SEA View

Newsletter of the STATE ENGINEERING ASSOCIATION of Wisconsin

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From the President

At SEA, new year's theme is 'contact'

According to the subtitle of "2010," a 25-year-old film, this is "the year we make contact," meeting aliens. But that's just science fiction. In the real world, we don't need aliens in order to make significant contact. This is a year in which it's more important than ever to communicate right here on Earth.

Mark Klipstein

That's why SEA will be trying vigorously to pursue more productive contacts with the state, legislators, taxpayers, and professional colleagues. We will also strive to encourage thoughtful exchange among our own membership.

We begin 2010 working toward a new contract agreement and awaiting our day in court to resolve the state's misapplication of lay-offs to our members. We continue to educate legislators and citizens about the importance of pursuing vital public works, and in the most cost-efficient manner. More about our contract and the lawsuit later on. First, some thoughts about government and public service.

Addressing aging infrastructure is a need increasingly faced by local and state governments across the country. These units of government are increasingly strapped for resources, thanks to reduced revenue in the face of belt-tightening everywhere. And yet, 2010 represents a critical moment in history in which resources are needed more than ever -- not only to fix pressing problems, but to put people back to work and keep them working.

Last spring, just as federal economic recovery efforts were gearing up, a massive water main break in Baltimore, Maryland, forced Amtrak to temporarily cancel service in that city. Thousands of people who regularly commute along the busy East Coast rail corridor had to find other ways to get to their appointments. Soon, the Baltimore Sun newspaper was reporting that the city had experienced more than 5,000 water main breaks within the previous four years. The estimated cost for updating and replacing decrepit

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SEA VIEW SCHEMATIC

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water lines in the city was $2 billion, not counting additional economic costs to residents, businesses and institutions, measured in lost work, power outages and other damages.

Amy Traub is director of research at the Drum Major Institute for Public Policy, a non-partisan, non-profit think tank focused on programs that assist the nation's middle class. She reflected in a blog post that "languishing infrastructure projects like Baltimore's crumbling water, sewer, and waste water systems are precisely the kind of shovel-ready jobs we might hope the federal stimulus package would pay for. It's necessary work, after all, and would provide much needed jobs."

Traub noted that Baltimore did request $700 million in stimulus money to get started on the work but only received $12 million, mostly because there was just so little money to share around. Why couldn't the federal government see its way to appropriating more? "The problem may be, as my colleague Harry Moroz has written, that infrastructure spending just isn't sexy enough."

She quoted Baltimore's public works spokesman, talking about the city's underground infrastructure: "Nobody thinks about it because nobody sees these things."

Many of the underlying causes of the problems we face as a society aren't that visible or obvious. Which is why we should not take anything for granted. One thing is clear: America needs more engineers, scientists and technical specialists, and it needs to pay them salaries commensurate with their importance to our economy. For that to happen, we also need a better educational system.

Meanwhile, SEA itself can't take anything for granted. Is this the year we'll finally get an out-of-date contract resolved? It very well should be "the year we make *contract*." But as a wise baseball coach once noted, that issue ain't over 'til it's over. We need to keep working hard until it is. Then, it will begin again. We may take a moment in between to savor our success, but then it's back to work, only this time with renewed energy and commitment.

The entire country is in the same position. As difficult as the past year has been for our members and for state programs, it's been even more difficult for the nearly ten million workers in Wisconsin and America who were in 2009 made jobless. Many of them are still looking, and hanging on as best they can.

Every single citizen has a moral and civic responsibility to do his or her best in the months ahead to make our society function better, whether that's at home, work, school or elsewhere. One way to do that is to continue being consummate professionals, delivering your best effort despite increasing obstacles. Another way is to volunteer your time and money to worthy community projects. Tim Hanley has some thoughts about that in his legislative column this issue.

Some of what we are experiencing just comes with the territory. In hard times, inevitably, good workers sometimes are left high and dry while hard work is often left undone. However, that only leads to a future of further deferral, decay and decline. The national infrastructure is already hurting.

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Judge: California can't furlough state employees

A California judge has ruled that, under state law, Gov. Arnold Schwarzenegger cannot furlough some unionized state workers in order to deal with the state's budget crisis.

The judge ordered the state to halt the furloughs for workers represented by three unions, including Service Employees International Union Local 1000. He said the governor could not take the action against employees in so-called special fund agencies, or those that receive money from sources other than the state general fund, such as federal grants.

Schwarzenegger last year ordered most state employees to take three days off a month without pay as the state faced a huge budget deficit. The mandatory furloughs, which began in February and were extended over the summer, affected about 200,000 state workers and were expected to save the state $2 billion.

Billions of federal dollars in the American Recovery and Reinvestment Act have helped halt the free-fall of the economy and have cut into the backlog of deferred maintenance projects, but only by a little. There's a lot more to be done before we get completely back on course, and opportunity returns to America in a meaningful way.

Part of the problem has nothing at all to do with our riches as a country, or our talent, or commitment to hard work. It has to do with politics and anxiety. The current economic climate makes it very hard for legislators and taxpayers alike to commit to sensible borrowing that will not only tide us over but address pressing needs. And there's no alternative to some of that.

When the roof of your home begins leaking badly, it isn't wise to dither over whether you should borrow to fix things up now or put repairs off until you can afford to pay for them totally out of pocket. If you wait, your problems likely will have become much worse and much more costly to fix. Addressing the environmental, health, infrastructure and other problems the nation already can identify is an expense, but it's also an investment, and it puts more people to work now, when they most need the work.

We will only find our way out of the current economic malaise by working our way out of it. That's why in the long run as well as the short run it makes no sense for government, including Wisconsin state government, to cut jobs and curtail projects that serve vital needs of the populace. Especially not when job-cutting in the ranks of state employees is promptly undone by ever-increasing outsourcing to expensive private consultants.

CONTRACT The 2007-2009 contract bargaining continued on Dec. 15. The session ended with active bargaining taking place and a verbal proposal made by us. We followed up with OSER offering a written language proposal by the 17th of December. The ball is in OSER's

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SECRET COWS

Murmurs and moos from the corridors of power -- and also Wisconsin state government

Moo!

By Sybil, the SEA-cret Bovine

TRUE LIES Helpful advice from the Department of Transportation's Southeast Region management: According to a memo sent to employees, The agency says it is insubordination to use work time to spread rumors. *Sybil says: "Unless, of course, you know the rumors are true. Remember it's only a moo-vie!"*

A ZOO OUT THERE Observers marveled in mid-December at the last-minute, feverish and often closed-door negotiations between DOT and private consultants on an emergency plan to replace rapidly aging freeway bridges at Milwaukee's Zoo Interchange. Would the bridges be built nearby and then, in one evening, pushed into place by heavy moving equipment? Or would lawsuit-leery contractors balk? Work has now begun, after DOT agreed to pay contractors more (a *lot* more) to fast-track the job. With any luck, a complete project plan will be in place before the work is done. *Our secret cow sings out: "You've got to moo-ve, moo-ve it!"*

HOW MANY POT HOLES DOES IT TAKE TO FILL THE ALBERT HALL? The Eau Claire Leader Telegram recently ran a business news story quoting upbeat private construction contractors and state officials on how much money the state will save by using more of their services in place of state employees. The spin, in reaction to DOT's "Contract Cost Reduction Initiative," was portrayed as good news for the public. The story quoted DOT officials without contradiction that studies showed outsourcing was cost-effective, even before the initiative. "A May 2009 Legislative Audit Bureau analysis found little difference between project costs completed by state staff compared with consultants," the story flatly added. No state staff or legislators were approached for rebuttal. Meanwhile, the newspaper's web site offers a feature identifying pot holes on Eau Claire area roads. Perhaps the DOT will react by hiring private pot hole fillers, to everyone's greater glory. *The Happy Holstein comments: "They're milking this angle for all it's worth!"*

HAND IN THE COOKIE JAR An employee for a certain private consulting firm that the state hired to review the contracts of other private consultants was discovered to have used the opportunity to copy privileged information from the contracts of competitors. *Which leads SEA's Secret Cow to ask: "Who's watching the watchers while we're on lay-off? Not a moo-t point!"*

OUTSOURCED FOR THEIR CONVENIENCE According to a Nov. 30 email sent out by a DOT manager, not a single one of the agency's 2010 construction projects will be 100% state staffed. *Sybil: "Moo-hoo! Perfection! Or not."*

court at this writing, and we await the other side's decision on our proposal. At this time another bargaining session has yet to be scheduled.

Joe Wineke, the new chief negotiator at OSER, has brought back the spirit of collective bargaining to our negotiations. Because of this, we have made progress. We look forward to the other side's response and hope there continues to be a genuine effort by OSER to resolve our contract.

LAWSUIT There also has been progress on our temporary layoff lawsuit. The lawsuit involves whether the State of Wisconsin can legally extend a period of layoff for an employee for the purpose of recouping all or part of the unemployment compensation benefits for which the laid-off employee is eligible and entitled during the term of the layoff. The briefs should be filed by the end of January and oral arguments should take place by the end of February. We look forward to a decision by the end of March.

The Association is also challenging temporary layoffs through the grievance process. These grievances have been moved to Step 4 and now await arbitration. We feel our contract language does not allow our members to be laid off when the employer contracts out work normally performed by bargaining unit members. Please be patient, as this process may take some time before we get a decision.

I am looking forward to this year. I remain optimistic that we can make progress on some of our issues. I also feel we have many challenges ahead of us and we'll need to continue to all work together.

Respectfully,
Mark Klipstein
President

Tax break for 2009 unemployment comp

Under the American Recovery and Reinvestment Act enacted last year, every US taxpayer who received unemployment benefits during 2009 is eligible to exclude the first $2,400 of these benefits on that year's tax return. For a married couple, the exclusion applies to each spouse, separately.

Wisconsin's maximum weekly unemployment benefit is currently $363, with another $25 supplemental available for claimants during the economic crisis. SEA members temporarily laid off under the governor's executive order thus ought to be able to avoid all federal tax on UC benefits payable for 2009.

When SEA members file for unemployment, they must speak to a state claims processor after filling out the standard form, so that the state can record their agency payroll code.

Engineers Without Borders: volunteers within our profession

Legislative Update

By Tim Hanley
Second Vice President

Happy New Year,

I hope you all survived the holiday season and are looking forward to the coming year and decade. This is an election year and we will be working to articulate our views on issues with all candidates and do what we can to encourage competent, open government.

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We will continue to talk about the waste in the current system that outsources engineering services. We have a responsibility as professionals and state employees because we know where improvements can and must be made. It is our responsibility to communicate that to the candidates, legislature and the public.

Also, in an effort to promote our profession and at the same time help those less fortunate than we are I am considering ideas and suggestions on an activity SEA could do.

I suggested one idea at the December board meeting and asked the section presidents to talk with their sections and get some feedback. The idea is to collect a small, free-will donation from the members (not Association funds), then donate it to the Engineers without Borders programs in Wisconsin.

These programs work to develop/improve basic needs around the world for those less fortunate than we are. Take a look at the Engineers without Borders website: http://www.ewb-usa.org/

The organization does projects around the world to help people with basic needs like getting clean drinking water. We could make a big impact in the lives of the less fortunate collectively by pooling our funds. I am talking about a small donation of say $5.00 a member, which is about one or two beers.

I got this idea while home on temporary layoff, reading a book about needs in the world. We have lots, and this is a way we can give back and promote our profession at the same time, I think it is worth considering. So please provide feedback to your section presidents, because I will be looking for that input at the January Board meeting.

There appears to be some movement in collective bargaining, but we have to be patient and see if the movement is real. I encourage all members continue to work on relationships with your legislative representatives and get involved whenever the opportunity presents itself. Also, if you are on temporary layoff use that time wisely and make some legislative contacts!

Respectfully,
Tim Hanley, 2nd Vice President

Outsourcing to KFC

The latest twist on privatization comes to us from KFC, the fast-food chicken empire. It is asking city governments to consider allowing the chain to place its name on fire hydrants in exchange for a four-figure cash donation. Buzzflash.com quoted an editor at Adbusters, a magazine that reports on negative trends in advertising, who said KFC's offer has the effect "of undermining our confidence in government."

Last spring, KFC announced a similar program, offering to fill potholes in city streets in exchange for spraying a non-permanent ad over the repair. Buzzflash commented:

"Without the necessary funds to reinvest in themselves, cities are shortsightedly turning to the same outsourcing and privatization schemes that got them into this situation in the first place ... . Consider this: With the Colonel filling potholes or fixing hydrants, there is less need for city workers. Those stable, well-paying jobs decrease in a recession, piling on problems for employment in the city. Income tax revenue is slashed, calling for further cuts in city services. It's an oversimplification, but you get the idea."

WANTED: Your comments, calendar items

What's going on in your area? Are members in your section doing great things, either at work or off hours? What's going on in your neck of state government? SEA View readers want to know. **Share your ideas, opinions and suggestions. SEA View will print guest columns from members as space allows.** We're also interested in your feedback and suggestions. How are we doing? Got a take on an issue of interest to members in general? Email **sea_wis@yahoo.com**

Retirement and Health Insurance Report

by Bob Schaefer

SEA Retirement & Health Insurance Representative

STATE OF WISCONSIN INVESTMENT BOARD MEETING – Nov. 11, 2009

Following is a summary of the items discussed at the November 2009 State of Wisconsin Investment Board (SWIB) meeting. Additional details are available upon request.

This meeting focused on evaluating the benchmark standards against which SWIB employees are measuring their performance. An outside consultant studies the benchmarking process extensively and makes a recommendation to the Benchmark Committee and that in turn is brought to the whole board for consideration and approval. Depending upon the type of investment, there is a specific index it is measured against. In many cases, there is no one benchmark used because of the complexity of the investment world.

Based upon my limited understanding of the investment world, SWIB appears to carefully implement a rigorous benchmark policy that fairly evaluates the employee's performance while at the same time setting a high standard for achievement.

Another area that has received a great deal of attention recently has been the Asset Allocation Initiative review. SWIB has been in the process of making changes to the asset allocation to limit excessive swings in performance, internalizing more investment operations in attempt to reduce costs while continuing to meet benchmark goals.

The latest effort in this area has been SWIB's initial step into the world of hedge fund investments. Contrary to popular notions, hedge fund investments, when evaluated against all other investments, have provided a fairly low risk with a moderate high return. That's quite surprising when one reads articles describing other pension fund issues.

The main facts are that SWIB is getting into the hedge fund process after the great cleansing of 2008. It's kind of like buying a new model car after it has been on the market for a year or two and the worst of the bugs have been worked out. SWIB's policy will require more transparency while recognizing that a lighter touch is needed if the hedge fund will provide the type of returns that are expected. If the consultant is unwilling to be transparent, then that firm will not used by SWIB.

To this end, SWIB is hiring a large number of consultants to handle the investments and is making a modest first step into the hedge fund investment market. The overall investment will be closely monitored by SWIB as a normal part of business. The hope is that this approach will lead to good returns on investment while reducing risk to the fund.

The December meeting of SWIB was canceled because of the snow storm. SWIB will consider the recommendations for the hedge fund investments at the Jan. 26 meeting. More details may be available after that.

– Bob Schaefer
Retirement and Insurance Representative

The following information was obtained from SWIB regarding the status of the fund.

	Oct Percent Gain or Loss by Fund	Nov Percent Gain or Loss by Fund	Dec Percent Gain or Loss by Fund
Core Fund	17.1%	21.1%	22.2%*
Core Fund Benchmark	15.1%	18.9%	
Variable Fund	24.4%	30.4%	33.7%*
Variable Fund Benchmark	22.7%	28.6%	

	Oct, 2009 (millions of dollars)	Nov, 2009 (millions of dollars)	Dec, 2009 (millions of dollars)
Core Fund	$65313	$67392	
Variable Fund	$4719	$4935	
Total	$70032	$72327	

**Preliminary Results – All values are year to date.*

These numbers are not the final values that will be applied to the individual retirement accounts. Those numbers will be posted in mid to late January and will be reported as the final numbers for December 2009. The actual annuity adjustments will be made in May 2010. If the numbers hold about where they are as of November 2009, the Core Fund will have a negative return of about -1.6% to -2.0%. See Table below. The Variable Fund will have a positive return of about 25%.

The old axiom is that if you lose 40% you need to make 80% to break even. At the current rate it will take a few more years to make back what had been lost in the recession. Also take into account that WRS will take its 5% for operation costs and the variable is 50% Core and will be adjusted according to the table below.

Possible Core Fund Returns and Range of Projected Effective Rate of Interest and Annuity Adjustment		
If SWIB's net investment return on 12/31/09 is…	**…the Core Effective Rate will be…**	**…the Core Annuity Adjustment will be...**
25%	**4.5% to 4.9%**	**-0.9% to -1.3%**
20%	**3.7% to 4.1%**	**-1.6% to - 2.0%**
15%	**3.0% to 3.4%**	**-2.3% to -2.7%**
10%	**2.2% to 2.6%**	**-3.1% to -3.5%**

Important note regarding the table above: The projections shown are based solely on investment return and are for illustration purposes only. This table and related information can be found at the following web site.

http://etf.wi.gov/news/2009_annuity_adjustment_projections.pdf

– Bob Schaefer
Retirement and Insurance Representative

EMPLOYEE TRUST FUND BOARD MEETING – Dec. 3, 2009

Following is a summary of the items discussed at the December 2009 ETF meeting. Additional details are available upon request.

The following information was presented at Joint informational Meeting, State of Wisconsin Teachers Retirement, Wisconsin Retirement and Employee Trust Funds Boards, Wisconsin Retirement Board, Teacher Retirement Board, and Employee Trust Funds Board. All the meetings are held on the same day, time permitting.

The actuary hired by the ETF, Gabriel Roeder Smith and Company, provided information on the three-year experience study and the 50-year actuarial projection. The actuarial liabilities of the Wisconsin Retirement System (WRS) are evaluated every year. The three-year study provides a better picture of the trends and is used to make the longer range projections for the system. The statutes require an in-depth analysis every three years.

Again because of the dynamics of the system, these evaluations are essential if the fund is to remain viable for our retirement lives. The overall policy was stated as follows: “Don’t overreact to results from any single experience period. It is better to make a series of small changes in the right direction, rather than a single large change that could turn out with hindsight to be very wrong.”

The initial impact of these actuarial studies resulted in the slight increase in the contribution rate as reported in the July 2009 SEA newsletter. Although many factors affected the study, the single most important factor was the significant negative investment returns in 2008 and the beginning of 2009. While we have seen a turnaround with investments, lingering affects will continue to influence estimates for several years. As noted in the SWIB report, SWIB is in the process of reallocating resources, branching out into new investment areas and taking more control of WRS investments.

Some of the more salient facts directly from the report are:

1. **Asset losses are expected to put upward pressure on contribution rates and downward pressure on dividends for several years.**

2. **Higher contributions combined with lower benefits will ease liquidity (external cash flow) needs.**

3. **Based on information provided by SIS, if the standard deviation of the portfolio can be reduced to 11% or 10%, it appears that there will be less year to year volatility, but with little long term effect on the level of expected contributions and dividends.**

4. **Market volatility over the last decade has clearly demonstrated that asset returns are not normally distributed.**

5. **Maturing plans such as WRS are increasingly exposed to the effects of market volatility.**

6. **The unique benefit structure of the WRS enables it to deal with volatility to an extent not feasible in most public sector retirement systems.**

The last point was part of a paper presented by ETF and SWIB and reported on in the December 2009 newsletter. *Turn to page 9*

The ETF Board considered and approved changes to the chapter ETF 10 and 20, Wisconsin Administrative Rules as proposed by the staff of ETF. These changes primarily clarify common terms to be used such as Core Fund, designated beneficiary and named survivor, to name a few. The changes were brought about the enactment of 2007 Wisconsin Act 131 and current department practices.

An emergency rule was proposed and passed regarding implementation of domestic partner benefits and the extension of hearth insurance coverage to adult dependents to age 27. Both had an implementation date of January 1, 2010. The emergency rule assured ETF's compliance with implementing the law while complying with the usual rule making requirements. A public hearing is tentatively scheduled for February 12, 2010. The domestic partner requirements are different for ss. Chapter 40 than for ss. Chapter 770, the registration program.

The ETF Board also passed a motion against proposed bill SB 390. The motion states: The ETF Board opposes 2009 Senate Bill 390 as introduced, especially those portions of the Bill that misappropriate to certain entities the names and addresses of retirees in order to send unsolicited communications to those retirees for purposes wholly unrelated to Chapter 40 benefit programs.

SEA sent a letter to the committee currently considering the bill in support of the ETF Board motion. We suggest that you contact your legislator and add your voice in pointing out the problems with the bill. A copy of the SEA letter to legislative committee can be found on the SEA web site.

Another bill that has been finally introduced to the Legislature is the closure of the variable fund to future participants, SB 320. Implementation of the change would take place on January 1, 2011. The proposed change would be similar to what took place on April 29, 1980, when the fund was closed to future participants. Many employees elected to participate in the Variable Fund when it was reopened on January 1, 2001. SEA has not taken a formal position of closing the fund but has tended to support ETF in its request to close the fund.

SEA also directly contact a number of legislators in support of ETF's 13.10 request for authorization of additional expenditures from the WRS fund for a limited number of positions and other expenditures. These are intended to improve response time for answering retirement questions and estimates.

The 13.10 request was approved by the Joint Committee on Finance at the Dec. 17 meeting. The funds will be drawn from the available balances of the Public Employee Trust Fund. There were 14 Ayes, 0 Noes, 1 Recusal and 1 Absentee. The money to operate the WRS comes from the fund and not general purpose revenues.

– Bob Schaefer

WISCONSIN COALITION OF ANNUITANTS MEETING – Dec. 16, 2009

Following is a summary of the items discussed at the September, 2009 WCOA meeting. Additional details are available upon request.

Dan Schmidt, Senior Analyst, Legislative Council, reported on the several bills that will bring the State of Wisconsin into compliance with federal tax laws. The bills being considered are SB 416, SB 420 and AB 608. Mr. Schmidt also reported on SB 390 which was described in the ETF summary. SEA is against the proposed Bill SB 390 and stated this position in writing to the legislative committee currently considering the bill.

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Matt Stohr, Director of Legislation, Communication and Planning for ETF, discussed the 13.10 finance request. This has passed the Joint Finance Committee as reported in the ETF summary. Matt also commented on the status of SB 390 and it potential problems, issues and concerns. Several additional bills have not seen any additional activity since initial introduction. Firefighters and professional police organizations will be contacted by ETF to inform membership of the Fallen Hero's Federal Law of 2001 that provides survivor tax benefits.

Mr. Stohr also commented on the national health plan but has not done a detailed review of the impacts. ETF will take a closer look at the language once there is a more concrete program being considered and limited resources can be focused on the proposal. Coverage for pre-existing conditions is a major expected change for the national plan but should not have an impact for ETF because of the open enrollment period which permits individuals with pre-existing conditions to enroll. The plan's possible inclusion of a tax on "Cadillac" health coverage has not been defined and so ETF has not studied the issue at this time.

Sandy Drew, Legislative and Beneficiary Liaison for SWIB, made a presentation covering several topics. Ms. Drew reported the November rates of return and these can be found in the SWIB report. SWIB's allocation re-balancing greatly improved some of SWIB's returns. The new Securities and Exchange Commission (SEC) reform bill at the federal level is of great interest to SWIB. WCOA sent a letter to Sen. Kohl regarding the proposed bill. Keith Bozarth, Executive Director of SWIB, also met with Sen. Kohl regarding the proposed bill.

Action on the SEC bill will take place in 2010. This bill has seen as much or more lobbying action than the health bill because of the potential impacts on the financial industry. Ms. Drew also reported that internal management of funds not only had higher returns than some of the contract managers, but that it was done at a lower cost to the WRS Fund. Lastly, in response to a WCOA question regarding turnover rates at SWIB, Ms. Drew reported that the rates were 2006-3.6%, 2007-5.4%, 2008-1.6%, with 2009 not yet completed.

The Annual Conference hosted by the WCOA will be held on May 20. The place of the meeting has not been determined at this time but more information will be provided in future newsletters.

– Bob Schaefer

December 19, 2009 Board Meeting Summary

Meeting held at La Quinta Inn & Suites, Madison

By Reiny Yahnke, Secretary

Attendance:

Executive Board: Mark Klipstein – President, Leroy Stublaski – First Vice President, Tim Hanley – Second Vice President, John Bolka – Treasurer, Reiny Yahnke – Secretary

Board Members:

Tom Peronto, Wisconsin Rapids President
Larry Legro, State Agencies President
Brian Mattson, Superior President
Khader Abu Al-Eis, Madison President
Mike Wendt, Rhinelander President
Dave Solberg, Eau Claire President
Anthony Allard, Green Bay Section President
Carl Bujanowski, Central Office President
Steve Dunn, DNR Madison President

Specialists:

Sandy Henke, SEA Office
Ron Legro, Communications

Willie Haus, Attorney
George Mickelson, Compensation
Bob Schaefer, Health & Retirement

Guests: Aaron Christ, Madison Section
Mary Pamperin-Volk, Madison Section

Meeting Begins:
Mark Klipstein called meeting to order at 8:08 am. Introductions were made.

Approvals:
The November 7, 2009 Board Meeting minutes were reviewed. Tony Allard moved to accept the minutes. Carl Bujanowski seconded. Motion carried. The Correspondence Report was reviewed. Mark Klipstein accepted the Correspondence Report as written.

President's Minute: Mark mentioned the federal mileage reimbursement rate will change to $0.50 per mile in January. The SEA trademark has been submitted to the State for registration. The logo will next be registered with Lands End, so it will be available for apparel. Mark also touched on the progress made in bargaining. George Mickelson highlighted economics offers in bargaining.

Health and Retirement Report: *By Bob Schaefer*
Bob touched on the year to date performance of the retirement funds. Legislation has been introduced to close the variable fund to new members in January 2011. The annual meeting for the Wisconsin Coalition of Annuitants has been scheduled for May 10, 2010.
Khader Abu Al-Eis moved to pay the $50 annual membership fee for the Coalition of Annuitants. Leroy Stublaski seconded. Motion carried.

Bargaining and Legal: *By Willie Haus*
Willie updated the board regarding bargaining and the likelihood that negotiations will carry into January. Willie also provided an update on the temporary layoff lawsuit. A hearing and ruling can be expected in February.

Legislative Report: *By Tim Hanley*
Tim reported the Audit Committee Meeting regarding DOT outsourcing might possibly be held on Jan. 6 *[Editor's note: after the meeting, the hearing eventually was scheduled for Wednesday, Jan. 13 at 11am in State Capitol Room 412 East]*. Tim discussed opportunities for SEA sponsoring a fundraiser for charitable organizations. Tim will continue to work with the legislators to make fact finding and mediation mandatory.
Tom Peronto moved to pay expenses including wages, meals, and mileage for up to six members to attend the audit committee hearing in January. Motion seconded by Dave Solberg. Motion amended to pay expenses for up to six members that are scheduled to testify at the hearing. Motion carried.

Communication Report: *By Ron Legro*
Newsletter articles are due by Jan. 3. Ron assisted Dave Solberg and Mark Klipstein in preparing a response to a newspaper article from the Eau Claire area.

Grievance Report: *By Leroy Stublaski* .

Note: A-xxx indicates an Association grievance

A-307 (filed 5/3/99) – DOT D2 – Denied work time to take PE exam. Arbitration pending.
A-351 (filed 7/19/01) – DOT D4 – RLS exam reimbursement. Consolidated with A-307.
A-352 (filed 6/25/01) – DOT D3 – 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 .
A-369 (filed 1/2/02) – DNR Water – Add-on as part of year-end leave cash out option. Arbitration pending.
A-378 (filed 8/14/02) – DOT D1 - 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. Favorable decision reached on 1/5/09.
A-405 (filed 4/5/04) – DOT D5 – PE Exam and licensing fee reimbursement. Consolidated with A-307.
A-410 (filed 6/29/04) – DNR Water – Granting of Restoration Rights. 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. Consolidated with A-369.
A-420 (filed 1/27/05) – DOT – Turndown Mileage Rate. Filed at Step 4.
A-429 (filed 4/27/05) – DOT D5 – PE licensing fee reimbursement. Consolidated with A-307.
A-430 (filed 4-27-05) – DOT D5 – PE Exam Reimbursement. Consolidated with A-307.
A-431 (filed 4-27-05) – DOT D5 – PE Exam and Licensing Fee Reimbursement. Consolidated with A-307.
A-432 (filed 4-27-05) – DOT D5 – PE Exam and Licensing Fee Reimbursement. Consolidated with A-307.
A-435 (filed 11/30/05) – DOT D4 - PE Exam and Licensing Fee Reimbursement. Consolidated with A-307.
A-436 (filed 11-18-05) – DOT D2 - PE Exam and licensing fee reimbursement. – Consolidated with A-307.
A-439 (filed 11-29-05) – DNR - Extra Mileage. Filed at Step 4.
A-440 (filed 11-09-05) – DOT D1 - Lunch Money. Filed at Step 4.
A-444 (filed 3-14-06) – DOT D2 – Individual Bargaining. Filed at Step 4.
A-446 (filed 2-14-06) – DOT SW – PE exam and licensing fee reimbursement. Consolidated with A-307.
A-447 (filed 3/27/06) – DOT NCR – Fleet vehicle assignment & utilization. Filed at Step 4.
A-448 (filed 5/12/06) – DOT NCR – HAM used on current state employee in promotion. Filed at Step 4.
A-453 (filed 8/18/06) – DOT NER - PE Exam and licensing fee reimbursement. Waived to Step 3.
A-455 (filed 10/27/06) – DHFS-Reimbursement of surcharge for over 2000 miles. Filed at Step 4.
A-456 (filed 9/13/06) – DOT NER - PE Exam and licensing fee reimbursement. Waived to Step 3.
A-463 (filed 4/18/07) – DOT NER – PE for CE-Adv positions. Filed at Step 4.
A-464 (filed 6/5/07) – UW - Termination without just cause. Filed at Step 4.
A-469 (filed 8/20/07) – DOT NER – Mileage reimbursement rates. Filed at Step 2.
A-472 (filed 12/04/07) – DOT NCR – Denied standby pay for 25-hour shift. Moved to Step 4.
A-473 (filed 1/8/08) – DOT NCR – Denied 2 hours call-back time. Moved to Step 4.
A-474 (filed 1/16/08) – DOT NCR – Denied 2 hours call-back time. Moved to Step 4.
A-475 (filed 2/7/08) – DOT SE – Involuntary reassignment. Moved to Step 4.
A-476 (filed 2/28/08) – DOT NCR – Denied benefits after car accident. Moved to Step 4.
A-477 (filed 4/29/08) – DOT NCR - Denied 2 hours call-back time. Moved to Step 4.
A-478 (filed (9/08) - DHA – Turndown Mileage Rage. Moved to Step 4
A-481 (filed 2/14/09) – DOT NW – Employer failed to properly fill position. Moved to Step 4.
A-482 (filed 3/17/09) – DOT DTSD – Denied standby pay for calls during lunch. Moved to Step 4.
A-483 (filed 3/30/09) – DOT NCR – Denied 2 hours call back time. Filed at Step 4.
A-484 (filed 4/22/09) – DOT NCR – Denied 2 hours call back time. Filed at Step 4.
A-485 (filed 5/26/09) – DOT SE – Disciplined without just cause. Filed at Step 4
A-486 (filed 6/10/09) – DOT SE – Given letter of reprimand without just cause. Filed at Step 4
A-487 (filed 5/20/09) – DOT NER – RLS requirement for Survey Coordinators. Filed at Step 4
A-488 (filed 9/25/09) – DOT NER – Timesheet changed. Filed at Step 4
A-489 (filed) – DOT SE – Denied Standby Pay. Filed at Step 3
A-490 (filed various) – VARIOUS – Imposed temporary layoffs. Filed at Step 3

Leroy Stublaski moved to move the various layoff grievances to Step 4. Carl Bujanowski seconded. Motion carried.

Section Reports:

Madison — Kevin Chesnick came to Truax for a quarterly meeting to discuss current issues and the new way of doing business, i.e. 90% outsourcing of engineering work.

Southeast – The cloud of secrecy in which the office operates was discussed. Transfer openings are not consistently being posted.
At least two employees are leaving to start a consultant firm.

Green Bay — There was a lot of confusion with the weather closure, especially with the satellite office and those who work at home. In-house consultants joined in on the holiday luncheon causing concern for some members. One consultant caused quite a stir for giving certain management staff bottles of wine. There continues to be concerns over differences between state agencies and the regions regarding re-class vs. promotion to the CE-Advanced level.

Wisconsin Rapids — Member are encouraged by the bargaining updates. Members are looking forward and willing to help in any way possible to assist in the layoff grievance.

La Crosse – No report.

Eau Claire – Section meeting was held on Thursday.

Rhinelander - Members are glad to hear progress is being made in bargaining. The timely updates are appreciated as well.

Superior — No report

Central Office/PSC — The turmoil in the Consultant Unit was discussed. Section bylaws have been updated. Elections will occur in January.

DNR — Employees have 13 different layoff options to choose from.

State Agencies — The vacant treasurer position has been filled. Jean MacCubbin's service to the section as secretary/treasurer was recognized and is truly appreciated.

Financial & Membership Reports: *By John Bolka*
John moved to accept the October 2009 Membership Report. Brian Mattson seconded. Motion carried.
John moved to accept the October 2009 Treasurers Report. Tony Allard seconded. Motion carried.

John moved to accept the November 2009 Membership Report. Leroy Stublaski seconded. Motion carried.
John moved to accept the November 2009 Treasurers Report. Tim Hanley seconded. Motion carried.

John submitted the Board Meeting Vouchers and moved for approval to pay them. Khader Abu Al-Eis seconded. Motion carried.

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M-47 => M-61	$2500.00
09-92 =>09-106 & 09-108	$1939.05
	$4439.05

John submitted the postage voucher and moved for approval to pay it. Carl Bujanowski seconded. Motion carried.

09-107 Postage	$19.60

John submitted the vouchers for retirement expenses and moved for approval to pay them. Tim Hanley seconded. Motion carried.

09-109 & 110 Retirement	$26.90

John presented the proposed budget for calendar year 2010 including an exhibit with costing data to increase section dues returns. Taxes for 2009 had been completed and submitted. John noted that the tax forms significantly changed from past years.

Khader Abu Al-Eis moved to increase the section dues return to $1.30 per member beginning with the January dues return. Tim Hanley seconded. Motion discussed and carried by show of hands.

New Business:
Tentative upcoming board meetings: January 16th, February 20th, March 20th, April 17th, May 15th, June 19th, August 21st, September 18th, October 23rd, December 18th.

Meeting adjourned at 3:10 pm

PUZZLING PUZZLER: *The closed doors*

You are a contestant on a game show. You are shown three closed doors. A prize is hidden behind one door, and, of course, the game show host knows where it is. You are asked to select a door, and you do. Before you open it, the host opens one of the other doors, showing that it is empty, then asks you if you'd like to change your guess. Should you, should you not, or doesn't it matter? *HINT: This is trickier than you might at first think.*

Email your answer to our contest address: puzzlesea@yahoo.com. The answer and name of the first person who comes up with the correct answer will be in the next SEA View.

Last issue: In the puzzle below, three numbers: 16, 14, and 38, need to be assigned to one of the rows of numbers below. To which row should each number be assigned – A, B, or C? And what is the basis for that assignment?

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A:	*0*	*6*	*8*	*9*	*3*
B:	*5*	*13*	*2*	*10*	*16*
C:	*7*	*1*	*47*	*11*	*17*

Answer: The numbers are organized by shape. Look at Row A – they are all rounded shapes. Row C is all linear shapes. And Row B is a mix of curves and lines. Therefore, 16 goes to B, 14 goes to C, and 38 goes to A.

Congratulations to Bryan Learst , WisDOT-NE Region Transportation Engineer - Project Development, for being the first – and only – member to provide the correct answer. Here is how Bryan reasoned it out in his own words:

"There doesn't appear to be any mathematical sequence or relevance to any of the numbers in any of the rows. Therefore, I put them in the rows based on the geometrical properties that each number and row has in common. 14 goes into C because the numbers all contain linear components, 38 goes into A because the numbers contain curves, and 16 goes into B because it possesses both linear and curved components."

Moving? Since we no longer send many copies of SEA View through the mail, it is difficult to track members who have moved. If you have a new address, please contact the SEA office so we can continue to send you mailings.