

**PLEASE NOTE:  
CHANGE IN  
LOCATION**

## MATC Vision

**MATC is a premier, comprehensive technical college  
that provides excellence in education  
to enrich, empower, and transform lives  
in our community**

June 16, 2014

NOTICE TO RESIDENTS OF THE MILWAUKEE AREA  
TECHNICAL COLLEGE DISTRICT, WISCONSIN

### NOTICE OF PUBLIC HEARING

A **PUBLIC HEARING\*** on the proposed 2014-2015 budget of the **MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT BOARD, WISCONSIN**, will be held in the **BOARD ROOM, ROOM M210**, of **MILWAUKEE AREA TECHNICAL COLLEGE, 700 WEST STATE STREET, MILWAUKEE, WISCONSIN**, on **TUESDAY, JUNE 17, 2014**, beginning at **5:00 P.M.** The agenda for said meeting is presented as follows:

- A. Roll Call
- B. Compliance with the Open Meetings Law
- C. **Presentation of Proposed Budget**
- D. Comments from the Public
- E. Miscellaneous Item
  - 1. Communications and Petitions
- F. Adjournment

The detailed budget is available for public inspection Monday through Friday between the hours of 7:45 a.m. and 4:15 p.m. at the MATC Business Office (Room M66) of the Downtown Milwaukee Campus, 700 West State Street, Milwaukee, Wisconsin. Please call 414-297-6897 for appointment.

- \* This meeting may be conducted in part by telephone. Several participants in the meeting may participate by telephone. Telephone speakers will be available to allow the public to hear those parts of the proceedings that are open to the public.

Public Hearing  
June 17, 2014

Stewards of the Public Trust  
2014-2015 Activity Plan & Budget



# Agenda

## I. Operating Budgets

Mr. Al Shoreibah, CPA, MBA, Vice President of Finance

## II. Capital Budgets

Mr. Jaime Vega, Director, Construction Services Dept.

## III. Closing Summary Comments

Member(s) of MATC Board of Directors



**MILWAUKEE AREA  
TECHNICAL COLLEGE**

**FY 2014 – 2015 GENERAL  
FUND BUDGET**



# Significant General Fund Budget Changes from 2013-14 to 2014-15

## Projection of General Fund Reserve Balance:

### – Fiscal Year 2013-14

- Beginning reserve balance at July 1, 2013 of \$ 34.5M
- Projected deficit of \$ 9M (vs. budgeted deficit of \$14.5M)
- Projected reserve balance at June 30, 2014 of \$ 25.5M or 14.52%

### – Fiscal Year 2014-15

- Projected surplus of \$ 544,309 for the fiscal year.
- Projected reserve balance at June 30, 2015 of \$25.9M or 14.52%



# Significant General Fund Budget Changes from 2013-14 to 2014-15

- Revenue: \$ 172.7M budget & \$ 175.6M projected in 2013-14 to \$ 178.1M budget in 2014-15
  - \$800,000 increase in Tax Levy attributable to net new construction
  - Tuition increase: 3.0% College Parallel and 3.0% Vocational Programs, as set by the WCTS Board
  - Student FTEs are anticipated to remain flat at approximately 12,650 in 2014-15
  - State Aid will remain flat in 2014-15, however, WI Act 145 will shift a portion of funding, replacing approx. \$61M in MATC District property tax levies

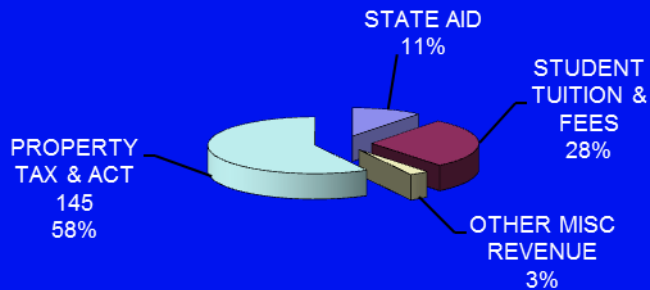




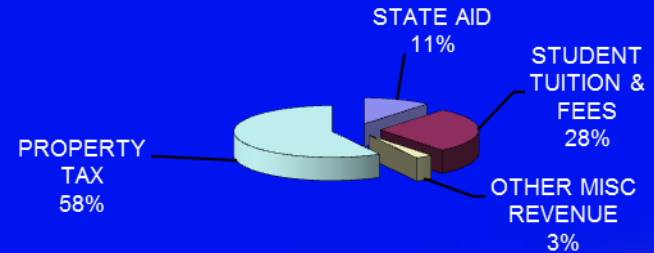
# General Fund Revenues

	<u>2015 Proposed Budget</u>	<u>2014 Estimated Actual</u>
Local Property Tax & WI Act 145 -	\$ 104.2M	\$ 103.6M
Tuition & Fees -	\$ 50.0M	\$ 48.4M
State Aid -	\$ 19.3M	\$ 19.2M
Contract and Other Revenue -	\$ 4.6M	\$ 4.4M

**GENERAL FUND 2015 PROPOSED BUDGET**



**GENERAL FUND 2014 ESTIMATED ACTUAL**



# Significant General Fund Budget Changes from 2013-14 to 2014-15

- Expenditures: \$ 187.3M budget & \$ 184M estimate in 2013-14 to \$ 177.6M budget in 2014-15
  - Union contract concessions will result in reductions in pay for overload, part-time and summer school instruction, resulting in approximate anticipated savings of \$6.1M
  - Health care cost increases of 7.75%, or \$2.9M, are anticipated to be offset by increased employee premium contributions
  - Fringe benefits savings of approx. \$7.1M are anticipated as a result of employees contributing 100% of their share toward their pension benefits.

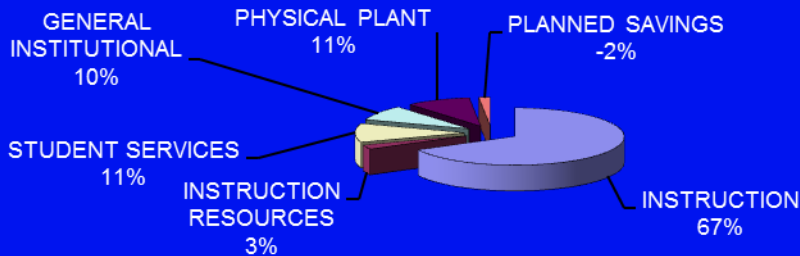




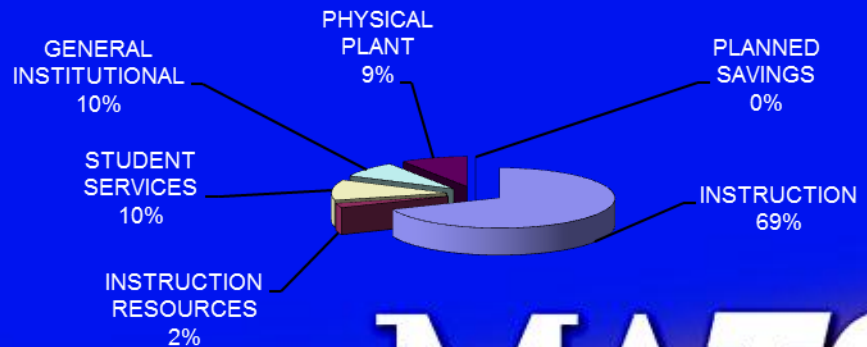
# General Fund Expenditures By Function

	<u>2015 Proposed Budget</u>	<u>2014 Estimate Actual</u>
Instructional -	\$ 119.1M	\$ 126.8M
Instructional Resources -	\$ 5.0M	\$ 4.6M
Student Services -	\$ 19.3M	\$ 18.1M
General Institutional -	\$ 18.0M	\$ 17.6M
Physical Plant -	\$ 20.5M	\$ 16.9M
Planned Savings -	\$ -4.3M	\$ -

GENERAL FUND 2015 PROPOSED BUDGET



GENERAL FUND 2014 ESTIMATED ACTUAL



# MATC Enterprise Funds

## 2014-15 Budget: Net Surplus or (Deficit)

<u>Non-Television Activities</u>	<u>2015 Proposed Budget</u>	<u>2014 Estimated Actual</u>
Book Store	\$1,439,483	\$1,850,000
Child Care	(\$1,110,500)	(\$1,275,604)
Food Service	(\$ 562,046)	(\$ 982,363)
Other Enterprise	<u>\$ 58,882</u>	<u>(\$ 223,184)</u>
<i>Net Deficit for MATC Enterprise Funds (Non-TV)</i>	(\$ 174,181)	(\$ 631,151)
Transfers in from General Fund	<u>\$ 174,181</u>	<u>\$ 631,151</u>
Projected Enterprise Fund Reserve (Non-TV) 7/01/14	<u>\$ 0</u>	<u>\$ 0</u>
Projected Enterprise Fund Reserve (Non-TV) 6/30/15	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
<u>Net Deficit - Public Television</u>	(\$2,327,631)	(\$2,044,779)
Projected Public Television Reserve 7/01/14	<u>3,524,934</u>	
Projected Public Television Reserve 6/30/15	<u><u>\$1,197,303</u></u>	



# Total Sources and Uses of ALL Funds FY2014-15 Budget

<u>Sources of Funds:</u>		<u>Uses of Funds:</u>	
Local Property Taxes & WI Act 145	\$147.8M	Instruction	\$125.0M
State Aid	\$ 26.1M	Instructional Resources	\$ 5.0M
Federal Aid	\$ 43.8M	Student Services	\$ 69.8M
Student Tuition & Fees	\$ 54.8M	General Institutional	\$ 18.2M
Other Institutional	\$ 7.2M	Physical Plant	\$ 111.7M
Auxiliary Services	\$ 58.6M	Auxiliary Services	\$ 58.8M
Public Services	\$ 8.1M	Public Services	\$ 10.7M
Borrowings	<u>\$ 36.0M</u>	Planned Savings	<u>\$ ( 4.3M)</u>
<b>TOTAL SOURCES OF FUNDS</b>	<b><u>\$382.4M</u></b>	<b>TOTAL USES OF FUNDS</b>	<b><u>\$ 394.9M</u></b>
	Note (1)		Note (1)

Note (1) Please refer to page 36 in the FY2014-15 Activity Plan and Budget for detailed breakdown of changes in reserve (excess uses over sources of funds)



# Impact of MATC Tax Levy on \$100,000 Home (“taxable equalized value”)

<u>YEAR</u>	<u>TYPE</u>	<u>MILL RATE</u>	<u>HOME VALUE</u>	<u>MATC TAX ON \$100,000 HOME VALUE</u>
2010	ACTUAL	1.91070	\$100,000	\$191.07
2011	ACTUAL	1.91894	\$100,000	\$193.99
2012	ACTUAL	1.94590	\$100,000	\$194.59
2013	ACTUAL	2.11730	\$100,000	\$211.73
2014	ACTUAL	2.13262	\$100,000	\$213.26
2015	PROPOSED	1.28632	\$100,000	\$128.63





# 2014-15 MATC Capital Expenditures & Borrowings

(Issuance of “General Obligation Bonds”)

- During 2014-15 MATC will borrow \$18,000,000 for building remodeling & renovation projects and \$18,000,000 for capital equipment purchases
- MATC anticipated “Debt Service” payments (principal and interest) for 2014-15 total \$43,482,655; \$4,963,731 of this will be allocated to the debt service of Milwaukee Public Television





# MILWAUKEE AREA TECHNICAL COLLEGE

## \$36M Capital Expenditure Budget

Presented by:

*Mr. Jaime Vega, Director, Construction Services Dept.*

FY 2013-14 Building Remodeling Projects Highlights

FY 2014-15 Building Remodeling Projects Preview

FY 2014-15 Capital Equipment Budget by Area

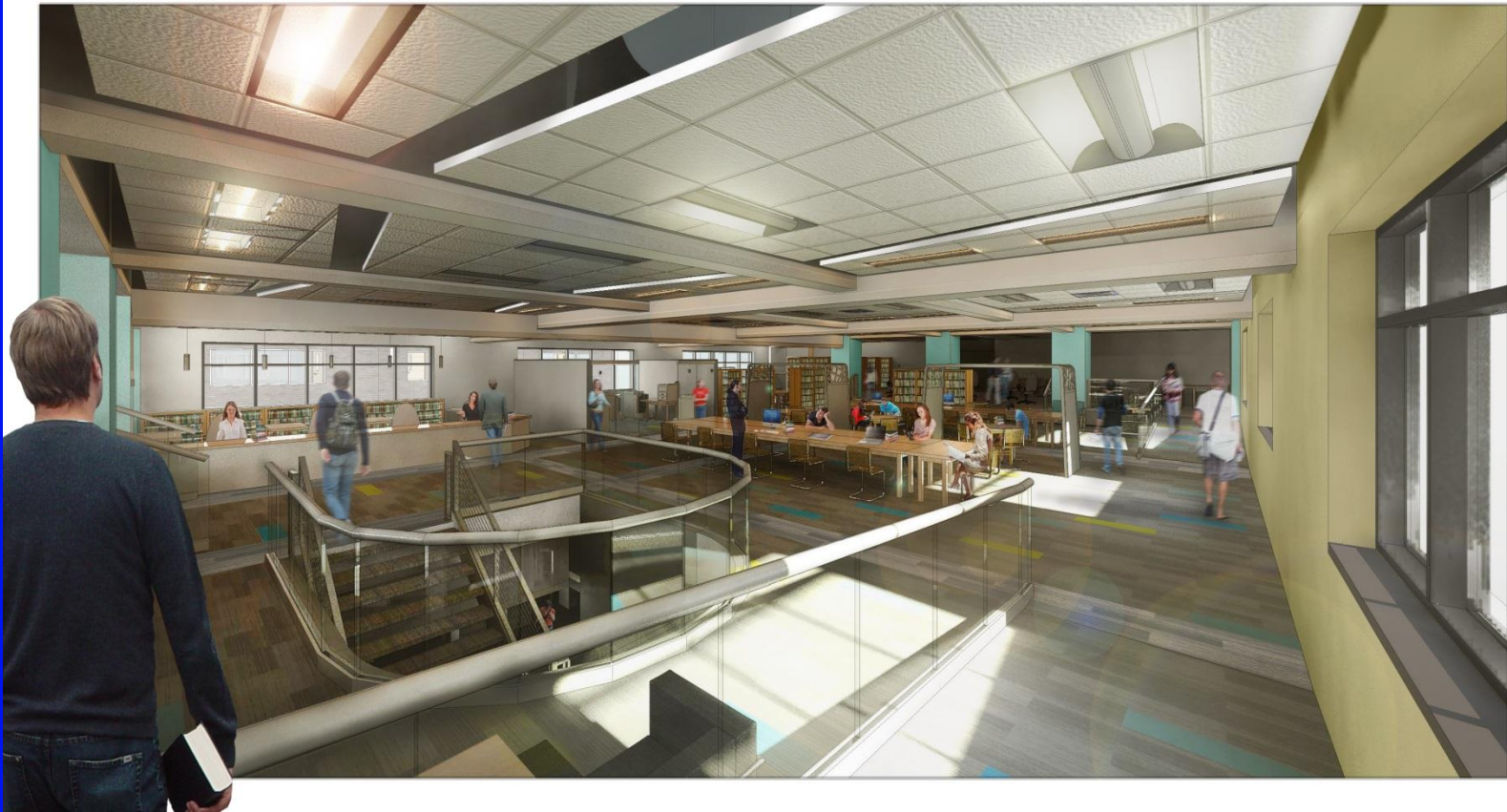


## FY 2013-14 Remodeling Project Highlights

- Student Services Welcome Center; MEC at Walker's Square
- Public Safety Infrastructure; MEC at Walker's Square
- Automotive Lab Renovation; Oak Creek Campus
- Auto Lab and Diesel Parking Lot; Oak Creek Campus
- S-Building Testing/Assessment Area; Downtown Campus
- Student Services Renovation; Multiple Locations Downtown
- Dental Lab Improvements; Health Building Downtown
- Main Building Library Renovation; Downtown Campus
- Completed the C-Building HVAC Master Plan



# Main Building Library – Downtown Campus



**MATC**

The logo for MATC, featuring a stylized white star or compass rose with eight points, set against a background of orange and yellow wavy lines.



# FY 2014-15 Building Remodeling Projects Preview \$18M

- Academic Facility Improvements: \$8,335,000
  - Oak Creek Campus Diesel Lab Addition.
  - Walker's Square Cyber Café
  - Oak Creek Campus EVOC Track Lighting.
  - Mequon Campus Esthetician Lab
  - Downtown Campus Marketing Lab Renovation
- District-Wide Sustainability Projects: \$750,000
  - District-Wide Sustainability Initiatives (TBD)



# FY 2014-15 Building Remodeling Projects Preview \$18M Cont'd

- Required Rehabilitation - Code Compliance: \$4,960,000
  - Downtown Main Building Façade (Ordinance Based)
  - Mequon Campus Paving Improvements
  - Downtown Main Building Electrical Closets
- Non-Academic Unit Projects: \$1,775,000
  - Accessibility, Safety, Indoor Air Quality, Etc.
- Other General / Minor Projects: \$2,180,000
  - Finishes, Lighting, Mechanical, Electrical, Etc.





# MATC FY 2015 Capital Equipment Budget by Area

Academic	\$ 7,500,000	41.7%
Information Technology	\$ 5,090,500	28.3%
Milwaukee Pubic Television	\$ 3,100,000	17.2%
Construction Services	\$ 900,000	5.0%
Contingency and Other	\$ 596,900	3.3%
Facilities	\$ 400,000	2.2%
Public Safety	\$ 370,000	2.0%
Public Relations	\$ 31,600	.2%
Human Resources	<u>\$ 11,000</u>	<u>.1%</u>
<b>TOTAL</b>	<u><b>\$ 18,000,000</b></u>	<u><b>100%</b></u>



# Stewards of the Public Trust

- Closing Summary Comments
  - Member(s) of MATC Board of Directors



# Questions

- For more information contact Al Shoreibah, CPA, MBA, VP Finance
- 414-297-6492 or [shoreiba@matc.edu](mailto:shoreiba@matc.edu)

