

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, June 26, 2014

1:30 p.m.

SEWRPC Office Building
Commissioners' Conference Room
W239 N1812 Rockwood Drive
Waukesha, Wisconsin 53187-1607

Present:

Excused:

Committee Members:

James T. Dwyer, Chairman
Adelene Greene, Vice-Chair
Gilbert B. Bakke
Thomas H. Buestrin
Michael A. Crowley
David L. Stroik
Gustav W. Wirth, Jr.

William R. Drew
Nancy Russell
Daniel S. Schmidt

Staff:

Kenneth R. Yunker
Debra A. D'Amico

Executive Director
Executive Secretary

Guest:

Robert W. Katbitzke

Scrima, Kabitzke & Co., S.C.

ROLL CALL

Chairman Dwyer called the meeting to order at 1:30 p.m. Roll call was taken and a quorum was declared present. Mr. Yunker noted for the record that Mr. Drew, Ms. Russell, and Mr. Schmidt had asked to be excused.

APPROVAL OF MINUTES OF MAY 22, 2014, MEETING

Chairman Dwyer asked if there were any changes or additions to the May 22, 2014, meeting minutes.

On a motion by Mr. Wirth, seconded by Mr. Stroik, and carried unanimously, the minutes of the Administrative Committee meeting held on May 22, 2014, were approved as published.

(Administrative Committee)
June 26, 2014

PRESENTATION OF 2013 AUDIT REPORT

Chairman Dwyer noted that the Commission auditor was in attendance to present to the Committee the findings of the audit of the Commission financial records for calendar year 2013. He then noted that each Committee member received a copy of the Independent Auditor's Report entitled, *Southeastern Wisconsin Regional Planning Commission Annual Report, December 21, 2013* in advance of today's presentation. He called on Mr. Robert W. Kabitzke of the firm of Scrima, Kabitzke & Co., S.C. to present the 2013 audit report.

Mr. Kabitzke then reviewed the report with the Committee on a page-by-page basis. During this process, the following comments and questions were addressed.

In response to an inquiry by Mr. Wirth concerning Note 2 – General Fixed Asset Group on page 6 of the audit report, Mr. Kabitzke stated that assets are depreciated with the amount of depreciation shown in the audit report.

In response to a second inquiry by Mr. Wirth concerning the employee participation in the Wisconsin Retirement System (WRS) on page 7 of the audit report, Mr. Yunker confirmed that employees do contribute the employee required percentage as determined by WRS through a payroll deduction.

In a discussion initiated by Mr. Stroik, concerning the management of the Commission's cash and temporary investments, Mr. Yunker stated most of the Commission's funds are invested in the State of Wisconsin Local Government Investment Pool with approximately \$1,000,000 invested in money market accounts distributed among five area banks. He also noted that Ms. Larsen in the recent past has had conversations with a representative from an investment firm and has been told the amount of funds the Commission could set aside for long term investing is too little to warrant their business. Chairman Dwyer confirmed that investment companies generally do have a minimum required investment. Waukesha County works with Dana Financial Services, LLC, to manage the County's investments.

Mr. Yunker then indicated the program development fund will decrease by about \$200,000 under the adopted Commission 2015 budget.

In response to another inquiry by Mr. Stroik regarding Note 6 – Designated Funds, Errors and Omissions Insurance on page 8, Mr. Yunker stated that this is self-insurance by the Commission for actions by staff and the Commission. It would provide coverage for employment practices and Commission actions if the limits of the Commission's employment practices insurance are exceeded. He noted that this was discussed by the Commission in the mid-2000's. He added that most of the actions by the Commission and staff are advisory recommendations and would likely not be subject to any request for damages, but some actions such as county surveying, wetland and primary environmental corridor delineation, and sanitary sewer service area determinations potentially could involve such action.

There being no further questions or discussion, it was moved by Mr. Crowley, seconded by Mr. Bakke, and carried unanimously to approve and accept for publication the 2013 Audit Report as presented (copy of 2013 Audit Report attached to Official Minutes).

APPROVAL OF DISBURSEMENTS

Chairman Dwyer asked Mr. Yunker to review with the Committee the recent disbursements.

2014 Reporting Period No. 11

Mr. Yunker distributed copies of the Check Register for the 11th financial reporting period of 2014, May 5 to May 18, 2014.

(Administrative Committee)
June 26, 2014

In response to an inquiry by Mr. Crowley relative to a payment on page 2 made to ExxonMobil Card Services, Mr. Yunker stated that the Commission uses two credit card companies, ExxonMobil and Speedway, Inc., for gasoline purchased for the Commission vehicles. This payment represents one month of gasoline purchases for the eight Commission vehicles.

In response to an inquiry by Mr. Crowley relative to a payment on page 2 made to Jerry's Automotive Service, Inc., Mr. Yunker stated that this payment was for an oil change for a Commission vehicle.

In response to a second inquiry by Mr. Crowley, Mr. Yunker stated gasoline receipts are matched against each invoice and mileage is recorded by staff when a vehicle is used.

In response to an inquiry by Mr. Bakke relative to a payment on page 4 to Terminal-Andrae, Inc., Mr. Yunker stated that this vendor is an electrical contractor who installed a new electrical circuit in the Commission's first floor break room.

In response to an inquiry by Ms. Greene relative to a payment on page 4 with the description "Dependent Care Expenses," Mr. Yunker stated that employees may choose to enroll in a Flexible Spending Account (FSA) program which allows for employees to annually pre-tax a maximum of \$2,500 in out-of-pocket medical expenses and \$5,000 in child care expenses. The employees submit receipts for medical and child care payments and are then issued a Commission Accounts Payable check with that amount deducted from their individual FSA account.

There being no further questions or comments, on a motion by Ms. Greene, seconded by Mr. Stroik, and carried unanimously, the Commission disbursements for the 11th reporting period of 2014 were approved.

Chairman Dwyer, Mr. Stroik, and Mr. Yunker then affixed their signatures to the Check Register for the 11th reporting period of 2014 (copy attached to Official Minutes).

2014 Reporting Period No. 12

Mr. Yunker distributed copies of the Check Register for the 12th financial reporting period of 2014, May 19, to June 1, 2014.

In response to an inquiry by Mr. Crowley relative to a payment on page 3 made to Seiler Instrument & Manufacturing Co., Inc., Mr. Yunker stated that the Environmental Division staff conducts lake and stream management studies which require the accurate collection of data that is essential to locating aquatic plant samples in a lake and for establishing measurements of the physical characteristics of streambeds. The staff had been using an outdated global position system (GPS) unit which no longer accepted software updates and had a horizontal accuracy of 10 meters. The newly purchased GPS unit, accepts downloads of the Commission's orthophotos which are geo-located and thus allows staff to easily access data points, is accurate within 50 centimeters, includes a camera, and the collected data is able to be downloaded to an in-house computer with minimal manipulation.

In response to an inquiry by Mr. Crowley relative to a payment on page 4 made to We Energies, Mr. Yunker stated that he believed the lesser amount was for natural gas usage and the greater amount was for electricity usage.

[Secretary's Note:

The We Energies invoice in the amount of \$166.94, represents the natural gas usage for one month. The invoice in the amount of \$4,189.02 represents the electricity usage for one month.]

(Administrative Committee)
June 26, 2014

There being no further questions or comments, on a motion by Mr. Bakke, seconded by Mr. Stroik, and carried unanimously, the Commission disbursements for the 12th reporting period of 2014 were approved.

Chairman Dwyer, Mr. Stroik, and Mr. Yunker then affixed their signatures to the Check Register for the 12th reporting period of 2014 (copy attached to Official Minutes).

2014 Reporting Period No. 13

Mr. Yunker distributed copies of the Check Register for the 13th financial reporting period of 2014, June 2, to June 15, 2014.

In response to an inquiry by Mr. Crowley relative to a payment on page 2 made to Dell Marketing L.P., Mr. Yunker stated that he received a new computer as the old desktop computer could no longer receive Microsoft software updates.

There being no further questions or comments, on a motion by Mr. Crowley, seconded by Mr. Stroik, and carried unanimously, the Commission disbursements for the 13th reporting period of 2014 were approved.

Chairman Dwyer, Mr. Stroik, and Mr. Yunker then affixed their signatures to the Check Register for the 13th reporting period of 2014 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING JUNE 15, 2014

Copies of the Statement of Projected Revenues and Expenditures for reporting period 13 ending on June 15, 2014, were distributed for Committee review. Chairman Dwyer asked Mr. Yunker to review with the Committee the financial status of the Commission accounts as of the end of that period.

In reviewing the Statement with the Committee, Mr. Yunker commented that the period covered represented nearly 50 percent of the calendar year. He then called attention to the following items:

1. The Federal and State revenue entries on the Statement remain unchanged from the report presented at the May meeting.
2. The Transportation Study Service Agreement Revenue has been adjusted to reflect a revised project schedule. All other Service Agreement Revenues remain unchanged from the report presented at the May meeting.
3. The projection of expenditures through the end of the year compared with budgeted revenues indicates a surplus of about \$55,000. Payments for the insurance premium, payment to the City of Pewaukee for the payment in lieu of taxes, replacement of equipment, and payment to the contractor for the Milwaukee County Surveyor program have yet to be made in 2014.
4. The liability, operating, and reserve accounts reported on the Statement continue to reflect the findings of the 2012 financial audit. These accounts will be adjusted to reflect the findings of the 2013 financial audit for the next Administrative Committee meeting.
5. The Commission had on hand as of June 15, 2014, approximately \$4.9 million. This includes about \$20,000 of unearned revenue provided to the Commission in advance of expenditures. The funds on hand are invested in the State of Wisconsin Local Government Investment Pool, which is presently paying 0.09 percent interest, and various money market accounts as of the end of May.

(Administrative Committee)
June 26, 2014

In response to an inquiry by Mr. Stroik relative to the Commission's payment to the City of Pewaukee for the payment in lieu of taxes, Mr. Yunker stated that this payment does not include the stormwater management fee which is billed separately.

In response to an inquiry by Ms. Greene, Mr. Yunker stated that the Commission's liability, operating and reserve accounts are invested in the State Local Government Investment Pool and bank money market savings accounts. He added that funds are retained in the State Local Government Investment Pool for payroll and accounts payable requirements.

There being no further inquiries or discussion, on a motion by Mr. Stroik, seconded by Ms. Greene, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending June 15, 2014, was accepted to be placed on file (copy attached to Official Minutes).

CONSIDERATION OF BUSINESS INSURANCE RENEWAL

Chairman Dwyer asked Mr. Yunker to report on the renewal of the Commission's business insurance. He stated that the Commission's insurance agent, Mr. Ronald Knudsen with Johnson Insurance, had received a quote for the renewal of the Commission's insurance with West Bend Insurance. The insurance covers general liability, property, automobile, workers compensation, umbrella, and employment practices liability. The current insurance policy expires July 28, 2014. Mr. Yunker stated that the premium cost of business insurance for 2014-2015 would be \$535 less than the prior year. He noted that in June 2013, Ms. Larsen worked with another insurance agent who requested quotes from Society Insurance and Community Insurance Corporation, a subsidiary of Aegis Insurance, which works with county governments. These quotes were 25 and 40 percent higher than the quote from West Bend Mutual Insurance at that time. As the renewal quote from West Bend was again lower than the expiring premium, it was determined not to obtain additional quotes. Mr. Yunker requested approval from the Administrative Committee to renew the Commission's 2014-2015 Business Insurance policy for an amount of \$42,240.

In response to an inquiry by Mr. Buestrin, Mr. Yunker stated the insurance package does include coverage of the parking lot along with the Commission office building.

In response to an inquiry by Mr. Stroik, Mr. Yunker stated that it was his understanding that the employment practices insurance would cover losses due to discrimination complaints, as well as losses due to errors by the Commission and staff such as in surveying or wetland delineation. The self-insurance provided in the reserve account would be used if actual insured losses exceed insurance coverage. He stated that prior to the next insurance renewal, staff will review with the Committee the elements, amounts, and deductibles of insurance coverage. Mr. Stroik noted that this review could consider using the self-insurance to increase insurance deductibles, particularly for employment practices, thereby reducing the annual cost of insurance.

At the conclusion of the business insurance renewal discussion, it was moved by Mr. Wirth, seconded by Mr. Stroik, and carried unanimously to renew the business insurance with the West Bend Mutual Insurance Company.

UPDATE ON BUILDING TUCKPOINTING PROJECT

Chairman Dwyer called on Mr. Yunker to give an update on the Commission building tuckpointing project. Mr. Yunker stated that Commission staff is working with Harwood Engineering to prepare a request for proposals which specifies the work to be done. It is intended that the work will be completed

(Administrative Committee)
June 26, 2014

in 2014. He concluded by stating that staff would recommend that the Commission retain Harwood Engineering to oversee this project to assure the contractor's work meets the specifications.

CORRESPONDENCE/ANNOUNCEMENTS

Chairman Dwyer asked if there was any correspondence or announcements. There was no correspondence and no announcements.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:35 p.m. on a motion by Mr. Wirth, seconded by Mr. Stroik, and carried unanimously.

Respectfully submitted,

Kenneth R. Yunker
Executive Director

KRY/EAL/dad
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