

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, March 31, 2005

1:30 p.m.

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

Present:

Excused:

Committee Members:

Robert A. Brooks, Vice-Chairman
Thomas H. Buestrin
William R. Drew
Allen L. Morrison
Daniel S. Schmidt
Linda J. Seemeyer
Gustav W. Wirth, Jr.

Paul G. Vrakas, Chairman
Richard A. Hansen

Absent:

Adelene Robinson

Staff:

Philip C. Evenson
Elizabeth A. Larsen
Loretta Watson

Executive Director
Business Manager
Executive Secretary

Guests:

Robert Kabitzke

David L. Scrima, S.C.

ROLL CALL

Vice-Chairman Brooks 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 Vrakas and Hansen had asked to be excused.

APPROVAL OF MINUTES OF FEBRUARY 24, 2005, MEETING

On a motion by Mr. Drew, seconded by Mr. Schmidt, and carried unanimously, the minutes of the Administrative Committee meeting held on February 24, 2005, were approved as published.

PRESENTATION OF 2004 AUDIT REPORT

Mr. Brooks 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 2004. 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, Year Ended December 31, 2004." He then reviewed the report with the Committee on a page-by-page basis. In so doing, he called particular attention to the combined balance sheet set forth on page 1 of the report, noting that the Commission had a fund equity approximating \$3.16 million as of December 31, 2004; to the combined statement of revenues, expenditures, and changes in fund balance set forth on page 2 of the report; to the comparison between budget and actual amounts relative to revenues and expenditures set forth on page 3 of the report; and to all of the notes to the financial statement set forth on pages 4 through 9 of the report.

Mr. Kabitzke then called attention to the supplemental information attached to the report beginning on page 10, noting that much of the supplemental data is presented to meet Federal and State requirements. Mr. Kabitzke concluded his remarks by noting that the audit found no material weaknesses with respect to the Commission's internal fiscal control procedures.

In the discussion that followed Mr. Kabitzke's presentation, it was agreed that, in the interest of clarity and accuracy, adjustments would be made to certain line item entries in the Audit Report. These adjustments are necessary in order to properly reflect the fact that the Commission's budget did explicitly identify rental income in its 2004 budget. These adjustments would not change the total revenues and total expenses for the year. In addition, it was agreed that Chairman Buestrin would meet with Commission staff to review in detail expenditures relative to operation of the Rockwood Drive Building.

Mr. Kabitzke indicated that he would make the necessary adjustments and submit the final report to the Commission's Business Manager (copy of final Audit Report attached to Official Minutes).

Following the discussion, it was moved by Mr. Wirth, seconded by Mr. Morrison, and carried unanimously to approve and accept for publication the 2004 Audit Report as amended.

APPROVAL OF DISBURSEMENTS

Vice-Chairman Brooks asked Mr. Evenson to review with the Committee the recent disbursements.

2005 Reporting Period No. 4

Mr. Evenson distributed copies of the Check Register for the 4th financial reporting period of 2005, February 7 to February 20. In response to a question by Mr. Wirth, Mr. Evenson indicated that the payment listed on page 1 of the Register to Cross Telecom represented expenditures for two conference telephones to be used in Commission conference rooms.

There being no further questions or comments, on a motion by Mr. Schmidt, seconded by Mr. Drew, and carried unanimously, the Commission disbursements for the 4th reporting period of 2005 were approved.

Vice-Chairman Brooks, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 4th reporting period of 2005 (copy attached to Official Minutes).

2005 Reporting Period No. 5

Mr. Evenson distributed copies of the Check Register for the 5th financial reporting period of 2005, February 21 to March 6.

There being no questions or comments, on a motion by Mr. Drew, seconded by Ms. Seemeyer, and carried unanimously, the Commission disbursements for the 5th reporting period of 2005 were approved.

Vice-Chairman Brooks, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 5th reporting period of 2005 (copy attached to Official Minutes).

2005 Reporting Period No. 6

Mr. Evenson distributed copies of the Check Register for the 6th financial reporting period of 2005, March 7 to March 20.

There being no questions or comments, on a motion by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously, the Commission disbursements for the 6th reporting period of 2005 were approved.

Vice-Chairman Brooks, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 6th reporting period of 2005 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING MARCH 20, 2005

Copies of the Statement of Projected Revenues and Expenditures for the period ending March 20, 2005, were distributed for Committee review. Vice-Chairman Brooks 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 one-quarter of calendar year 2005. As he reviewed the Statement, he called attention to the following items:

1. With one exception, no changes have been made to the revenue entries on the Statement since the last report dated February 6, 2005. The single exception is a modest increase in anticipated service agreement revenue for the land information program. Final approval of both the Federal Transit Administration and the Wisconsin Department of Natural Resources funding for the year remains pending.
2. The expenditure data on the Statement reflects six full reporting periods, or the first 12 weeks of the calendar year. As expected, the mathematical projections for a growing expenditure base are becoming more reliable as the year goes on, with a projected overall surplus significantly declining to under \$500,000. The projected surplus should continue to decline as the year goes on.

3. The liability, operating, and reserve accounts reported on the Statement do not reflect the findings of the 2004 audit report. The staff will make recommendations to the Committee relative to these accounts at the April Committee meeting.
4. The Commission had on hand as of March 20, 2005, about \$4.34 million. This includes nearly \$595,000 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 2.29 percent interest; in several certificates of deposit at banks throughout the Region; and in savings and checking accounts at Johnson Bank.

In the discussion that followed, Mr. Evenson, in response to a question by Mr. Wirth, indicated that the Commission staff will try to manage the work program this year so as to end the year with about a \$200,000 surplus so that additional funds can be accumulated for early retirement of the debt on the Rockwood Drive Building. Given the funds already accumulated for that purpose, he continued, there should be sufficient funds by the year 2012 to fully pay off the bonds, assuming an accumulation rate of about \$200,000 annually. In response to a follow up question by Mr. Wirth, Mr. Evenson indicated that the Commission has not been able to secure Federal or State funds in support of the latest two regional planning initiatives, the regional telecommunications study and the regional water supply study. Chairman Buestrin commented that perhaps later this year the Commission will want to place some of the accumulated debt reduction monies irrevocably with the bond trustee.

Following that discussion, on a motion by Mr. Drew, seconded by Mr. Wirth, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending March 20, 2005, was accepted to be placed on file (copy attached to Official Minutes).

CORRESPONDENCE/ANNOUNCEMENTS

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

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:25 p.m. on a motion by Mr. Schmidt, seconded by Mr. Morrison, and carried unanimously.

Respectfully submitted,

Philip C. Evenson
Deputy Secretary

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Attachments