

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, July 28, 2005

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
William R. Drew
Daniel S. Schmidt
Linda J. Seemeyer
Gustav W. Wirth, Jr.

Adelene Greene
Richard A. Hansen
Allen L. Morrison

Absent:

Staff:

Philip C. Evenson
Loretta Watson

Executive Director
Executive Secretary

ROLL CALL

Chairman Vrakas called the meeting to order at 1:40 p.m. Roll call was taken and a quorum declared present. Mr. Evenson noted for the record that Commissioners Greene, Hansen, and Morrison had asked to be excused.

APPROVAL OF MINUTES OF JUNE 30, 2005, MEETING

On a motion by Mr. Wirth, seconded by Mr. Drew, and carried unanimously, the minutes of the Administrative Committee meeting held on June 30, 2005, were approved as published.

APPROVAL OF DISBURSEMENTS

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

2005 Reporting Period No. 13

Mr. Evenson distributed copies of the Check Register for the 13th financial reporting period of 2005, June 13 to June 26.

In response to an inquiry by Mr. Wirth, Mr. Evenson indicated that while all aerial photography for the year has been completed, payments to vendors such as Aero-Metric, Inc., continue and reflect the cost of processing the data and preparing orthophotography and large-scale mapping. In response to a follow up inquiry by Mr. Wirth, Mr. Evenson indicated that the Commission has retained Mueller Communications, Inc. to help develop brochures and other materials to aid in Commission communications with various audiences. Mr. Evenson noted that the use of the communications consultant was in lieu of filling a vacant staff position for this purpose.

There being no further questions or comments, on a motion by Mr. Schmidt, seconded by Ms. Seemeyer, and carried unanimously, the Commission disbursements for the 13th reporting period of 2005 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 13th reporting period of 2005 (copy attached to Official Minutes).

2005 Reporting Period No. 14

Mr. Evenson distributed copies of the Check Register for the 12th financial reporting period of 2005, June 27 to July 10.

In response to a question by Ms. Seemeyer, Mr. Evenson indicated that the payment listed on page 5 of the Register to the World Future Society represented a subscription renewal of that Society's publication for two years.

There being no further questions or comments, on a motion by Mr. Drew, seconded by Mr. Brooks, and carried unanimously, the Commission disbursements for the 14th reporting period of 2005 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 14th reporting period of 2005 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING JULY 10, 2005

Copies of the Statement of Projected Revenues and Expenditures for the period ending July 10, 2005, 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 55 percent of calendar year 2005. As he reviewed the Statement, he called attention to the following items:

1. With regard to Federal and State revenues, no changes have been made to the entries on the Statement since the last report. The Commission awaits final budget approval action at the State level and transportation legislation reauthorization action at the Federal level, following which all projected Federal and State revenues should become secure.
2. With respect to service agreement revenues, one adjustment has been made for the current report. The amount of service agreement revenue to support land information program work has been decreased by about \$20,000.
3. The expenditure data on the Statement reflects 14 full reporting periods, or the first 28 weeks of the calendar year. The projected year end surplus approximates \$145,000. That projected surplus may be expected to decline as the year goes on and as the impact of recent salary adjustments is realized.
4. The liability, operating, and reserve accounts reported on the Statement remain unchanged from the June report. These accounts reflect the findings of the audit for calendar year 2004.
5. The Commission had on hand as of July 10, 2005, about \$4.79 million. This includes about \$1.22 million 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 2.89 percent interest; in several certificates of deposit at banks throughout the Region; and in savings and checking accounts at Johnson Bank.

A brief discussion then ensued. In response to an inquiry by Mr. Wirth relative to the amount of \$900,000 in the bond redemption reserve account, Mr. Evenson indicated that that figure does not include an anticipated deposit into that reserve account later in the year of about \$200,000. Mr. Buestrin reminded the Committee members that, possibly before the end of this calendar year, most of the funds placed in the bond redemption reserve account should be turned over to the Rockwood Drive building bond trustee for investment by that trustee until some time in 2011 when the bonds can be redeemed without penalty. The total amount needed at that time to retire the debt on the Rockwood Drive building, he said, would be \$2.1 million.

Following that 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 July 10, 2005, was accepted to be placed on file (copy attached to Official Minutes).

REVIEW OF NEED FOR DIRECTORS AND OFFICERS LIABILITY INSURANCE

Mr. Evenson recalled that at the prior Administrative Committee meeting where approval was given to the renewal of the Commission's comprehensive business insurance coverage, he had been asked to review the record with respect to Commission decision-making regarding obtaining directors and officers liability insurance. In reviewing that record with the Committee, Mr. Evenson made the following points:

1. The matter of obtaining professional liability and/or directors and officers liability insurance coverage has been reviewed from time to time with the Commission's legal counsel. Those

reviews have consistently led to determinations that the Commission self-insure with respect to these potential liability areas.

2. As a governmental agency in Wisconsin, the Commission, by Section 893.80(4) of the Wisconsin Statutes, is provided immunity from liability for negligence with respect to torts for most actions. There are narrow exceptions to that immunity, most of which relate to ministerial duties imposed by law. Commission actions tend to involve discretion and, therefore, are not ministerial in nature. In any case, the law further caps negligence awards at \$50,000.
3. The Wisconsin immunity statute does not apply to Federal Civil Rights Law, nor does it apply to liability based upon contract.
4. In the late 1980's, the Commission did explore obtaining liability insurance to protect against claims for discrimination under Federal Civil Rights Law. The rider proposed at that time was found to have little or no value to the Commission, since the Commission would be liable for any payment for any loss based upon discrimination. The only coverage that would have been useful would be the cost of legal defense if the Commission were to be successful in obtaining a judgment finding no liability.
5. Based upon the foregoing considerations, the Commission determined in 1989 to set aside the sum of \$300,000 in an Errors and Omissions Self-Insurance Trust Account. That account has been maintained ever since.

A brief discussion then ensued. At the end of that discussion, it was the consensus of the Committee that the Commission's legal counsel should be asked to update the historic opinion on this matter and that the Commission staff should work with the Commission's insurance agent to obtain one or more quotations on possible liability insurance coverage, focusing in particular on being self-insured for a substantial amount.

CORRESPONDENCE/ANNOUNCEMENTS

Mr. Evenson reported that there were no announcements or correspondence 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 2:05 p.m. on a motion by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously.

Respectfully submitted,

Philip C. Evenson
Deputy Secretary

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Attachments