

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, March 20, 2008

1:30 p.m.

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

Present:

Excused:

Committee Members:

David L. Stroik, Chairman
Adelene Greene, Vice-Chairman
Thomas H. Buestrin
William R. Drew
James T. Dwyer
Michael J. Miklasevich
Daniel S. Schmidt
Gustav W. Wirth, Jr.

Richard A. Hansen
Allen L. Morrison

Staff:

Philip C. Evenson
Elizabeth A. Larsen
Loretta Watson

Executive Director
Business Manager
Executive Secretary

Guests:

Robert W. Kabitzke

David L. Scrima, S.C.

ROLL CALL

Chairman Stroik called the meeting to order at 1:30 p.m. Roll call was taken and a quorum declared present. Mr. Evenson noted for the record that Commissioners Hansen and Morrison had asked to be excused.

APPROVAL OF MINUTES OF FEBRUARY 28, 2008, MEETING

On a motion by Mr. Drew, seconded by Mr. Schmidt, and carried unanimously, the minutes of the Administrative Committee meeting held on February 28, 2008, were approved as published.

PRESENTATION OF 2007 AUDIT REPORT

Chairman Stroik 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 2007. He then called on Robert W. Kabitzke of the firm of David L. Scrima, S.C.

Mr. Kabitzke distributed copies of the Independent Auditor's Report entitled "Southeastern Wisconsin Regional Planning Commission Annual Report, December 31, 2007." He then reviewed the report and the supplemental information attached to the report with the Committee on a page-by-page basis. As this process proceeded, the following comments and questions were addressed:

1. Referring to page 2 of the report, Mr. Evenson commented that, overall, the Commission's year end fund balance increased by about \$100,000. This is about what the staff expected, he said, given that additional funds had been placed with the trustee for the bonds attendant to the Rockwood Drive building during the year.
2. Referring to the materials in the Table set forth on page 3 of the report where 2006 budget and actual revenues and expenditures are displayed, Mr. Evenson noted that some of the variances could be attributed to actual under or over expenditures, while other differences could be attributed to inadvertent errors made in coding expenditures to a particular classification. With respect to the former, he pointed out that more money was spent than budgeted in building maintenance owing to the need to replace certain mechanical equipment associated with the HVAC system in the older part of the Rockwood Drive building. With respect to the latter, he cited as an example the charging of certain consultant expenses to the field and office supply expenditure category rather than to the consultant category. During discussion of these types of items, it was agreed that the auditor and Commission Business Manager would take steps to correct any expenditure coding errors prior to the completion and publication of the audit report.
3. In response to an inquiry by Mr. Dwyer, Mr. Evenson noted that the Commission does have contracts for software maintenance in some cases, as for example, geographic information systems software. With respect to normal office system software, Ms. Larsen indicated that the Commission tries to maintain a schedule of replacing standard desktop computer equipment and software on a three-year rotating schedule and avoid maintenance contracts.
4. Referring to the note on page 5 of the report attendant to accrued sick leave, Mr. Kabitzke noted that funds are routinely set aside to fund any liabilities attendant to such leaves upon employee retirement. Mr. Evenson confirmed that such funds upon retirement will be placed with ICMA-RC Services, LLC, for investment and ultimate distribution to retirees in accordance with Federal IRS regulations.
5. In response to a comment by Mr. Evenson, Ms. Larsen indicated that it is appropriate that the figures attendant to automobiles in note 2 on page 6 of the report are the same for 2007 and 2006 because the Commission did not take possession of any new vehicles until early in 2008.
6. In response to a comment by Mr. Evenson, it was agreed that in future audits the note on page 7 relative to the employee retirement plan would state for the record whether or not the

Commission has any unfunded liability in the Wisconsin Retirement System. There is none at the present time.

7. With respect to the expenses identified on the Table on page 19 of the report, Mr. Evenson indicated that, being classified as indirect expenses, such monies were charged to all accounts during the year based upon the proportion that each account represents in terms of direct labor expenses.

After brief further discussion, it was moved by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously to approve and accept for publication the 2007 Audit Report as presented subject to Mr. Kabitzke making final adjustments to the report consistent with the discussion reported above. Mr. Evenson indicated that the staff would work with Mr. Kabitzke to make the necessary modifications and that copies of the final report would be provided to Committee members and published in the forthcoming 2007 Annual Report.

APPROVAL OF DISBURSEMENTS

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

2008 Reporting Period No. 5

Mr. Evenson distributed copies of the Check Register for the 5th financial reporting period of 2008, February 18 to March 2, 2008.

There being no questions or comments, on a motion by Mr. Dwyer, seconded by Mr. Miklasevich, and carried unanimously, the Commission disbursements for the 5th reporting period of 2008 were approved.

Chairman Stroik, Mr. Drew, and Mr. Evenson then affixed their signatures to the Check Register for the 5th reporting period of 2008 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING MARCH 2, 2008

Copies of the Statement of Projected Revenues and Expenditures for the period ending March 2, 2008, were distributed for Committee review. Chairman Stroik 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 about 20 percent of the calendar year. He then called attention to the following items:

1. After a review of the service agreement amounts included in the Statement, significant adjustments have been made to the floodland management and economic development program entries on the Statement. In particular, the floodland management amount has been reduced by about \$125,000, owing to a determination that it is unlikely that all of the funds to be earned by the Commission under contracts with the MCAMLIS Steering Committee and the Milwaukee Metropolitan Sewerage District relative to floodplain mapping updating work will be concluded by the end of the year. The entry attendant to the economic development program has been increased by about \$20,000 to reflect the contract work newly taken on. Overall, then, the service agreement revenue has been adjusted downward by about \$100,000.

2. The projection of expenditures through the end of the year reflects a surplus of about \$250,000 at this time. This figure is expected to decline as the year goes on.
3. The liability, operating, and reserve accounts reported on the Statement continue to reflect the findings of the 2006 audit report, modified to reflect the placement early in 2007 of \$360,000 with the trustee for the bonds attendant to the acquisition of the Rockwood Drive building. These accounts will be adjusted to reflect the 2007 audit report just accepted by the Committee.
4. The Commission had on hand as of March 2, 2008, about \$4.5 million. This includes about \$175,000 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 3.55 percent interest; in several certificates of deposit; and in savings and checking accounts at Johnson Bank.

Following a brief discussion, on a motion by Mr. Schmidt, seconded by Mr. Drew, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending March 2, 2008, was accepted to be placed on file (copy attached to Official Minutes).

CORRESPONDENCE/ANNOUNCEMENTS

Mr. Evenson reported the Commission has received from the Wisconsin Compensation Rating Bureau, a slightly revised "experience modification" factor relative to claims involving workers compensation. The new factor is 1.08 as compared with 1.07 last year. The report indicated that there were no incurred losses during the past year.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:10 p.m. on a motion by Mr. Miklasevich, seconded by Mr. Wirth, and carried unanimously.

Respectfully submitted,

Philip C. Evenson
Deputy Secretary

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Attachments