

# Wisconsin Coalition of Annuitants

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

## Minutes of Meeting June 15, 2015

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 9:30 a.m.

**DIRECTORS & ALTERNATES PRESENT:** R. Beglinger, WFT-R; D. Chickering, WREA; S. Drew, SWIB; J. Grosklous, West Allis; C. Howard, WEAC-R; A. Knop, WEAC-R; D. Kratz, CORR; J. Maydak, West Allis; J. Palmer, WPPA; D. Rohweder, ESP; B. Schaefer, SEA; J. Skiles, UW-R; T. Speranza, RPFfw; S. Sweet, BARTA; J. Vreeland, Wauwatosa; A. Wallace, UWRA; C. Welch, BARTA.

**GUESTS:** B. Brooks, J. Forester, T. Hunter, C. Preisler, R. Wojciak.

**EXCUSED:** D. Bennett, B. Davis, J. Egan, B. Fendel, E. Frank, R. Hoessel, B. Dye, J. Miller.

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

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

Mr. Preisler just returned from a one-week seminar in Chicago sponsored by the The International Foundation of Employee Benefits Plan with an emphasis on public plan policy.

Asset Allocation Summary for May 31, 2015. Core trust fund 3.8% with a benchmark of 3.7% and the variable trust fund 4.7% with a benchmark of 4.8%. Trust funds under management \$91.04 billion core and \$7.46 billion variable (trust funds \$98.5 billion) with total assets under management \$106.2 million.

Staff News - Jane Hamlin who was Chief Legal Counsel and Ron Mensik who was the Managing Director of Analytic Fund Management have retired. Rochelle Klaskin has been hired as Chief Legal Counsel.

The Board desires more transparency and as a result will have additional information available on the website. Open meeting agendas and minutes will be posted, and on the day of the meeting a complete agenda packet will be available.

The annual report was approved by the board last week and will be online shortly. It is later than usual since the reporting schedule has gone from a fiscal year to a calendar year. The 2014 annual report will cover 18 months.

Outreach to various retirement groups continues and has been enhanced. Mr. Williamson and Mr. Preisler have attended numerous meetings throughout the state and feel that the information sharing with retirees has been beneficial. The next group that needs to be addressed are the actives.

Chris and Tarna were thanked for their presentation at the recent WEAC conference.

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

Ms. Hunter shared a handout of legislative changes introduced by the Joint Committee on Finance, JCF, that relate to ETF.

Health insurance savings of \$81 million over the course of the biennium have not changed. Changes by the Group Insurance Board total approximately \$85 million.

Child support payments may be assigned to the WRS benefits including the income continuation insurance program and the duty disability program.

The health insurance opt-out payment of \$2000 would not apply to anyone who opted out in calendar year 2015 or to state employees who are covered by a spouse or domestic partner covered by the group health insurance program. This option does not apply to retirees.

Group health insurance changes, in the JFC version, would be required to be submitted to the Joint Committee on Employment Relations, JCOER, by April 1. JCOER would approve, disapprove or approve with modifications by May 1. Recommendations would then go to the Governor for approval or rejection. If this is included in the budget, any changes for 2016 would have to be submitted to JCOER within 30 calendar days after the effective date of the budget.

Group Insurance Board, GIB, terms are for two years. Under the budget proposal, the six members appointed by the Governor would be appointed with the advice and consent of the Senate. The membership would also be expanded from 11 to 15 members adding two members from the Senate and two members from the Assembly.

Executive/elected categories would be moved into the general category for normal retirement of age 65. Current members will retain the age 62 retirement.

AB156 and SB134 relate to municipalities joining the WRS. This only involves a couple municipalities. There will be more information available following budget completion.

AB233 and SB183 eliminate sick leave for state representatives and state senators. Present sick leave balances would be maintained.

SB45 and AB70 create the Wisconsin Private Retirement Security Board which must establish a private retirement security plan for residents of the state. There are a number of states looking at similar retirement plans. ETF would be required to provide staff and resources to assist the board. This bill creates new appropriations within ETF's chapter 20 to fund ETF and the board's responsibilities. No funds from the trust fund may be used.

A recent press release by the Wisconsin Coalition for Retirement Security stated that a takeover of the Milwaukee public schools, as mentioned in state budget motions, would have serious repercussions for the WRS with a loss of WRS members. During the past couple of years with the high number of retirements, the WRS has not seen a fluctuation in funding. The design of the system is able to handle movement in and out of the WRS.

Group Insurance Board, GIB, changes projected for 2017 are unknown. Segal Consulting will have their report available prior to the November GIB meeting. GIB will then review and make recommendations. It is anticipated that there will be a study group looking at the Segal report. The ETF office that handles insurance issues has been renamed The Office of Strategic Health Policy. If there are any specific questions, Ms. Hunter will get an answer and report back to the WCOA.

**CORRESPONDENCE** - Covered in the above.

**OLD BUSINESS** - Annual Conference attendee evaluations will be available next month. We had a total of 114 in attendance. Fifteen were first-time attendees and seven were guests of the WCOA. There were six walk-ins and nine no shows. Last year we had a total of 85. Suggestion was made and approved that in place of the lanyard name tag we use stick on because of less expense.

We received a request for display space at our conference from another organization. Based on our purpose only ETF and SWIB have a display area. In addition our application for space with American Family has specific requirements.

**MSC The WCOA Annual Conference will have display area for only ETF and SWIB.**

**NEW BUSINESS** - Voter ID Law is creating problems for the elderly, retirees, and those confined to their homes. The Government Accountability Board, GAB, has material available that needs to be distributed. Is there a possibility that our organization members could be of assistance?

Sandy Drew will provide additional information. [www.gab.wi.gov](http://www.gab.wi.gov)

**TREASURER'S REPORT** - We ended up on the plus side with the annual conference. Check book balance \$8105.47. Breakdown of income and expenses for the annual conference is available from the Treasurer.

Treasurer's report accepted as presented.

**NEXT MEETING:** July 20, 2015, 9:30 a.m., Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.  
The meeting adjourned at 10:55 a.m.  
Respectfully submitted – Dick Kratz