

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, May 16, 2019

1:30 p.m.

SEWRPC Office Building
Commissioners' Conference Room
W239 N1812 Rockwood Drive
Waukesha, Wisconsin 53187

Present:

Excused:

Committee Members:

James T. Dwyer, Chairman
Charles L. Colman
Michael A. Crowley
Mike Dawson
Aloysius Nelson
Robert W. Pitts
Nancy Russell
Daniel S. Schmidt
David L. Stroik
Gustav W. Wirth, Jr.

Thomas H. Buestrin

Staff:

Kevin J. Muhs	Executive Director
Benjamin R. McKay	Deputy Director
Elizabeth A. Larsen	Assistant Director-Administration

ROLL CALL

Chairman Dwyer called the meeting to order at 1:30 p.m. Roll call was taken and a quorum was declared present.

APPROVAL OF MINUTES OF APRIL 18, 2019, MEETING

Chairman Dwyer asked if there were any changes or additions to the April 18, 2019, meeting minutes. There were none.

On a motion by Mr. Nelson, seconded by Mr. Dawson, and carried unanimously, the minutes of the Administrative Committee meeting held on April 18, 2019, were approved as published.

APPROVAL OF DISBURSEMENTS

2019 Reporting Period No. 8

Ms. Larsen distributed copies of the Check Register for the 8th financial reporting period of April 1, 2019, to April 14, 2019.

Ms. Russell inquired about a number of payments. Ms. Larsen responded as follows:

- American Public Works Association (APWA) (page 1); this payment amount represents the 2019 annual dues.
- Commission employees Megan Beauchaine and Joseph Boxhorn (page 1) attended the Fox River Summit held in Burlington, Wisconsin on March 22, 2019.
- GeoCue Group, Inc. (page 2); this payment represents the annual renewal for the software that aids in the datum conversions and also is able to generate contour lines using LiDAR data sets.
- Metal Supermarkets Waukesha (page 2); this payment was for the purchase of steel tubing that is used on the U.S. Public Land Survey monuments to protect the brass monument cap when a road is paved after the monument is in place.
- Root-Pike Watershed Initiative Network (WIN) (page 3); this payment was for public outreach services for the Oak Creek Watershed Restoration Plan under an agreement between Root-Pike WIN and the Commission.
- Seiler Instrument and Manufacturing Company, Inc. (page 3); this payment was to replace two pole clamps on the Commission's total station.
- Transit Talent (page 3); this payment was for placement of a job advertisement for the Transportation Demand Management Coordinator position.
- Whitlow Security Specialists (page 4); this payment was for a repair to the automated locking system on the Commission's center employee entrance door.

There being no further questions or comments, on a motion by Mr. Crowley, seconded by Mr. Nelson, and carried unanimously, the Commission disbursements for the 8th reporting period of 2019 were approved.

Chairman Dwyer, Mr. Wirth, and Mr. Muhs then affixed their signatures to the Check Register for the 8th reporting period of 2019 (copy attached to Official Minutes).

2019 Reporting Period No. 9

Ms. Larsen distributed copies of the Check Register for the 9th financial reporting period of April 15, 2019, to April 28, 2019.

Ms. Russell inquired about a number of payments. Ms. Larsen responded as follows:

- Cardmember Service (page 1); a portion of this payment (\$660.00), was for a staff member to attend a three day wetland delineation training course that will be held at the University of Wisconsin LaCrosse in early August. In addition, the \$498.95 amount coded to other operating expenses is the cost for two employment ads placed with the Journal Sentinel on-line employment advertising and

Planetizen, an on-line planning resource website, for the Travel Demand Management Coordinator position.

- Eco/Safe Plus, LLC (page 1); this payment was for a chemical freshener that is placed into the basement sump pump located at the bottom of the elevator shaft to alleviate the potential for unpleasant odors due to stagnant water in that sump pump.
- ESRI, Inc. (page 1); this payment was for a block of 1,000 online service credits. These credits are used in conjunction with the ESRI software to access an online portal for staff to use to collect GIS data when in the field.
- Lindenmeyr Munroe (page 2); this payment was for the purchase of paper that staff uses to print Commission reports, publications, and daily work assignments.
- Sentinel Technologies, Inc. (page 3); this is a monthly payment for maintenance on computer equipment that is no longer covered under a manufacturer's warranty.
- U.S. Geological Survey (page 3); this payment represents a pass through payment, that is fully reimbursed to the Commission by Racine and Kenosha Counties, for those Counties to acquire LiDAR data and digital terrain model files.

In response to an inquiry by Mr. Nelson concerning payment to Gom Ale (page 1), Ms. Larsen stated Mr. Ale, a Commission staff member, paid the registration fee to attend the Transportation Research Board Planning Applications conference to be held in June.

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 9th reporting period of 2019 were approved.

Chairman Dwyer, Mr. Wirth, and Mr. Muhs then affixed their signatures to the Check Register for the 9th reporting period of 2019 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING APRIL 28, 2019

Copies of the Statement of Projected Revenues and Expenditures for reporting period 9 ending on April 28, 2019, were distributed for Committee review. Chairman Dwyer asked Ms. Larsen 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, Ms. Larsen commented that the period covered represented 33 percent of the calendar year. She then called attention to the following items:

1. The Federal and State revenue entries on the Statement remain unchanged from the report presented at the April meeting.
2. The service agreement revenues have been adjusted to reflect a revised schedule resulting in a combined increase of \$18,273 in the Continuing Program Area and the Special Projects Program Area. Service Agreement revenues increased in the Water Quality Planning Program due to the anticipated completion in 2019 of a number of lake management planning studies carried over from 2018. Revenues also increased in the Community Assistance Planning Program due to a number of local comprehensive plan updates that will be completed this year. Decreases in Service Agreement

revenues occurred in the Land Use Planning Program, as the Ozaukee County Comprehensive Plan update and the Ozaukee County Park and Open Space plan update are now scheduled for completion in 2020. The Floodland Management Planning Program revenues have decreased slightly as the MMSD Honey Creek project is now scheduled for completion in 2020. In addition, revenues have increased slightly for the Datum Conversion Project as all work will be completed this year.

3. The projection of expenditures through the end of the year compared with the budgeted revenues indicates a surplus of nearly \$430,000 for the continuing program projects. The surplus is expected to decline throughout the year with the payment of items such as the payment in lieu of taxes to the City of Pewaukee and payments for business insurance, audit, replacement equipment, and automobile replacement.
4. The liability, operating, and reserve accounts reported on the Statement reflect the findings of the 2017 financial audit. These accounts will be adjusted upon completion of the audit for 2018.
5. The Commission had on hand as of April 28, 2019, approximately \$7.6 million. This includes about \$380,355 of unearned revenue provided to the Commission in advance of expenditures. The funds on hand are invested in the State of Wisconsin Local Government Investment Pool, which is presently paying 2.49 percent interest and various certificate of deposit accounts.

Ms. Larsen commented that the Town Bank Certificate of Deposit (CD) is up for renewal on May 17, 2019. She stated that the bank is offering a 14 month CD with an annual percentage rate 1.98, or a 28 month CD with an annual percentage rate of 2.47. Ms. Larsen then noted that the Local Government Investment Pool (LGIP) interest rate is currently 2.49 percent. After a brief discussion, it was recommended that Ms. Larsen close the Town Bank CD and move the funds to the LGIP.

In response to an inquiry by Mr. Nelson, Ms. Larsen stated that the money market rate with Associated Bank is low because the Commission receives a discount on service charges against the Commission's checking account, also held at Associated Bank.

In response to an inquiry by Mr. Colman, Ms. Larsen stated the cash flow increased in April due to a payment by the Wisconsin Department of Transportation for a fourth quarter 2018 invoice.

There being no additional inquiries or discussion, on a motion by Mr. Stroik, seconded by Mr. Schmidt, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending April 28, 2019, was accepted to be placed on file (copy attached to Official Minutes).

CONSIDERATION OF BUDGET ASSUMPTIONS FOR 2020

Chairman Dwyer asked Mr. Muhs to lead the Committee through a discussion of budget assumptions for calendar year 2020. Noting that materials had been provided to Committee members prior to this meeting (copy attached to the Official Minutes), Mr. Muhs made the following major points:

1. Federal grants for transportation planning will remain the same as the funding approved in the 2019 Overall Work Program. Previously secured STP funding has been added for the 2020 Orthophotography Program.
2. State revenues for transportation planning will remain the same as the 2019 projected funding.

3. State funding for water quality management planning projects an increase in funding based upon the past six years of experience. The coastal zone management funding is assumed to remain at the same level as the 2019 budget.
4. An overall increase in service agreement revenues of about \$291,530, or 19.30 percent, has been assumed. Decreases in service agreement revenues are expected in community assistance planning due to the completion of the County datum conversion project, and the stormwater management planning funds due to the expected completion of multiple projects prior to the end of 2019. An increase is projected in service agreement revenues for park and land use planning. Economic development planning is projected to increase due to an anticipated grant for the update to the Comprehensive Economic Development Strategy. SEWRPC and County contributions for the 2020 Regional Aerial Orthophotography program have been added. Re-monumentation revenues have increased to reflect an increase in Wisconsin Department of Transportation (WISDOT) requests for the replacement of U.S. Public Land Survey corner markers. Chloride Study revenues have increased due to the anticipation of additional grant funds.
5. The rental amount from the tenant in the Rockwood Drive building is estimated to remain the same. In December 2018, ProHealth Care signed a new “Agreement Extending Lease Term” for two years, to March 31, 2022, with two one-year options to extend.
6. It is proposed that the budget amount for regional tax levy support remain at its present level of \$2.37 million, resulting in a tax rate of 0.00122 percent (substantially below the statutory cap of 0.003 percent and also less than the 2019 rate of 0.00128 percent). The Region increased its tax base by 4.64 percent from 2017 to 2018. Owing to the relative differences in the change in equalized value between 2017 and 2018 among the seven counties, some counties will see an increase in regional planning tax levy support, while other counties will see a decrease. Kenosha, Ozaukee, Walworth, and Washington Counties will see increases of between 0.083 and 1.807 percent (Table 3), and Milwaukee, Racine, and Waukesha Counties will see a decrease between 0.021 and 0.303. The proposed 2020 budget will be the fourteenth consecutive year of no increase in the regional tax levy.
7. On an overall basis, the potential year 2020 operating budget would call for a total revenue and expenditure level of about \$8.11 million, an increase of \$556,733, or 7.37 percent, from the adopted 2019 budget. This increase is largely due to the additional funding for the 2020 Orthophotography Program.
8. Key expenditure assumptions proposed to be made in preparing the budget include an authorized full time staffing level of 66 positions, the same number of positions as the 2019 budget; staff salary adjustments of about 3 percent with salary increases distributed on the basis of merit; a 10 percent increase in health insurance costs; and a slight decrease in the Commission’s share of the retirement costs from 6.8 percent to 6.7 percent.

In response to an inquiry by Ms. Russell, Mr. Muhs agreed that the equalized value in Kenosha County will likely increase due to the Amazon and Uline buildings, while Foxconn should contribute to an increase in equalized value for Racine County.

In response to an inquiry by Mr. Dwyer, Mr. Muhs stated the increase in consulting fees is due to the Orthophotography Consultant, Ayers Associates.

In response to an inquiry by Mr. Dwyer, Mr. Muhs indicated that at this time, he is comfortable with the current staffing level.

Mr. Muhs then noted that upon the Administrative Committee's approval, this budget will be brought to the full Commission for their review and consideration at the June 19, 2019, Annual Commission meeting.

At the conclusion of the 2020 budget assumptions discussion, it was moved by Mr. Nelson, seconded by Ms. Russell, and carried unanimously, to direct the Commission staff to prepare a year 2020 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 Wednesday, June 20, 2019 (copy of Budget Assumptions for 2020 attached to Official Minutes)

REPORT ON BUSINESS INSURANCE

Mr. Muhs noted the Commission's Business Insurance is up for renewal June 1, 2019. The 2018-2019 insurance premium was \$51,706, and in discussing renewal rates with the Commission's insurance agent, it can be expected that the 2019-2020 insurance renewal premium will be approximately \$49,959. This renewal includes an increase in coverage amounts for Ordinance or Law Demolition coverage, Ordinance or Law Cost of Construction coverage and Water Sewer Back Up coverage. In addition, Flood Insurance coverage in the amount of \$1,000,000 has been added for an additional premium of \$686.

On a motion by Mr. Crowley, seconded by Mr. Schmidt, and carried unanimously, the renewal of the Commission's business insurance policy with West Bend Mutual Insurance Company was approved.

CORRESPONDENCE AND ANNOUNCEMENTS

Chairman Dwyer asked Mr. Muhs if there were any correspondence or announcements. Mr. Muhs noted there was no correspondence but then announced that Chairman Colman will need to appoint an Ad Hoc Committee to review proposed annual Commission staff salary adjustments. Mr. Colman asked that in addition to himself, the following Commissioners serve on the Committee: Buestrin, Crowley, Dwyer, Russell, Schmidt, Stroik, and Wirth. The Committee will meet at 12:30 p.m. prior to the Administrative and Executive Committee meeting on June 27, 2019.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:09 p.m. on a motion by Mr. Stroik, seconded by Mr. Nelson, and carried unanimously.

Respectfully submitted,

Kevin J. Muhs
Deputy Secretary

JTD/KJM/EAL/ce
#248391

Attachments