



**STATE ENGINEERING ASSOCIATION**

# SEA View

4510 Regent Street  
Madison, WI 53705  
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## From the President

The 35<sup>th</sup> annual statewide meeting will be hosted this year by the Madison section on October 14<sup>th</sup> and 15<sup>th</sup> at the Doubletree hotel (by the Kohl Center) in Madison. A hospitality reception will kick off the weekend on Friday at 5:00 p.m. The annual meeting will begin at 8:30 on Saturday morning, the dinner and entertainment begins at 6:30 that night. This should be a fun and educational event and I look forward to seeing a good turn out in this beautiful city. Our Executive Board is looking forward to meeting and discussing SEA business with its members. If you have questions, please visit our website or call Mike Humke at 608-267-7893.

It has finally been confirmed that OSER has agreed to another bargaining session on October 19<sup>th</sup>. Since the last bargaining session on August 26<sup>th</sup>, our bargaining team gave OSER available bargaining dates for the months of September, October and November. This is the only date that they were willing to meet to resume bargaining.

This SEA View is the first newsletter that will not be mailed out to all of our members. The newsletter has evolved in the last few months to try to make it a better, more informative and a more cost efficient newsletter. If you have any additional comments or suggestions, please let your section Presidents know.

I attended a Labor/Management meeting on September 7<sup>th</sup> with DOT management and other labor organizations. Not a lot was accomplished at this meeting but it did give us an opportunity to discuss some of our issues. This was only the initial meeting and more will be planned for the future. If given the opportunity to attend a meeting with your Director or Administrator, please let them know your concerns.

A letter was written to DOA Secretary Marc Marotta and OSER Director Karen Timberlake to inform them that the IRS increased the mileage rate from \$0.405 to \$0.485 per mile from September 1<sup>st</sup> to December 31, 2005. As we all know, gas prices have skyrocketed to new all time highs and the State should increase our mileage rate as well.

We all know morale is probably as low as it's ever been, but please maintain your professionalism.

Please get involved in the Association-you can make the difference.

Respectfully,

Mark Klipstein  
SEA President



## Legislative Update

By Dave Bohnsack, Second Vice President

The fall legislative session began September 20 with a preview of how divisive the session promises to be. The Assembly began by trying to override the Governor's budget veto of an increase in fees paid to pharmacists who participate in the state's Medicaid program. As you probably heard this override is surrounded in controversy. Another override attempt will affect the reimbursements paid to nursing homes for patient care. One legislator voted in favor of the override because nursing home workers hadn't seen a raise in more than two years. I know another group of workers that hasn't seen a raise in 2 years.

Dozens of controversial proposals are expected to be debated and acted upon this session. Among the proposals are bills that would allow residents to carry concealed weapons; prevent University of Wisconsin System students from receiving emergency contraception; enable doctors and pharmacists to object on moral grounds to performing certain procedures; and create statewide smoking standards for restaurants and other businesses. The fall session is known for being more partisan and contentious than in the spring, when lawmakers are focused on the state budget. Expect this session to be non-productive and divisive. I am sure that both parties will say they want to work together in a non-partisan manner. We all know how often that happens.

The Assembly has already debated and passed bills on many of the hot social issues introduced by the Republicans, such as a ban on human cloning and a bill to protect health care workers who object on moral grounds to performing certain procedures. These bills still need approval in the Senate. This focus on controversial issues is a reflection of an early start to the 2006 campaign season, prompting lawmakers to address issues they think will resonate with voters. Gov. Jim Doyle has already vetoed some of the measures he's expected to find on his desk again this fall.

Other issues expected to come up:

- The state spending and contracting reform bill (AB 105/SB 56) passed the Joint Committee on Finance. This bill would ensure that state contracts are procured and performed in the most cost-effective manner by implementing a uniform and complete cost analysis throughout state government. The

Assembly already passed its version of this bill and it goes to the full Senate this fall.

- Legislative leaders are moving swiftly to reinstate caps on pain and suffering damages to medical malpractice victims. The state Supreme Court in July declared the previous caps unconstitutional.
- A package of election reforms is expected soon. Supporters of a requirement that voters show photo ID at the polls will attempt to override Doyle's veto of that bill and push for a constitutional amendment.
- The Senate is considering a constitutional amendment that would limit the governor's veto power.
- The Senate is likely to take up a measure to preempt local smoking ordinances by creating a statewide standard. The bill passed the Assembly on a narrow vote in June.

After three years of waiting and numerous attempts to dismiss charges, the trials of former state lawmakers on corruption charges begin. Jury selection for the trial of former Sen. Brian Burke begins on October 24 with jury selection for former Sen. Chuck Chvala to begin a week later. The trials of Rep. Scott Jensen, former Rep. Steve Foti, former Rep. Bonnie Ladwig and former Republican fundraiser Sherry Schultz are supposed to start in February.

The Attorney General filed a complaint at the beginning of September asserting that a draft of a bill becomes a public record once a legislator has shown an un-introduced draft of a bill to any member of the public. Once draft legislation is shared with anyone beyond the official for whom it was created, it becomes a public record. Bill drafts are confidential until officially introduced, but it has been common practice for legislators to allow lobbyists and others to review early versions of proposed bills.

I hope to see many members at the SEA annual meeting in Madison in October. If you wish to contact me, my email address is [dbbohnsack.sea@charter.net](mailto:dabbohnsack.sea@charter.net).



## SEA Member Wins Second National Award

SEA member **Dave Barth** won a national award from the American Public Works Association (APWA) for his work on the Waupaca bypass interchange and Waupaca airport runway construction.

This \$5.8 million project involved construction of a new interchange on US Highway 10 at Waupaca which will be used for relocating state Highway 22 and 54 outside of the city in 2007. In addition, a new 5,200-foot long runway and paralleling taxiway was constructed at the airport, and several local roads were relocated.

WisDOT design project manager Dave Barth, from the Wisconsin Rapids office, spearheaded a coordination effort among the city of Waupaca, the Bureau of Aeronautics, Waupaca County, and the Division of Transportation Districts that allowed advancement of the project by two years because of mounting safety concerns after multiple fatalities at the old US Highway 10/ County A intersection.

“Cooperation among the involved parties was the only way this project could have been designed and constructed two years early,” Barth said. “This is an excellent example of what people working together for a mutual benefit can do.”

Efforts included real estate acquisition by the city using TIF funding. Waupaca County used federal funding for rural roadways to relocate County A into a new interchange. SEA member **Mike Gabor** of the Bureau of Aeronautics changed the gradient on their runway to generate about 300,000 C.Y. of excess material that was used for roadway interchange bridge fills saving nearly \$500,000 in borrow costs. The Division of Transportation Districts, using design firm OMNNI Associates, coordinated all of the efforts and provided one contract for letting the construction work.

The APWA recognized the unique cooperation and the safety improvements provided by this project by awarding it their national Project of the Year for a transportation project between \$2 million and \$10 million.

This is the second national APWA honor won by a project overseen by Barth who received this same award for a portion of the US Highway 10 freeway conversion around the city of Waupaca in 1997. That project involved relocating a substantial community of the endangered Karner Blue butterfly, and paying for those efforts through dollars received from cutting trees on the project and selling them for pulp in the papermaking industry.



*SEA Member Dave Barth won a national award for this Waupaca bypass interchange*



## Compensation Update

George Mickelson, Compensation Chair and DNR Section, September 17, 2005

Editor's Note: A draft of this article was handed out at the board meeting on September 17, 2005, but due to the length of this report, it is being published in the newsletter as a separate article instead of being part of the board meeting minutes.

SEA made an open records request to OSER on July 19, 2005 for additional detail on the pay increases that were realized by the members of the four Wisconsin State Employees Union (WSEU) bargaining units that recently settled their 2003 - 05 contracts. After several reminders, OSER finally provided the information on September 13. Included in that package of information are the "lift" values that each of those bargaining units received.

The "lift" is a measure that is used by OSER to assess salary increases for each bargaining unit. The lift is the ratio of the increase in base salary for the entire bargaining unit at the end of the biennium, divided by the total base salary at the start of that biennium. For example, a lift of 5.00 percent for a bargaining unit would correlate to an average base pay increase of 5.00 percent for an employee over the two years. Thus, a higher lift means a higher salary increase.

For the four WSEU units that recently settled their 2003 - 05 contracts, the lift values from the costing sheets that OSER provided to SEA under our open records request are as follows:

- WSEU Administrative Support: 5.05 %
- WSEU Blue Collar & Non-Building Trades: 3.11 %
- WSEU Security and Public Safety: 3.16 %
- WSEU Technical: 3.82 %

Thus, the range is 3.11 to 5.05 percent and an unweighted average is 3.79 percent. Unweighted means that the different population sizes of the bargaining units are not taken into consideration for calculation of the average, the average is simply an average of the four numbers.

The three extra days of paid time off that WSEU negotiated has an economic value of

approximately 1.3 percent when you calculate the annual pay for the actual hours worked during a year. In this case, the extra paid time off means that there are three fewer days worked each year. That 1.3 percent however is not included in the lift values. If that 1.3 percent was included in the lift, the lift for those four units would range from approximately 4.41 to 6.35 percent with an unweighted average for the four units of 5.09 percent.

Several of the bargaining units that already settled their contracts had "me too" clauses, whereas they expected to receive any pay or benefit increases that were obtained by any bargaining units that settled after they did. OSER wrote loopholes into those "me too" clauses, so it is unknown to what degree the members of these other bargaining units realized any pay increases as a result of the four recently settled WSEU contracts. Thus, it is unknown if the lift values for the other bargaining units that settled earlier are still valid. The lift values from costing sheets that we previously obtained from OSER for the other bargaining units that previously settled are as follows:

- Building Trades Councils: 8.16 % (Employees in this unit pay their own health care costs.)
- Milwaukee Graduate Assistants Assoc.: 1.74 % (The cost of health care premiums paid by the employee under the tier system in this bargaining unit are lower than costs paid by other units.)
- Physician and Dentist Association: 3.51 %
- United Professionals for Quality Health Care: 13.42 %
- Association of State Prosecutors: 1.30 %
- WI Professional Employees Council: 1.47 %
- WSEU Professional Social Services: 3.71 %
- Wisconsin Science Professionals: 1.14 % (The lift value does not reflect the additional \$0.10 per hour increase, as this unit received that



Compensation Update (continued)

increase after they settled their contract under the "me too" clause. The extra dime per hour increases their lift to 1.59 %.)

An unweighted average of the above lift values for all 12 bargaining units is 4.13 percent.

If the extra paid time off for those four units and the higher lift for the extra dime that the scientists received under their "me too" clause was included in the average lift calculation, the average for all 12 bargaining units listed above would be about 4.60 percent.

For comparison, the last offer that OSER made to SEA had a lift of 1.38 percent. I talked to members of some of the other bargaining teams that represent other professional units that have not settled yet. Apparently OSER is unwilling to offer a realistic pay package to any of the remaining smaller bargaining units that represent professionals.

Because the lift calculation is specific to base salary rate, the following are not reflected in the lift calculation: one-time lump sum payments, changes in the number of paid days off, loss of length of service payments, increased costs to the employee for health care premiums and increased costs for prescription medication. Thus, if OSER gives a bargaining unit a base salary increase of one and a half percent, but takes away length of service payments and increases the employee cost for insurance premiums, the lift would still be a positive one and a half percent even though the average employee might realize a cut in annual take home pay. So, "lift" is a highly inaccurate reflection of how much an employee's take home pay is increased or decreased.

Another reason that lift is a poor measure is that it does not reflect when pay increases are made during the biennium. Historically, a pay increase has been made in the beginning of the biennium and another pay increase half way through the biennium. During the last few contracts, OSER has increased the use of "backloading" the contracts, where pay increases are made late in the biennium. The four contracts that were recently settled by WSEU are backloaded to the extreme in that the wage increases occur at the very end of the contract. Why does increased backloading matter to the employee? If OSER

pays your entire pay increase at the end of the contract instead of following historical practice, the State is essentially forcing the employee to loan their pay increase to the State for a year or two, but the State is not paying any interest for the use of that money. And, an employee that retires before the increase is paid will not have any of that increase reflected in their retirement income.

Although the lift values are a poor measurement of how favorable a contract is to the employee for these reasons, it is one of the best ways to compare one contract against another, as each contract is under similar terms for health care premiums, etc.

SEA did not perform a quality control check on the costing sheets that were provided by OSER, we are simply listing the lift values from those costing sheets here. Thus, if OSER's costing sheets have any errors, unfortunately those errors are repeated here.

***For comparison, the last offer that OSER made to SEA had a lift of 1.38 percent...Apparently OSER is unwilling to offer a realistic pay package to any of the remaining smaller bargaining units that represent professionals.***



## September 17, 2005 Board Meeting Summary

Meeting held at Best Western East Towne Suites, Madison  
By John Bolka, Secretary

### Attendance:

**Executive Board:** Mark Klipstein - President, Sharon Bremser – 1<sup>st</sup> Vice President, David Bohnsack – 2<sup>nd</sup> Vice President, John Bolka – Secretary, Nick Martin - Treasurer

### **Board Members:**

Julie Millard, Wisconsin Rapids President  
Karl Pierce, Southeast President  
Tom Mugan, DNR President  
John Lund, Rhinelander President  
Reiny Yahnke, La Crosse President

Mohammad Hayek, Eau Claire President  
Leroy Stublaski, State Agencies President  
Jeff Olson, Superior President  
Michelle Ellias, Madison President

### **Specialists:**

Mel Sensenbrenner, Health and Retirement  
Cara Carper, Communication Specialist  
Willie Haus, Attorney  
Sandy Henke, SEA Office

### **Committee Leader:**

George Mickelson, Compensation Committee

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### **Meeting Begins:**

Mark Klipstein called meeting to order at 8:40 am. Additions to the agenda were made under Communication Report (Email notification for Newsletter) and Legislative Report (Labor/Management Meeting).

### **Approvals:**

The August 27, 2005 Board Meeting minutes were reviewed. There was a motion by Dave Bohnsack to approve. Leroy Stublaski seconded. Motion carried without opposition.

The Correspondence Report was reviewed. Michelle Ellias had a question about item #17 (bill introduced to eliminate the TA Union) and Sharon answered the question. Karl Pierce had questions about items #14 and #15 regarding Open Records request. George responded the request has been filled. Mark Klipstein accepted the Correspondence Report.

### **H.I.C.:**

Atty Haus said there was no meeting or news to report on since the August Board Meeting.

### **Compensation Committee:** *By George Mickelson*

George had a substantial and informative report that will be included in the SEA View.

### **Labor/Management Meeting:**

Mark Klipstein and Willie Haus attended a labor management meeting with representatives from other DOT labor organizations on September 7. Paul Trombino, Rory Rhinesmith, and Kevin Chesnik attended on behalf of the DOT. The meeting was requested by management as they were looking for ways to make the recent reorganization go more smoothly. Management was asked why solicit input

now after all the big decisions have been made without labor input. Kevin Chesnik said that's what management is. The meeting, which lasted for about 1 ½ hours, confirmed there is a great disconnect between decision makers and leaders of management but lacked any real substance. Management may schedule additional meetings.

### **2003-2005 Bargaining:**

During the first week of September, Atty Haus provided OSER with SEA's availability for future bargaining dates for September thru November. OSER responded they couldn't make the first date offered but would respond in a week concerning other dates. As of this meeting they have yet to respond. [Since the meeting, OSER agreed to meet October 19.]

Sharon Bremser asked Section Presidents if they were hearing any pressure from members to settle the 2003-05 contract for the offer currently on the table. Everyone felt the membership was unified in support of our current position.

### **Communication Report:** *By Cara Carper*

Cara prepared a letter (to the editor) which appeared in the Capital Times (9/5/05) signed by Mark, and completed September Issue of the SEA View. Cara reported she was on vacation since completing those tasks.

Sharon said we are ready to send email notification for the SEA View newsletter but noted contacts for the UW and State Historical Society were not listed in Outlooks Global Contact list. Leroy will supply contact info to Sharon for those agencies. Sandy said 4 members have requested printed copies of the SEA View. Sharon will test the system by sending a Annual Meeting reminder. There had been some discussion in August concerning the need for the Who's Who articles in the Newsletter. By show of hands a majority of the Board was in favor of continuing this feature.

**Board Meeting Summary (continued)**

Cara was given direction on what issues to look at and work on.

**Grievance Report:** *By Sharon Bremser*

Note: P-xxx indicates personal grievance

A-xxx indicates an Association grievance

A-307 (filed 5/3/99) —Denied time to take PE exam – Arbitration pending with Bellman. (Date selection)  
 A-351 (filed 7/19/01) – DOT D4 – RLS exam reimbursement. Consolidated with A-307.  
 A-352 (filed 6/25/01) – DOT D3 – Initial PE licensing fee reimbursement. Consolidated with A-307.  
 A-361 (filed 10/30/01) and A-362 (filed 10/31/01) – DOT D1 and D2 – Assignment of scheduled overtime. Arbitration pending (Date selection).  
 A-369 (filed 1/2/02) – DNR Water – Add-on as part of year-end leave cash out option. Arbitration pending.  
 A-373 (filed 5/21/02) – DOT D3 – Rescind disciplinary action. Arbitration Pending (7/19/05).  
 A-378 (filed 8/14/02) – DOT 1 - Not being paid appropriate mileage rate. Filed at Step 4.  
 A-389 (filed 5/30/03) – DOT D3 – PE Licensing fee reimbursement. Consolidated with A-307.  
 A-394 (filed 8/1/03) – DOT D1 – Discipline Reassignment. Filed at Step 4.  
 A-395 (filed 5/3/03) – DNR NER – PE Exam Reimbursement. Consolidated with A-307.  
 A-402 (filed 3/25/04) – DOT-DTID – Discipline without just cause. Filed at Step 4.  
 A-405 (filed 4/5/04) – DOT D5 – PE Exam and licensing fee reimbursement. Consolidated with A-307.  
 A-409 (filed 7/14/04) – DOCOM D5 – Unhealthy and Un-Safe Workplace. Step 3 Decision on hold.  
 A-410 (filed 6/29/04) – DNR Water – Granting of Restoration Rights. Filed at Step 4.  
 A-412 (filed 7/7/04) – DOT D2 – Stalking Incident. Filed at Step 4.  
 P-414 (filed 11/9/04) – DOT D2 – Administrative Leave/Discrimination. Filed at Step 4.  
 P-415 (filed 11/17/04) – DOT D2 – Administrative Leave/Discrimination. Filed at Step 4.  
 A-419 (filed 12/23/04) – DNR Water – Add-on is part of year end cash out option. Filed at Step 4. Consolidate with A-369.  
 A-420 (filed 1/27/05) – DOT – Turndown Mileage Rate. Filed at Step 4.  
 P-421 (filed 2/09/05) – DOT D2– Administrative Leave/Discrimination. Moved to Step 4.  
 P-422 (filed 2/09/05) – DOT D2– Administrative Leave/Discrimination. Filed at Step 4.  
 P-424 (filed 3/18/05) – DOT D2– Demotion without cause. Moved to Step 4.  
 P-425 (filed 4/05) – DOT D2– Mental Torture/Investigation Meeting. Filed at Step 4. (Meeting 5/4/05).

P-426 (filed 5-16-05) – DOT D2 – Suspension w/o Just Cause. Filed at Step 4.  
 P-427 (filed 7-27-05) – DOT D2 – Termination w/o Just Cause. Filed at Step 3.  
 A-428 (filed 6-23-05) – DOT D5 – Travel Policy/Cards/Hotels. Filed at Step 3. – Scheduling Meeting  
 A-429 (filed 4-27-05) – DOT D5 – PE Licensing Fee Reimbursement. Filed at Step 2. Consolidated with A-307.  
 A-430 (filed 4-27-05) – DOT D5 – PE Exam Reimbursement. Filed at Step 2. Consolidated with A-307.  
 A-431 (filed 4-27-05) – DOT D5 – PE Exam and Licensing Fee Reimbursement. Filed at Step 2. Consolidated with A-307.  
 A-432 (filed 4-27-05) – DOT D5 – PE Exam and Licensing Fee Reimbursement. Filed at Step 2. Consolidated with A-307.  
 P-433 (filed 7-15-05) – DOA-DSF-BAE – ADA Discrimination. Filed at Step 2 – Meeting date 9/19/05  
 P-434 (filed 6-10-05) – UW Stout – Termination w/o Just Cause. Filed at Step 3.

A Grievant appeared before the Board to answer questions and inform the Board of the background behind several grievances. The Grievant was invited by the Board to this meeting. Mohammad Hayek motioned to pay the individuals expenses to attend the Board Meeting. Sharon Bremser seconded. Motion carried without opposition. Atty Haus asked all questions on behalf of the Board and when complete gave recommendations to the Board as how to proceed with these grievances.

Sharon motioned to move P-425, P-426, and P-427 to Step 4. Dave Bohnsack seconded. Motion carried without opposition.

A-373: Mutually agreed to extend deadline for briefing submittal. Date moved from 8/30/05 to 9/30/05.  
 A-428: Extended time line for Step 3 meeting.  
 P-433: Step 2 meeting to be held on 9/19.  
 P-434: Unable to contact grievant.  
 A-409: DOCOM is reviewing suitable buildings for relocation of offices.

**Health and Retirement Report:** *By Mel Sensenbrenner*

SWIB performance for end of August:

Fixed	+4.4%
Variable	+3.8%

The Group Insurance Board (GIB) met in August. The weighted average increase for monthly insurance premiums was 9.8% for single coverage and 9.9% for family coverage. Legislators are constantly looking for ways to tear apart the retirement system because it is performing so well and many think public employees should not be entitled to a better benefit than is offered in private industry. People need to keep a watch for this type of negative activity. Dave Mills recently met with Sen. Kanavas regarding his interest to



Board Meeting Summary (continued)

have more money invested in Wisconsin Business. The Senator was reminded of the SWIB policies regarding these types of investments and the need to meet predetermined requirements. The Senator may have not been happy with the results of the meeting.

Stay involved and make sure to read Mel’s report in the SEA View for more detailed info on this and other Health and Retirement Issues!

Legislative Report: By David Bohnsack

The Legislature will be back in session on September 20th. Senator Reynolds is introducing a bill that would eliminate the TA bargaining unit.

The Attorney General has determined that draft bills are public record.

WEAC is forming a committee to recommend possible protests regarding bargaining.

The Joint Commission of Finance will meet September 21st and will vote to move bills to the legislature including AB 105 and SB 56 which require cost analysis for contracting out. See Dave Bohnsack’s Article in the SEA View for further information or contact your Section President.

Section Reports:

Madison — No Report

Southeast — The Annual Section Meeting will be held on Thursday, September 22nd and will include an opportunity for panel discussion with Atty Haus, Mark Klipstein, and possibly 1 additional bargaining team member. The Section Board is continuing work on updating the by-laws and is also looking forward to grievance training.

Green Bay — No Report.

Wisconsin Rapids — A Section Meeting was held on September 6th. A motion was passed defining reimbursement amounts and responsibilities for members attending the Annual Meeting. Members affirmed support of bargaining efforts to not accept a negative contract offer. Communication with managers that travel between multiple offices is presenting challenges and resulting in frustration. Members expressed interest in upcoming Grievance training. Members concerned regarding changes to PPEd that include indefinite job expectations such as “improve efficiency”.

La Crosse — A Section Meeting was held to discuss the Annual Meeting and several Labor/Management Meetings.

Eau Claire — The Section donated \$250 to the Red Cross for Hurricane Katrina Relief.

Rhineland — The State continues to not follow Uniform Service Provider rules with regard to HI. Similar benefits are not available statewide. A member offered a suggestion for the bargaining team.

Superior — No Report.

Central Office — No Report.

DNR — A Section Board Meeting was recently held.

State Agencies — There will be a Section Meeting on September 19th For election of President, Secretary-Treasurer, and 2 Trustees.

SEA Office Website:

Mark Klipstein presented a revised copy, with some additional tasks and adjusted contract length, for Webmaster Bob Spoerl. Mohammad Hayek motioned to accept the contract as corrected and was seconded by Tom Mugan. The motion carried without opposition.

Check out the website at www.wisea.org or contact SEA at wisea@wisea.org

Financial & Membership Reports:

Nick Martin submitted and reviewed the July Membership Report. Nick noted a correction to reduce the number of DNR Members in the Superior Section. There was a motion by Mohammad Hayek to accept the July Membership Report as corrected. Dave Bohnsack seconded. Motion carried without opposition.

Nick Martin submitted the August Treasurers’ Report for review. There was a motion by Nick Martin to accept the August Treasurers’ Report. Dave Bohnsack seconded. John Bolka noted a problem with the report. The motion was dropped and the report will be resubmitted at the October Board Meeting.

Nick said he had received all the Section Audit data and expected the Audit to be completed next week

Nick Martin reviewed the vouchers submitted for payment at this Board Meeting.

05-35 =>05-48, 05-50	\$1533.71
M-012 => M-021	<u>\$1650.00</u>
	\$3183.71

There was a motion by Nick Martin to accept Board Meeting Vouchers. Dave Bohnsack seconded. Motion carried without opposition.

Nick Martin reviewed Expense Voucher 05-049 (Labor/Grievance Meeting) for \$82.45. There was a motion by Nick Martin to pay the Voucher. Dave Bohnsack seconded. Motion carried without opposition.



### Board Meeting Summary (continued)

Sharon Bremser made a motion to pay the for Mike Humke's hotel room for 2 nights at the Annual Meeting (Mike was the principal organizer of the event). Michelle Ellias seconded. Discussion revealed Mike's hotel room would also be the room used for childcare throughout the weekend. Sharon amended her motion to pay for the room for the weekend's childcare with the understanding Mike Humke would use the room overnight. Michelle Ellias accepted the amendment. Motion carried, 1 opposed.

**Annual Meeting:** The dates for the **2005 SEA Annual Meeting** are **October 14-15** at the Double Tree Inn (formerly the Howard Johnson) in Madison.

**Members are encouraged to attend. Look for additional information on the SEA Website**

**New Business:**

Sharon said a Grievance Training school is tentatively scheduled for February 2006.

The meeting was adjourned at 2:25 PM.

The next meeting date is October 14.

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### Who Is SEA?

SEA is **Dave Bohnsack**, Second Vice President and active SEA member since 1994. He was La Crosse section vice president and president from 1997 to 2002.

Dave is a structure maintenance engineer for the DOT in the La Crosse office of the Southwest Region.

Dave and his wife Becca, live in La Crosse with their two children Grant and Anna. Dave is involved in many recreational activities including softball, volleyball, golf, bowling, hunting, skiing, etc. He enjoys a good debate and loves to discuss current issues and politics.

*SEA:* Dave, what has been your biggest challenge since taking on the role of Second Vice President at the SEA annual meeting last September?

*DB:* My biggest challenges have been overcoming membership apathy towards politics and getting members to see that their Legislator is human. Encouraging members to become active in politics has not been easy. SEA will continue with SEA Day at the Capitol. This has been very successful in getting SEA recognized by Legislators. SEA voice is only as strong as its members. I encourage members to contact their legislators and create a dialog. Your representatives are human beings who work, live, and raise families in your area. They have many of the same concerns that you have but need to know what their constituents are concerned about. Contacting them is the only way they will know your issues.

*SEA:* What would your advice be to members who would like to be more involved in SEA?

*DB:* Let your SEA reps know that you are available to help with data gathering or letter writing and volunteer to help at SEA functions. Talk with your SEA rep about ideas that would help with bargaining, communications, legislative actions, or any other issue. Discuss any frustrations with your SEA representative. Work with your SEA rep to contact your State legislator with your frustrations.

*SEA:* What are your goals for your term as SEA Second Vice President?

*DB:* My goals for SEA during my term are not simple but are possible: increase membership involvement in the Association, remind every legislator that SEA is looking out for the taxpayers of Wisconsin, and get SEA members interested in Wisconsin politics. I hope to achieve these goals by writing interesting and informative articles in SEA View, and interacting with membership and legislators via letters/email and face to face meetings.

*SEA:* Any final thoughts?

*DB:* My final thoughts ... SEA has around 1,100 members, but most Annual Meetings, SEA Day events, and general contacts only produces on average 100 members. That's less than 10%. What will it take to get more members interested and participating?



### ETF Group Insurance Board Meeting – August 30, 2005

Melvin B. Sensenbrenner, SEA Retirement & Health Insurance Representative

The ETF Group Insurance Board went into close session at the start of the meeting to discuss the following items:

- . Report on WPS contract negotiations
- . Prescription Drug Benefits/uniform benefits/Medicare Part D
- . Self insured plans
- . Alternate plans

In an open session, they reported on the average increases in premiums for 2006. State employees will see average increases of 9.8% for single and 9.9% for family plans. The local government plans will see average increases of 7.4% for single and 9.6% for family plans. State retirees will see an average reduction in premiums of 11% based on the Good Claims Record and the Medicare Part D drug subsidy to be received by ETF at the end of September 2005.

Retired state employees taking health plans through ETF are being advised they don't need to make any Medicare "D" decision this fall. They will be enrolled in the Medicare program as a group.

The detailed cost bids by each plan in each category are provided to all SEA Board members for your review.

The life insurance program is doing well, and the actuary is recommending no change in premium rates for 2006, both for the state plan and the local Government plan.

Please note Matt Pommer's article on "State retirees' Medicare cost falls" dated August 31, 2005 from The Capital Times. All SEA Board members have a copy.

The next Group Insurance Board Meeting is set for November 8, 2005.

#### Last Month's Puzzling Puzzler

Q: The vice-president of a large corporation had an extremely efficient housekeeper. When she left for her vacation, she instructed the housekeeper to forward the mail to her. During July she received no mail, so she phoned her home and asked the housekeeper what had happened. The housekeeper explained that she had forgotten to leave the mailbox key.

The vice-president apologized and promised to mail the key right away. During August, she still received no mail, though the housekeeper told her there was a batch of mail in the box. When she returned home, she immediately fired the housekeeper. Was she right in doing this? Or was she unfair? Why?

A: The vice-president *mailed* the mailbox key, so the envelope containing it was deposited in the locked mailbox. It certainly was not the housekeeper's fault.

Congratulations to **Eric Donaldson** who came up with the correct answer first!

#### Puzzling Puzzler

(submitted by Larry Legro, "Father of the SEA Puzzling Puzzler")

A large truck weighing 14,000 pounds starts to cross a bridge 1 mile long. The bridge can only hold 14,000 pounds, which also is the exact weight of the truck. The truck makes it half way across the bridge and stops. A bird lands on the truck. Does the bridge collapse? Give a reason.

Submit your answer to [carperfarm@mhtc.net](mailto:carperfarm@mhtc.net). The answer and name of the person who came up with the correct answer first will be published in next month's SEA View.



SWIB Meeting – September 14, 2005

Melvin B. Sensenbrenner, SEA Retirement & Health Insurance Representative

SWIB Performance Year to Date (YTD) – August 31, 2005

	June 30 YTD	July 31 YTD	Aug. 31 YTD
Fixed:	1.4%	+3.7%	+4.4%
Variable:	0.0%	+3.9%	+3.8%
Fixed:	64.132B	65.328B	65.648B
Variable:	6.04B	6.255B	6.211B
TOTAL:	70.179B	71.563B	71.859B

Outside management is up to 14.5%.

Dave Stella, Assistant Director of ETF, presented a briefing to the Investment Board on the details of the retirement system.

The WRS is a hybrid system, which is a combination of a Defined Benefit Plan and a Defined Contribution Plan. The WRS is unique among public or private retirement plans. The average formula benefit is 1.8 to 1.9; general employees are at 1.6.

The key actuarial processes are:

- . Valuations of retired/active lives
- . Gains-loss analysis
- . Three-year experience study

Big difference between public plans and private sector plans:

- . Private plans governed by conflicting rules
- . Public plans rules designed to protect participant security and maximize required contributions
- . Treasury rules designed to chance tax revenue, hence minimize deductible contributions
- . Private plans are shorter term and don't have the indefinite life times as public plans with long term projections.

Why the smoothing system:

- . Short-term volatility in returns, both + and -, and how they affect both retirement annuity adjustments and employer contribution rates.

Currently using the Market Recognition Account which spreads gains and losses over a five year period for the Fixed Fund only.

The WRS is currently funded at 99.4%. ETF's goal is to maintain the funding ratio between 90% and 110%; however, in 1999, we reached 125% when Act 11

removed \$13 billion for improved benefits and reduced contributions.

WRS Contribution Rates for 2005:

Cost: 10.2% + Unfunded Liability 0.3%.

Total: 10.5% of payroll.

The contribution rates were 12.6% in 1986 and declined to 10.2% for 2005.

We need a 2005 return of +6.3% from SWIB in order to receive a minimum dividend of +0.5% from the Fixed Fund. If the returns are below +1.1%, we will have the first negative dividend in over thirty years.

Dave Mills, SWIB Director, reported to the Board on his meeting with Senator Kanavas regarding SWIB's effort to provide Venture Capital to Wisconsin corporations just starting. SWIB has invested \$57 million in Wisconsin in 2004 and is trying to find more acceptable investments up to their limit of \$150 million.

Dave Mills also agreed to meet again in November with Senator Kanavas.

The guest speaker was Jeffrey J. Diermeier, CFA President and CEO, presenting the CFA Institute's Program of Professional Development for Ethics-based Professional and Performance—reporting standards for the worldwide investment industry.

Mr. Diermeier is a 1974 graduate of the UW in Business Administration and has a 1975 Masters degree in Business Administration. He has been with the CFA Institute for over 30 years and earned his CFA charter in 1979.

The next SWIB meeting is scheduled for October 12 & 13 at Spring Green for their annual retreat.



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**SEA View on the Web**

We don't want anyone to miss a single issue of SEA View.

If you hear from other members who miss their paper copy of SEA View, please remind them to email the SEA office at [wisea@chorus.net](mailto:wisea@chorus.net). We will be happy to send a paper copy to anyone who would like one.

**Sign up for the SEA Annual Meeting**

Remember to sign up for SEA's 35<sup>th</sup> Annual Meeting to be held in Madison on October 14 and 15. Meet with other SEA members, join us for useful information, sign up for fabulous door prizes and enjoy great entertainment. Additional details are available on the SEA website at [www.wisea.org](http://www.wisea.org).

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