



# SEA View

Volume XLI / No. 1

January 2011

## SEA VIEW SCHEMATIC

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## Keeping the faith despite

# *Interesting times*

“May you live in interesting times.” That Chinese curse might be applicable to a very uncertain 2011. After a rough couple of years, the national economy seems to be picking up a bit. But even as private sector employment slowly but steadily climbs, public institutions and government at all levels are still shedding more and more jobs nationwide.

Add to that the State of Wisconsin’s multi-

### **From the President**

billion-dollar structural deficit, pronouncements from the new administration that serious cuts will have to be made, and warnings that state employees will have to feel more pain. The curse from China might seem very appropriate indeed.

Two problems with such thinking: One, we’re Americans, not Chinese. In this country, challenges provoke creativity more often than panic. The trick is to make sure the opportunities are shared fairly, along with the pain.

Two, people in the technical professions such as engineering are by nature problem solvers. Which makes us especially good optimists. We’re in it for the long haul, not just the short run. We at SEA have had much success pursuing what for us is that very natural approach.

Of course, while we’re optimists by nature, we’re also realists, so we’re keeping our sleeves rolled up and working through these issues as best we can, rather than just waiting for whatever happens next.

*Turn to page 2*



Before the holidays, on behalf of the board and our members, I wrote a series of letters to incoming freshmen legislators of both major parties, as well as the new governor. I congratulated each of them and wished them luck in their efforts on behalf of the residents of our state.

In the letter to incoming Gov. Walker, I made special note of a number of statements he had made in the campaign. Your board perceives these statements as possible openings to work cooperatively with the new administration. In other words, we take the Walker administration seriously, and at its word.

In short, SEA has taken positive steps to open lines of communication with the new Legislature and new administration, being proactive to help solve the pressing issues that face Wisconsin.



**Mark Klipstein**

Of course one of our biggest tasks will be to work towards a new contract. Regarding collective bargaining, we recognize we are two years behind. SEA was one of the two bargaining units that didn't try to push a contract through in the lame-duck session of the Legislature, instead waiting for the new administration. We are prepared and ready to begin good faith collective bargaining with the Walker Administration. We will keep working at this, and will let you know what we know, as soon as we can.

**SEA HAS TAKEN POSITIVE STEPS TO OPEN LINES OF COMMUNICATION WITH THE NEW LEGISLATURE AND NEW ADMINISTRATION, BEING PROACTIVE TO HELP SOLVE THE PRESSING ISSUES THAT FACE WISCONSIN**

Meanwhile, we've made further progress on grievances, meeting with OSER and clearing up some of the backlog. We expect more progress in the coming year as SEA continues to make this a priority.

If you're a member concerned about a seemingly more uncertain future, bear in mind several important truths:

**First, major change will not happen fast.** The new governor certainly can continue furloughs and lay-offs as part of a new budget. But collective bargaining will remain our legal right in the foreseeable future. While SEA's positions may not always be received with favor, our Association has over the years earned a lot of respect for our patient and persistent approach to dealing with the state -- and respect is half the battle. We punch hard for our weight, and we fight fair.

**Second, you can help your Association reduce uncertainty,** and help your state and your community, by getting and staying active. Be informed about the important issues. Make your voice heard, individually and through your Association section, and by participating in our annual SEA Day legislative visit to the Capitol early next year, about which you'll be hearing more soon.

Remember, too, that if you have a formal grievance on file, it likely will go better if you stay active and involved in the matter.

**Respectfully,  
Mark Klipstein  
President**



# Standing on principle, working for change

*Hello all,*

Happy New Year to you all!! There are many opportunities before us this year with a new governor, legislature and agency leaders. As you know, SEA has not supported individuals or parties, but instead principles of good government including cost-effectiveness and transparency. We will evaluate these new leaders on those principles. We have sent several letters to the new administration to open up the lines of communications and offer some insights into areas where we think there are cost savings and opportunities to improve government.

## Legislative Update

**By Tim Hanley**  
*Second Vice President*

We are also working on planning the next SEA Day event where everyone will have an opportunity to participate in sharing and educating the new legislature about areas of government that SEA members work in.

A recent article in the Milwaukee Journal Sentinel by syndicated columnist David Brooks I think really explains what the discussion of good government should be about. I am going to highlight some of those points below, and I am also sharing a link to the full article for your use. Here is a link to the article:  
<http://www.jsonline.com/news/opinion/112893804.html>

Mr. Brooks talks about crucial questions/statements that should be asked:

- How does government influence how people live?
- Does a given policy arouse citizen energy, foster skills, spur social mobility and help people transform their lives?
- The size of government doesn't tell you what you need to know; the social and moral content of government action does.

We've all been blitzed by the size-of-government discussion, but lost in that is the quality of government. We need to do what we can to change how this discussion is approached. We at SEA have started some of this by asking how you define government size. Is it by number of people? No, I think it is better defined by cost, and I would also include quality. We need to tell the story of how public employees add value and quality to government and make it work.

Really, isn't what matters most to you the quality of your family, community, and work life? In other words, government needs to work for the people it represents.

I encourage you all to see your section presidents and ask how you can get involved. Share with them stories of wasteful practices in government, or other areas where improvements can be made. Do your part to be involved. It is your involvement that will help us all be successful. I look forward to working with you all in 2011 on legislative issues for SEA.

**Respectfully,**  
**Tim Hanley**  
**2<sup>nd</sup> Vice President**



## THE GRIEVANCE BOX

By Larry Legro, 1<sup>st</sup> Vice President

The SEA grievance procedures can be found under Article 4 of our contract. A grievance is defined as and limited to a written complaint involving an alleged violation of a specific provision of the SEA agreement (contract). A grievance is *not* a way to get even with your managers. Basic advice on grievances: 1. Keep it professional. 2. Keep your emotions to a minimum. 3. Try not to be adversarial. 4. Keep it contractual.

When filing a grievance at Step 1 (or any step, for that matter), make sure you keep copies of all paperwork. You also need to forward copies to the 1<sup>st</sup> vice president of the SEA Board, and to the SEA office on Regent Street in Madison (find our addresses on the [www.wisea.org](http://www.wisea.org) website) or ask an officer.

### Time lines are Very Important

When a Step 1 grievance is initiated (give it to your front-line supervisor), you and they have 10 days to schedule a meeting. After this meeting management has 10 more days to get you an answer. If you hear nothing within this second 10 days, assume it is a denial of the grievance (a no reply). Now you get a third 10 days to move your grievance to Step 2. If you get a reply within that 10 days, and it is a denial, you reset the 10 days from the date of that denial to move to Step 2. If both sides agree to extend the timeliness at any step, get this agreement in writing, and keep copies, as, any meeting plus the 10-day period after the meeting will require you to go to the next step if you have heard anything from management. Management can ignore time lines, but WE cannot. If WE miss a time line, the grievance is

ended at the last decision given to you (from the previous step).

If you decide to go to Step 3, then again you must appeal from the Step 2 level within 10 days of the Step 2 decision or the Step 2 meeting, whichever comes first. At step 3, management agrees to meet and give a decision. After the meeting (and decision), management is supposed to give you a decision within 21 days, or you can then proceed to file at Step 4. If there is no meeting scheduled within 21 days, try to get the response period extended by making an agreement with management in writing. If management gives you a decision within 21 days, you then have 30 days to move it to Step 4 via SEA's 1<sup>st</sup> vice president.

When you move to Step 4, you must contact the 1<sup>st</sup> vice president, providing copies of all paperwork from Step 3 including the OSER-DCLR-25 Form (the cover page to the original grievance which has basic grievant info on it) and all other decisions and paperwork.

The 1<sup>st</sup> VP will write a letter of appeal to Step 4. You have 30 days to move from a decision on a Step 3 to Step 4 via the 1<sup>st</sup> VP. If you miss the 30-day time line from the end of Step 3 to the appeal to Step 4, you will have missed filing at Step 4, and the final decision will revert back to the one from Step 3. Do not think you can wait until the 29<sup>th</sup> day to contact the 1<sup>st</sup> VP and succeed in having a letter mailed on time. Plan things well ahead and follow up early. Call us if you get confused, and sooner rather than later.

**Better than this summary, please refer to Article 4 in the contract at EVERY Step of your grievance, and make sure you meet the deadlines, or extend them by agreeing with management and getting it in writing.**



# SECRET COWS

*Murmurs and moos from Capitol corridors.  
Hey, can any cow dance this tune?*

**By Sybil, the SEA-cret Bovine**

**MOOI** Hope you had happy holidays. Me, I snuggled into a manger for a long winter's nap. Too bad straw prices are up, because my snacking got a bit out of control. Oh, well, a few months on the stair-climber at the gym ought to fix that.

**I GOT MINE, NOW SHOW ME YOURS.** Several of those wild and crazy guys on the president's deficit commission who recommended dra-COW-nian cuts in everything from Social Security to Medicare, turn out to be wealthy financiers. So did they offer to introduce any pain into their own pocketbooks? Not really. Besides their hefty incomes, which are taxed at rates lower than your average cow's udder, they'd continue to enjoy generous, guaranteed retirement earnings – some of it provided by taxpayers. No wonder the commission as a whole couldn't agree on a strategy. That didn't stop one of the commissioners who, in his day job, decided to lock experienced workers out of a nuclear plant rather than agree to provide them hard-earned retirement benefits.

**GOOD ENOUGH FOR GOVERNMENT WORK** DNR ag staff who review engineering and nutrient management plans were recently directed to stop invoking portions of state code that



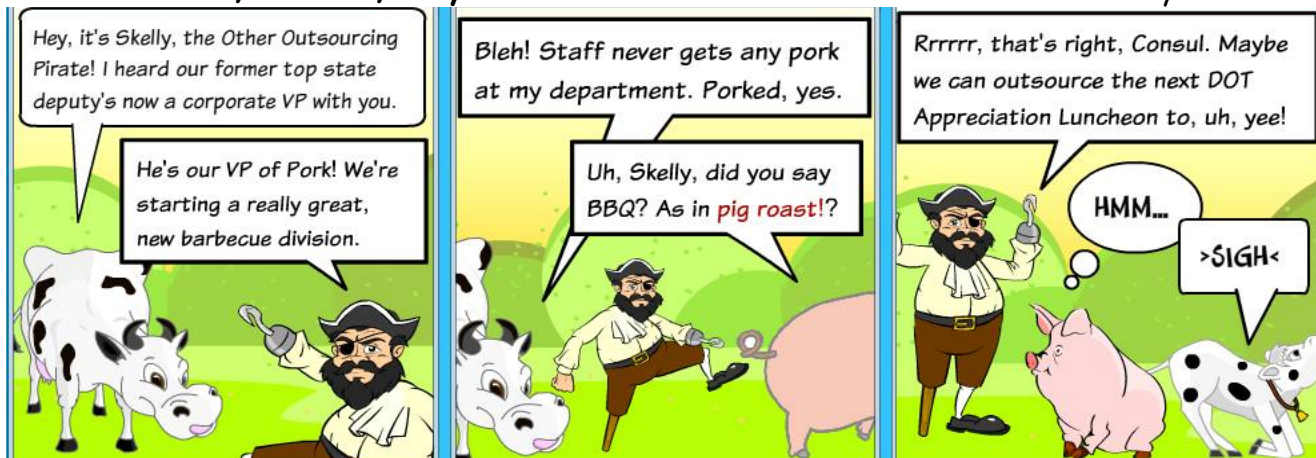
require more stringent design and operating standards based on site-specific conditions, for instance: local susceptibility to groundwater contamination. Instead, DNR staffers are now instructed to approve agricultural designs as long as they meet minimum general standards. So enjoy that breakfast egg or glass of milk from an agribusiness whose facilities meet the state's very lowest common denominator of quality.

**FORMER GOVERNMENT WORKER DISSES CURRENT GOVERNMENT WORKERS** Former House Speaker Newt Gingrich, told an interviewer that public service workers *“are not going to be allowed to be the haves, while the taxpayers are the have-nots. They're not going to be allowed to have giant advantages in health plans, in pensions, in retirement age, in workload, and pay, while all the rest of us are working hard.”* And so there you have it: Public employees don't work hard! We aren't taxpayers! And every hard-working citizen of America should be satisfied with less! I guess the Newtster would know, having been a public employee most of his career. And sitting on his own ultra-fat pension. Race to the bottom! To have, and to have not!

Gingrich's comments are part of what appears to be a nationwide campaign among political elites to diss civil servants. Outgoing Gov. Tim Pawlenty of Minnesota called us "over-benefited and over-paid." Indiana Gov. Mitch Daniels said we are the "new privileged class." New Jersey Gov. Chris Christie described two classes of state residents: "Public employees who receive rich benefits, and those who pay for them." Uh, someone should tell Mr. Christie we're not only taxpayers but voters, and that we've been paying for state deficits not of our making out of our own compensation for years now. We'll swallow our share of the pain, but not yours, too, dude.

## SYBIL the Cow, in "Pork, 'kay?"

By JT & RL





## Retirement and Health Insurance Report

by Bob Schaefer

SEA Retirement & Health Insurance Representative

### WISCONSIN COALITION OF ANNUITANTS BOARD – Dec. 15, 2010

Following is a summary of the items discussed at the December 2010 WCOA meeting. Additional details are available upon request.

**ETF Update** Matt Stohr, ETF director of legislation, communication and planning, provided a general update. The legislative session will begin on Jan. 3, 2011, and conclude on May 23, 2012. The major item will be the state budget that is expected to be introduced in February. ETF will introduce the closing of the Variable Fund with an effective date of Jan. 1, 2012. There will be a bill to bring Wisconsin into compliance with the Heart Act (Heroes Earnings Assistance and Relief Tax Act). ETF expects some bills to be introduced regarding pension contributions.

Many questions have arisen regarding sick leave conversion language in the statutes and contracts. Most of that is contract-negotiation directed. Following is an ETF posting from its web site answering these questions:

#### ***Department of Employee Trust Funds ASLCC/SHICC and Section 40.19 / December 22, 2010***

*Many active state employees have asked the Department of Employee Trust Funds (ETF) about the Accumulated Sick Leave Conversion Credit Program (ASLCC) and the Supplemental Health Insurance Conversion Credit Program (SHICC). Since the employer submits an employee's sick leave information to ETF at (or soon after) the employee's termination, employees have inquired about the effect of any change to sick leave benefits prior to their actual retirement.*

*In particular, active employees have asked about section 40.19 of Wisconsin Statutes, which recognizes employee rights to benefits that have already accrued. They have asked: If statutes, the compensation plan or labor agreements are changed prior to the day a state employee chooses to retire, is the employee's sick leave balance protected under s. 40.19?*

*Section 40.19 says that rights exercised and benefits accrued under Chapter 40 for service rendered are due as a contractual right and cannot be canceled by any subsequent act of the legislature. However, s. 40.19 does not protect the further accrual of benefits or the future exercise of rights for service rendered.*

*Although ETF administers the ASLCC and SHICC programs, we do not play a role in determining the amount of sick leave that employees receive, or whether and how much of it may be accrued. Those matters are defined in state law, the compensation plan for non-represented state employees and the labor agreements for represented state employees. While it is*



*possible that s. 40.19 may protect the right of current employees to convert their sick leave upon retirement, this issue has not, to our knowledge, been tested in the courts. If attempts are made to change these programs, it will be very important to examine closely what those changes are and how they are made in order to assess whether and to what extent the changes affect current employees. Employees who have concerns about ASLCC and SHICC are encouraged to speak with their union representatives or their payroll representative.*

*Finally, and this cannot be stressed enough, ETF has not seen any proposals regarding changes to the ASLCC or SHICC programs.*

A bill in the US House of Representatives proposed by Rep. Paul Ryan (R-WI) would require state and local governments to report their pension costs based on market value. This change would be costly to the state and local governments and is not necessary to protect pension systems, ETF maintains.

Future newsletters from ETF and the State of Wisconsin Investment Board will be a joint communication. This will save a great deal on mailing costs. ETF and SWIB will also be looking at e-mail as the delivery method through GovDelivery.

Wisconsin EYE television -- [www.wiseye.org](http://www.wiseye.org) – did an interview with Keith Bozarth and Dave Stella on the public employee pension system focusing on how the Wisconsin Retirement System is different and why it is in such good shape when compared to our neighbors and many other states.

**SWIB Update** Sandy Drew, SWIB legislative and beneficiary liaison, presented information from CEM Benchmarking Inc. regarding SWIB's performance when compared to peers. This information was reported as part of the SWIB Nov. 10 update later in this newsletter. There was also a discussion about the Asset Allocations that are normally done at SWIB's December meeting. These decisions were postponed until some questions regarding rate of return estimates and employee wages are resolved. Information is detailed in the SWIB December summary found later in this newsletter. SWIB has begun the process of visiting the legislature as part of its continuing effort to educate legislators on the benefits of the existing Wisconsin Retirement System and the changes that are needed for the future.

The Wisconsin Coalition of Annuitants web site is up and running – check it out at [www.WiWCOA.org](http://www.WiWCOA.org)

– **Bob Schaefer**  
Retirement and Insurance Representative

### WRS Funds See Strong Finish in 2010

The State of Wisconsin Investment Board announced that the two pension trust funds it runs for state employees recorded double-digit returns last year.

SWIB's larger Core Fund ended 2010 with a preliminary return of 12.3 percent. Its riskier Variable Fund had a preliminary return of 15.6%.

SWIB cited strong fourth quarter stock market returns as the reason the funds outperformed expectations for the year.



## WISCONSIN COALITION OF ANNUITANTS BOARD – Nov. 17, 2010

Following is a summary of the items discussed at the November 2010 WCOA meeting. Additional details are available upon request.

**Update on Dodd-Frank Wall Street Reform and Consumer Protection Act** Gail Hanson, SWIB deputy executive director, provided a summary of the 2,300 page bill that was signed into law on July 21, 2010. There were several parts of the bill that SWIB was interested in. Some of those items are:

- 1. Corporate governance.** Most of the relevant focus was on improving the means for electing officers to corporation boards. Proxy votes in the past had little weight or could be ignored outright. The bill sets the stage for greater accountability in the voting procedure. This portion of the bill is currently being challenged in the courts. Shareholders may have a say on pay for the corporate executives compensation. The vote may be non-binding but it would be a step in the right direction. Another aspect is improved language on so-called claw-backs. [A claw back is when a financial firm or other organization that is trying to recover from a catastrophic shift and/or collapse attempts to essentially tame past practices by giving its most highly-paid employees bonuses in pay that are deferred rather than bonuses that are able to be spent by an individual immediately.] The new act is broader and reaches back three years regarding executive misconduct. The actual minutes of the meeting can be found at the WCOA web site.
- 2. Derivatives regulation.** Greater transparency and disclosure, along with registration and reporting at the time of execution of derivatives transactions was the focus of this part of the act.
- 3.** One problematic issue for SWIB is the “too big to fail” language that would allow pandering to different investment groups and evenly handling the issue if a firm fails. This has the potential to lead to graft and corruption on a major scale and should be changed.
- 4. Financial Stability Oversight Council.** The act established a committee to monitor the financial stability of corporations in order to avoid a domino effect if one of the main companies should fail.
- 5. Secularization reform.** Firms bundling loans will have to retain 5% of the risk.
- 6. Independent Bureau of Consumer Financial Protection.** This group will have the responsibility to improve communication between us and mortgage lenders and credit card companies.
- 7. Volcker Rule.** This rule addresses banks and financial institutions that have government backing by the FDIC. It would limit the risk of banks owning risky investments and trading derivative in the their own account.

### SWIB investing \$80 million in venture funds

The State of Wisconsin Investment Board moved this month to invest up to \$80 million in high quality venture capital funds on the east and west coasts. The move presents some risk for retirees but also increase the chances that high-growth companies in Wisconsin can raise investment dollars.

Economic development proponents have urged Wisconsin-based foundations and other state institutions to help attract more investment capital to the state.

While the move represents the first time SWIB is becoming involved with coastal venture funds, the board has for some time had a policy in place supporting these types of activities and the move is seen as an expansion of its past direction. SWIB policy limits exposure to what it considers reasonable amounts, and the \$80 million is a small fraction of the board's \$82 billion in holdings.



8. **Capital requirements.** These provisions provide different definitions of capital and will require investment diversification.

Other issues that SWIB is following include “pay to play,” which limits campaign contributions; international accounting standards are being review to better level the playing field for all investments worldwide; “proxy plumbing” would improve the proxy voting method in stockholder meetings.

**SWIB Update** Sandy Drew, SWIB legislative and beneficiary liaison, provided the latest returns for SWIB. These values will be found in the SWIB section of this newsletter. Ms. Drew reported on the Wisconsin Prosperity Strategy report and some of the issues that have arisen and the desire to see more assets invested in Wisconsin.

There is a greater amount of detail provided at the WCOA web site in the minutes portion. The WCOA web site is [www.WiWCOA.org](http://www.WiWCOA.org)

– **Bob Schaefer**  
Retirement and Insurance Representative

## **STATE OF WISCONSIN INVESTMENT BOARD MEETING – Dec. 8, 2011**

*Following is a summary of the items discussed at the December 2010 State of Wisconsin Investment Board (SWIB) workshop meeting. Additional details are available upon request.*

**Guest speaker** Professor Emeritus Don Nichols made a presentation on the potential impacts of inflation in the next few years. The opening slide presented an old aphorism: “Inflation is caused by too much money chasing too few goods.” Growing economies are pushing commodity world prices to new levels. The problem in the US is that there is not enough money chasing the many goods that are available. Inflation is defined as a sustained increase in wages and prices. Professor Nichols proceeded to point out the many fluctuations and trends in today’s economy, and the difficulty in developing a policy to address these issues and the problems facing the investment community.

**Hedge fund update** The staff is continuing to negotiate with several hedge fund firms. The plan is to have two or three hedge funds implemented by early next year provided that SWIB receives acceptable business terms and the new asset allocation/risk platform is installed.

**Return expectations and wage growth expectations** Mr. Bozarth sent a letter on Oct. 19 to the ETF Board concerning return expectations and wage growth expectations. At the October SWIB meeting there was a great deal of discussion on the subject of return expectations. Some of the presenters indicate that returns of 7.8% may be a thing of the past especially for the near term. As we all know, wages for the general employees have remained flat or decreased for the last few years. In that letter Mr. Bozarth encouraged the ETF Board to reconsider those aspects of the actuarial analysis. Normally, the actuary consultant reviews every three years. The last review was completed in 2009. Mr. Bozarth’s main concern was that the higher return rate has a greater risk, and that may be unacceptable for now given the economic environment. The letter and supporting details can be found on the ETF web site at [http://etf.wi.gov/boards/agendas\\_ji.htm](http://etf.wi.gov/boards/agendas_ji.htm) – just click on the Dec. 2, 2010 Employee Trust Funds Board link and look for item 4.B.

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



	Sept. Percent Gain or Loss by Fund	Oct. Percent Gain or Loss by Fund	*Nov. Percent Gain or Loss by Fund
Core Fund	6.3%	9.1%	7.6%
Core Fund Benchmark	6.7%	9.0%	7.5%
Variable Fund	4.7%	8.7%	8.0%
Variable Fund Benchmark	4.5%	8.5%	7.7%

	September 2010 (millions of dollars)	October 2010 (millions of dollars)	*November 2010 (millions of dollars)
Core Fund	\$70,221	\$71,783	\$70,663
Variable Fund	\$5,078	\$5,261	\$5,220
Total	\$75,308	\$77,044	\$75,883

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

– Bob Schaefer  
Retirement and Insurance Representative

**STATE OF WISCONSIN INVESTMENT BOARD MEETING – Nov. 10 2010**

Following is a summary of the items discussed at the November 2010 State of Wisconsin Investment Board (SWIB) workshop meeting. Additional details are available upon request.

**Asset allocation** SWIB is still dealing with the asset allocation proposal. The board is moving closer to approving the initial steps of the change. This month there was a presentation by NEPC, LLC on the proposed change. This consultant was brought in to evaluate the proposal by emulating what would have happened if they had made some or all of the changes a few years ago. The summary concluded that NEPC agreed with risk-based allocation approach. Risk reporting will be a very important management tool. Going slow, with limited implementation, is essential and as staff gains skill and experience in managing assets, more investments could be made if the market warrants the investment.

So far, all outside independent reviews have acknowledged the value of the asset allocation changes. Basically it supports the theory that diversity is the best hedge against market downturns while still working towards the desired rate of return.

**Rate of return, wage assumptions and asset allocation** A letter had been sent to the Employee Trust Fund Board by SWIB’s executive director requesting an analysis regarding the actuarial estimated rate of return and wage assumptions. The board voted to delay implementation of asset allocation until SWIB hears back from the ETF actuary on these issues. Additional details can be found in the ETF December 2, 2010 Summary in this newsletter.

**Risk analysis** John Zerolis, associate director of the Program on Financial Mathematics, teaches portfolio theory and risk management at the University of Chicago. Mr. Zerolis gave a presentation on visually evaluating risk investments. He returned again to present and explain his method of using vector analysis to evaluate and manage risk. The theory is standard vector mathematics. The selection of the vertices for equities, cash or fixed income will really determine the value of this visual procedure for determining risk.



**SWIB's benchmarking performance** Bruce Hopkins, CEM Benchmarking, Inc., was hired by SWIB to evaluate SWIB's performance compared to its peers. This analysis is done annually to make sure SWIB is in the ballpark and not way out in left field. The five-year analysis for the period ending on December 2009 found that SWIB was doing a very fine job. There are four primary categories considered: Policy Return, Value Added, Costs and Risk.

**Policy Return** – The five-year policy return was 4.1%. This was above the U.S. median of 3.7% and above the peer median of 3.6%.

**Value Added** – The five-year value added was 0.2%. This was equal to the U.S. median of 0.2% and above the peer median of 0.1%.

**Costs** – The actual cost of 41.1 basis points (bps) was below your benchmark cost of 44.8 bps. This suggested that your fund was low cost. SWIB was a low cost because SWIB had a lower cost implementation style and paid less for external management.

**Risk** – SWIB's asset risk of 11.3% was above the U.S. median of 10.7%. SWIB's tracking error of 1.6% was below the U.S. median of 2.1%.

SWIB had a press release on this report and it can be found at SWIB's web site. Go to: <http://www.swib.state.wi.us/publications.aspx> – then click on **Report Shows Cost Savings** on right side of web page.

**Other reports** There were the standard monthly reports on SWIB's performance and what adjustments had been made to adjust the investments that would bring it in line with the planned asset allocations for this year. There was also some additional discussion of what projections might be for next year, the associated risk and how the board was positioning itself for these anticipated changes.

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

	Aug. Percent Gain or Loss by Fund	Sept. Percent Gain or Loss by Fund	*Oct. Percent Gain or Loss by Fund
Core Fund	0.3%	6.3%	9.1%
Core Fund Benchmark	0.6%	6.7%	9.0%
Variable Fund	-4.6%	4.7%	8.7%
Variable Fund Benchmark	-4.6%	4.5%	8.5%

	August 2010 (millions of dollars)	September 2010 (millions of dollars)	*October 2010 (millions of dollars)
Core Fund	\$66,509	\$70,221	\$71,783
Variable Fund	\$4,646	\$5,078	\$5,261
Total	\$71,155	\$75,308	\$77,044

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

– **Bob Schaefer**



## GROUP INSURANCE BOARD (GIB) MEETING – Nov. 9, 2010

*Following is a summary of the items discussed at the November 2010 GIB meeting. Additional details are available upon request or can be found at the ETF web site <http://etf.wi.gov>.*

**WPS audit** The GIB has several audits completed every year evaluating efficiency, cost effectiveness, operations and many other factors. This past month, GIB received an audit report on the operations of WPS. This audit covered 2008-09 and overall, WPS was performing okay. However, WPS is not performing as well as it did in 2006-07. Of course there is some disagreement on this issue and the issues of concern are under discussion between the auditor, ETF and WPS.

**Dental benefits** The dental program is under study by GIB again. Actually, this program has gone through several iterations over the last several years especially since the current Health Maintenance Plans (HMPs) were implemented in 1993. Dental benefits were included by most HMPs as part of their program to bring in potential members. This addition of dental benefits to the plans was allowed in 1994 because the plans were “substantially equivalent.” In 2000, the Office of State Employee Relations (OSER) completed a study on dental benefits and revisited that during the negotiations of 2005. The GIB did another study in 2003 on the costs associated with dental benefits. Currently, all existing plans have dental benefits. However the self-insured standard plan and the standard maintenance plan do not provide dental benefits. The costs associated with the current plans are about the same and there is a chance that a separate dental plan may be established.

**Accidental death and disability coverage** This coverage was approved for state employees last spring. There will be a slight increase in the life insurance cost of 2.5% to cover the addition of this coverage.

– Bob Schaefer

## EMPLOYEE TRUST FUND (ETF) BOARD MEETING – Dec. 2, 2010

*Following is a summary of the items discussed at the December 2010 ETF meeting. Additional details are available upon request.*

The following information was presented at the 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.

**Rehired annuitants** At this meeting, ETF discussed the procedures for rehiring annuitants. There are two requirements that must be met:

1. Valid termination
2. A break in service

Both of the above items are described in detail at the following web site location:

[http://etf.wi.gov/boards/agendas\\_ji.htm](http://etf.wi.gov/boards/agendas_ji.htm)

Once you enter the site find the Dec. 2, 2010 listing, then click on the Joint Informational Session, Item 3.A. Rehired Annuitants.



The ETF has a responsibility to clarify and resolve these issues if it wants to continue being the fiduciary for the Wisconsin Retirement System (WRS), according to federal regulations. There is also another concern on the part of ETF that an excessive number of re-hired annuitants not paying into the retirement fund while collecting their annuity will in the long haul be a cost concern for the fund. So if you are rehired after you retire, make sure you meet the criteria above. Also, it would be best for your own retirement and for the rest of us to make sure that the work is part time and does not eliminate a permanent position that would contribute to the retirement fund.

**2009 Comprehensive Annual Financial Report** The 2009 report has been completed and a synopsis was presented to the Joint Information meeting. There are several parts to the report: Finances, Statistics, Actuarial, Investments and Employers. The complete report is available at the following link. [http://etf.wi.gov/boards/agenda\\_items\\_2010/etf20101202\\_items/JI\\_Item3b.pdf](http://etf.wi.gov/boards/agenda_items_2010/etf20101202_items/JI_Item3b.pdf)

A summary can be found at the [http://etf.wi.gov/boards/agendas\\_ji.htm](http://etf.wi.gov/boards/agendas_ji.htm) – once you enter the site find the Dec. 2, 2010 listing, then click on the Joint Informational Session, Item 3.B. - CAFR.

Just a few comments from the report are included here. The WRS was created effective Jan. 1, 1982. The system covers state and local public employees including the University of Wisconsin System, local police and firefighters, and all publicly employed teachers in the state. Those not included are employees of the City of Milwaukee and Milwaukee County. Currently, the WRS is composed of 27% state employees and 73% local employees. As of Dec. 31, 2009, the WRS had 267,293 active employees, 150,671 annuitants (retirees, disabilitants and beneficiaries), and 148,353 inactive employees with deferred benefits payable.

ETF's mission is "to develop and deliver quality benefits and services to our customers while safeguarding the integrity of the Trust." ETF administers retirement, health, life, income continuation, long term disability, and long term care insurance programs, along with an employee reimbursement accounts program and commuter benefits program, and a deferred compensation plan. ETF also administers retirement disability coverage and serves as the state's designated coverage agent for the Social Security for Wisconsin public employees.

All insurance programs are administered through contractual arrangements with private sector insurance firms and service corporations.

ETF is responsible for:

4. Collecting all monies due the trust funds.
5. Calculating and ensuring appropriate disbursement of all benefit payments from the trust funds.
6. Providing information to, and answering inquires from, participating employees and employers.
7. Establishing the controls, system, and procedures necessary to ensure the appropriate administration and security of the trust.

As noted in the Pew Report on the States in an earlier newsletter, Wisconsin is one of a handful that has met its fiduciary responsibilities consistently over the years, unlike many other states. Please remind your legislative representatives about this when you have the opportunity.

**SWIB update** David Villa, SWIB chief investment officer, provided a performance update, and Keith Bozarth, SWIB executive director, summarized the findings of the benchmarking study. Mr. Villa stated that these are interesting times in the investment world and much of what is happening has never been studied or analyzed. Mr. Bozarth covered the material discussed in the November 2010 SWIB update.

**Legislation and communication update** Matt Stohr commented on the upcoming legislative session. ETF will be working with the Legislature to introduce bills regarding technical changes for ETF



administration of the WRS, some changes to bring Wisconsin into compliance with the Internal Revenue Code, and the reintroduction of the end of the Variable fund to any future enrollment.

**Benefit information** Anne Boudreau, deputy administrator, Division of Retirement Services, reported that for the first three quarters of 2010, requested retirement estimates are up 3.5% and retirement application have increased by 8.5% over the same period in 2009.

**Economic assumptions and impact on Wisconsin Retirement System** Mr. Bozarth presented SWIB's concerns regarding the Return Expectations and Wage Growth Expectations (See SWIB meeting notes for Dec. 8, 2010 for more detail). The letter had been sent in October to ETF and Keith was present to discuss his concerns. ETF's actuary consultant, Gabriel Roeder Smith & Company, provided some supplemental information, basically supporting the need to consider the economic changes. The board authorized the consultant in conjunction with SWIB staff and ETF staff to study the situation and report back to the ETF Board with their findings.

-- Bob Schaefer

## December 11, 2010 Board Meeting Summary

Meeting held at La Quinta Inn & Suites, Madison

By Reiny Yahnke, Secretary

### Attendance:

**Executive Board:** Mark Klipstein, President; Larry Legro, First Vice President; Tim Hanley, Second Vice President; Reiny Yahnke, Secretary; Tony Allard, Treasurer

### **Board Members:**

Tom Peronto, Wisconsin Rapids President  
Jim Volkmann, Rhinelander President  
Allan Bjorkland, Superior President  
Carl Bujanowski, Central Office President  
Dave Bohnsack, La Crosse Section President

Dave Solberg, Eau Claire President  
Paul Zoellner, Green Bay President  
Jason Tucker, Southeast Section President  
Khader Abu al-eis, Madison Section President  
Dave Wallace, State Agencies President

### **Specialists:**

Sandy Henke, SEA Office  
Bob Schaefer, Health & Retirement Specialist

Ron Legro, Communications Specialist  
Willie Haus, Attorney

**Guests:** Lenny Kanter and Dale Mitchell, State Agencies members

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### Meeting Begins:

Mark Klipstein called meeting to order at 8:34 am. Introductions were made.

### Approvals:

The October 9, 2010 Board Meeting minutes were reviewed. MOTION by Dave Bohnsack, seconded by Carl Bujanowski, to accept the minutes as presented. Motion carried. The Correspondence Report was reviewed. Mark Klipstein accepted the Correspondence Report as written.



**President's Minute:** *By Mark Klipstein*

Mark thanked all who traveled in the adverse weather to attend the meeting. Mark reaffirmed that SEA does not endorse a particular party or individual candidate. Mark also advised the group not to waste energy worrying about all the political rhetoric taking place in the media. Mark also discussed his recent meeting with the WTBA and the common ground both organizations share.

**Section Reports:**

*Madison:* The continual political rhetoric is concerning to members. The section is in favor of SEA reaching out to the new administration to build a relationship on several of our common principles.

*Southeast:* A labor management meeting was held on Nov. 18. Construction assignments putting employees outside are being limited because of public perception. Fourteen people attended the annual meeting. The local section is interested in grievance training. The former SEA treasurer is enjoying his free time.

*Green Bay:* Members are interested in the status of bargaining and the temporary layoff grievance.

*Wisconsin Rapids:* The continual political rhetoric is concerning to members as well. A local section meeting with elections was held in November. A new project development supervisor started the first part of December

*La Crosse:* Members are interested in the status of bargaining and are concerned with the political rhetoric.

*Eau Claire:* A local section meeting was held in November and provided a meet and greet opportunity with local candidates. Members are interested in the status of bargaining. The local section also provided several bargaining ideas that could be palatable to members in light of the new political power change.

*Rhineland:* Members are frustrated by the political rhetoric constantly attacking state employees.

*Superior:* Members are interested in the status of bargaining and are concerned by the volume and intensity of the political rhetoric. A remodeling project of the building will begin in January to better accommodate the new DNR tenants.

*Central Office/PSC:* A local section meeting with elections will be held in January.

*DNR:* No Report.

*State Agencies:* Members are concerned over the campaign promise of reorganizing the Department of Commerce

**Legislative Report:** *By Tim Hanley*

Tim presented the possibility for SEA to reach out to the new Walker Administration on the basis of our government cost and accountability principles. Tim will work with Ron Legro to draft a letter to begin this outreach.

**Legal/Bargaining:** *By Willie Haus*

Willie Haus discussed the meeting with OSER regarding SEA's grievances, which Mark and Larry also attended. The parties discussed specific action on some grievances. A future meeting will be required for additional action on grievances.

**Grievance Report:** *By Larry Legro*

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. Letter withdrawn from file 4/20/10.  
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 1/05/10) – DOT SE – Denied Standby Pay. Filed at Step 3  
A-490 (filed 12/21/09) – DOT SE – Imposed temporary layoffs. Filed at Step 4  
A-491 (filed 12/21/09) – DOT SE – Imposed temporary layoffs. Filed at Step 4  
A-492 (filed 12/21/09) – DOT DTSD – Imposed temporary layoffs. Filed at Step 4  
A-493 (filed 12/21/09) – DOT NE – Imposed temporary layoffs. Filed at Step 4  
A-494 (filed 12/21/09) – DOT NC – Imposed temporary layoffs. Filed at Step 4  
A-495 (filed 12/21/09) – DOT NW – Imposed temporary layoffs. Filed at Step 4  
A-496 (filed 12/21/09) – DOT NW – Imposed temporary layoffs. Filed at Step 4  
A-497 (filed 12/21/09) – DOT SW – Imposed temporary layoffs. Filed at Step 4  
A-498 (filed 12/21/09) – DOT SW – Imposed temporary layoffs. Filed at Step 4  
A-499 (filed 12/21/09) – DOT NC – Imposed temporary layoffs. Filed at Step 4  
A-500 (filed 1/4/2010) – DHS DPH – Imposed temporary layoffs. Filed at Step 4  
A-500, 501, 502, 503, 504, 505, 506 (filed 2/21/10) – DOT NC – Imposed temporary layoffs. Filed at step 4.  
A-507 (filed 03/31/2010) –DOCC- Restoration rights after layoff. Filed at Step 4  
A-508 (filed 6/14/2010) – DNR- Article 10, Section 3/2. Filed at Step 4  
A-509 (filed 6/01/2010) – DHS DPH- Vacation lump sum payments. Filed at Step 2  
A-510 (filed 6/2/2010) – DOT BPD- Suspension without just cause. Filed at Step 2  
A-511 (filed 9/7/10) – DNR- Improper mileage reimbursement rate. Filed at Step 1.  
A-513 (filed 9/22/10) – DOT SE - Denial of thirty cent add-on. Filed at Step 4.  
A-514, 515, 516, 517, 518, 519, 520, 521 (filed 11/19/10) – DOT Various – Filed at Step 4.

Larry Legro presented the grievance report. Grievances discussed:

A-511 - Mileage Reimbursement (DNR): Additional paper work is needed by Larry.  
A-512 was reviewed. This grievance can be dropped, because the grievant received his unemployment check. MOTION by Larry Legro, seconded by Jason Tucker, to drop Grievance A-512. Motion carried.  
A-513 and A-514 were reviewed. Both are at Step 4 and need Board approval. Will vote on both of them next time when more of the Board members are present. (several board members were excused early from the meeting to ensure safe travel in the inclement weather)  
A-515 through A-521 - Imposed Layoffs - Article VIII, Sections 1 & 2, and Article X, Section 7: Step 4 Board approval needed. MOTION by Khader Abu al-eis, seconded by Carl Bujanowski, to move Grievances A-515, 516, 517, 518, 519, 520 and 521 to Step 4. Motion carried.

**Communication Report:** *By Ron Legro*

Ron Legro noted that SEA may have an advantage over the other unions in bargaining, because SEA has a reputation of pushing principles, which he said should provide leverage in negotiations. Articles for the January issue of SEA View should be sent to Ron by Sunday, Jan. 2.

**Health and Retirement Report:** *By Bob Schaefer*

Bob Schaefer said that he has attended five meetings, and he will have reports on them in the next newsletter. He asked for a motion to pay \$50.00 for the Wisconsin Coalition of Annuitants (WCOA) yearly dues. MOTION by Carl Bujanowski, seconded by Dave Bohnsack, to approve the payment of the WCOA yearly dues (\$50.00). Motion carried.

Bob reported that the Core Fund for the month of October was 9.1% and the Variable Fund was 8.7% (the best



October ever). The November numbers were: Core Fund at 7.6% and the Variable Fund at 8.0%. It was noted that we are the only state with a retirement system that is fully funded. Bob emphasized that we are not like the others--we have the best retirement system. Regarding the sick leave conversion question that has come up, he will try to get answers from ETF as soon as possible.

**Financial & Membership Reports:** *By Tony Allard*

Tony reviewed the September, October, and November 2010 Membership Reports. MOTION by Khader Abu al-eis, seconded by Carl Bujanowski, to approve the September, October and November 2010 membership reports. Motion carried.

Tony reviewed the September, October, and November 2010 Treasurers Reports. MOTION by Tony Allard, seconded by Carl Bujanowski, to approve the September, October, and November 2010 Treasurers Reports. Motion carried.

Tony submitted the below Board Meeting and Expense Vouchers for payment. MOTION by Tony Allard, seconded by Paul Zoellner, to pay the Board Meeting and Expense Vouchers. Motion carried.

M-48=> M-63	\$2500.00
10-85 => 10-107	<u>\$2240.58</u>
	\$4740.58

Tony presented the Proposed Budget for 2011. Tony noted that additional money has been allocated for grievances. Tony also indicated he would like a hard copy of the form that is needed when a member is changing sections. Any Secretary/Treasurer changes should be brought to his attention as well. The SEA Office should also be informed.

**New Business:**

Upcoming Board Meeting: January 15<sup>th</sup>, February 19<sup>th</sup>, March 19<sup>th</sup>, April 16<sup>th</sup>, May 21<sup>st</sup>, June 18<sup>th</sup>, August 20<sup>th</sup>, September 17<sup>th</sup>, October 15<sup>th</sup>, December 17<sup>th</sup>

Meeting adjourned at 2:25pm

***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.



## **PUZZLING PUZZLER:** **The Galleria Riviera Mystery**

**P**riate eye Sam Brink sat in his tired office, watching the paint peel off the walls. He hadn't had a customer all month, and soon he would be out of business if things didn't pick up. That was before she knocked on the door, and entered his office with a flourish. She was a classy dame and her expensive dress was so tight you could almost read the designer label through the fabric. Her lips were painted glossy red, and pearls were sewn on to the red satin of her garment. She was slight of build, standing only five feet tall but as she entered, she exuded a tall order of female pulchritude and serious desperation.

"My name is Danica Van Elsing, and I need your help, Mr. Brink," she said as she sat down in the chair facing his desk. "My father owns the art gallery Galleria Riviera, and yesterday we were robbed; all our priceless paintings have been stolen. I am so upset, I haven't slept since last night! The local police are stumped."

"Two Monets, four Picassos, and a Rodin sculpture were stolen. The guard was found taped to a chair at the scene; he claimed that the thieves knocked him out. The janitor was found unconscious on the floor in the office; he claims to remember nothing. Thank goodness we have insurance." She paused to sniff into her dainty handkerchief.

Brink quickly agreed to the case. When he arrived at the Galleria later that day, Danica and her father, a large stately man in a pin-stripe suit who stood at least six feet tall, were already there. Brink saw that the janitor and guard were there too.

"Welcome, Mr. Brink!" Mr. Van Elsing boomed as he strode over to Sam, palm outstretched. His grip could have broken Brink's hand; he obviously was a man of great strength. "I have gathered the evidence and copies of the police reports for you to look at, and I have called back the staff that was here last night when the robbery occurred."

Sam was led to scene of the crime. He noted that each painting and the sculpture had been protected in a case behind glass with a lock. The glass had been smashed, and shattered pieces covered the floor. He saw from the police reports that prints of the janitor were found on the cases of all the paintings, and also on what was left of the case that once contained the Rodin sculpture. On the wooden base the sculpture once sat on, there seemed to be crack in the wood. Something white was poking out slightly. Brink pulled it free with a pair of tweezers and unfolded a piece of paper. On it was a note, which read, "Raucous elephants dream, helping everyone realize Riviera is no good".

Brink set the note aside and went back to searching the wooden base. Now visible in the crack where the note had been he spied a shiny red cloth fiber. Brink moved on to the chair where the guard had been, fifty feet from the cases. He examined the pile of duct tape used to secure the guard, and noticed a strange greasy red stain on the torn end of the tape. As he moved on to the police evidence bag, he



noticed that a piece of glass was stuck inside the collar of the blue uniform the guard had been wearing. There was nothing odd about the janitor's green uniform, though.

Brink summoned the Van Elsings, the guard and the janitor. When they were gathered around him he said, "Now, tell me exactly what happened last night."

The guard, a large man who towered over even Mr. Van Elsing, said, "I was walking by the Picasso, and then some one hit me on the back of the head, and I woke up with the police here and the art was gone."

The janitor, a stout greasy little man, said, "I was in the supply closet, when someone put a rag over my mouth, and I lost consciousness."

Danica said, "I was at home when I got the call from Daddy, who said the museum had been robbed."

Mr. Van Elsing said, "I was out to sushi with friends when the police called me."

Brink then showed them the note left in the base of the statue. "I think the thief is trying to tell us something," he said. "I have determined who took your painting. And they are in this room!"

*Finger Sam Brink's findings and explain how he solved the crime. Email your answer to our contest address: [puzzlesea@yahoo.com](mailto:puzzlesea@yahoo.com). The correct answer and name of the first person who comes up with it will be in the next SEA View.*

**LAST PUZZLE:** An unusually strong and athletic thief is on the run from the police, after stealing gold bars. He has three of the gold bars in his arms, each weighing 10 kg. As he flees the police, he must cross a mile-long and very fragile foot bridge which is posted as only able to support 100 kg. The man weighs 80 kg. How can he transport all three gold bars safely across the bridge on foot without having to make more than one crossing?

**ANSWER:** The man must juggle the gold bars as he crosses the bridge. As long as he can keep one of the gold bars in the air at any given time, he will meet the bridge's weight limit.

Congratulations to the first member who solved the puzzle correctly: **Brian Rausch, PE**, Department of Commerce.

Note that while a number of you later provided the same answer, others took exception. Scott Ebel of the DOT was one: "I have no answer but also hope that the answer is NOT that he juggles the bars across. Presumably, the bridge is designed to carry the force that a mass of 100 kg creates. Assuming he juggles so as to keep a single bar in the air, he is already putting the force of 100kg creates on the bridge in a static condition and the additional force necessary to throw a bar in the air will exceed the bridge load capacity. Someone would have to do the math on a situation where he keeps two bars in the air at the same time but I assume it would take a fair bit of force to throw the bars high enough to maintain two in the air."



Fair dinkum, Scott. I guess we'll have to say the guy is strong enough to keep two bars in the air at once. Maybe our thief could join the Impossible Missions Force.

Other solutions that did not involve juggling included "gold bar leap frog," where the thief would set one gold bar down and go back for it, although that would violate the multiple-trip ban (Matthew Haefs, DOT) and "rope drag," whereby the thief would obtain a mile-long rope, tie it to one of the bars, then drag it across after he's crossed over with the other two bars (Larry D. Johnson, State Lab of Hygiene, UW). That's also a solution a thief on the run probably wouldn't have time to improvise. Haefs further noted that if the thief happened to be an engineer, "he would know there is probably a factor of safety built into the 100 kg rule and he could grab all three and cross safely." Well, at least if the bridge specs were written by a state engineer!

**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](mailto:sea_wis@yahoo.com)