CALL TO ORDER

The regular monthly meeting of the Finance, Personnel, and Operations Committee of the Milwaukee Area Technical College District Board was held in open session on Wednesday, June 19, 2013, and called to order by Chairperson, Michael Katz at 3:34 p.m. in the Board Room, Room M210, at the Downtown Milwaukee Campus of Milwaukee Area Technical College.

ITEM A. ROLL CALL

Present: Michael G. Katz, Graciela Maizonet, José Pérez

ITEM B. COMPLIANCE WITH THE OPEN MEETINGS LAW

Erika Crosby indicated that proper notice of the meeting had been given in compliance with the Wisconsin Open Meetings Law.

ITEM C. APPROVAL OF MINUTES, May 23, 2013 – Attachment 1

The minutes were approved without objection.

ITEM D. COMMENTS FROM THE PUBLIC

Mr. Kevin Mulvenna, Local 212 Executive Vice President, explained his objection to item FPO-14.

ITEM E. APPROVAL OF CONSENT AGENDA ITEMS

E-1 Board Bills List – Attachment 2
In Order by Check Number
In Order by Payee
Checks Exceeding $2,500
Channels 10/36
Student Activities
Voided Checks

E-2 Financial Report – Attachment 3

E-3 Human Resources Report – Attachment 4

E-4 Procurement Report – Attachment 5

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve the consent agenda.
ITEM F. ACTION ITEMS

F-1 Resolution (F0033-06-13) Authorizing the Sale of $1,500,000.00 General Obligation Promissory Notes, Series 2013-2014A of Milwaukee Area Technical College District, Wisconsin – Attachment 6

Motion: It was moved by Ms. Maizonet, seconded by Mr. Pérez, to approve Resolution (F0033-06-13) Authorizing the Sale of $1,500,000.00 General Obligation Promissory Notes, Series 2013-2014A of Milwaukee Area Technical College District, Wisconsin

Action: Motion approved.

F-2 Resolution (F0034-06-13) Authorizing the Issuance and establishing parameters for the Sale of Not to Exceed of $1,500,000.00 General Obligation Promissory Notes, Series 2013-2014B of Milwaukee Area Technical College District, Wisconsin– Attachment 7

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve Resolution (F0034-06-13) Authorizing the Issuance and establishing parameters for the Sale of Not to Exceed of $1,500,000.00 General Obligation Promissory Notes, Series 2013-2014B of Milwaukee Area Technical College District, Wisconsin

Action: Motion approved.

F-3 Resolution (F0035-06-13) Authorizing The Issuance of $19,500,000.00 General Obligation Promissory Notes, Series 2013-2014C of Milwaukee Area Technical College District, Wisconsin– Attachment 8

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve Resolution (F0035-06-13) Authorizing The Issuance of $19,500,000.00 General Obligation Promissory Notes, Series 2013-2014C of Milwaukee Area Technical College District, Wisconsin

Action: Motion approved.

F-4 Resolution (F0036-06-13) to Adopt Fiscal Year 2013-2014 Activity Plan and Budget – Attachment 9

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve Resolution (F0036-06-13) to Adopt Fiscal Year 2013-2014 Activity Plan and Budget

Action: Motion approved.

F-5 Resolution (F0037-06-13) to Establish Reserves for Fiscal Year 2013-2014 – Attachment 10
Motion: It was moved by Ms. Maizonet, seconded by Mr. Pérez, to approve Resolution (F0037-06-13) to Establish Reserves for Fiscal Year 2013-2014 – Attachment 10

Action: Motion approved.

F-6 Resolution (F0038-06-13) Authorizing Contingency Payment of Bills and Awarding of Contracts – Attachment 11

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve Resolution (F0038-06-13) Authorizing Contingency Payment of Bills and Awarding of Contracts

Action: Motion approved.

F-7 Resolution (F0039-06-13) to Approve Renewal of Insurance Coverages through Districts Mutual Insurance and the Wisconsin Technical College Insurance Trust – Attachment 12

Motion: It was moved by Mr. Pérez, seconded by Ms. Maizonet, to approve Resolution (F0039-06-13) to Approve Renewal of Insurance Coverages through Districts Mutual Insurance and the Wisconsin Technical College Insurance Trust

Action: Motion approved.

F-8 Resolution (F0040-06-13) to Approve Fiscal Year 2013–2014 Renovation / Remodeling (Capital) Projects – Attachment 13

Motion: It was moved by Ms. Maizonet, seconded by Mr. Katz, to approve Resolution (F0040-06-13) to Approve Fiscal Year 2013–2014 Renovation / Remodeling (Capital) Projects

Action: Motion approved.

F-9 Resolution (F0041-06-13) To Approve FY 2013-14 Benefit Recommendation For Non-Represented Employees – Attachment 14

Motion: It was moved by Mr. Katz, seconded by Mr. Pérez, to approve Resolution (F0041-06-13) To Approve FY 2013-14 Benefit Recommendation For Non-Represented Employees

Discussion: Dr. Pablo Cardona provided the data requested by the committee at the May meeting including an overview of the benefit packages provided by a number of two and four year colleges.

Action: Motion not approved, the roll call vote being as follows:

Ayes: Katz
Discussion: Dr. Burke expressed his serious concern in not approving this resolution. He stated that this continues to create a liability the college cannot fund. He further stated that the administration supports the change in the benefit structure and that that change demonstrates proper fiscal stewardship. The decision not to change this benefit for nonrepresented employees also creates a situation where administrators will have benefits greater than those employees cleaning the buildings, and he does not agree with that inconsistency.

He further clarified that with the committee’s action the college will continue to accrue post-retirement benefit liability for anyone hired on or after July 1st at an institution that is deficit spending this current year and has been deficit spending over the last several years. Increased deficit spending and unfunded OPEB liability are both factors considered by the college’s accreditation agency in determining the institution’s long term fiscal health. The decision to allow this liability to continue to grow works against us.

He reiterated that the college cannot fund this liability out of its operating budget and that our ability to borrow to cover this liability may be eliminated in the Governor’s budget. Instead, this action attempts to eliminate the liability for the future since the operating budget cannot be used to fund these costs in a time where we are trying to grow enrollments and meet the profound workforce and education needs of this community.

The committee agreed by consensus to discuss retiree healthcare benefits at its next meeting in August.

F-10 Resolution (F0042-06-13) to Approve Property Easement at Milwaukee River Greenway and Waive Requirements Regarding Appraisals – Attachment 15

Motion: It was moved by Ms. Maizonet, seconded by Mr. Pérez, to approve Resolution (F0042-06-13) to Approve Property Easement at Milwaukee River Greenway and Waive Requirements Regarding Appraisals

Action: Motion approved.

ITEM G. DISCUSSION ITEMS

G-1 Renovation/Remodeling Revisions Materiality Definition – Attachment 16

The committee was informed that when a capital project previously approved by WTCSB has a cost increase that is more than 15% of what it was thought to be in the original budget WTCS Board must re-approve the project.

The committee agreed by consensus to forward this item to the full board.
ITEM H. INFORMATION ITEMS

H-1 Annual Report on Remission of Out-of-State Tuition, 2012-2013 School Year – Attachment 17
Discussion: None.

Discussion: None.

ITEM I. J-1 Communications and Petitions
None.

J-2 Information Items
None.

ITEM J. OLD BUSINESS/NEW BUSINESS

Date of Next Meeting: TBD

ADJOURNMENT

The meeting adjourned at 4:40 p.m.

Respectfully submitted,

Erika N. Crosby
Administrative Specialist, Finance