

**MINUTES**

**SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION**

**ADMINISTRATIVE COMMITTEE**

Thursday, May 24, 2007

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  
James T. Dwyer  
Michael J. Miklasevich  
Allen L. Morrison  
Daniel S. Schmidt  
Gustav W. Wirth, Jr.

William R. Drew  
Richard A. Hansen

Absent:

Staff:

Philip C. Evenson  
Elizabeth A. Larsen  
Loretta Watson

Executive Director  
Business Manager  
Executive Secretary

**ROLL CALL**

Chairman Stroik 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.

**APPROVAL OF MINUTES OF APRIL 26, 2007, MEETING**

On a motion by Mr. Dwyer, seconded by Mr. Wirth, and carried unanimously, the minutes of the Administrative Committee meeting held on April 26, 2007, were approved as published.

## **APPROVAL OF DISBURSEMENTS**

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

### **2007 Reporting Period No. 9**

Mr. Evenson distributed copies of the Check Register for the 9<sup>th</sup> financial reporting period of 2007, April 16 to April 29.

There being no questions or comments, on a motion by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously, the Commission disbursements for the 9<sup>th</sup> reporting period of 2007 were approved.

Chairman Stroik, Mr. Drew, and Mr. Evenson then affixed their signatures to the Check Register for the 9<sup>th</sup> reporting period of 2007 (copy attached to Official Minutes).

### **2007 Reporting Period No. 10**

Mr. Evenson distributed copies of the Check Register for the 10<sup>th</sup> financial reporting period of 2007, April 30 to May 13, 2007.

In response to an inquiry by Mr. Wirth, Mr. Evenson indicated that the payment listed on page 1 of the Register to Aero-Metric, Inc., represented progress payments for two projects being managed by the Commission on behalf of others, including the Kenosha County 2007 topographic mapping program and the Milwaukee area 2007 orthophotography program being sponsored by the U.S. Geological Survey. In response to a follow up question by Mr. Wirth, Mr. Evenson indicated that the 2007 orthophotography product would consist of one foot pixels and meet mapping standards at a scale of one inch equals 200 feet. In response to another question by Mr. Wirth, Mr. Evenson indicated that the payment listed on page 4 of the Register to Total Comfort of WI, Inc., represented the cost of installing a new variable air volume (VAV) box, one of 19 located in the oldest part of the Rockwood Drive building. These original boxes are failing over time and we have replaced a total of six such boxes to date.

There being no further questions or comments, on a motion by Mr. Dwyer, seconded by Mr. Morrison, and carried unanimously, the Commission disbursements for the 10<sup>th</sup> reporting period of 2007 were approved.

Chairman Stroik, Mr. Drew, and Mr. Evenson then affixed their signatures to the Check Register for the 10<sup>th</sup> reporting period of 2007 (copy attached to Official Minutes).

## **REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING MAY 13, 2007**

Copies of the Statement of Projected Revenues and Expenditures for the period ending May 13, 2007, 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.

Mr. Evenson noted that the period covered on the Statement represented nearly 40 percent of the calendar year. He then called attention to the following items in the Statement:

1. The revenue entries on the Statement are unchanged from the report presented at the April Committee meeting. Revenues from the Federal Transit Administration and the Wisconsin Department of Natural Resources remain to be secured, but there is no reason to believe those revenues will not be forthcoming.
2. The expenditure data on the Statement reflects 10 reporting periods, or 20 weeks. The projected year end surplus is substantially unchanged from last month's report, standing at about \$195,000.
3. The liability, operating, and reserve accounts reported on the Statement remain unchanged from last month's report, having been adjusted at that time to reflect the findings of the 2006 financial audit.
4. The Commission had on hand as of May 13, 2007, about \$3.4 million. This includes about \$790,000 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 5.23 percent interest; in several certificates of deposit at banks; and in savings and checking accounts at Johnson Bank.

There being no discussion, on a motion by Mr. Schmidt, seconded by Mr. Dwyer, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending May 13, 2007, was accepted to be placed on file (copy attached to Official Minutes).

#### **SELECTION OF AUDITOR FOR CALENDAR YEAR 2007**

Chairman Stroik asked Mr. Evenson to review 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 2007 operations (copy attached to Official Minutes). Mr. Evenson noted that the staff memorandum was provided to the Committee members with the agenda for the meeting. Mr. Evenson reported that given the Commission had gone through a selection process several years ago relative to auditing services, and further given that the Scrima firm was selected for the 2006 audit and performed well, the staff recommends that the Commission stay the course and engage the Scrima firm again at a cost not to exceed \$11,500. Mr. Wirth commented that the Scrima firm's annual cost was found to be about one-fourth of the next lowest proposal for auditing services. In response to a question by Mr. Miklasevich, Mr. Evenson indicated that the Scrima firm had been providing auditing services to the Commission for at least the last 15 years. The firm's work, he noted, had never been found deficient by Federal and State auditors who oversee the Commission's work program.

There being no further discussion, on a motion by Mr. Wirth, seconded by Mr. Miklasevich, and carried unanimously, the firm of David L. Scrima, S.C., was retained to conduct the calendar year 2007 audit.

#### **CONSIDERATION OF BUDGET ASSUMPTIONS FOR 2008**

Mr. Stroik asked Mr. Evenson to lead the Committee through a discussion of possible budget assumptions for calendar year 2008. Noting that materials had been provided to Committee members with the agenda for this meeting (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, 2007. As a practical matter, this means that the budget needs to be adopted at the Commission's June 20<sup>th</sup> 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 2006. The Wisconsin Department of Revenue is scheduled to release updated valuation data in mid-August 2007, too late for use in the Commission's 2008 budget.

2. Based on discussions with Wisconsin Department of Transportation personnel, Federal and State funding for transportation planning is expected to be frozen at the current level again in 2008, that level being \$2.55 million.
3. Based on discussions with Wisconsin Department of Natural Resources personnel, State funding for water quality planning is expected to remain frozen at the present level of \$180,000.
4. Based upon discussions with Wisconsin Department of Administration personnel, State funding for coastal management planning is expected to remain frozen in 2008 at \$20,000.
5. A series of assumptions with respect to service agreement revenues in 2008 leads to an anticipated net decrease in such revenue of about \$370,000. Substantial decreases in service agreement revenues are anticipated for the park and land use, economic development, water quality, regional water supply, and land information programs, with relatively minor increases of such revenues being anticipated in the community assistance and stormwater management program areas. There is also a modest increase in rental income associated with the tenant housed in the Rockwood Drive building.
6. It is proposed that the budget amount for regional tax levy support remain at its present level of \$2.37 million. Owing to relative differences in tax base increments among the seven counties during the past year, some counties will see an increase in regional planning tax levy support while other counties will see a decrease in such support. For example, Milwaukee County had a relatively rapid rate of increase in tax base and will see an increase of about \$11,000. Waukesha County had a relatively slower rate of increase in tax base and will see a reduction of about \$11,000. The tax rate would drop to 0.00133 percent of the equalized valuation of the Region, or less than one-half of the statutorily authorized tax rate.
7. On an overall basis, the potential year 2008 operating budget would call for a total revenue and expenditure level of about \$6.91 million, a decrease of about \$370,000, or 5 percent, from the adopted 2007 budget.
8. Key expenditure assumptions proposed to be made in preparing the budget include an authorized staff level of 67 full-time positions, eight fewer than in 2007; a continuing commitment to part-time staff to cost-effectively deliver certain services; staff salary adjustments not to exceed an average of three percent; a 10 percent increase in health insurance costs; and a nominal increase in retirement system costs.

A lengthy discussion then ensued. In response to a question by Mr. Dwyer, Mr. Evenson indicated that the equalized valuation data noted in the materials provided was labeled 2005 and 2006, such data being released by the Wisconsin Department of Revenue in the month of August in those years and labeled by the Department as such. The 2007 data, he said, is the data that will be released by the Department in

August 2007, too late for use in the 2008 budget. Mr. Wirth suggested that perhaps the employee share of health insurance premium costs, which will reach 20 percent in 2008, should be increased again beginning in 2009. In response, Mr. Schmidt disagreed, advising that the Commission wait for that kind of action until other governmental jurisdictions and larger private sector firms require such cost shares. In response to an inquiry by Ms. Greene, Mr. Evenson indicated that the envisioned staff reductions will be accomplished through attrition, noting for example, the recent loss of one employee in the Commission's Geographic Information Systems Division and the determination not to replace that employee. In response to a comment by Mr. Buestrin, Mr. Evenson indicated that there remain a few staff vacancies, particularly in the Transportation Division. He cited recent difficulties in trying to attract an appropriate individual to join the Commission staff and focus very narrowly on transportation simulation modeling work.

The discussion then turned to the proposed regional tax levy request of \$2.37 million and the problems presently being faced by the Commission in terms of taking on more regional planning work. Mr. Evenson cited the recent criticism of the Commission for not getting on in a timely way with an update to the regional housing study completed in the late 1970's. That work, he said, is very important and needs to get done. He noted that the Commission also has been unable to respond to a request by the Milwaukee Metropolitan Sewerage District to carryout a regional biosolids study, nor had the Commission been able to respond to a request by the Milwaukee 7 Regional Economic Development Council to undertake a study relative to land absorption rates in business and industrial parks. Other work is also lagging, he said, including floodplain engineering and mapping activities in the greater Milwaukee area. Mr. Stroik commented that he was concerned that the Commission does not have the funds necessary to do a proper job. Perhaps, he said, the Commission needs to overcome resistance to regional property tax levy increases in order to properly discharge its responsibilities. Mr. Buestrin noted that while there may be some planning activities that are not being done because of constrained financial resources, the Commission staff strives to be sure that the quality of the work is never compromised. Mr. Miklasevich commented that elected officials in all of the counties are under great pressure to not raise property tax levies, and the Commission should not expect to be exempt from that pressure. Mr. Dwyer commented that if additional tax levy funds are required, the Commission staff needs to work closely with county planning staffs to lay the groundwork for elected official acceptance of such a request. Mr. Evenson agreed, but noted that this task becomes particularly difficult in Milwaukee County where there is no planning staff and where fiscal pressures are presently the greatest. Mr. Dwyer commented that the Commission work program should be examined and that perhaps some tasks that involve plan updates can be set aside or be deferred in favor of new planning initiatives. In response, Mr. Evenson commented that despite fiscal pressures, the Commission has addressed two new subject areas in recent years, namely water supply and telecommunications. He noted that much of the plan updating work in the Commission's annual work program involves land use and transportation planning activities, which work is heavily funded by Federal agencies and is required to meet Federal law. Mr. Buestrin noted that Commission relationships and operations are currently under scrutiny in Milwaukee County, and that any effort to significantly increase the regional tax levy in order to better respond to regional planning needs likely would have to await the outcome of that Milwaukee County study effort.

At the conclusion of the discussion, it was moved by Mr. Schmidt, seconded by Ms. Greene, and carried unanimously, to direct the Commission staff to prepare a year 2008 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 20, 2007. 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 2008 tax levy request with appropriate county officials prior to the Annual meeting.

## **REVIEW, DISCUSSION, AND POSSIBLE ACTION ON COMMISSION PERSONNEL REGULATIONS**

Mr. Evenson recalled that the Administrative Committee had indicated a desire to comprehensively review and possibly amend the Commission's Personnel Regulations during 2007. Accordingly, a copy of the existing Regulations had been provided to all Committee members in advance of the meeting. He indicated that this work likely would be conducted over a period of several months, and that the Commission staff would, in addition to addressing any particular comments made by Committee members relative to the substantive content of the Regulations, bring back to the Committee suggested regulation modifications that are deemed to be required because of changes in Federal and State laws over the past ten years.

Given the lengthy discussion on the 2008 budget, Mr. Evenson suggested that a detailed examination of the Personnel Regulations should be laid over until the June Committee meeting. A brief discussion then followed, focusing on the need for a comparative evaluation of key personnel practices on the part of the seven counties in the Region, the State of Wisconsin, and perhaps two or three private sector planning, engineering, and architectural design firms. Mr. Dwyer suggested that such an evaluation be made, noting that it is the overall package of staff benefits that should be weighed and not just one or two benefits such as sick leave or vacation. It was agreed that Ms. Larsen would be tasked with contacting the counties and other agencies and firms with a view toward preparing the comparative evaluation of personnel benefits. This would help discussions to begin in earnest at the June Committee meeting.

## **CORRESPONDENCE/ANNOUNCEMENTS**

Mr. Evenson reported that several Commission staff members have inquired as to the feasibility of the Commission purchasing and installing defibrillators in the Rockwood Drive building. It was noted by several Commissioners that it has become common to install defibrillators in public buildings and in private sector office environments. After a brief discussion, on a motion by Mr. Wirth, seconded by Ms. Greene, and carried unanimously, the Commission staff was authorized to purchase and install up to three defibrillators and to undertake an appropriate staff training program attendant thereto.

## **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 2:50 p.m. on a motion by Ms. Greene, seconded by Mr. Schmidt, and carried unanimously.

Respectfully submitted,

Philip C. Evenson  
Deputy Secretary

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Attachments