

DRAFT

MINUTES

December 12, 2019

Wisconsin Retirement Board

State of Wisconsin



Location:

State Hill Farms Building – Room N134
4822 Madison Yards Way, Madison WI 53705

BOARD MEMBERS PRESENT:

John David, Chair
Steven Wilding, Vice Chair
Julie Wathke, Secretary

Mark Afable
Wayne Koessl
Herbert Stinski
Mary Von Ruden

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

Office of Legal Services:
Dan Hayes, Attorney
Office of Policy, Privacy & Compliance:
Laura Patterson, Policy Analyst

OTHERS PRESENT:

ETF Division of Management Services:
Patrick Hughes
ETF Division of Retirement Services:
Anne Boudreau, Jim Guidry
ETF Office of Legal Services: David
Nispel

ETF Office of Policy, Privacy &
Compliance: Steve Hurley
ETF Office of the Secretary: Lisa Gurley,
Pam Henning, Tarna Hunter
ETF Board Member: Malika Evanco
Others: Jeff Koessl

John David, Chair, Wisconsin Retirement Board (Board), called the meeting to order at 12:45 p.m.

Board	Mtg Date	Item #
WR	3.26.20	1

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

MOTION: Ms. Von Ruden moved to approve the June 20, 2019, minutes of the Wisconsin Retirement Board meeting, as submitted by the Board Liaison. Ms. Wathke seconded the motion, which passed unanimously on a voice vote.

DISCUSSION AND CONSIDERATION

Clearinghouse Rules

Mr. Hayes reminded the Board of the presentation (Ref. JM | 12.12.19 | 3C) at the Joint Meeting of the Retirement Boards.

CR 19-097: Changes to Reflect Closure of the Long-Term Disability Insurance Program and Technical Changes to the Duty Disability Program

MOTION: Ms. Von Ruden moved to approve the Clearinghouse Rule # 19-097 that reflects the closure of the Long-Term Disability Insurance Program and the technical changes to the Duty Disability Program as proposed. Mr. Koessl seconded the motion, which passed on a voice vote.

CR 19-126: Technical Changes in Existing ETF Administrative Rules

MOTION: Mr. Stinski moved to approve the final revision of the Clearinghouse Rule # 19-126 as proposed. Ms. Von Ruden seconded the motion, which passed on a voice vote.

State of Wisconsin Investment Board (SWIB) Appointee Annual Update

Mr. Conlin presented an update as the Board appointee on the SWIB Board of Trustees. He stated that as of the end of November, the Core Fund was at 17% for the year and the Variable Fund 24%. Even if these investment returns remain through December 31, due to smoothing and investment performance of past years, the Core Fund annuity adjustment could be in the 1-2% range. ETF will be prepared to handle the communications needed to inform and educate members about the annuity adjustment process.

Mr. Conlin also said there is one vacancy on the Board and three new trustees: David Schalow, Esther Ancel and the Department of Administration Secretary, Joel Brennan. There also has been a variety of staff turnover at SWIB over the past year.

The Board of Trustees spends a considerable amount of time reviewing and analyzing investment risk and asset allocation, emphasizing that the basic objective of the Core Fund is to earn an optimum long-term return while taking acceptable risk.

Structure of the Retirement Boards

Ms. Patterson reminded the Board of the presentation (Ref. JM | 12.12.19 | 3A) at the Joint Meeting (JM) of the Retirement Boards.

Board members discussed the potential for governing board structure changes. Topics included representation of certain groups on any new board, ensuring the experience and expertise of board members, and continued access to the actuarial consultants. Board members also commented that the current structure results in some inefficiency with the repeat of agenda items for each board.

- ETF staff noted that despite any board structure changes, access to board consultants should not change. As far as meetings go, currently the Teachers Retirement and Wisconsin Retirement Board generally only meet when necessary to handle an appeal or administrative rule, however each governing board must meet once a year under current law.

ADJOURNMENT

MOTION: Ms. Von Ruden moved to adjourn the meeting. Mr. Koessler seconded the motion, which passed unanimously on a voice vote.

The meeting adjourned at 1:16 p.m.

Date Approved: _____

Signed: _____

Julie Wathke Secretary
Wisconsin Retirement Board