS investment performance and the 2024 financial outlook.
- GRS actuaries will provide information on the annual valuation of retired lives and annuity adjustments of 3.6% for core and 15% for variable. Their presentation will include a stress testing overview.
- Cindy Klimke will present the core fund annuity adjustment and effective rate projections.
- Amelia Slaney will provide an overview of the annual comprehensive financial report for calendar year 2022. The report highlights a clean audit.
- Operational updates will include a modernization update on the Insurance Administration System (IAS) delay from 2024 to summer 2025; customer service member and employer data; disability statistical report; legislative report; and Secretary's report. The closed session will request approval of the vendor(s) for actuarial services.

OBJECTIVES AND ACCOMPLISHMENTS ([Ref. EXC | 03.27.24 | 6A](#))

Ms. Eckes discussed the Executive Committee Accomplishments Report: December 2023-February 2024 and provided insight on ETF's progress in two important areas:

- Focus on customer experience – looking at data (why repeat callers in Call Center) to capture end-to-end data and process management to identify gaps. There is a Customer Experience (CX) workgroup in place with dedicated staff in addition to a roadmap to improve our members and employers' experience.
- Resetting the IAS go-live timeline will be a large undertaking agencywide with a ripple effect on reallocation of staff and other resources.

PERSONNEL MATTERS

Quarterly Human Resources Report: March 2024

Ms. Henning provided an update on key recruitments and vacancies as well as efforts on the mid-year evaluation performance process with 100% completion by 211 staff.

Secretary's Evaluation and Timetable ([Ref. EXC | 03.27.24 | 7B](#))

Ms. Dally referred to the Secretary's evaluation documents, including the supervisor/manager survey, ETF Board evaluation survey and the overall timeline.

FUTURE ITEMS FOR DISCUSSION

Mr. Wilding asked questions on the onboarding of Milwaukee City and participation in the WRS. Ms. Eckes will follow up on status of legal interpretation on certain Milwaukee employees not eligible for other programs offered under the WRS.

Mr. Ford thanked Ms. Schnurr, Ms. Casper, and Ms. Young for their work on the comprehensive board agendas.

ADJOURNMENT

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

The Committee adjourned at 4:42 p.m.

Date Approved: _____

Signed: _____

Chris Heller, Secretary
Executive Committee