

MINUTES OF MEETING

**STATE OF WISCONSIN
WISCONSIN RETIREMENT BOARD**

Thursday, December 15, 2005

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

BOARD PRESENT:

Marilyn Wigdahl, Chair
Rick Gale, Secretary
John David
Jorge Gomez
Wayne Koessler, Vice-Chair
Herb Stinski

BOARD NOT PRESENT:

Nan Kottke
Dennis McBride
Mary VonRuden

PARTICIPATING ETF STAFF:

Eric Stanchfield, Secretary
Dave Stella, Deputy Secretary
Sari King, Administrator, Division of Retirement Services
Diane Poole, Director, Disability Programs Bureau
Linda Esser, Board Liaison

OTHERS PRESENT:

John Brown, Employee Trust Funds Board
Rhonda Dunn, Executive Assistant
Charlotte Gibson, Department of Justice
Audrey Koehn, Division of Retirement Services
Tom Korpady, Division of Insurance Services
Peg Narloch, Division of Insurance Services
Linda Owen, Division of Retirement Services
Mary Pierick, Division of Insurance Services
Deb Roemer, Division of Insurance Services
Sharon Walk, Board Liaison

Marilyn Wigdahl, Chair, Wisconsin Retirement Board (Board), called the meeting to order at 1:32 p.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

Motion: Mr. Koessler moved approval of the minutes of the September 22, 2005, meeting. Mr. David seconded the motion, which passed without objection on a voice vote.

DISABILITY STATISTIC SUMMARY REPORTS

Wisconsin Retirement System (WRS) Disability Benefit Annuity Statistical Report (2005: September-October-November) Ms. Poole reviewed the report that was provided to the Board. She pointed out that 86% of disability applications for the Wisconsin Retirement Board was approved during the period September-November. Six percent of applications were denied. The remaining applications were either cancelled, void, withdrawn or invalid.

The applications submitted by age indicate that the top age increment was the 51-55 age group with 41% of the applicants. The 46-50 age group was 25%. The most frequent disability type during this reporting period was orthopedic (27%). Mental illness was the second most frequent disability type at 14%.

Ms. Poole will continue to report this information at future Board meetings.

DUTY DISABILITY PROGRAM EQUITY ISSUE

At the last meeting, the Board requested that the Disability Programs Bureau identify inequities in the Duty Disability Program (40.65) and suggest possible remedies. Ms. Poole referred to her memo to the Board dated November 22, 2005, regarding Duty Disability Program Inequities. She pointed out that the benefits and eligibility criteria for the 40.65 program are actually set in statute and noted that any possible remedies outlined in this memo could only be made by legislative action.

Ms. Poole noted a typographical error on page 2, paragraph 5, sentence 1. The sentence should read "The 1988 legislative changes recognized this inequity by changing the Duty Disability benefit from a **80%** flat benefit for all recipients to a range of 75%-80% benefit (dependent on eligibility for other disability benefits)."

Ms. Poole mentioned that this is an informational item and the Board is not being asked to take action at this time. She briefed the Board on this issue and a short discussion ensued.

MOTION TO CONVENE IN CLOSED SESSION

Ms. Wigdahl announced that the Board would convene in closed session, pursuant to the exemptions contained in Wis. Stat. § 19.85 (1) (a) for quasi-judicial deliberations. Ms. Esser and Ms. Walk were invited to remain during the closed session.

Motion: Mr. David moved to convene in closed session, pursuant to the exemptions contained in Wis. Stat. § 19.85 (1) (a) for quasi-judicial deliberations. Mr. Koessl seconded the motion, which passed on the following roll call vote.

Members voting aye: David, Gale, Gomez, Koessl, Stinski, Wigdahl

Members voting nay: none

The Board convened in closed session at 1:50 p.m. and reconvened in open session at 2:25 p.m.

ANNOUNCEMENT OF ACTION TAKEN ON BUSINESS DELIBERATED DURING CLOSED SESSION

Ms. Wigdahl announced that the Board took the following action during the closed session:

➤ **2004-054-WR and 2005-033-WR**

The Board adopted the hearing examiner's proposed decision with changes as proposed by counsel.

➤ **2004-030-WR**

The Board adopted the hearing examiner's proposed decision with modifications.

ADJOURNMENT

Motion: Mr. Koessl moved adjournment. Mr. David seconded the motion, which passed without objection on a voice vote.

The meeting of the Wisconsin Retirement Board adjourned at 2:27 p.m.

Date Approved: _____

Signed: _____

Rick Gale, Secretary
Wisconsin Retirement Board