

# Wisconsin Coalition of Annuitants

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## Minutes of Meeting October 21, 2013

The meeting was held at the Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison and was called to order by Chair Jim Palmer at 9:32 a.m.

**DIRECTORS & ALTERNATES PRESENT:** R. Beglinger, WFT-R, O. Berge, WARSDA; B. Fendel, AFSCME; E. Frank, DNR; R. Hoessel, DOT; B. Holahan, UWMRA; C. Howard, WEAC-R; A. Knop, WEAC-R; J. Maydak, West Allis; J. Miller, DNR; J. Munro, WARSDA; J. Palmer, WPPA; D. Rohweder, ESP; W. Rowe, ACE; B. Schaefer, SEA; J. Skiles, UW-R; J. Vreeland, Wauwatosa; A. Wallace, UWRA.

**GUESTS:** A. Fendel, T. Hunter, C. Preisler, R. Wojciak.

**EXCUSED:** D. Bennett, B. Davis, S. Drew, J. Egan, D. Kratz.

**MINUTES** of the September meeting will not available.

A special thanks to Jim Miller for filling in today during the absence of the Secretary.

### **GUEST: - Tarna Hunter, Legislative Liaison, ETF**

The Legislature has been relatively quiet with one exception. Senator Gudex introduced SB 330 and Representative Petryk AB 414 relating to purchase of military service that occurred prior to employment in the WRS. The participants would be required to pay their share as well as the employer share, quite expensive. This bill would pertain only to active employees. ETF has a calculator on their website. This is unlike the prior 1974 military service credit where the employers paid their share.

The individual who spoke to us several months ago on proposed changes in the WRS has met with a couple legislators. Ms. Hunter will provide additional information as it becomes available.

The Group Insurance Board and the study of self-insurance requires additional information. ETF is gathering data for the GIB November 12 meeting. The question came up as to who paid Deloitte for the initial study provided to the Governor.

There was a brief discussion on the Affordable Care Act pros and cons. It appears that every state has its own issues with either high enrollments or website issues. Some recent data appears positive and with the high enrollment the premiums are lower than predicted. There still are serious issues with the federal website.

It was brought to our attention that the September WRS News website reference to Navitus is for active employees. Those on Medicare need to use a Navitus Medicare website.

### **Chris Preisler, Communications Specialist, SWIB**

Preliminary returns the end of September: Core 8.7%, benchmark 8.5% and the Variable 18.7%, benchmark 18%. Assets under management: Core fund \$83.7 billion and Variable fund \$6.6 billion. Total funds for SWIB investment is \$98 billion. The asset allocation summary for August 31 was distributed.

A recent *Journal-Sentinel* carried an article on Venture Fund 4490, which was shared with the members. At present the fund is looking for potential managers and they are on target for beginning in early 2014. This fund was established with SWIB and WARF.

Last week the Board of Trustees held their annual October, off-site, two-day workshop. The Board heard a historical review of the WRS. There was a guest economist, Martin Barnes from BCA Research, who provided a global economic market update. Pension fund governance was reviewed. Gabriel Roeder Smith consultants provided 50 year liability projections, risk

tolerance, demographic trends and worst-case scenarios. The Board also had an update on the strategic planning process. They had a presentation on common mistakes that institutional investors make. The second day the Board reviewed asset allocations.

Mr. Preisler will forward the presentation by Mr. Barnes and also a presentation by Chris Prestigiacommo.

The annual September SWIB conference with a guest speaker is being reconsidered and restructured.

**LEGISLATIVE REPORT:** None

**CORRESPONDENCE:** None

**OLD BUSINESS:** Nominations for WCOA officers.

**MSC WCOA present officers are nominated and a unanimous ballot cast.**

**NEW BUSINESS:**

**MSC The WCOA will send a card and flowers to the Secretary wishing him a speedy recovery.**

We need to begin working on the Annual Conference, locating an economist and confirming the facility.

**TREASURER'S REPORT:** Treasurer's report accepted as presented with a balance of \$6955.15. Annual dues invoices will be available beginning with our next meeting.

**NEXT MEETING:** November 18, 2013, 9:30 a.m., Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.

The meeting adjourned at 10:10 a.m.

Respectfully submitted – Jim Miller