

DRAFT

MINUTES

September 29, 2016

Wisconsin Retirement Board
State of Wisconsin



Location:

State Revenue Building – Events Room
2135 Rimrock Road, Madison, WI

BOARD MEMBERS PRESENT:

Wayne Koessler, Chair
John David, Vice Chair
Mary Von Ruden, Secretary

Ted Nickel
Julie Wathke
Steven Wilding

PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

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

Division of Retirement Services:
Matt Stohr, Administrator

OTHERS PRESENT:

ETF Division of Management Services:
Stacie Meyer, Ryan Perkins
ETF Division of Retirement Services:
Anne Boudreau
ETF Office of Legal Services: David
Nispel, Diana Felsmann
ETF Office of Communications:
Mark Lamkins
ETF Office of Policy, Privacy and
Compliance: Steve Hurley

ETF Office of the Secretary: Sara
Brockman, Pam Henning, Tarna
Hunter
ETF Board Members: William Ford,
Michael Langyel, Robert Niendorf,
Paul Ostrowski, Leilani Paul, Roberta
Rasmus, Victor Shier, David Wiltgen
Department of Justice: Charlotte Gibson
Gabriel Roeder Smith & Company (GRS):
Jim Anderson, Brian Murphy

BOARD MEMBER NOT PRESENT:

Herbert Stinski

Wayne Koessler, Chair, Wisconsin Retirement Board (Board), called the meeting to order at 11:45 a.m.

Board	Mtg Date	Item #
WR	6.22.17	1

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

MOTION: Ms. Von Ruden moved to approve the March 24, 2016, open session minutes of the Wisconsin Retirement Board meeting, as submitted by the Board Liaison. Mr. Nickel seconded the motion, which passed unanimously on a voice vote.

MOTION: Ms. Von Ruden moved to approve the March 24, 2016, closed session minutes of the Wisconsin Retirement Board meeting, as submitted by the Board Liaison. Mr. Nickel seconded the motion, which passed unanimously on a voice vote.

DISCUSSION/CONSIDERATION

Clearinghouse Rule # CR 16-033: Technical and Minor Substantive Changes in Existing ETF Administrative Rule

Mr. Hayes reminded Board members about his presentation at the Joint Meeting of the Retirement Boards and the memo (Ref. WR | 9.29.16 | 3A) regarding the changes proposed.

MOTION: Mr. David moved to accept the final version of proposed Clearinghouse Rule # 16-033. Mr. Nickel seconded the motion, which passed unanimously on a voice vote.

OPERATIONAL UPDATES

State of Wisconsin Investment Board (SWIB) Update

Mr. Conlin provided an update regarding his appointment and role as a SWIB trustee. He echoed Sandra Claflin-Chalton's comments from the Teachers Retirement Board meeting on the caliber of the new trustees on the Board, who have a lot of board governance and investment experience. The trustees take their roles seriously, understand the mission of SWIB and work diligently to ensure SWIB manages to fulfill its mission to the Wisconsin Retirement System. Secretary Conlin said the meeting structure change they requested will further enhance their work to fulfill its mission to the WRS – fewer meeting days and longer meeting times allows for better meeting preparation and more in-depth discussions. SWIB is currently rebuilding its IT system to provide better data analysis and more opportunities for additional types of investing. In addition, an upcoming two-day workshop for SWIB staff and trustees will provide opportunities to meet and explore pressing issues, investment strategies, asset allocation and global-macro economic issues that affect the investment environment. Every other year, the trustees do an asset allocation. The last one was done in 2015. This year at the two-day workshop, there will be a review of the asset allocation, among

other things. Overall, Secretary Conlin said SWIB is doing very well and some of the long-term strategies implemented are paying off this year.

FUTURE ITEMS FOR DISCUSSION

Mr. Nickel asked about the Department's cyber security efforts. ETF contracted with AT&T to do a cyber security audit, penetration testing, access, etc. ETF's IT infrastructure is hosted by DET, but ETF understands its responsibility to also implement additional IT protection internally. ETF is looking at proposals for cyber security insurance. Information updates are provided to the Employee Trust Funds Board and the ETF Board Audit Committee.

ADJOURNMENT

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

The meeting adjourned at 12:02 p.m.

Date Approved: _____

Signed: _____

Mary Von Ruden, Secretary
Wisconsin Retirement Board