

# Wisconsin Coalition of Annuitants

[www.wicoa.org](http://www.wicoa.org)

## Minutes of Meeting January 13, 2014

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, D. Chickering, WREA; B. Davis, WFT-R; S. Drew, SWIB; E. Frank, DNR; J. Groszklaus, West Allis; R. Hoessel, DOT; C. Howard, WEAC-R; A. Knop, WEAC-R; D. Kratz, CORR; J. Maydak, West Allis; J. Miller, DNR; J. Munro, WARSDA; J. Palmer, WPPA; D. Rohweder, ESP; B. Schaefer, SEA; J. Skiles, UW-R; T. Speranza, RPPFW; M. Turner, WARSDA; J. Vreeland, Wauwatosa; A. Wallace, UWRA.

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

**EXCUSED:** D. Bennett, J. Egan, B. Fendel, B. Holahan.

**MINUTES** of the December meeting were approved as mailed.

### **GUEST: Chris Preisler, Communications, SWIB.**

Mr. Preisler provided a copy of the preliminary asset allocation summary for December 31, 2013. The core trust fund is at 13.5% with a benchmark of 12.9% and the variable trust fund is at 29% with a benchmark of 28%. The core fund is \$86.5 billion, the variable is \$7.2 billion and total assets under management are \$101.3 billion.

The total assets under management is a new high for SWIB. A press release will be put out later today.

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

ETF will be releasing the effective rate for employees and retirees' annuity adjustment rate within the next few days.

Legislative bills AB 470 and AB 471 have not seen any movement and no hearings are scheduled. Rep. Stroebel continues to receive analysis from ETF.

SB 330 and AB 414 allowing employees in the WRS to purchase creditable service for armed forces active duty, will have a hearing this week. These bills will not impact the trust fund, allowing another option to purchase governmental service.

The ETF Transformation Integration Modernization (TIM) program now has an implementation vendor, Vitech Systems Group. This will be a multi-year implementation converting from legacy systems to a completely new benefits system. A members' advisory group will be polling all WRS participants, including members, third party administrator, and employers to determine their role in the system and their expectations.

Ms. Hunter provided a handout on the impact that defined benefits have on the state economy. The report by the National Institute on Retirement Security measures the economic impact of defined benefit pension expenditures. In Wisconsin for every \$1 pension benefit paid to retirees the result is \$1.49 in total output in the state. Retiree defined benefit expenditures supported 50,317 jobs in Wisconsin, supporting a total of \$6.2 billion in economic output and \$3.5 billion in value added in the state. The complete report covering all states is available on line and will be e-mailed by the secretary. <http://www.nirsonline.org>

A surprising number of retirees remain in Wisconsin and remain in the communities where they were employed. Pension dollars are not lost out of state.

DOA still has the ETF building included in the Hill Farms project.

**LEGISLATIVE REPORT:** Included in the above presentation.

**CORRESPONDENCE:** None.

**OLD BUSINESS:** Annual Conference - Prof. Duddleston will not be available.

Blair Testin award - There was a request for the criteria and the secretary will email the information we used last year.

It is planned that the Annual Conference agenda, with presenters listed, will be available with the March registration mailing.

**NEW BUSINESS:** None.

**TREASURER'S REPORT:** Sixteen organizations have paid their dues. Checkbook balance \$7686.60.

The billing for the website indicates an increase from \$500 - \$550 for the year.

**MSC - The WCOA approves payment of the website cost of \$550.**

Treasurer's report accepted as presented.

**NEXT MEETING: February 17, 2014** 9:30 a.m., Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.

**WCOA Annual Conference, Monday, May 19, 2014**, American Family Headquarters.

The meeting adjourned at 10:02 a.m.

Respectfully submitted – Dick Kratz