

**Executive Committee**

**Monday, November 13, 2006**

Wisconsin Community Bank  
 1717 10<sup>th</sup> Street, Monroe, WI  
 3:00 P.M. – 5:00 P.M.

**MINUTES**

The SWWDB Executive Committee met on Monday, November 13, 2006 at the location above. Attendance was as follows:

<b>Members Present:</b>	Mr. Scott Stocker Ms. Margery Tibbetts	Mr. Tom Larsen Mr. James Finley
<b>Members Absent:</b>	Mr. Steve Scaccia	Ms. Ann Greenheck
<b>Others Present:</b>	Mr. Bruce Ginzl, Johnson Insurance Mr. Pat Stack. Johnson Insurance	
<b>Staff Present:</b>	Dr. Robert T. Borremans Ms. Annette Meudt	Ms. Mary Kay Runde

Ms. Tibbetts called the meeting to order at 3:03 p.m. in the absence of Scott Stocker who arrived shortly after the start of the meeting. Upon arrival, Mr. Stocker presided over the meeting. Guests Bruce Ginzl and Pat Stack introduced themselves.

**1. Change in 401(k) Fiduciary Advising Services**

Mr. Bruce Ginzl, Johnson Insurance, spoke on the fact that SWWDB has a fiduciary responsibility to employees in a manner that is prudent and reasonable, and seeks to protect the funds invested in the plan. The Hartford has provided an investment advisory service through Neuberger-Berman. That service is no longer available and the Hartford has entered into an agreement with Ibbotson and Associates for investment advising services. SWWDB provides 16 funds and funds included in the SWWDB plan would change with the move to the Ibbotson and Associates service. Mr. Ginzl will work with staff to make the needed changes.

The Ibbotson and Associates service will cost \$650.00 annually, slightly higher than the Neuberger-Berman service.

**Mr. Finley moved and Mr. Larsen seconded a motion to recommend to the full Board that SWWDB contract with The Harford Retirement Plan and Ibbotson and Associates for investment fund advisement service that will protect the organization in its fiduciary liability responsibility. The motion carried unanimously.**

**2. Change in Dental Insurance Coverage**

Mr. Pat Stack, Johnson Insurance, said that Shenandoah Life Insurance Company provides dental coverage for SWWDB employees. Shenandoah proposed an 8% increase in premiums for 2007 which seemed high. It was decided to seek proposals for dental insurance coverage.

Referring to the Dental Premium and Benefit Summary, included with the agenda, Mr. Slack noted that proposals were received from five (5) carriers - Shenandoah Life, Delta Dental, Humana, Ameritas and Guardian Life. However, only Shenandoah and Delta provided comparable coverage to the current plan. The group discussed the proposed rates and coverages. It was noted that Shenandoah Life revised their proposal and are now proposing no change in rates. Delta by comparison proposed an eleven percent (11%) decrease in rates. Under the Delta proposal the monthly family rate would be \$97.98, while the single rate would be \$32.93. Also, the Delta plan would not have "usual and customary over billing" charges and, while a PPO, their network includes a vast majority of dentists in Wisconsin.

**Ms. Tibbetts moved and Mr. Finley seconded a motion to recommend to the full Board that SWWDB switch to Delta Dental for dental insurance coverage effective 1/1/07. Mr. Finley seconded the motion, motion carried. The motion carried unanimously.**

Mr. Ginzi and Mr. Stack left the meeting at 3:22 p.m.

Ms. Tibbetts said that she had talked with Mr. Scaccia about the benefit of re-bidding insurance consulting services. Re-bidding would eliminate any perception of conflict of interest about using Johnson Insurance. Dr. Borremans mentioned that Mr. Scaccia had talked to him about re-bidding the service on a regular basis – every 3 years was suggested. Dr. Borremans said that Johnson Insurance was selected through a competitive process about 3 years ago when SWWDB was seeking to move away from self-funded coverage. He added that Johnson Insurance had helped SWWDB cut insurance costs from over \$700,000 annually to about \$200,000 annually. He believes that Johnson Insurance has worked in the best interest of SWWDB. He concurred with the suggestion to re-bid professional services on a regular basis noting that SWWDB had also obtained competitive quotes for audit services in the last 3 years. He said that SWWDB planned to re-bid liability insurance coverage and banking services in 2007.

Mr. Finley asked that the minutes reflect the discussion noting that the Executive Committee is aware of the fact that Johnson Insurance provides fringe benefit (insurance and 401(k)) services to SWWDB at the same time that a representative of Johnson Insurance serves on the Board. He said that the committee members appreciate their efforts to help the Board to cut costs and better manage coverages/benefits for employees. Dr. Borremans added that for the record, any board member who provides services directly to SWWDB, specifically noting program operators seated on the Board, must abstain from voting on any issue related to their organization.

### **3. Consideration of the Follow-up Activities for Baldrige Express Feedback Report –** (Discussion)

Dr. Borremans said that at the last meeting, the committee heard a presentation on SWWDB's Baldrige Express Self-Assessment survey results. Handing out a copy of the survey report, he said that SWWDB needs to decide how to use the report for organizational improvement and what follow-up action to take. The group discussed options noting that Category 6 – Process Management received the lowest scores in the survey.

Dr. Borremans said that the Council on Workforce Investment (CWI) is again offering stipends to WDBs for Baldrige activities. It was suggested that SWWDB might consider applying for funding to address process management issues. One consideration would be to have staff attend training on LEAN processes and bring that knowledge back to the organization to

improve SWWDB and Job Center processes.

#### 4. **Other Business**

Dr. Borremans said that the preliminary federal budget for 2007 contains a 13% cut for WIA programs. It is hoped that when the new Congress convenes in January there will be some changes and funding will be increased for domestic programs including WIA. It was noted that it is unclear how Wisconsin might fare because it appears that Wisconsin is doing better than other mid-west states. He noted that he and Mr. Stocker attended the Wisconsin Workforce Development Association (WWDA) meeting, a committee consisting of the WDB chairperson, the area Chief Local Elected Official (CLEO) and WDB director, meeting in October. DWD Secretary Roberta Gassman was the featured speaker and she commented that declining funding would require changes to the current service delivery system in the future.

Dr. Borremans said that budget cuts will make it difficult for SWWDB to continue “business as usual.” He noted that there are two general models for service delivery. One is a decentralized model, similar to the way SWWDB operates, with funds allocated to program operators to deliver services through the Job Centers. The second model is a centralized approach where the WDB establishes a separate organization and services are delivered through that organization. He noted that at least four (4) WDBs have created and operate separate organizations – Workforce Connections (Western WDB), the Workforce Resources (West Central WDB), the Northwest CEP (Northwest WIB) and Workforce Economics (Fox Valley WDB). Mr. Larsen said that he thought WIA regulations prohibited WDBs from operating programs. Dr. Borremans said that is correct and that DOL has audited three of the WDBs to determine if they are operating improperly. The audits occurred last year and the results are not yet available. It was suggested that one of the WDB directors with a centralized organizational structure speak to the committee and Board about the reasons they established and operate their own organization.

Mr. Stocker said that he heard that 65 workers had been laid off from Laidlaw in Monticello and asked what SWWDB was doing to help these workers. Dr. Borremans said that he knows that the Job Center staff have been working with Laidlaw but he did not have specific details what services are being provided. He will obtain more information and report back to the committee.

#### 5. **Adjournment**

The meeting was adjourned at 4:13 p.m.