

MINUTES OF MEETING

STATE OF WISCONSIN JOINT INFORMATIONAL MEETING TEACHERS RETIREMENT, WISCONSIN RETIREMENT, AND EMPLOYEE TRUST FUNDS BOARDS

Thursday, December 9, 2004

**Sheraton Madison Hotel
706 John Nolen Drive
Madison, Wisconsin**

BOARD PRESENT:

Ted Bratanow, TR Board
Ted Bauer, WR Board
John Brown, ETF Board and Vice-Chair, WR Board
John David, WR Board
Suzanne Doemel, TR Board
Theron Fisher, ETF Board
Rick Gale, WR Board
Wayne Koessl, Vice-Chair, ETF Board and WR Board
Kathleen Kreul, ETF Board
Irena Macek, ETF Board and TR Board
Eileen Mallow (*Representing Jorge Gomez, WR Board*)
Lon Mishler, TR Board
Dan Nerad, TR Board
Robert Niendorf, ETF Board
Dennis Panicucci, TR Board
Tom Pedersen, TR Board
Roberta Rasmus, TR Board
Robert Shaw, TR Board
Herbert Stinski, WR Board
Nancy Thompson, ETF Board and Secretary
James Tripp, TR Board
Cynthia Van Bogaert, ETF Board
Mary VonRuden, WR Board
Marilyn Wigdahl, Chair, ETF Board and Chair, WR Board
David Wiltgen, TR Board

BOARD NOT PRESENT:

Jefferson Davis, Secretary, WR Board
Wayne McCaffery, Chair, ETF Board and TR Board
Karen Timberlake, ETF Board

PARTICIPATING ETF STAFF:

Eric Stanchfield, Secretary
Dave Stella, Deputy Secretary
Jean Gilding, Deputy Administrator, Division of Retirement Services
Deborah Budzisz, Board Liaison
Rhonda Dunn, Executive Assistant
Christina Licari, Board Liaison
Robert Weber, Chief Legal Counsel

OTHERS PRESENT:

Sue Chamberlain, University of Wisconsin System
Sandy Drew, State of Wisconsin Investment Board
Bill Ford, Legislative Council
Gail Hanson, State of Wisconsin Investment Board

Ed Kehl, Wisconsin Coalition of Annuitants
Mike Schwaegerl, Wisconsin Retired Educators Association
Mel Sensenbrenner, State Engineering Association
Ken Stelzig, Wisconsin Education Association Council – Retired
Steve Werner, Wisconsin Professional Police Association

Marilyn Wigdahl, Chair, Wisconsin Retirement Board, called the meeting to order at 9:35 a.m.

CONSIDERATION OF MINUTES

Motion: Mr. Koessler moved approval of the minutes of the September 16, 2004, meeting. Ms. Macek seconded the motion, which passed without objection on a voice vote.

ANNOUNCEMENTS

Mr. Stella announced that Ms. Budzisz is taking over Board Liaison responsibilities for Ms. Licari and that Julie Reneau, former Administrator of the Division of Retirement Services has left the Department to join the Ohio Public Employees Retirement System. Mr. Stella discussed other staff changes within the Department and noted that new organizational charts had been distributed for Board members' reference. He also announced several changes to the Teachers Retirement and Wisconsin Retirement Boards. Roberta Rasmus, Robert Shaw and Dan Nerad have been appointed to the Teachers Retirement Board by Governor Doyle. The new members replace Nancy Thompson, Bob Niendorf and Dennis Pratt, respectively. Mary VonRuden, John David and Herbert Stinski have been appointed to the Wisconsin Retirement Board by Governor Doyle. Ms. VonRuden fills a vacancy on the Board while Mr. David and Mr. Stinski replace Barbara Ermeling and Ted Bauer, respectively. In addition, Reginald Delwiche has resigned from the Teachers Retirement Board due to his relocation to Arkansas.

Secretary Stanchfield presented Ms. Thompson, Mr. Niendorf and Mr. Bauer with resolutions signed by the Board chairpersons in honor of their dedicated service. Similar resolutions have been prepared in honor of Mr. Pratt, Ms. Ermeling and Mr. Delwiche.

Mr. Stella noted that Wayne Koessler has been re-appointed to the Wisconsin Retirement Board by Governor Doyle.

MISCELLANEOUS

Benefit Payment System. Mr. Stella updated the Boards on the development of the Benefit Payments System (BPS). He noted that the Department is currently conducting vendor evaluations and staff expect to award the contract by late-December or early-January.

Appeals Summary. An update on pending appeals was provided for the Board's information. Mr. Stella noted that the backlog of appeals continues to decline.

Diversity Award. Ms. Dunn discussed the Diversity Award that was presented to the Department by the State Council on Affirmative Action in a ceremony at the State Capitol in October. The Department of Employee Trust Funds was selected for its development of its partnership with Lincoln Elementary School and the Department's overall outstanding diversity achievements. Also commended were the Department's workforce diversity (above the state's workforce percentages of women, ethnic minorities and persons with disabilities) and the Department's innovation in addressing upward mobility of employees.

2006 MEETING DATES

Mr. Stella discussed possible 2006 meeting dates. Staff are beginning the procurement process and would like input from the individual board prior to contracting with a conference site. Mr. Stella noted that action on this item would be requested during the Boards' respective meetings. The dates proposed by staff for 2006 meetings are:

Thursday, Friday	March 23-24 or 30-31, 2006
Thursday, Friday	June 22-23 or 29-30, 2006
Thursday, Friday	September 21-22 or 28-29, 2006
Thursday, Friday	December 14-15, 2006

ADMINISTRATIVE RULES

Mr. Weber presented a proposed change to the Department's rule-making process, under which a rule will not formally come before the Boards for approval until the Department believes the final draft report is ready to submit to the Legislature.

Mr. Weber presented the final draft report on the new rule regarding the acceptance by the Department of documents received via facsimile and electronic mail. The rule identifies electronic documents as functionally the same as original documents and allows electronic documents to be accepted with no requirement of also submitting an original.

The process change and draft rule will be presented for action in the Boards' individual meetings.

Note: Ms. Van Bogaert recused herself from the fax rule discussion, as the discussion pertained to rulemaking.

The Board took a break at 10:20 a.m.

EDUCATIONAL TOPIC: UPDATE ON NATIONAL PROPOSALS AFFECTING RETIREMENT AND SOCIAL SECURITY

Mr. Stella and Ms. Gilding presented an update on national proposals affecting retirement and Social Security. Topics included the President's proposal on retirement security (including retirement savings accounts, lifetime savings accounts, employer retirement savings accounts and individual development accounts); phased retirement proposed Internal Revenue Service regulations and Social Security issues.

ADJOURNMENT

Motion: Mr. Niendorf moved adjournment. Ms. Thompson seconded the motion, which passed without objection on a voice vote.

The Joint Informational Meeting adjourned at 12:00 p.m.

Date Approved: _____

Signed: _____

Jefferson Davis, Secretary
Wisconsin Retirement Board