

DRAFT

# MINUTES

December 9, 2020

## Teachers Retirement Board

State of Wisconsin



### Location:

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

### BOARD MEMBERS PRESENT:

Brent Grochowski, Chair  
Chris Heller, Vice Chair  
Esther Ancel, Secretary  
Adam Balz

Allison Pratt  
Tony Przybylski, Jr.  
David Schalow

### BOARD MEMBERS ABSENT:

James Langkamp  
Amy Mizialko

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

Office of the Secretary:  
Bob Conlin, Secretary  
John Voelker, Deputy Secretary  
Cherylynn Wilkins, Board Liaison

Division of Retirement Services:  
Matt Stohr, Administrator

### OTHERS PRESENT:

ETF Division of Management Services:  
Patrick Hughes, Kadi Mbanefo

ETF Office of Legal Services: Monica Anderson, Diana Felsmann, Dan Hayes, David Nispel

ETF Division of Retirement Services:  
Anne Boudreau, Jim Guidry

ETF Office of the Secretary: Lisa Gurley, Pam Henning, Tarna Hunter, Kathryn Young

Brent Grochowski, Chair, called the meeting of the Teachers Retirement Board (Board) to order at 3:32 p.m.

Board	Mtg Date	Item #
TR	6.17.21	1

## CONSIDERATION OF MINUTES

***MOTION: Ms. Ansel moved approval of the September 16, 2020, open session minutes as submitted by the Board Liaison. Ms. Pratt seconded the motion, which passed unanimously on a voice vote.***

## ANNOUNCEMENTS

Mr. Stohr said there will be a call for nominations in January 2021 for three public school teacher seats: those of Chris Heller and Allison Pratt, whose terms expires in May 2021; the third seat is that of David Wiltgen, who earlier had resigned. Mr. Stohr provided an update about the governing board redesign proposal, which was approved by the retirement boards and included in ETF's state budget request. A letter from the chairs of the three retirement boards in support of the changes was included in that request. The Governor is set to deliver his budget address on February 16, 2021.

## DISCUSSION AND CONSIDERATION

### State of Wisconsin Investment Board (SWIB) Appointee Annual Update

Mr. Schalow, the TR Board appointee to SWIB, presented a SWIB update. The market had a major downturn at the onset of this pandemic but is doing better as the year is coming to a close. All members are in the Core Fund and SWIB's target goal is to meet or exceed the assumed rate of return of 7%.

He stated that SWIB's Core Fund asset allocation target portfolio shows: 49% stocks, 25% fixed income, 16% inflation sensitive, 8% real estate, 9% private equity and 4% multi-asset. The total exceeds 100% due to SWIB's overall leverage of Core Fund assets. SWIB's actual asset allocation may vary up to +/-6% from these targets. Mr. Schalow explained how the asset allocation change equates to risk versus reward to meet the 7% assumed rate of return.

Mr. Schalow also announced SWIB's newest Board Member, Kristi Palmer, who is a local government member. Additionally, SWIB is planning to relocate to new offices in the coming year. The new location will allow SWIB to add more staff and bring more investment managers in-house.

## FUTURE ITEMS FOR DISCUSSION

There was discussion regarding the right timing to accommodate all Board members' attendance at the meetings. Staff will try to find a time that will work for all board members. Mr. Conlin reminded the Board about the Retired Lives Actuarial Report in March that is normally presented at the Joint Meeting of all the retirement boards. If it is decided not to have a Joint Meeting of the Retirement Boards, one option is for TR Board and WR Board members to join the ETF Board meeting as a guest with no separate meeting.

The March Retirement Board meetings will be virtual, due to COVID-19 precautions.

**ADJOURNMENT**

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

The Board meeting adjourned at 4:03 p.m.

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

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

Esther Ancel, Secretary  
Teachers Retirement Board