

## MINUTES

### SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

#### ADMINISTRATIVE COMMITTEE

Thursday, June 29, 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  
Thomas H. Buestrin  
Adelene Greene  
Allen L. Morrison  
Daniel S. Schmidt  
David L. Stroik  
Gustav W. Wirth, Jr.

Robert A. Brooks, Vice-Chairman  
William R. Drew  
Richard A. Hansen  
Linda J. Seemeyer

Absent:

Staff:

Philip C. Evenson  
Loretta Watson

Executive Director  
Executive Secretary

Guests:

James R. Sommers

Attorney, Hunter & Sommers, LLC

#### ROLL CALL

Chairman Vrakas 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 Brooks, Drew, Hansen, and Seemeyer had asked to be excused.

#### APPROVAL OF MINUTES OF MAY 25, 2006, MEETING

On a motion by Mr. Morrison, seconded by Mr. Schmidt, and carried unanimously, the minutes of the Administrative Committee meeting held on May 25, 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. 11**

Mr. Evenson distributed copies of the Check Register for the 11th financial reporting period of 2006, May 15 to May 28.

In response to a series of questions by Mr. Wirth, Mr. Evenson indicated that the acronym AWRPC stands for the Association of Wisconsin Regional Planning Commissions, that Commission is in the process of terminating cell phone arrangements with several carriers owing to the completion of the monitoring work under the regional telecommunications planning program, and that the payment listed on page 5 of the Register to the Wisconsin Department of Employee Trust Funds represents the July health insurance premium payment, of which 17 percent is paid for directly by Commission employees.

There being no further questions or comments, on a motion by Mr. Morrison, seconded by Ms. Greene, and carried unanimously, the Commission disbursements for the 11th reporting period of 2006 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 11th reporting period of 2006 (copy attached to Official Minutes).

### **2006 Reporting Period No. 12**

Mr. Evenson distributed copies of the Check Register for the 12th financial reporting period of 2006, May 29 to June 11.

In a response to a question by Mr. Buestrin, Mr. Evenson indicated that the payment listed on page 2 of the Register to a Commission employee represented cost reimbursement for short courses taken by that employee at the Massachusetts Institute of Technology. This particular employee, he said, is receiving advanced training in transportation modeling work. In response to a question by Mr. Wirth relative to the payment listed on page 3 of the Register to the U.S. Postal Service, Mr. Evenson indicated that it is Commission staff policy to refill the Commission's postage meter in even increments of \$500.

There being no further questions or comments, on a motion by Mr. Schmidt, seconded by Mr. Stroik, and carried unanimously, the Commission disbursements for the 12th reporting period of 2006 were approved.

Chairman Vrakas, Mr. Buestrin, and Mr. Evenson then affixed their signatures to the Check Register for the 12th reporting period of 2006 (copy attached to Official Minutes).

## **REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING JUNE 11, 2006**

Copies of the Statement of Projected Revenues and Expenditures for the period ending June 11, 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 the first one-half 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 May report.
2. With respect to service agreement revenues, one change has been made since the May report. That change involves a reduction in anticipated revenue for the regional orthophotography program and involves accounting for credits awarded to Milwaukee and Waukesha Counties for their contributions to the regional effort in terms of investments those Counties made in their own mapping programs.
3. The expenditure data on the Statement reflects 12 full reporting periods, or the first 24 weeks of the calendar year. The projected year end surplus approximates \$110,000, a modest reduction from the projection reported at the May Committee meeting.
4. The liability, operating, and reserve accounts reported on the Statement have no adjustments from the May report except for a reduction of \$89,700 in the Building Improvement and Maintenance Reserve account. That reduction reflects the initial payment made on the parking lot expansion and rehabilitation project.
5. The Commission had on hand as of June 11, 2006, about \$3.35 million. This includes about \$900,000 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 4.82 percent interest; in several certificates of deposit at banks in the Region; and in savings and checking accounts at Johnson Bank.

After a brief discussion, on a motion by Ms. Greene, seconded by Mr. Morrison, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending June 11, 2006, was accepted to be placed on file (copy attached to Official Minutes).

#### **CONSIDERATION OF BUSINESS INSURANCE PROPOSALS**

Mr. Evenson recalled that the Committee had directed the Commission staff to solicit an insurance quotation from the Wisconsin Counties Mutual Insurance Corporation in time to consider such a quotation before the annual renewal of the Commission's business insurance coverage in July 2006. He further recalled that one of the concerns expressed by members of the Committee related to the inadequacy of coverage for errors and omissions and the potential liability exposure to the Commission arising therefrom. He indicated that the Commission's Business Manager had solicited proposals from both the Johnson Insurance Agency, primarily using the commission's current carrier -- the West Bend Mutual Insurance Company -- and the AIMS Insurance Agency representing Wisconsin Counties Mutual Insurance Corporation and its subsidiaries. He said that he had shared these proposals with the Commission's legal counsel, Mr. James R. Sommers, and had asked Mr. Sommers to review the proposals and provide a report and recommendation to the Committee.

Chairman Vrakas then recognized Mr. Sommers and asked him to present his report. Mr. Sommers distributed a letter and attached table setting forth the results of his comparison of the two insurance

proposals (copy attached to Official Minutes). Mr. Sommers then reviewed the results of his analyses, noting that the two proposals differ somewhat in how the coverages are packaged and presented, but that both proposals include the sought-after errors and omissions coverage.

A lengthy discussion then ensued relative to the alternatives put forth by the two insurance agencies. In response to several questions regarding the need for errors and omissions insurance, Mr. Sommers indicated that he is not very concerned about the current lack of such coverage, but that the Commission may want to select an alternative with a minimal level of errors and omissions coverage with a relatively high deductible so as to minimize annual premium costs. Mr. Sommers commented that the Commission has statutory immunity on many things but not on employment practices. He also noted that in the proposal submitted by the Johnson Insurance Agency, the errors and omissions coverage and the employment practices coverage is underwritten by the Illinois National Insurance Company and not the West Bend Mutual Insurance Company. Comparable coverages submitted by the AIMS Insurance Agency are directly underwritten by a subsidiary of the Wisconsin Counties Mutual Insurance Corporation.

Upon conclusion of the foregoing discussion and following a recommendation put forth by Mr. Sommers, it was moved by Mr. Stroik, seconded by Mr. Wirth, and carried unanimously to accept the proposal by Johnson Insurance Services LLC identified as Option 1 on the comparison prepared by Mr. Sommers for insurance coverage in the year beginning July 28, 2006, with the staff directed to explore reductions in premium costs through obtaining higher deductibles particularly with respect to the errors and omissions and employment practices coverages.

#### **REPORT ON SALARY ADJUSTMENTS**

Mr. Vrakas reported that an ad Hoc Committee created by the Commission Chairman, consisting of Commissioners Buestrin, Schmidt, Vrakas and the Commission's Executive Director, had met earlier in the week to review in detail the proposed 2006 Commission staff salary adjustments. He asked Mr. Evenson to report on the Ad Hoc Committee's deliberations. The Ad Hoc Committee, Mr. Evenson said, is recommending salary adjustments totaling about \$99,500, representing an overall increase in base salaries of about 3.2 percent. The adjustments are not across the board in nature, but rather are based on merit. In particular, certain base salary adjustments were made to reflect market conditions and keep the Commission reasonably competitive in certain fields.

Following a brief discussion, it was moved by Ms. Greene, seconded by Mr. Wirth, and carried unanimously to approve the 2006 Commission staff salary adjustments.

#### **CORRESPONDENCE/ANNOUNCEMENTS**

Mr. Evenson reported that the Commission had received a report from the Arbitrage Rebate Company, a division of the Foley & Lardner LLP law firm, relative to any arbitrage rebate liability attendant to the industrial development revenue bonds issued by the City of Pewaukee in connection with acquisition of the Rockwood Drive building. The report indicated that there was no arbitrage rebate liability on the part of the Commission. This report has been filed with the trustee for the Rockwood Drive building bonds.

#### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 2:15 p.m. on a motion by Mr. Schmidt, seconded by Mr. Morrison, and carried unanimously.

-5-  
(Administrative Committee)  
June 29, 2006

Respectfully submitted,

Philip C. Evenson  
Deputy Secretary

PCE/lw  
#118950 v1 - AdmJune06Min  
Attachments