

Re: Consideration of CARPC Budget and Work Program

Decision Items:

1. Recommend draft 2010 budget to the Budget & Personnel Panel

A version of the following summary was provided at Commissioners' places at their meeting of June 11.

The CARPC Budget Workgroup (commissioners Brandon, Murray and Van Kampen) met three times over the past four weeks to discuss preparation of the 2010 budget. The Workgroup's approach to the budget prioritized 1) supporting the draft 2010 Work Program, which closely follows the 2009 program; 2) allowing CARPC operations to be less reliant on year-end fund balances in order to provide a more responsible budget with long-term viability; and 3) remaining mindful of the current economic conditions which have placed limits on most local governments, and have prompted the County Executive to request 3 to 6 percent cuts in budget proposals from small and large departments, respectively. The Workgroup believes the attached draft, which was prepared with the best information currently available, positively reflects this approach. The following are presumptions and features of the proposed draft:

1. *The Executive Director position is filled effective July 5, 2010.* Although the Budget & Personnel Panel decided in May not to select one of the candidates to fill the position, it has not yet ruled out filling the position. Even though Workgroup members have significant doubts about filling the position after two consecutive failed recruitments, it cannot responsibly propose a budget which does not recognize the possibility.
2. *The Junior Planner position remains filled.* This position was added with a limited term status to assist the Commission in a number of planning activities in support of farmland loss mitigation, preparation for Comprehensive Planning law deadline of 2010, public participation, housing, and infill and redevelopment analysis within USAs. If the position is eliminated or vacated, many of these critical activities would no longer be carried out or completed. Bridgit Van Belleghem has carried out these activities very effectively; the Workgroup strongly recommends the position remain funded through 2010.
3. *A cost-of-living adjustment is not provided to employees.* While an annual 3 to 4 percent increase in salaries and wages has been a typical provision over the past three years, the current economic climate does not support an increase in 2010. Regularly scheduled annual merit step increases *are* budgeted.
4. *Operating reserves are increased from \$50,000 to \$182,500.* Operating reserves of \$50,000 were included in the 2008 and 2009 budgets, with the Commission's expressed intent that it would propose increases to these amounts in future budgets in order to promote financial security and stability, consistent with recommendations by the Government Finance Officers Association. In light of the uncertainty of filling the Executive Director position, the unpredictable nature of some revenue sources, and the need to reduce reliance on year-end balances to fund the agency, the Workgroup recommends this increased amount.
5. *The property tax levy charge to Dane County is reduced by 4.99% from 2009.* This goes beyond the request made by the County Executive to small (less than \$2 million/yr.) county departments, and is recommended by the Workgroup as a fiscally responsible request.

6. *The year-end fund balance applied to reduce the County levy amount is maintained at the 2009 level.* The Workgroup understands that a reliance on fund balances is a symptom of a structural deficit. The tendency to use unspent money from year to year in order to fund regular, continuing work activities is an unsustainable budgeting method because it establishes a trend where expenditures are routinely higher than revenues. The increase in reserve amounts and the proposed fiscally responsible property tax charge will allow this structural deficit to remain unchanged from 2009. The Workgroup discussed varying approaches to addressing this item, and felt this is the best approach to 2010.
7. *The estimated Equalized Assessed Valuation (EAV) of property in Dane County remains at the 2009 level.* Economic conditions – especially those related to residential properties – do not provide for a positive estimate for increases in property value in Dane County for 2009. The 2010 draft budget contemplates a zero-increase in estimated EAV. This results in a CARPC certified budget charge to Dane County which is based on 0.00148086% of estimated EAV, well below the 0.0017% maximum indicated in the petitions of CARPC creation, and below the 2009 budget request.
8. *Wisconsin Retirement System and Group Insurance increases.* The 2010 budget estimates increases in required WRS contributions (0.8 percent increase, from 10.4 to 11.2 percent) based on information provided by the state Department of Employee Trust Funds, and a 12 and 10 percent increase in health and dental insurance, respectively, based on an estimated capped increase by insurance carriers.

The proposed draft is summarized by the following.

Category / Line Item Summary	2009 Adopted	2010 Draft
Expenses		
Personnel Costs	900,505	834,665
Operating Expenses	133,306	131,096
Capital Outlay	20,100	6,000
Contractual	31,000	31,000
Pass-Thru	124,110	194,839
TOTAL	1,209,021	1,197,600
Revenues		
Dane County Property Tax	807,931	767,591
EPA / DNR	75,330	75,330
Sewer Extension Fees	30,000	14,400
Fund Balance to reduce levy	139,149	139,090
WDOT Rural Work Program	5,000	5,000
Pass-Thru	124,110	194,839
All Other	27,500	1,350
TOTAL	1,209,021	1,197,600

Materials Presented with Item:

1. CARPC Draft Proposed 2010 Budget, dated June 15, 2009, and supporting information (2010 Personnel and Levy Charge/Fund Balance Analysis) (*NOTE: The draft Work Program was provided on June 11, and is available electronically upon request of staff.*)

Contact for Further Information:

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Capital Area Regional Planning Commission

Draft Proposed 2010 Budget

	2008 Actual	2009 Adopted (as amended)	2009 Estimated	DRAFT Proposed 2010 Budget
EXPENDITURES				
Personal Services	FTE: 7.000	FTE: 9.125	FTE: 9.125	FTE: 9.125
Salaries & Wages (incl. GIS)	\$ 426,263	\$ 630,431	\$ 529,141	\$ 597,838 ¹
Workstudy / Interns	9,508	17,100	17,100	21,100
Retirement Fund	40,971	67,456	55,031	66,958
Social Security / Medicare	29,823	48,228	40,479	45,735
Employee/Retiree Insurance	90,004	137,290	93,598	103,035 ²
Total Personal Services	\$ 596,569	\$ 900,505	\$ 735,349	\$ 834,665
Operating Expenses				
Commissioner Per Diem & Travel	\$ 10,029	\$ 9,110	\$ 6,500	\$ 6,900 ³
Employee Travel & Meeting Expenses	3,500	7,450	7,200	7,450 ⁴
Training & Conferences	3,450	2,500	2,500	2,500
Office Supplies	23,465	22,500	22,500	22,500
Dues / Membership Fees	2,422	3,810	3,810	3,810
GIS Software	3,700	5,800	5,800	5,800
Recruitment	3,048	0	0	0
Telephone	4,283	4,500	4,500	4,500
Office Space/Rent	33,036	33,036	33,036	33,036
Legal Services	4,699	30,000	30,000	30,000
Audit Services	5,555	6,000	6,000	6,000
Advertising	0	1,000	1,000	1,000 ⁵
Insurance (package, WC, D&O)	5,550	7,600	7,600	7,600
Total Operating Expenses	\$ 102,737	\$ 133,306	\$ 130,446	\$ 131,096
Capital Outlay				
Office/Computer Equipment & Furniture	\$ 7,178	\$ 6,100	\$ 6,100	\$ 6,000
GIS Equipment (new plotter)	0	0	0	0
Access to Co. GIS System & Aerials	0	14,000	14,000	0
Total Capital Outlay	\$ 7,178	\$ 20,100	\$ 20,100	\$ 6,000
Contractual				
Consultant services	\$ 6,525	\$ 10,000	\$ 10,000	\$ 10,000 ⁶
Expanded Water Resources Monitoring	0	0	0	0
IM Services	21,000	21,000	21,000	21,000
Total Contractual	\$ 27,525	\$ 31,000	\$ 31,000	\$ 31,000
Pass-Thru				
Cooperative Water Resources Monitoring	\$ 99,110	\$ 99,110	\$ 99,110	\$ 95,219
EPA/DNR Stimulus Programs	0	0	0	87,120 ⁷
WDOT Rural Work Program	2,336	25,000	25,000	12,500
Total Pass-Thru	\$ 101,446	\$ 124,110	\$ 124,110	\$ 194,839
Gross Total Expenditures	\$ 835,455 ⁸	\$ 1,209,021 ⁸	\$ 1,041,005 ⁸	\$ 1,197,600 ⁸
LESS pass-thru	\$ (101,446)	\$ (124,110)	\$ (124,110)	\$ (194,839)
NET TOTAL Expenditures	\$ 734,009	\$ 1,084,911	\$ 916,895	\$ 1,002,761

Capital Area Regional Planning Commission

Draft Proposed 2010 Budget

	2008 Actual	2009 Adopted (as amended)	2009 Estimated	DRAFT Proposed 2010 Budget
REVENUES				
Fees: sewer extensions	\$ 12,000	\$ 30,000	\$ 8,000	\$ 14,400 ⁹
Local Planning Assistance	912	0	935	0
MMSD	87,909	0	5,100	0
EPA/DNR Water Quality Planning	80,908	75,330	75,330	75,330
Product Sales	387	1,000	350	350
Interest Income (Less Bank Fees)	11,155	12,500	1,000	1,000
WDOT Rural Work Program	4,176	5,000	5,000	5,000
Allocation from Operating Reserves	0	14,000	14,000	0
Pass-Thru (EPA/DNR Stimulus)	0	0	0	87,120 ⁷
Pass-Thru (Coop. Water Resources Monitoring)	99,110	99,110	99,110	95,219
Pass-Thru (WDOT Rural Work Program)	2,102	25,000	25,000	12,500
Net Fund Balance	77,695	139,149	139,149	139,090
Dane County Property Tax	680,455	807,931	807,931	767,591 ¹⁰
Gross Total Revenues	\$ 1,056,809	\$ 1,209,020	\$ 1,180,905	\$ 1,197,600
LESS pass-thru	\$ (101,212)	\$ (124,110)	\$ (124,110)	\$ (194,839)
NET TOTAL Revenues	\$ 955,597	\$ 1,084,910	\$ 1,056,795	\$ 1,002,761

Reserves

Operating	\$ 50,000 ¹¹	\$ 50,000 ¹¹	\$ 117,690 ^{11,12}	\$ 182,500 ¹¹
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Estimated '09 EAV (no change from 2008)	\$ 51,833,966,700
Estimated certified budget rate (CBR)	0.00148086%

Fund Balance 1/1/08	\$126,946
2008 Revenues (less fund balance to reduce levy)	\$ 877,902
2008 Expenditures	\$ (734,009)
Fund Balance 1/1/09 (less Oper. Res.)	\$ 270,839

¹ Includes regularly scheduled annual step increases for eligible employees; does NOT include COLA increase (add 3% COLA effective Jan. 1: plus ~\$18,000; add 1.5% on Jan. 1 and 1.5% June 20: ~\$13,000; add 1.5% on Jan. 1: ~\$8,000; add 1.5% on June 20: ~\$5,000); estimates July 1, 2010 start date for ED

² Estimated 12% increase health, 10% dental insurance premiums; One retiree remains with sick leave credits, exhausted mid-February; Workers Comp is in "Insurance" Operating Expenses

³ Based on 13 CARPC meetings, plus 1 ExCom and 1 PersCom meeting on non-CARPC meeting nights, plus 4 workgroup meetings (\$20 per diem+FICA)

⁴ Mileage reimbursement based on \$0.585/mile; required travel estimated for 52 meetings (37.2 miles each), 60 USA/FUDA site visits (125 miles each) and 9 conference visits (200 miles each plus meals/lodging)

⁵ For advertising meeting announcements in local paper

⁶ For facilitation and mediation consultancy for CARPC

⁷ Three projects funded by EPA/DNR for Dec. 2010 completion: USGS Black Earth Creek Monitoring (\$30,000), Yahara Clean Project (\$27,120), and WQP Appendix B update (\$30,000)

⁸ Does not include depreciation expenses

⁹ Less than 5 acres: \$200/review, estimated 12 reviews = \$2,400
5 - 15 acres: \$400/review, estimated 12 reviews = \$4,800
Over 15 acres: \$600/review, estimated 12 reviews = \$7,200

¹⁰ Represents 4.99% decrease from 2009; Includes \$54,036 to be paid by Dane County as Rent and IM services in lieu of cash

¹¹ The Government Finance Officers Association recommends an unreserved fund balance of a *minimum* 5 to 15 percent of regular general fund operating revenues (~\$45,000 to \$136,000 based on 2009 estimated), or no less than 1 to 2 months of regular general fund operating expenditures (~\$65,000 to \$130,000)

¹² See "CARPC 2008 Fund Balance.doc" for explanation

2010 CARPC Personnel: No COLA	Start	Years Eff.	FTE	Salary	FICA	WRS	LIFE	DIS	health/mo	HEALTH	den/mo	DENTAL	WC	TOT INS	TOT COST
Administration		1-Jan-10													
Administrative Services Manager - GJESTSON, C.	16-Nov-01	8.13	1.000	\$ 50,008	\$ 3,826	\$ 5,601	\$ -	\$ -	\$ 512	\$ 6,144	\$ 41	\$ 492	\$ 135	\$ 6,771	\$ 66,205
Community and Regional Development Planning															
Executive Director	5-Jul-10	-0.51	1.000	\$ 50,003	3,825	5,600	0	0	1,467	8,802	116	696	640	10,138	69,567
Community / Environmental Resources Planner - GREENE, D.	3-Dec-08	1.08	1.000	\$ 62,315	4,767	6,979	13	0	512	6,144	41	492	168	6,817	80,879
Senior Community Planner - WEBER, B.	24-May-04	5.61	0.625	\$ 46,027	3,521	5,155	13	0	0	0	0	0	589	602	55,306
Junior Planner - VAN BELLEGHEM, B.	8-Sep-08	1.32	1.000	\$ 47,555	3,638	5,326	5	0	512	6,144	41	492	128	6,770	63,289
Environmental & Natural Resources Planning / Technical Support															
Senior Environmental Resources Planner - KAKUSKA, M.	4-Mar-96	13.84	1.000	\$ 77,924	5,961	8,728	26	0	1,204	14,448	116	1,392	210	16,077	108,690
GIS/IT Specialist - KREBS, A. (CONTRACTED)	25-Feb-04	5.85	0.500	\$ 24,595	1,882	2,755	0	0	0	0	116	696	66	762	29,994
Deputy Director / Director, Environmental Resources Planning - MESBAH, K.	1-Dec-88	21.10	1.000	\$ 110,748	8,472	12,404	68	463	1,467	17,604	116	1,392	1,418	20,945	152,568
Graphic Designer - WAGNER, S.	18-Nov-96	13.13	1.000	\$ 60,489	4,627	6,775	11	0	1,467	17,604	116	1,392	163	19,170	91,062
Environmental Engineer - RUIPIER, M.	30-Apr-07	2.68	1.000	\$ 68,173	5,215	7,635	13	0	1,204	14,448	116	1,392	184	16,037	97,061
Retired															
PREBOSKI, B.				0	0	0	0	0	1,024	1,295	113	1,352	0	2,647	2,647
TOTAL:			9.125	\$ 597,838	\$ 45,735	\$ 66,958	\$ 150	\$ 463	\$ 9,369	\$ 92,633	\$ 932	\$ 9,788	\$ 3,703	\$ 106,737	\$ 817,267

CARPC Levy Charge and Fund Balance Analysis

10-Jun-09

CARPC 2010 Budget

Reserve Calculation

2009 Beginning Fund Balance	\$	270,839	
2009 Estimated Revenues		917,646	
2009 Estimated Expenditures		(916,895)	
2009 Budgeted Operating Reserve		50,000	
2009 Estimated Ending Fund Balance		<u>321,590</u>	
2010 Budgeted Operating Reserve		182,500	
Jan. 1, 2010 Estimated Net Fund Balance	\$	<u>139,090</u>	

Levy Calculation

2008 full EAV	\$	51,833,966,700	
2009 Estimated EAV (for 2010 levy)		51,833,966,700	0.0% Increase
2010 Budgeted Non-Dane Co Revenues		96,080	
2010 Budgeted Expenditures		(1,002,761)	
2010 Net Fund Balance Applied to Reduce Levy		139,090	
2010 Net Dane County Levy Charge		<u>767,591</u>	
Certification Charge Rate		0.001480865%	