

**MINUTES OF MEETING**  
**STATE OF WISCONSIN**  
**TEACHERS RETIREMENT BOARD**

**Thursday, September 25, 2003**

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

**BOARD PRESENT:**

Ted Bratanow  
Reginald Delwiche  
Irena Macek  
Wayne McCaffery, Chair  
Lon Mishler  
Gerald Pahl  
R. Thomas Pedersen  
Dennis Pratt  
Nancy Thompson, Secretary  
Jim Tripp  
David Wiltgen

**BOARD NOT PRESENT:**

Suzanne Doemel  
Robert Niendorf, Vice-Chair

**PARTICIPATING ETF STAFF:**

Eric Stanchfield, Secretary  
Dave Mills, Deputy Secretary  
Julie Reneau, Administrator, Division of Retirement Services  
Linda Owen, Division of Retirement Services  
Audrey Koehn, Director, Disability Programs Bureau  
Christina Licari, Board Liaison

**OTHERS PRESENT:**

John Brown, Wisconsin Retirement Board  
Charlotte Gibson, Department of Justice  
Ms. Grandzielwski  
Jane Hamblen, Department of Justice  
Pam Henning, Department of Employee Trust Funds  
Peg Narloch, Department of Employee Trust Funds  
Shelly Schueller, Department of Employee Trust Funds  
Vicki Poole, Department of Employee Trust Funds  
Marilyn Wigdahl, Wisconsin Retirement Board &  
Employee Trust Funds Board

Wayne McCaffery, Chair, called the meeting to order at 1:04 p.m.

**CONSIDERATION OF MINUTES**

***Motion: Ms. Thompson moved approval of the minutes of the June 19, 2003, meeting as submitted by the Board Liaison. Mr. Pedersen seconded the motion, which passed without objection on a voice vote.***

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## 2004 MEETING DATES

Ms. Licari presented the 2004 meeting dates. She noted that dates were determined by the timing requirements of the quarterly Board meetings, executive staff availability and conference center and lodging availability. The dates for the 2004 meetings are:

Thursday, Friday	March 25 & 26, 2004
Thursday, Friday	June 17 & 18, 2004
Thursday, Friday	September 16 & 17, 2004
Thursday, Friday	December 9 & 10, 2004

## MISCELLANEOUS

**Pending Appeals Status Report.** (Included for the Board's information.) Ms. Reneau presented an update on pending appeals, noting that the number of TR Board appeals is down to six.

**Upcoming Elections.** Ms. Reneau announced that nomination packets would be available October 1, 2003, for the February 2004 Teachers Retirement Board elections. The terms of Gerald Pahl and Wayne McCaffery will expire in spring 2004. Wisconsin Retirement System (WRS) active primary and secondary school teachers are eligible to compete for these seat seats. Complete nomination papers are due November 13, 2003.

**Senate Bill 260.** Secretary Stanchfield, Deputy Secretary Mills and Ms. Reneau discussed the Department's concerns regarding SB 260 with Board members. The main areas of concern discussed were pension policy, investment policy and administrative costs. Deputy Secretary Mills noted that the Joint Survey Committee on Retirement Systems is likely to hold a hearing on the issue early next week. Secretary Stanchfield recommended that the Department draft a letter of opposition to be approved and signed by the Board Chair as well as issue a press release and communicate the Department's concerns to active employee groups, as the Department finds appropriate.

***Motion: Mr. Pratt moved approval of Secretary Stanchfield's recommendations regarding Senate Bill 260, and directed the Department to draft a letter of opposition to the Bill for the Board Chair's signature. Ms. Thompson seconded the motion, which passed without objection on a voice vote.***

## DISABILITY STATISTICS SUMMARY REPORT

(Included for the Board's information.) Ms. Koehn reviewed the *WRS Disability Benefit Annuity Statistical Report*. In addition to Ms. Koehn, Peg Narloch, Disability Program Policy Advisor, was available to answer questions.

## ADMINISTRATIVE RULES

**Final Language: Dividend Distribution.** Ms. Owen presented proposed final language for the rule amendment regarding annuitant dividends. After careful consideration by DETF staff and the input of all three Boards at the June 2003 meetings, staff proposed final language that would amend the rule to return to the April 1 dividend effective date (May 1 payment date).

***Motion: Mr. Pratt moved to adopt the final rule language as recommended by DETF staff. Mr. Delwiche seconded the motion, which carried with one objection on a voice vote.***

**Draft Language: Medical Reports and Processes.** Ms. Koehn presented proposed draft language for amendments to the administrative rule that defines the medical reports and processes under § 40.63 Disability Retirement and Wis. Administrative Code, Chap. ETF 50.40, Long-Term Disability Insurance.

Ms. Koehn discussed the need for clarification of the rule in response to the difficulty interpreting the existing rule and administering benefits in a fair and equitable manner. The Board discussed possible alternative language that would further clarify the processes. Staff stated that before final language would be developed for public hearing, input would be requested of the Board's counsel to ensure that revisions reflect the Board's past decisions and interpretations.

***Motion: Mr. Delwiche moved to adopt the draft rule language as recommended by DETF staff. Mr. Pedersen seconded the motion, which carried without objection on a voice vote.***

### **MOTION TO CONVENE IN CLOSED SESSION**

Mr. McCaffery announced that the Teachers Retirement Board would convene in closed session, pursuant to the exemptions contained in Wis. Stat. § 19.85(a) and (f) for quasi-judicial deliberations and to consider disability annuity applications containing personal medical information. Ms. Licari was invited to remain during all portions of the closed session.

***Motion: Mr. Pahl moved to convene in closed session, pursuant to the exemptions contained in Wis. Stat. § 19.85(a) and (f) for quasi-judicial deliberations and to consider disability annuity applications containing personal medical information. Mr. Pratt seconded the motion, which passed on a roll call vote.***

***Members voting aye: T. Bratanow, R. Delwiche, I. Macek, W. McCaffery, L. Mishler, G. Pahl, T. Pedersen, D. Pratt, N. Thompson, J. Tripp, D. Wiltgen.***

***Members voting nay: none***

The Teachers Retirement Board convened in closed session at 1:55 p.m. and reconvened in open session at 2:12 p.m.

### **ANNOUNCEMENT OF ACTION TAKEN ON BUSINESS DELIBERATED DURING CLOSED SESSION**

Mr. McCaffery announced that the Board took the following action during the closed session:

- **Appeal 98-051-TR.** The Board adopted the hearing examiner's proposed decision with clarifications as discussed with counsel.

*Note: No disability applications were presented for discussion.*

### **ADJOURNMENT**

***Motion: Mr. Delwiche moved adjournment. Mr. Pratt seconded the motion, which passed without objection on a voice vote.***

The meeting of the Teachers Retirement Board adjourned at 2:14 p.m.

Date Approved: \_\_\_\_\_

Signed: \_\_\_\_\_

Nancy Thompson, Secretary  
Teachers Retirement Board