

Wisconsin Coalition of Annuitants

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Minutes of Meeting September 17, 2018

The meeting was held at the Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, and was called to order by the Vice Chair Jerald Vreeland at 9:30 a.m.

DIRECTORS & ALTERNATES PRESENT: R. Beglinger, WFT-R; J. Blank, BLUE-R; S. Drew, SWIB; B. Fendel, AFSCME; E. Frank, DNR; J. Grosklaus, West Allis; S. Haase, UWRA; P. Haubrich, UWMRA; B. Holmes, ESP; A. Knop, WEAC-R; R. Kratz, DOC; J. Maydak, West Allis; G. Mitchell, UWRA; J. Munro, WARSDA; F. Nepple, OCI; B. Schaefer,SEA; J. Stangl, DCAREA; J. Thiel, ACE; J. Vreeland, Wauwatosa.

GUESTS: A. Fendal, V. Hearing, M. Hesterkamp, T. Hunter, R. Klaskin, M. Quist, V. Vance, R. Wojciak.

EXCUSED: R. Brooks, J. Egan, J. Palmer, S. Sweet.

MINUTES of the August meeting were not available.

GUESTS: Vicki Hearing is representing SWIB today and she introduced Rochelle Klaskin the interim executive director and chief legal counsel for SWIB.

Rochelle Klaskin, following a private legal practice, joined SWIB almost 4 years ago and has been interim executive director since July 20, 2018. She enjoys her position and stated that SWIB is a mission driven agency that considers actives and annuitants in all their decisions.

The executive director search agency Korn Ferry is once again searching since the last selection lasted less than six months This search should take less time and Korn Ferry is not charging, 12 month guarantee.

Management of the UW Trust funds, handled internally at UW, will become a responsibility of SWIB April 1, 2019. This will be one of five independent funds managed by SWIB. There is no commingling of funds with the core and variable trust funds. Management strategies vary with the individual funds.

SWIB has been anticipating a low investment return and has been prepared.

SWIB global investments are passively managed, monitored by SWIB. Alpha is difficult and other strategies, leverages included, are utilized.

Litigation has been passive. SWIB will file a claim with other investors but without financial litigation costs. If shareholder litigation exceeds 20 million dollars then SWIB will pursue it. Litigation in addition to the financial costs involve staff time away from their portfolios.

Vicki Hearing provided the summary of returns as of August 31, 2018. The core trust fund is at 1.10 with a benchmark of 1.07 and the variable is at 1.92 with a benchmark of 1.83.

David Villa has again been nominated for two national awards.

GUESTS: Tarna Hunter, stated that the ETF board will be meeting this coming Thursday and will review the ETF budget for submission to DOA and then the Governor.

The "It's Your Choice" is 10/1/18 - 10/26/18.

The United HealthCare Medicare Advantage plan premiums will be single with dental \$308.52, family with dental \$596.48. Single without dental \$278.32 and family without dental \$536.08. The premiums are good for 2019-2020. There is a cap for 2021.

You should have all received a copy of the WRS NEWS which covers a number of topics that have been shared the past few months. Molly Heisterkamp was introduced.

Molly Heisterkamp, ETF Disease Management and Wellness Program Manager shared information on the Wellness Wisconsin program which is part of the ETF group health insurance plans. StayWell is the administrator of the Wellness Wisconsin program. The WRS retiree group participation is low, partially due to lack of information. There are numerous opportunities to participate and StayWell will be adding out-reach programs. StayWell privacy statements are available online.

GUESTS: Vaughn Vance and Mike Quist, WEA Trust, provided background and history of the WEA trust Supplemental health insurance program. Initially established in 1970 for school districts their charter was expanded in 2010 to include public employees and shortly after state ETF

participants. WEA Trust is a not-for-profit organization. There are several Enhanced Care Solutions which basically is a reduced cost for everyone. An example given was an MRI at UW Madison is about \$4,000, with Smart Choice MRI (closest is Waukesha) is \$600.00.

WEA is considering transport payment and housing when treatment is away from home.

WEA is included in the 'It's Your Choice' as a Supplement plan.

CORRESPONDENCE - None

OLD BUSINESS - None

NEW BUSINESS -

Letter to SWIB Board.

Should WCOA be writing a letter to the SWIB Board asking that the next executive director have investment experience with public pension plans? Fourteen years ago we sent a letter to the board and following numerous suggestions, revisions, and wording that letter is Draft #1.

WCOA concluded that a Draft #2 be developed by those members with ideas submitting them to Sandy for a final letter. Sandy will make corrections.

MSC WCOA will compose a letter to be sent to the SWIB Board.

ETF Board election.

Discussion on ETF Board position. Our representative will be at our October meeting.

TREASURER'S REPORT - Checkbook balance \$9753.77. Report accepted as presented.

NEXT MEETING: November 19, 2018, 9:30 a.m. Wisconsin Education Association Council, Media Room, 33 Nob Hill, Madison, WI.

The meeting adjourned by 11:15 a.m.

Respectfully submitted – Dick Kratz