

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, May 25, 2006

1:30 p.m.

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

Present:

Excused:

Committee Members:

Paul G. Vrakas, Chairman
Robert A. Brooks, Vice Chairman
Thomas H. Buestrin
Adelene Greene
Allen L. Morrison
Daniel S. Schmidt
Linda J. Seemeyer
David L. Stroik
Gustav W. Wirth, Jr.

William R. Drew
Richard A. Hansen

Absent:

Staff:

Philip C. Evenson
Loretta Watson

Executive Director
Executive Secretary

Guests:

David A. Bretl

Walworth County Administrator/Corporation Counsel

ROLL CALL

Chairman Vrakas called the meeting to order at 1:35 p.m. Roll call was taken and a quorum declared present. Mr. Evenson noted for the record that Commissioners Drew and Hansen had asked to be excused.

REMARKS BY WALWORTH COUNTY REPRESENTATIVE

Mr. Vrakas then recognized Mr. David A. Bretl, the Walworth County Administrator and Corporation Counsel, and invited him to make remarks. Mr. Bretl indicated that he was pleased to appear before the Committee for the purpose of presenting to the Commission a gift consisting of a framed print of the USS Walworth County. He indicated that Commissioner Morrison had noted that seven conference rooms in the Commission's Rockwood Drive building had been named after the seven counties served by the

Commission, and that it would be appropriate for Walworth County to give to the Commission something that could be permanently displayed in the Walworth Conference Room. He noted that there are two Walworth Counties in the nation, including a second county in South Dakota, and that the ship was named for both counties. He said that the USS Walworth County is a tank landing ship that carried equipment, cargo, and troops all over the world and that was decommissioned in April 1971.

Commission Chairman Buestrin accepted the framed print of the USS Walworth County on behalf of the entire Commission and thanked Mr. Bretl and the Walworth County Board of Supervisors for this gift.

APPROVAL OF MINUTES OF APRIL 27, 2006, MEETING

On a motion by Ms. Greene, seconded by Mr. Wirth, and carried unanimously, the minutes of the Administrative Committee meeting held on April 27, 2006, were approved as published.

APPROVAL OF DISBURSEMENTS

Chairman Vrakas asked Mr. Evenson to review with the Committee the recent disbursements.

2006 Reporting Period No. 9

Mr. Evenson distributed copies of the Check Register for the 9th financial reporting period of 2006, April 17 to April 30.

In response to a question by Ms. Seemeyer, Mr. Evenson noted that the payment listed on page 3 of the Register to Master Graphics, Inc., was for a new digital plotter. By upgrading to new technology, he said, it is the staff's hope that the Commission will soon be able to phase out the old blueprint technology that is reliant upon ammonia. In response to a question by Mr. Brooks relative to the payment listed on page 5 of the Register to Wisconsin Deferred Compensation, Mr. Evenson said that this represented the collective payments voluntarily made by Commission staff under the State's Deferred Compensation Program. The Commission took action many years ago to enable Commission employees to participate in that program.

There being no further questions or comments, on a motion by Mr. Morrison, seconded by Mr. Schmidt, and carried unanimously, the Commission disbursements for the 9th reporting period of 2006 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 9th reporting period of 2006 (copy attached to Official Minutes).

2006 Reporting Period No. 10

Mr. Evenson distributed copies of the Check Register for the 10th financial reporting period of 2006, May 1 to May 14.

In a response to a question by Mr. Wirth relative to the payment listed on page 1 of the Register to Aero-Metric, Inc., Mr. Evenson indicated that the 2005 orthophotography program carried out for the Commission by Aero-Metric, Inc., was nearing completion. The color orthophotography has been completed and is now in distribution and use; the black and white orthophotography product is now being reviewed for quality before acceptance. The 2005 program should be fully completed by mid-year. In

response to a follow up question by Mr. Wirth, Mr. Evenson indicated that with respect to obtaining elevation data that permits the generation of contour lines, technology is rapidly changing and that LIDAR (Light Detection and Ranging) is now frequently being used to develop robust elevation data bases. The LIDAR technology holds certain advantages, he said, over conventional aerial photogrammetry, particularly when projects are done over areas as large as a single county.

There being no further questions or comments, on a motion by Mr. Schmidt, seconded by Ms. Greene, and carried unanimously, the Commission disbursements for the 10th reporting period of 2006 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 10th reporting period of 2006 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING MAY 14, 2006

Copies of the Statement of Projected Revenues and Expenditures for the period ending May 14, 2006, were distributed for Committee review. Chairman Vrakas asked Mr. Evenson 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. Evenson commented that the period covered represented nearly 40 percent of calendar year 2006. As he reviewed the Statement, he called attention to the following items:

1. With respect to Federal and State revenues, no changes have been made to the revenue entries on the Statement since the April report. While approval of the Federal Transit Administration and Wisconsin Department of Natural Resources revenues remains to be received, in a recent meeting Federal Transportation officials indicated that the flow of Federal Highway Administration monies to the Commission would begin shortly, thus allaying the potential cash flow problem discussed at the last meeting.
2. Only one change has been made in this report relative to anticipated revenues from service agreements, a minor reduction of about \$5,000 in such revenue from land information projects.
3. The expenditure data on the Statement reflects ten full reporting periods, or the first 20 weeks of the calendar year. The projected year end surplus approximates \$122,000, an upward adjustment from the projection reported at the April Committee meeting.
4. One adjustment has been made to the liability, operating, and reserve accounts reported at the bottom of the Statement. The Building Improvement and Maintenance Reserve Account has been reduced by nearly \$63,000 to reflect the costs incurred in modifying the tenant space in the Rockwood Drive building in accordance with the terms of the new lease. Upon completion of the parking lot renovation project, this reserve account will again be reduced.
5. The Commission had on hand as of May 14, 2006, about \$4.2 million. This includes about \$930,000 of unearned revenue provided to the Commission in advance of expenditures. These funds are invested in the State of Wisconsin Local Government Investment Pool, which is presently paying 4.67 percent interest; in several certificates of deposit at banks in the Region;

and in savings and checking accounts at Johnson Bank. The deposit in the Legacy Bank was recently renewed.

After a brief discussion, on a motion by Mr. Brooks, seconded by Mr. Morrison, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending May 14, 2006, was accepted to be placed on file (copy attached to Official Minutes).

CONSIDERATION OF BUDGET ASSUMPTIONS FOR 2007

Mr. Vrakas asked Mr. Evenson to lead the Committee through a discussion of possible budget assumptions for calendar year 2007. In his remarks and with the aid of handout materials (copy attached to the Official Minutes), Mr. Evenson made the following major points:

1. Under the regional planning enabling legislation, the Commission must prepare and adopt a budget and certify the regional tax levy to the counties by August 1, 2006. As a practical matter, this means that the budget needs to be adopted at the Commission's June Annual meeting. The Regional Planning Commission, he said, sets the property tax rate needed to support regional planning activities for the ensuing calendar year. That rate, which is capped under present legislation at 0.003 percent of the equalized valuation of the Region, is then applied to the regional tax base and the resulting levy apportioned to each of the seven counties on the basis of each county's proportion of the total equalized valuation of the Region. The Commission uses the most recent available equalized value data in preparing its budget. That data was made available in August 2005. The Wisconsin Department of Revenue is scheduled to release the 2006 data in mid-August 2006, too late for use in the Commission's 2007 budget.
2. Based on discussions with Wisconsin Department of Transportation personnel, Federal and State funding for transportation planning will again be frozen in 2007. This result comes about despite the fact that in a major Federal Transportation Bill enacted last fall, the United States Congress and the President authorized states to make available 25 percent more dollars for planning purposes. The incremental "take down" in planning funds would require action at the State level and such action has not occurred to date.
3. It is proposed that it again be assumed that there will be a \$10,000 decrease in water quality planning funds to be made available in 2007 through the Wisconsin Department of Natural Resources. This assumption is consistent with discussions held with the Department staff on this topic. This decrease, however, would be offset by an assumed \$10,000 increase in coastal management funds made available through the Wisconsin Department of Administration.
4. A series of assumptions with respect to service agreement revenues in 2007 leads to an anticipated net decrease in such revenue of about \$55,600. While increases in service agreement revenues are anticipated for park and land use planning, community assistance planning, stormwater management planning, and the county surveyor program, significant decreases in revenue are anticipated for water quality planning and water supply planning. The major increase in community assistance revenue reflects work commitments made to assist Kenosha, Racine, and Walworth Counties in carrying out the requirements of the State comprehensive planning law. The significant increase in county surveyor revenue reflects the commitments of Kenosha, Racine, and Walworth Counties to participate indefinitely in that program. There is also an increase in rental income owing to the new lease with the tenant in the Rockwood Drive building.

5. It is proposed that the budget include a modest decrease of about \$10,000 in regional tax levy support. Owing to relative differences in tax base increments among the seven counties during the past year, the proposed reduction in the regional tax levy will be shared among six of the seven counties, with Walworth County experiencing about a 1.5 percent increase due to its extraordinarily high rate of increase in tax base. The regional tax levy under this assumption in 2007 would be \$2,370,245, and the tax rate would drop to 0.00147 percent of the equalized valuation of the Region.
6. On an overall basis, the potential year 2007 operating budget would call for a total revenue and expenditure level of about \$7.26 million, a decrease of nearly one percent from the adopted 2006 budget.
7. Key expenditure assumptions proposed to be made in preparing the budget include an authorized staff level of 75 full-time positions, one fewer than in 2006; a greater commitment to part-time staff; a reduction in consulting arrangements; staff salary adjustments not to exceed an average of three percent; a ten percent increase in health insurance costs; and a nominal increase in retirement system costs. Staff position deployment results in fewer positions in the Geographic Information Systems Division and more positions in the Community Assistance and Cartographic and Graphic Arts Divisions, the latter being where the county surveyor program is carried out.

A brief discussion then ensued. In response to a question by Mr. Wirth, Mr. Evenson indicated that in 2007 those staff members participating in the health insurance program will be required to pay 19 percent of premium costs. In 2008, that requirement will rise to 20 percent and be maintained at that level.

At the conclusion of the discussion, it was moved by Mr. Wirth, seconded by Ms. Greene, and carried unanimously, to direct the Commission staff to prepare a year 2007 budget consistent with the assumptions presented and discussed and to present that budget to the full Commission for formal consideration at the Annual meeting of the Commission in Washington County on June 21, 2006. Mr. Evenson indicated that he would formally circulate the Committee's action on this matter to all SEWRPC County Board Commissioners so that they are in a position to informally discuss the Commission's 2007 tax levy request with appropriate county officials prior to the Annual meeting.

SELECTION OF AUDITOR FOR CALENDAR YEAR 2007

Mr. Evenson distributed a staff memorandum setting forth a recommendation that the certified public accounting firm of David L. Scrima, S.C., be retained by the Commission to conduct the audit of the Commission's calendar year 2006 operations. Given that the Commission had gone through a selection process two years ago relative to auditing services, and further given that the Scrima firm was selected for the 2005 audit and performed well, Mr. Evenson noted that the staff recommends that the Commission stay the course and engage the Scrima firm again at a cost not to exceed \$11,000.

After a brief discussion, on a motion by Mr. Morrison, seconded by Ms. Seemeyer, and carried unanimously, the firm of David L. Scrima, S.C., was retained to conduct the calendar year 2006 audit given that firm's past exemplary performance and further given that, in a solicitation of proposals in 2004, that firm's costs were about one-quarter of the costs of the other firm proposing to conduct the work.

CORRESPONDENCE/ANNOUNCEMENTS

Mr. Evenson reported that there were no announcements or correspondence to be brought to the attention of the Committee.

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(Administrative Committee)
May 25, 2006

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:20 p.m. on a motion by Mr. Schmidt, seconded by Mr. Stroik, and carried unanimously.

Respectfully submitted,

Philip C. Evenson
Deputy Secretary

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Attachments