

# ***Good government depends on organized, professional staff***

Questions. Every day we get questions from members asking what will happen during what many have come to call "the change."

**From the President**



**Mark Klipstein**

Your officers and trustees continue working hard to get answers from state government, the courts and third party experts, including legal counsel. **What does the rash of recent legislation mean for our jobs, and the work on our desks? Will it eventually become law or remain tied up in the courts, as is the case right now? Can we even do our jobs given all the changes and uncertainty and reduction in resources? Should we even try?**

The answer to the very last question is easy. **Of course we should try**, because we are professionals and we do our work as well as we can. Of course, we will only succeed to the extent our managers and elected representatives enable us.

The other questions are harder or impossible to answer, at least as of yet. The short answer to what happens next is this: **In a major period of change and transition, there are no sure outcomes. Our organization likely will evolve. But very likely we will still be around. Because SEA is more about a fraternity of interests than anything else. If SEA didn't exist, we'd have to invent it. And nothing our governor or legislature do will change that.**

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We continue to push for answers to the rest of your queries, which are sort of like what radio personality Garrison Keillor calls "life's persistent little questions." Whenever we get firm answers or think we have answers, we'll communicate them to you, either here, on our web site, via email or by US Mail. And always at our section and statewide meetings, to which all of you are welcome any time.

**A**t the very least, SEA members can expect a detailed, written briefing in the near future summing up what we know and how we expect to deal with it. Meanwhile, we've broken into a series of task force groups that are re-examining everything from membership policy to budgets to by-laws, as we prepare for the future.

We're focusing on this like a laser beam. We're locked and loaded, but we're not in a panic. We're not ready to pull any figurative triggers. Hasty action is what the other guys do.

Opponents of represented public employees sometimes suggest or imply that supposedly disgruntled public workers are going to start engaging in job actions or lay down on the job. Nonsense. We're taxpayers, too. We wouldn't be working in these jobs if we thought they were unimportant. We have our pride and our professional self-respect. It would be nice, though, if more of our elected representatives treated us -- and the law, including the state constitution -- with some respect of their own.

In fact, while many of us have peacefully protested the actions of those lawmakers, we continue to suffer their transgressions. We are ordered to take temporary lay-offs, or told to swallow unfair wage and benefit cuts, or made to accept a raid on pension dollars that belong to us, or overwhelmed with changing workplace rules and legislated deregulation that make our work more difficult.

But there we are, every day, back at work, doing our best, while waiting for the other shoe to drop. At least, many of us are. Meanwhile, our jobs are in many cases getting harder. And scarcer. Along with the state's talent pool.

**C**onsider the Department of Natural Resources, where the newest plan is not just to expedite permits for construction or alteration of natural landscapes, but also to trim the numbers of state workers who have the job of reviewing such permits. **Cutting employees and the amount of time staff has to do its work are a sure-fire recipe for ensuring that most permits are auto-approved on a blitzkrieg schedule, no matter their virtues or defects.** "Business-friendly" sounds nice, but that's not the DNR's main job, and turning DNR into kind of a parallel Commerce Department is in effect turning another regulatory agency into the captive of the private interests it is supposed to oversee.

What's happening at DNR looks a bit like the national housing and financial crisis. Bankers did not care about doing good loans, but just doing lots of loans so they could get "merit" pay for volume. We all know now that was a bad idea. Loan writers should have been tasked with doing good high-quality loans, not rapid-fire loans of dubious quality. America is still trying to recover from that self-created housing mess. We must exercise due diligence in regulatory matters. An environmental "review" process that allows a 21-mile-long open-pit mine to be approved in mere months -- as some lawmakers now propose -- is simply not serious or responsible.

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#### Another private moment

Milwaukee's Shepherd Express weekly newspaper reports that as part of a massive transportation package, Republicans in committee helped private road-building firms by adding a provision that would force local governments to use private contractors instead of public employees on road projects that cost at least \$100,000. "So even if public employees could do the work more cost-effectively, private contractors would get the job," the Shepherd wrote.



Or consider the political shell game that eliminates long-vacant positions and declares budget savings, even though no monies have been appropriated for those positions for years. Worse, resource-strapped managers then hire multiple limited-term employees to replace those departed civil-service positions. But the cost of those hires is not reflected in the immediate budget. Nope, it'll show up in the next budget cycle as part of the next "crisis" that needs to be fixed by -- maybe -- cutting more civil servant compensation or more civil servants.

**T**hen there's the main consequence so far of the union-busting measure and compensation cuts. While still under court and grievance challenges, these initiatives by the new administration have kick-started a massive early-retirement push by veteran civil servants across state and local governments in Wisconsin. At the DNR, for example, a reported half of all civil servants are eligible now to jump ship, and that makes everybody nervous. Meanwhile, public-employee retirement applications almost everywhere in the state are skyrocketing.

**In May, after several news outlets printed my editorial column on the huge increase in early retirements among state workers, reporters from both the Wisconsin Public Television network and WISC-TV News in Madison did extensive follow-up reports, interviewing SEA members including myself.** WISC-TV also looked at data we supplied showing how the state Department of Transportation spent nearly \$14 million on private highway consultants in the first quarter of the year alone.

**SEA's concerns about the negative public impact of massive early retirements have now been picked up by mainstream news media in a big way.**

Other articles on the matter continue to pop up -- the latest a piece in the Green Bay Press Gazette examining how municipal retirements there are way up (don't forget that the governor's union busting and budget proposals greatly affect local public workers and taxpayers, too). Reporters have begun asking questions of the legislative leadership and the Walker administration. There is new focus on this strange situation, which is occurring even while lawmakers proclaim that government is "broke" and we must trim spending. [Meanwhile, the Department of Revenue recently announced that, thanks to the national economic recovery, the state will now take in nearly two thirds of a billion dollars in additional, unexpected revenue. Some "broke"!]

Oddly, while we are told the state has no choice but to drastically cut spending, key lawmakers seem to see no urgency in taking on the issue of expensive outsourcing, even though an increasing number of them admit it's a problem. Everyone points fingers at others: *It isn't on the calendar; no bill has been introduced; there's just no time to get to it, now. We're in a crisis and will have to look into the matter later on. Someday.* Trouble is, more and more voters are beginning to notice this legislative digging in of heels.

The sand continues to shift beneath our feet. But it also continues to shift beneath the feet of our elected officials. Special elections will be held in at least six state Senate districts within a month. If you do nothing else, consider voting in those elections, if your representative is involved, or volunteer to help the campaign of a candidate in another district. That simple action, magnified 1,100 times, could do more to determine SEA's future right to bargain collectively than anything else that happens in the rest of this year.

**Respectfully,  
Mark Klipstein  
President**



# Summer is no political vacation

*Hi all,*

Summer is on the way but there is no vacation for legislative activities. The Legislature is still in high gear. A two-year state budget has been submitted by the governor and now the Joint Finance Committee is working through it line by line. JFC has a goal to finish by the end of June; then the budget will move on to the Assembly, Senate and back to the governor.

## Legislative Update

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

You still have an opportunity to provide input to your representatives. I encourage you to contact them and let them know your thoughts. There are also several bills moving through the legislative process that may have an impact on you or your family. Again, I encourage you to watch Wisconsin Eye, or check the Wheeler Report or WisPolitics websites for information and news.

We also know now that Judge Sumi has ruled that the GOP majority in the Legislature violated open meetings law requirements. She issued a permanent injunction against Act 10. So for now the planned stripping of collective bargaining rights from public employees has been delayed. The next step is an early June hearing to see if the Wisconsin Supreme Court will take the case up. And, we will see if the budget writers are planning to stuff that policy item into the budget.

We support open and good government. Evaluating from that perspective the ruling is wise. We must expect that our elected legislative leaders will follow the law. Why wouldn't they? They couldn't give a required 24-hour notice to a meeting? In our democracy no one is above the law. As public employees we all know that citizens must have trust in an open, clean government. That is the standard we must expect and demand, as citizens of this state and country.

We have seen several new stories generated on the outsourcing issue we have been sharing for the last several years. It is good that others are starting to take an independent look at this spending and this mode of government. **These are behaviors that define big government** – one that is spending more to have services delivered, adds administrative layers, removes accountability, creates complexity and clouds the view of the taxpayer. Please continue to share your stories on this topic with your section presidents. Sharing information and staying connected is how each of us can help the Association succeed.

Remember, this is your state and I encourage you all to participate to make it a better state. There are many ways to get involved at your local level. Look for opportunities to participate in your government. The Senate recall elections are coming up in early July. Examine the issues, investigate the candidates and, if you are inclined, volunteer some of your time to help the candidates you like.

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



Sybil the Cow

"HAM on wry" or, "Meat puppets!"

by JT and RL



# SECRET COWS

*Massive cud chewing from the seat of state power. Moo along, moo along, hoofing to see here!*

By Sybil, the SEA-cret Bovine

**Dynamic status cow** The state uses the term "dynamic status quo" to refer to the situation where our collective bargaining agreement has been left to expire but the future remains uncertain. So key terms of the agreement are continued temporarily. Thus the term, which ... hey, wait. The term makes no sense. How can something be left as is (the "status quo" part) yet be "dynamic" (changing)? The idea itself is reasonable, but this phrase that some bureaucrat attached to it is a classic example of an oxymoron.

**It's the Wall Street economy, stupid** *John Nichols in The Nation magazine:* `One of the most popular signs on the streets, distributed by National Nurses United, said, "Blame Wall Street." Instead of concessions, the

nurses argued, it's time to focus on the corporate CEOs and speculators; as they point out: "In U.S. states facing a budget shortfall, revenues from corporate taxes have declined \$2.5 billion in the last year. In Wisconsin, two-thirds of corporations

pay no taxes, and the share of state revenue from corporate taxes has fallen by half since 1981." The same is true in other states. These facts must be stressed, repeatedly and aggressively, if the debate is going to shift from cuts in public services and education

to demands for fair taxes and the revenues necessary for services and schools.'



**Employees calving** The DNR says wild Wisconsin state employees are expanding their range as job-calving and compensation-cutting season begins for the state's small and shrinking public employee herd. DNR biologists said migration of public employees from state jobs is ... *oh, wait, that item actually was about the state elk population. Never mind!*



## **OPINION**

# **In pension issue, state employees blamed for state's own '83 demand**

**A** May 27 opinion column by economic consultant Larry Kaufmann in Madison's Isthmus weekly newspaper is another example of commentary on public pension systems based on little or no actual knowledge of the facts. It's time to set straight on these kinds of commentaries.

In his column, Mr. Kaufmann repeated a by-now typical comment about how state public employees should be paying their share of retirement contributions. This point has been popping up a lot and became one of the hallmarks of Gov. Walker's attack on state public employees.

The SEA contract from 1981 to 1983 had the same basic language of continuing the provisions of Chapters 40 and 41 of the state statutes as had previous contracts. However, in 1983, during the collective bargaining process, the state insisted on paying the employee share of pension contributions. At the time that amounted to five percent. Initially, SEA turned the state down because we were concerned that at some point in time this contribution might become a political liability.

But if you have ever bargained a contract with the state, you realize that you do not really negotiate the amount of compensation, you only negotiate the distribution of the amount. So SEA insisted that the state's novel retirement payment provision be included as hard language in the contract. That way we could protect our members in the future against charges like those lately made by Mr. Kaufmann and so many others.

As a result of the state's pension contribution, we did have a few dollars in our pockets. We spent that additional money to keep up with cost of living; in turn the state benefited yet again by being able to collect taxes on that money for the goods that we purchased or the interest we earned. But we also lost something else. Public employees did not receive an actual raise in base pay that would have been compounded over the last 28 years to improve our overall retirement calculation.

In hindsight, SEA's concern turned out to be correct. Eventually, we thought, the state would take away that compensation adjustment just as they now have attempted. Meanwhile, politicians and some news media would blame the represented public employees for a pension contribution the state itself had insisted upon in 1983. What we really did not understand, however, was the length that current politicians would go to destroy collective bargaining in their desire to make the public employees the villain for their own mismanagement over the years.

I offer these comments because the truth must get out. It seems those who really know what has happened are ignored because the truth does not fit the storyline of news media or the agenda of those with the financial resources to control what government does. I know what government did, because I was there.

– Bob Schaefer  
SEA Retirement & Health Insurance Representative



# Retirement and Health Insurance Report

by Bob Schaefer

SEA Retirement & Health Insurance Representative

## STATE OF WISCONSIN INVESTMENT BOARD MEETING – May 11, 2011

Following is a summary of the items discussed at the May 2011 State of Wisconsin Investment Board (SWIB) meeting. Additional details are available upon request.

**Strategic Planning & Corporate Governance Committee Meeting** Normally, committee meetings are not included in the newsletter but this month was a little different since Mr. Bozarth reported on the legislative action taken to give SWIB greater authority to manage resources with limited legislative involvement. As reported in the WCOA summary of April 20, 2011, SWIB received approval from the Joint Finance Committee regarding several issues of concern for SWIB. SWIB has been asking for these modifications for several years and finally received legislative authorization.

**Regular SWIB Meeting** The board had a pretty regular meeting with Real Estate making the primary presentation to the board regarding performance and strategy. There are signs that the commercial market is starting to improve and the recent acquisition of rental property in California and subsequent leasing to FaceBook provided an improved return for the first time in several months in the real estate market. Further discussion focused on how the board will continue to work at making real estate a stronger contributor.

**Pension Conference** A pension conference on retirement savings was scheduled for June 2.

**Evaluating Defined Benefit and Defined Contribution Plans** David Villa, chief investment officer, SWIB discussed SWIB’s initial attempt to compare and analyze defined benefit and defined contribution pension plans. SWIB is looking for a way to quantitatively address questions that have surfaced regarding the introduction of a defined contribution plan to the WRS. See WCOA May 16 annual meeting recent news. Mr. Villa discussed the framework for evaluating these types of pension plans and what the associated costs would be.

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

	Feb. Percent Gain or Loss by Fund	Mar. Percent Gain or Loss by Fund	*Apr. Percent Gain or Loss by Fund
Core Fund	3.2%	4.0%	7.2%
Core Fund Benchmark	3.1%	3.7%	6.9%
Variable Fund	5.2%	5.6%	9.4%
Variable Fund Benchmark	5.2%	5.5%	9.3%
	February 2011 (millions of dollars))	March 2011 (millions of dollars)	*April 2011 (millions of dollars)
Core Fund	\$75,618	\$75,935	\$78,062
Variable Fund	\$5,767	\$5,778	\$5,973
Total	\$81,385	\$81,762	\$84,035

\*Preliminary Results – All values are year to date

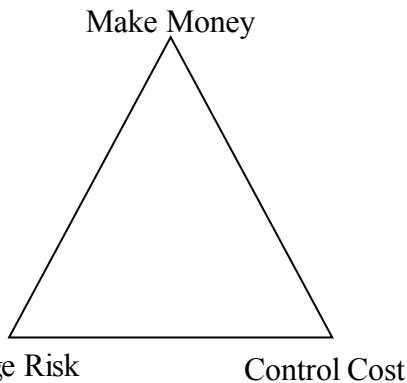


**WISCONSIN COALITION OF ANNUITANTS MEETING – May 16, 2011**

Following is a summary of the items discussed at the May 2011 WCOA annual meeting. A regular board meeting is not held in May.

WCOA held its annual meeting at the American Family Center. The meeting was open to all persons. In the future, all current employees may want to consider attending these meetings since many of the subjects are current issues facing SWIB and ETF. Following is a list of the speakers at the meeting.

- Jim Palmer – WCOA Chair
- Keith Bozarth – Executive Director State of Wisconsin Investment Board
- Dominic Garcia – Fixed Income Fund of Funds Manager (Hedge Funds Manager)
- William Ford – Elected Annuitant Board Member, ETF
- James Sentry – Chairman SWIB
- David Stella – Secretary ETF
- Matthew Stohr – Administrator Retirement Services Division
- Senator Robert Jauch – Joint Survey Committee on Retirement Systems member



Mr. Bozarth presentation focused on SWIB’s job and what it is doing to accomplish the job. The global economic recovery appears to be on-going but there are concerns, such as oil price spikes, the European debt crisis, U.S. home price decline, emerging market inflation, China and U.S. monetary and fiscal policies. The great recession has had the deepest and slowest job recovery since the Great Depression and we have a ways to go. Risk management by SWIB has involved many facets including the asset allocation changes, better monitoring and improved internal management of portfolios to name a few.

Mr. Garcia provided more detail on the Hedge Fund development, why SWIB considered hedge funds as an option, hedge fund objectives, the hedge fund selection process and management, the tools that are in place to monitor the hedge funds and the gradual build-up of the portfolio.

Mr. Ford focused on his responsibilities as one of two non-appointed members of the ETF Board who are elected at large by the retirees.

Mr. Sentry offered some insights regarding the operations of SWIB and was the recipient of the Blair Testin Award. The award is presented to an individual selected by the WCOA Board for supporting the Wisconsin Retirement System. Mr. Sentry is a petroleum engineer, president of Midwest Gas Companies in La Crosse and chairman of the board for Park Bank. Mr. Sentry has shown that he is open to new ideas like the Hedge Fund asset allocation change, though not before SWIB is ready to handle the responsibilities while maintaining its fiduciary responsibility.

Mr. Stella provided 10 important facts about the WRS to remember.

- The WRS is unique among pension plans because of the shared risk
- The WRS is one of the best funded public pension plans in the U.S.
- WRS retirement benefits are modest averaging about \$24,000 per year. *Turn to page 9*



- The WRS distributions to retirees is an integral part of the economy of Wisconsin.
- The original Core Fund annuity cannot be reduced below that minimum.
- Once a WRS member retires, his or her accrued rights and benefits are guaranteed by law and cannot be taken away by a subsequent act of the Legislature.
- Over 100,000 active and inactive members are eligible to retire immediately.
- In the next 10 years over half of the 265,000 active employees covered by the WRS will leave active employment.
- Currently, through April 29, 2011, the number of applications to retire have increased by almost 94% over the same period last year.
- Despite the long-term trend of increasing retirements and the recent surge in retirements, the WRS is well-positioned to pay benefits now and in the future.

Senator Jauch provided some insights into the politics that have been taking place at the Capitol and for a period of time outside of the Capitol. Below is one of his statements, which he covered during his presentation. Additional comments can be found at his web site: <http://legis.wisconsin.gov/senate/sen25/news/>

#### **March 10, 2011: Senator Jauch Questions Walker's Statement**

I have deeply respected the mature, responsible and thoughtful manner in which hundreds of thousands of citizens have politely exercised free speech in protesting Governor Walker's proposal to end 52 years of collective bargaining. People who represent different political views and who come from all walks of life in Wisconsin have united in the effort to fight against this assault on worker's rights. The governor's proposal has given the citizens their voice back and they have been passionately expressing that voice in an attempt to urge a compromise on the bill.

Had the Senate Democrats not left the state this bill would have been passed in five days, disenfranchising the hundreds of thousands who have protested throughout our state and who have contacted their legislators urging compromise on this bill. I have received from constituents 4,822 email contacts in opposition to the bill and 770 in support of the Governor's proposal. The simple fact is that these citizens would not have had the opportunity to express their views because the bill would have been passed two weeks ago.

Our decision to leave the state strengthened democracy by enabling citizens to be more personally engaged in their government. Last night's swift and possibly illegal vote turned the lights out on democracy in Wisconsin. Today Governor Walker had the gall to suggest that he "wanted a civil debate that would respect the rights of others." His comments are an insult to all citizens who understand that his legislation was specifically designed to eliminate the rights of workers.

Citizens have a right to feel duped and frustrated that their voices fell on the deaf ears of the governor and the extremist control of the legislative Republicans. I call upon all citizens to rise above the pathetic behavior of some of these elected officials and politely, respectfully and diligently apply their energy to engage in the political process to recall legislators who so blindly ignored the will of the people.

As a point of information, the chairs of the Joint Survey Committee on Retirement Systems (JSCRS), both Republicans, did not extend the courtesy of contacting WCOA and letting the board know that they were unable to attend the annual meeting.

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SEA appreciates all the presentations and comments offered by the speakers. It is a rare occasion that an individual has the chance to ask specific questions of heads of agencies and boards that directly impact their own financial well being.

The WCOA web site is up and running, <http://www.WiCOA.org> Check it out.

– Bob Schaefer  
Retirement and Insurance Representative

## UPDATE:

### Legislative activity involving retirement and health benefits

*Details are still pending but the Legislature's Joint Finance Committee has made a number of changes to the proposed state budget. See the items below. If you have concerns about the items below you should contact your elected representatives immediately. These changes have rapidly been moved along with the current Joint Survey Committee on Retirement Systems rubber-stamping the changes.*

#### Joint Finance Actions Impacting ETF, the WRS and Group Health Programs 2011-2013 Biennial Budget Current Summary as of May 25, 2011

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#### ETF

- Motion 308 passed 12-4, includes the following for ETF:
  - \$410,600 in 2011-2012 and \$443,400 in 2012-2013 and 6.5 positions for participant service functions.
  - \$336,300 in 2011-2012 and \$498,600 in 2012-2013 for supplies and services cost increases.
  - Place \$2.86 million in 2011-2012 and \$3.67 million in 2012-2013 in the committee's 13.10 account to address further funding and position needs in the 2011-2013 biennium. Will require ETF to submit a detailed plan for release of the funds.
  - Provide one-time funding of \$700,000 to fund an audit of dependent eligibility under benefit programs.

#### WRS

- **Vesting**
  - New hires on or after the effective date of the bill must have creditable service in at least five calendar years to be fully vested in the WRS. Employees who terminate without having worked in at least five years will receive a proportional annuity as follows: 20% of the employer match for one year of service, 40% of employer match for two years of service, 60% for three years, 80% for four years and 100% at five years.
- **Eligibility**
  - New hires on or after the effective date of the bill must work 2/3rds of full-time to be eligible to join the WRS.

#### WRS Studies

- Require ETF, OSER and DOA to study the following:
  - **Establishing a defined contribution plan as an option.**
  - **Permitting employees to not make employee contributions and limiting those to a money purchase annuity only.**
  - **Study to be complete by June 30, 2012.**

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## Group Health Studies

- Require OSER and ETF to study the following by October 31, 2011:
  - Offering to state and local employees (beginning 1/1/2013) the option of a low-cost or high-deductible coverage plan coupled with a health savings account,
  - Implementing a three-level premium cost structure that would establish separate levels for single individuals, married couples with no dependents and families with dependents,
  - Implementing a program, beginning 1/1/2012, to provide an on-line marketplace for the purchase of prescription drugs.
  - **Requiring state employees to receive health care coverage through a health benefit exchange.**
  - Creating a health care insurance purchasing pool for all state and local employees and individuals enrolled in Medical Assistance.
- Allow ETF to study the provision of midwifery services offered under state health plans. (Motion 320)

*General note: Items enacted in the biennial budget bill generally become effective on either July 1 or the date the bill becomes law.*

## WISCONSIN COALITION OF ANNUITANTS MEETING – April 20, 2011

*Following is a summary of the items discussed at the April 2011 WCOA meeting. Additional details are available upon request.*

**ETF Update** Matt Stohr, administrator of the Division of Retirement Services, ETF, reported on several budgetary items. Mr. Stohr went over many of the Wisconsin Act 10 and Act 13 issues that have been covered in earlier newsletter reports. The one fiscal impact for ETF is the \$28 million use of funds to cover the state's responsibility for paying health care coverage. ETF is seeking guidance from the attorney general regarding this action since the fund that is being used is supported by employer, employee and retiree contributions. Mr. Stohr also reported that the any WRS studies, such as the conversion of the WRS from a defined benefit to a defined contribution plan were not included in any of the most recent acts. More comments on that later. See above update for current actions by the Joint Finance Committee. Mr. Stohr commented on the increased workload with respect to requests for retirement estimates and retirement applications. ETF had planned on some increase since the baby boomers are just now becoming eligible for retirement. However, the increases seen have exceeded initial estimates. Mr. Stohr recommended that all retirees and employees keep up to date by signing up for the ETF update service.

**SWIB Update** Sandy Drew, legislative and beneficiary liaison, SWIB, provided a brief update on the performance of SWIB in March (see SWIB notes). Ms. Drew discussed SWIB's request for additional authority in managing the funds rather than always requesting legislative action. Specifically, SWIB requested the ability to create and abolish FTE positions as need arises. Presently, any change requires legislative approval and often results in long delays, which at times has hurt SWIB's performance in these uncertain times. SWIB also requested more flexibility to use its budget as needed. SWIB also requested an exemption to the open records law when dealing with top tier venture capital investments. Lastly, SWIB requested the conversion of two classified positions to unclassified positions.

The WCOA board discussed these issues with Ms. Drew and Mr. Ford. The only major concern was the open records matter. SWIB considered the comments and would make an effort to address this issue when it presented the proposal to the Joint Finance Committee. A motion was made to support all the issues except the open records issue. A letter was drafted and sent in support of the proposal. A later report by SWIB noted that the board had made some changes to the language regarding

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the open records issue. JFC approved the proposal on a 16 to 0 vote. One of the rare instances where there was complete agreement by the JFC this session.

The WCOA web site is up and running: <http://www.WiCOA.org> Check it out.

– **Bob Schaefer**  
**Retirement and Insurance Representative**

**May 21, 2011 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:**

Michael O'Meara, Wisconsin Rapids President  
Dave Wallace, State Agencies President  
Allan Bjorkland, Superior President  
Joe White, Madison section  
David Bohnsack, La Crosse President

Dave Solberg, Eau Claire President  
Paul Zoellner, Green Bay President  
Carl Bujanowski, Central Office President  
Jason Tucker, Southeast President  
Tom Palonis, DNR section

**Specialists:**

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

Ron Legro, Communications Consultant  
Willie Haus, Attorney

**Guest:** none

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**Meeting Begins:**

Mark Klipstein called meeting to order at 8:35 am. Introductions were made.

**Approvals:**

The April 2, 2011 Board Meeting minutes were reviewed. MOTION by Dave Bohnsack, second by Mark O'Meara, 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 reported on attending the last CESO meeting in Washington D.C. Mark gave a presentation at the meeting regarding the current political events occurring in Wisconsin. Mark also reported on his two television interviews gain from the attrition "op ed" column. These are great opportunity for the association to spread its message of the true cost of outsourcing.

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

Bob reported that at the Annual Wisconsin Coalition of Annuitants Meeting, Sen. Jauch gave a presentation on the events that led to the 14 Democratic Senators leaving the state.



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

Willie reported that two WERC commissioners have been replaced with Republican appointees, which has slowed our unfair bargaining petition. The raw politics of the day are defining the labor relationship, if you can call it a relationship, with the state.

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

Tim encouraged members to get involved with the recall elections. Every foot on the ground helps change the tide of control. Tim also reported the Legislature has given Walker even more power by relinquishing control of administrative rules to the executive branch.

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

Newsletter articles are due May 28. Ron will continue to work with Mark in developing SEA's message during dynamic times.

**Section Reports:**

*Madison:* A local section meeting was recently held with Willie Haus as the guest speaker.

*Rhineland:* No report

*Southeast:* The section held a picnic last week with Mark as the guest speaker. Several members have recently gone to work for consultants in the private sector.

*State Agencies:* It was reported that the transition of Commerce staff to the Dept. of Regulation and Licensing will take course over the year. The old Commerce agency has hired two new employees.

*Green Bay:* Paul reported on the section's annual meeting. MOTION by Paul Zoellner, second by Carl Bujanowski, to pay up to \$200 for an interpreter to attend the section's annual meeting with a hearing impaired member. Motion carried. Recent retirees are interested in continuing their membership with SEA.

*Superior:* WisDOT Secretary Gottlieb will visit the DOT office this Wednesday.

*Eau Claire:* The section's annual meeting will be held Thursday.

*La Crosse:* A local section meeting was held in late April. Members brainstormed what an appropriate future for the association might be if the bargaining law survives legal challenge.

*Wisconsin Rapids:* The recent political events have caused members to become energized and involved. The compensation of members who are on call has become an issue.

*DNR:* The section is experiencing a significant number of retirements. Members were first informed of the possible charter of the DNR in the Milwaukee Journal Sentinel.

Central Office – Secretary Gottlieb recently held a brown bag. Members are reviewing and updating their retirement plans.

**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. *Turn to page 15*
- 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.

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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 4.  
A-513 (filed 9/22/10) – DOT SE - Denial of thirty cent add-on. Filed at Step 4.  
A-514 (filed 10/15/10) – DOT SE- suspension without just cause. Filed at Step 4.  
A-515, 516, 517, 518, 519, 520, 521 (filed 11/19/10) – DOT Various – Filed at Step 4.

Larry briefed the board on the status of the grievances. A recent PE reimbursement grievance has been added.

**Committee Reports:** *By Mark Klipstein*

The following committees provided a summary of their past month's action.

*Dues/Budget:* A written report was provided. Advantages and disadvantages of several dues collection options were discussed.

*Bylaws Review:* A verbal report was provided. The development of supplemental bylaws was discussed to maintain the integrity of the original bylaws.

*Website/Membership:* A verbal report was provided. Further development of a members only section of the SEA website will require additional resources to complete the programming.

*Marketing:* A verbal report was provided. In the near future, communication will go out to members informing them of the Board's planning for the changing future.

*Structures/Roles:* A written report was provided. Options to fine-tune the Association with limited bargaining possibility were discussed.



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

Tony reviewed the March 2011 Membership report. MOTION by Tony Allard, seconded by Jason Tucker, to approve the March 2011 Membership report. Motion carried. Tony reviewed the April 2011 Membership report. MOTION by Tony Allard, seconded by Jason Tucker, to approve the April 2011 Membership report. Motion carried.

Tony reviewed the April 2011 Treasurers report. MOTION by Tony Allard, seconded by Micheal O’Meara, to approve the April 2011 Treasurers report. Motion carried. Tony reviewed the April 2011 Treasurers report. MOTION by Tony Allard, seconded by Micheal O’Meara, to approve the April 2011 Treasurers report. Motion carried.

Tony submitted the below Board Meeting and Expense Vouchers for payment. MOTION by Tony Allard, second by Jason Tucker, to pay the Board Meeting and Expense Vouchers. Motion carried.

M-126=> M-139	\$2100.00
10-194 => 10-211	<u>\$2293.98</u>
	\$4393.98

**New Business:**

Upcoming Board Meeting: 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 2:40 pm



## **PUZZLING PUZZLER**

***It's all in the numbers***

**A**rrange the ten digits 0 to 9 in three arithmetical sums, using three of the four operations of addition, subtraction, multiplication, and division, and using no signs except the ordinary ones implying those operations. Following is an example of what we're looking for (it is not a correct solution):

**3 + 4 = 7    9 - 8 = 1    5 x 6 = 30**

**Email your answer to our contest address: [puzzlesea@yahoo.com](mailto: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: Two sons and their father have to cross a river with a borrowed row boat. Each son weighs 75 pounds and dad weighs 150 – he stays fit! The boat’s capacity is rated at 150 lbs. How can they succeed in crossing using the boat, without ropes or any fancy tricks? [Hint: No one swims along with the boat; everyone is in the boat or is a waiting passenger.]**



**Answer:** First the two sons who weight 75 lbs go across the river. Then one stays and the other comes back and gets out. Then the dad who weights 150 gets in and goes across the river and gets out. Now the son that weighs 75 lbs gets back in and goes across the river to get the other son, for which they can both now be in the row boat to cross the river. They are now all across the river

Congratulations to Neng Yang, DOT project engineer, for being the first of many members to answer the question correctly. We're going to have to work harder to confound you!

**Mopping up:** Member Ken Scherer provided a belated comment on last month's solution. "It is not as simple as filling the container with hot water," Ken writes. "There are many factors that have an effect on this, like the size and shape of the container. From what I recall of a graph showing the freezing time of different temperature water, *slightly* warmer water in a certain range freezes faster than cooler water." The Puzzling Puzzler puzzlemaster is happy to have the scientific record adjusted accordingly. Now, if you'll excuse me, puzzlemaster must get back to perfecting his cold-fusion findings.

**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.

**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)