

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, May 14, 2020

1:30 p.m.

Meeting Occurred Virtually via Video and Telephone Conference

Present:

Excused:

Committee Members:

James T. Dwyer, Chairman
Thomas H. Buestrin
Charles L. Colman
Michael A. Crowley
Mike Dawson
Aloysius Nelson
Daniel S. Schmidt
David L. Stroik
Gustave W. Wirth, Jr.

Robert W. Pitts

Staff:

Kevin J. Muhs
Benjamin R. McKay
Elizabeth Larsen

Executive Director
Deputy Director
Director of 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 23, 2020, MEETING

Chairman Dwyer asked if there were any changes or additions to the April 23, 2020, meeting minutes. There were none.

On a motion by Mr. Schmidt, seconded by Mr. Wirth, and carried unanimously, the minutes of the Administrative Committee meeting held on April 23, 2020, were approved as published.

APPROVAL OF DISBURSEMENTS

2020 Reporting Period No. 8

Ms. Larsen distributed copies of the Check Register for the 8th financial reporting period of March 30, 2020, to April 12, 2020.

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

- Conley Media, LLC (page 1); this payment was for the placement of VISION 2050 public meeting notices in four local newspapers: the West Bend Daily News, the Ozaukee County News Graphic, the Oconomowoc Enterprise, and the Waukesha Freeman.
- GeoCue Group, Inc. (page 1); this payment was for the renewal for the software that aids in the datum conversions and also is able to generate contour lines using LiDAR data sets.
- Milwaukee Community Journal (page 1); this payment was for the placement of an employment advertisement for the Commission's Senior Specialist Biologist position.
- Metal Supermarkets Waukesha (page 2); this payment was for rebar that is used by the survey staff when setting a U.S. Public Land Survey monument marker.

There being no additional questions or comments, on a motion by Mr. Crowley, seconded by Mr. Schmidt, and carried unanimously, the Commission disbursements for the 8th reporting period of 2020 were approved.

Chairman Dwyer, Mr. Stroik, and Mr. Muhs then approved the affixing of their signatures to the Check Register for the 8th reporting period of 2020 (copy attached to Official Minutes).

2020 Reporting Period No. 9

Ms. Larsen distributed copies of the Check Register for the 9th financial reporting period of April 13, 2020, to April 26, 2020.

In response to an inquiry by Mr. Colman, concerning payment to IndependenceFirst, (page 2), Ms. Larsen stated this organization is a VISION 2050 partner, the payment was for the reimbursement of VISION 2050 public outreach assistance.

There being no additional questions or comments, on a motion by Mr. Schmidt, seconded by Mr. Nelson, and carried unanimously, the Commission disbursements for the 9th reporting period of 2020 were approved.

Chairman Dwyer, Mr. Stroik, and Mr. Muhs then approved the affixing of their signatures to the Check Register for the 9th reporting period of 2020 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING APRIL 26, 2020

Copies of the Statement of Projected Revenues and Expenditures as of reporting period 9 ending on April 26, 2020, 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 just over 30 percent of the calendar year. She then called attention to the following items:

1. The Federal and State revenue entries 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 decrease of \$279,683 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 2020 of a number of lake management planning studies carried over from 2019. 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 Phase II of the Natural Areas Plan update is now scheduled for completion in 2021. The Floodland Management Planning Program revenues have decreased as the MMSD Honey Creek project is now scheduled for completion in 2021 as is the MMSD Water Quality Improvement Plan. In addition, revenues have decreased for the Orthophotography program due to the adjustment of the service agreement revenues that are now in line with the signed contracts for this project. Revenues have also decreased slightly for the Datum Conversion Project as a portion of the remaining work in Washington County will not be to be completed until January 2021 when waterways are once again frozen.
3. The projection of expenditures through the end of the year compared with the budgeted revenues indicates a surplus of just under \$400,000 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 2018 financial audit. These accounts will be adjusted upon completion of the audit for 2019.
5. The Commission had on hand as of April 26, 2020, approximately \$6.74 million. This includes about \$273,220 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 0.51 percent interest, and various money market and certificate of deposit accounts. Ms. Larsen noted that the Spring Bank Certificate of Deposit will be renewed for a period of twelve months on May 15, 2020. After a discussion concerning deposit interest rates, Ms. Larsen was directed to move the Spring Bank Certificate of Deposit into a Spring Bank Money Market Account.

There being no questions or comments, on a motion by Mr. Crowley, seconded by Mr. Stroik, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending April 26, 2020, was accepted to be placed on file (copy attached to Official Minutes).

CONSIDERATION OF BUDGET ASSUMPTIONS FOR 2021

Chairman Dwyer asked Mr. Muhs to lead the Committee through a discussion of budget assumptions for calendar year 2021. 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 2020 Overall Work Program.

2. State revenues for transportation planning will remain the same as the 2020 projected funding.
3. State funding for water quality management planning and coastal management planning will remain at the same level as the 2020 budget.
4. An overall decrease in service agreement revenues of about \$266,100, or 14.76 percent, has been assumed. Decreases in service agreement revenues are expected in park and land use planning, economic development planning, and stormwater management planning due to the expected completion of multiple projects prior to the end of 2020. An increase is projected in service agreement revenues for community assistance planning and water quality planning due to a number of projects expected to be completed in 2021. Chloride Study revenues have decreased slightly due to the projected workload for 2021. The Orthophotography funding will not carry forward into 2021 as the project will be completed in the fall of 2020.
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 0.00116 percent (substantially below the statutory cap of 0.003 percent and also less than the 2020 rate of 0.00122 percent). The Region increased its tax base by 5.60 percent from 2018 to 2019. Owing to the relative differences in the change in equalized value between 2018 and 2019 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, Racine, and Walworth Counties will see increases between 0.060 and 2.097 percent (Table 3), and Milwaukee, Washington, and Waukesha Counties will see decreases between 0.032 and 0.698. The proposed 2021 budget will be the fifteenth consecutive year of no increase in the regional tax levy.
7. On an overall basis, the potential year 2021 operating budget would call for a total revenue and expenditure level of about \$7.74 million, a decrease of \$371,733, or 4.58 percent from the adopted 2020 budget. This decrease is largely due to funding for the Orthophotography Program, which does not continue in the 2021 budget.
8. Key expenditure assumptions proposed to be made in preparing the budget include an authorized full time staffing level of 65 positions, one less position than the 2020 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 an increase in the Commission’s share of the retirement costs from 6.75 percent to 7.0 percent.

In response to an inquiry by Mr. Colman concerning potential changes in funding to the Commission due to the COVID-19 pandemic, Mr. Muhs stated that it is not expected that Federal funding for the transportation program will decrease. Mr. Muhs then stated that the Commission will strive to provide the same level of assistance to the Counties and local governments in the Region to demonstrate the value of the Commission’s work. He then reiterated that the proposed 2021 budget will be the fifteenth consecutive year of no increase in the regional tax levy. Mr. Nelson stated that not increasing the regional tax levy for fifteen consecutive years demonstrates the efficiency of the Commission’s work.

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 17, 2020, Annual Commission meeting.

At the conclusion of the 2021 budget assumptions discussion, it was moved by Mr. Stroik, seconded by Mr. Schmidt, and carried unanimously, to direct the Commission staff to prepare a year 2021 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 on Wednesday, June 17, 2020 (copy of Budget Assumptions for 2021 attached to Official Minutes).

REPORT ON BUSINESS INSURANCE

Ms. Larsen noted the Commission's Business Insurance is up for renewal June 1, 2020. The 2019-2020 insurance premium was \$49,302, and in discussing renewal rates with the Commission's insurance agent, it can be expected that the 2020-2021 insurance renewal premium will be approximately \$48,941. This renewal includes an increase in coverage amounts for Ordinance or Law Demolition coverage from \$250,000 to \$400,000. In addition, the Commission has the option to increase the Water and Sewer Back Up coverage from \$100,000 to \$250,000 for an additional premium of \$750 with a \$5,000 deductible.

Discussion ensued concerning the Water and Sewer Back Up coverage. Ms. Larsen was directed to work with the insurance agent to obtain additional premium costs for this coverage and to determine if such coverage would pay for damages if the elevator pit were to flood and overflow. Ms. Larsen indicated she would provide an answer at the June Administrative Committee meeting.

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 without the additional amount for the Water and Sewer Back Up coverage. This coverage may be added at a later date pending follow up discussion at the June meeting.

CORRESPONDENCE AND ANNOUNCEMENTS

Chairman Dwyer asked Mr. Muhs if there were any correspondence or announcements. Mr. Muhs stated that he did not have any correspondence or announcements. He then asked the Commissioner's preference to hold the Commission's June 17, 2020, Annual Meeting in person, or online and telephone. The Commissioner's stated they preferred the June meeting to be held online and via telephone.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:10 p.m. on a motion by Mr. Wirth, seconded by Mr. Schmidt, and carried unanimously.

Respectfully submitted,

Kevin J. Muhs
Deputy Secretary