

MINUTES

SOUTHEASTERN WISCONSIN REGIONAL PLANNING COMMISSION

ADMINISTRATIVE COMMITTEE

Thursday, May 20, 2021

1:30 p.m.

Meeting Occurred Remotely via Video and Telephone Conference

Present:

Excused:

Committee Members:

James T. Dwyer, Chairman
Donna Brown-Martin
Michael A. Crowley
Aloysius Nelson
Robert W. Pitts
David L. Stroik
Gustave W. Wirth, Jr.

Thomas H. Buestrin
Charles L. Colman
Jonathan Delagrave
Daniel S. Schmidt

Staff:

Kevin J. Muhs
Benjamin R. McKay
Elizabeth Larsen
Catherine Pozum

Executive Director
Deputy Director
Director of Administration
Human Resources Assistant/Bookkeeper

ROLL CALL

Chairman Dwyer called the meeting to order at 1:30 p.m. Roll call was taken, and a quorum was declared present. Chairman Dwyer indicated for the record that Commissioner's Buestrin, Colman, Delagrave, and Schmidt had asked to be excused.

APPROVAL OF MINUTES OF APRIL 22, 2021, MEETING

Chairman Dwyer asked if there were any changes or additions to the April 22, 2021, meeting minutes. There were none.

On a motion by Mr. Nelson, seconded by Mr. Stroik, and carried unanimously, the minutes of the Administrative Committee meeting held on April 22, 2021, were approved as published.

APPROVAL OF DISBURSEMENTS

2021 Reporting Period No. 8

Ms. Larsen distributed copies of the Check Register for the 8th financial reporting period of March 29, 2021, to April 11, 2021.

Mr. Nelson inquired about several payments. Ms. Larsen responded as follows:

- DLT Solutions, LLC (page 1); this payment was for the renewal of an AutoCAD software license that is required by the Wisconsin Department of Transportation for generating their requested wetland delineation reports.
- Milwaukee Journal Sentinel (page 2); this payment was for two on-line employment advertisements for the Commission; a Land Use Planner and a Transportation Engineer.
- Milwaukee Community Journal (page 2); this payment was for the placement of a Land Use Planner and a Transportation Engineer employment advertisement.

There being no additional questions or comments, on a motion by Mr. Crowley, seconded by Mr. Wirth, and carried unanimously, the Commission disbursements for the 8th reporting period of 2021 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 2021 (copy attached to Official Minutes).

2021 Reporting Period No. 9

Ms. Larsen distributed copies of the Check Register for the 9th financial reporting period of April 12, 2021, to April 25, 2021.

In response to an inquiry by Mr. Nelson concerning payment to Milwaukee Community Journal (page 2), Ms. Larsen stated this was a reissue of payment as the original check was lost in the mail.

There being no additional questions or comments, on a motion by Mr. Wirth, seconded by Mr. Nelson, and carried unanimously, the Commission disbursements for the 9th reporting period of 2021 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 2021 (copy attached to Official Minutes).

REVIEW OF STATEMENT OF REVENUES AND EXPENDITURES FOR PERIOD ENDING APRIL 25, 2021

Copies of the Statement of Projected Revenues and Expenditures as of reporting period No. 9 ending on April 25, 2021, 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 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 \$137,243 in the Continuing Program Area and the Special Projects Program Area. Service Agreement revenues increased in the Economic Development Planning Program due to 2020 revenue carryover from the CEDS. Revenues also increased in the Community Assistance Planning Program due to the initiation of both the Kenosha County and Racine County Hazard Mitigation Plans, and the completion of the Walworth County Park and Open Space Plan. Decreases in Service Agreement revenues occurred in the Transportation Planning Program due to a decrease by WisDOT in their traffic forecast requests, the Land Use Planning Program due to comprehensive plan updates for the Town of Brighton, the Village of Salem Lakes, and the Village of Somers starting in 2022 rather than 2021, and the Water Quality Planning Program due schedule changes on several lake planning studies. The Floodland Management Planning Program revenues have decreased as the MMSD Milwaukee River Planning Study is now scheduled to start in 2022. Revenues have also decreased slightly for the Datum Conversion Project as a portion of the remaining work in Washington County will not be completed until January 2022 when waterways are frozen and free of snow.
3. The projection of expenditures through the end of the year compared with the budgeted revenues indicates a surplus of just over \$125,000 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 2019 financial audit. These accounts will be adjusted upon completion of the audit for 2020.
5. The Commission had on hand as of April 25, 2021, approximately \$6.12 million. This includes about \$390,310 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 0.05 percent interest, and certificate of deposit accounts.

There being no questions or comments, on a motion by Mr. Crowley, seconded by Mr. Wirth, and carried unanimously, the Statement of Projected Revenues and Expenditures for the period ending April 25, 2021, was accepted to be placed on file (copy attached to Official Minutes).

CONSIDERATION OF BUDGET ASSUMPTIONS FOR 2022

Chairman Dwyer asked Mr. Muhs to lead the Committee through a discussion of budget assumptions for calendar year 2022. 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 2021 Overall Work Program, as staff is not aware of any funding increase at this time.
2. State revenues for transportation planning will remain essentially the same as the 2021 projected funding.

3. State funding for water quality management planning decreased slightly while coastal management planning will remain at the same level as the 2021 budget.
4. An overall increase in service agreement revenues of \$383,075, or about 25 percent, has been assumed. Decreases in service agreement revenues are expected in water quality planning due to the schedule changes on multiple projects. In addition, the transportation modeling revenues, the re-monumentation assistance revenues and the wetland delineation revenues have all decreased due to less work projects requested by the Wisconsin Department of Transportation staff. An increase is projected in service agreement revenues for park and land use planning, community assistance planning, and storm water management planning due to a number of projects expected to be completed in 2022. Chloride Study revenues have decreased slightly due to a projected decrease in the workload for 2022. Orthophotography funding has been added for 2022. Funding for this project will come from the Counties, Federal funds, and program development funds. Program development funds have also been added to the community assistance planning program due to a greater amount of work the Commission is expected to undertake in 2022.
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 return to the 2020 level of \$2.37 million, resulting in a tax rate of 0.00109 percent (substantially below the statutory cap of 0.003 percent). The Region increased its tax base by 5.84 percent from 2019 to 2020 (see Table 2). The proposed 2022 budget will be the sixteenth consecutive year that regional tax levy is at or below the level set in 2006. Table 3 shows the distribution of the levy among the seven counties.
7. On an overall basis, the potential year 2022 operating budget would call for a total revenue and expenditure level of about \$8.39 million, an increase of \$764,697, or 10.0 percent from the adopted 2021 budget. This increase is largely due to funding for the 2022 Orthophotography Program.
8. Key expenditure assumptions proposed to be made in preparing the budget include an authorized full time staffing level of 64 positions, one more position than the final 2021 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. Nelson, Mr. Muhs stated the base salary of an entry level planning or engineering position approximates \$50,000. The full cost of such a position, including fringe benefits approximates \$80,000.

In response to an inquiry by Mr. Stroik, Mr. Muhs stated that he will contact each County Executive that signed the budget reduction letter in June 2020, to inform them that the Commission has budgeted the tax levy at the same level as 2020.

Mr. Stroik commented that he was not aware of any indications that this increase is not expected by the Counties.

Mr. Muhs stated that overall amount of Federal funding received by local governments is much higher than what was anticipated at the start of the pandemic and has resulted in less need to cut services and staff at local governments than originally anticipated.

Mr. Dwyer stated that the Commission is not asking for the 2021 funding to be restored.

There being no further questions or comments, on a motion by Mr. Wirth, seconded by Mr. Stroik, and carried unanimously, the budget assumptions for calendar year 2022 were approved.

REPORT ON BUSINESS INSURANCE

Ms. Larsen noted the Commission's Business Insurance is up for renewal June 1, 2021. The 2020-2021 insurance premium was \$56,132, and in discussing renewal rates with the Commission's insurance agent, it can be expected that the 2021-2022 insurance renewal premium will be approximately \$66,052. This renewal is for the same coverages in force for the expiring year. The overall cost of the business insurance increased 18 percent over the prior year actual cost. The largest cost increase is due to the Workers Comp Insurance with a 35 percent increase. This increase is due in part to an increase in the payroll rate for the surveyor class group from \$2.07 to \$2.22. The surveyor class group includes the Commission's survey staff and the lakes staff that are regularly in the field. It is assumed that the survey staff is in the field year-round, and the lakes group is assessed by the time spent in the field. In addition to the payroll rate increase, the Workers Compensation Experience Modification rate increased from 0.82 to 1.06 due to a fairly serious accident in June 2019. This is the first year that accident has affected the experience modification rate. There is a three year look back on accidents.

In response to an inquiry by Mr. Crowley, Ms. Larsen confirmed that the workers compensation experience modification rate is now 1.06.

In response to an inquiry by Mr. Stroik, Ms. Larsen stated that approximately 50 to 55 employees are working at home, with that number varying as staff work in the office on certain days and home other days.

Mr. Stroik further inquired that the rates may go down due to employees working at home and therefore not as likely to injure themselves in the office. Ms. Larsen stated the workers compensation experience modification is based on the previous three years injury experience. It is possible that the experience modification will decrease in the future if there are not significant injury claims.

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

CONSIDERATION OF CONSULTANT FOR QUALITATIVE EVALUATION OF COMMISSION PUBLIC OUTREACH EFFORT

Mr. Muhs began the discussion by stating that this is not a budgeted item and therefore he is bringing this to the Commission for approval. He noted the cost will be primarily funded by the Federal Highway Administration and the Wisconsin Department of Transportation, with the Commission picking up about 15 percent of the cost.

Mr. Muhs then briefly reviewed the Staff Memorandum requesting to enter into an agreement with Dr. Deborah Blanks, of Kairo Communications, LLP, to review the Commission's public outreach efforts.

Mr. Muhs further stated that the Commission's public outreach efforts are unique relative to other regional planning commissions or councils of governments. The Commission focuses on long term relationships with local groups and meeting with the public in their neighborhoods to build awareness of the community planning process. In addition, the Federal Highway Administration has commented that a qualitative review of the Commission's outreach efforts should be conducted, in addition to the quantitative analysis that is completed annually. There being no questions or comments, on a motion by Mr. Stroik, seconded by Mr. Nelson, and carried unanimously, the Consideration of Consultant for Qualitative Evaluation of Commission Public Outreach Effort were approved at a cost not to exceed \$20,000

CORRESPONDENCE AND ANNOUNCEMENTS

Chairman Dwyer asked Mr. Muhs if there were any correspondence or announcements. Mr. Muhs stated there was none.

Mr. Dwyer asked if staff had conducted a survey of the employees regarding their preference on returning to the office.

Mr. Muhs stated he did survey staff about their remote work preferences. He found that approximately three staff members do not want to return to the office at all, with most staff wanting to return to the office two to three days per week. He then stated that staff must commit to an in office/remote work schedule by July 5th. This schedule will run through August on a trial basis. He did state that no later than September he would prefer that all staff are in the office at least two days per week.

Mr. Muhs also stated that he intends to e-mail staff indicating that if they are fully vaccinated, they may return to the office with no restrictions on other staff within the building.

Mr. Muhs will bring to this Committee a remote work policy at the September or October meeting.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 2:17 p.m. on a motion by Mr. Wirth, seconded by Mr. Nelson, and carried unanimously.

Respectfully submitted,

Kevin J. Muhs
Deputy Secretary