

Attachment FPO - 1

**MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT BOARD
Finance, Personnel, and Operations Committee Minutes**

STAFF/ FACULTY PRESENT:	Tony Baez Theresa Barry Christy Brown Darnell Cole	Rob Hartung Rick Kettner Nina Jo Look
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GUESTS

PRESENT: John P. Bowles, Central City Construction, Inc.
Charles Opferman, Central City Construction, Inc.

Anthon Staton, Marsh, Inc.
Elette Drew, Marsh Advantage

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, October 22, 2003, and called to order by Chairperson Earle at 12:00 p.m. in the Board Room, Room M210, at the Milwaukee Campus of Milwaukee Area Technical College.

ITEM A. ROLL CALL

Present: Peter Earle, William Hughes, Bobbie Webber

ITEM B. COMPLIANCE WITH THE OPEN MEETINGS LAW

The Finance, Personnel, and Operations Committee meeting was noticed in compliance with the Wisconsin Open Meetings Law.

ITEM C. APPROVAL OF MINUTES – September 17, 2003 – Attachment 1

Motion It was moved by Mr. Webber, seconded by Mr. Hughes, to approve the minutes of the September 17, 2003, committee meeting as submitted.

Action Motion approved.

ITEM D. COMMENTS FROM THE PUBLIC

Comments from Dr. Michael Rosen, President, AFT-Local 212, focused on current negotiation issues and the need for cooperation to settle the contract expeditiously.

ITEM E. APPROVAL OF CONSENT AGENDA ITEMS

E-1 Bills – September 2003 – Attachment 2

Discussion Mr. Poppe pointed out on page 2 of the Board Bills List summary a new line item: "U.S. Bank – Procurement Card Activity." This amount will grow as the college moves from the pilot phase to full implementation.

E-2 Financial Report – September 2003 – Attachment 3

Discussion Mr. Poppe reviewed the areas that could necessitate a budget modification in the General Fund; i.e., state aid estimate, spring enrollments, and negotiations. A budget modification in the Special Revenue Fund – Non-Aidable is also anticipated to reflect increased state and federal grants and loans.

E-3 Human Resources Report – Attachment 4

Discussion Attorney Brown elaborated on the temporary appointment of Patrick Grady in the Technical and Applied Sciences Division as requested by Director Gobel. All educational and experience requirements have been met.

E-4 Procurement Report – Attachment 5

Discussion Attorney Brown reviewed the contracts for services procurement item on employee group medical and dental insurances. This is being brought back to the committee and Board, as the new Humana PPO rates exceed 10 percent of the approved original bid. The contract for Humana HMO coverage is expiring, necessitating Board approval for another one-year extension.

Chairperson Earle requested that administration address the lack of Hispanic marketing from Eichenbaum & Associates for Milwaukee Public Television.

Motion It was moved by Mr. Webber, seconded by Mr. Hughes, to approve

items on the consent agenda, as submitted.

Action Motion approved.

ITEM F. ACTION ITEMS

F-1 Resolution to Approve FY 2002-03 Planned Budget Modification – Attachment 6

Mr. Poppe stated this modification historically occurs as the independent audit is finalized. Overall, this budget adjustment reflects a total budget increase of \$4.092 million, has no impact on property tax, and does not require the use of operating fund balance.

Motion It was moved by Mr. Hughes, seconded by Mr. Webber, to recommend to the full board approval of the Resolution to Approve FY 2002-03 Planned Budget Modification.

Action Motion approved.

F-2 Resolution to Establish the Tax Levy for FY 2003-04 – Attachment 7

Mr. Poppe stated that the proposed tax rate represents a decrease of 1.62 percent from FY03, and a proposed total tax levy of \$111.905 million. Mr. Poppe provided a handout detailing tax levy percent increase comparisons by technical college district.

Motion It was moved by Mr. Webber, seconded by Mr. Hughes, to recommend to the full board approval of the Resolution to Establish the Tax Levy for FY 2003-04.

Action Motion approved.

F-3 Resolution to Approve Lease from Central Parking System of Wisconsin, Inc. (CPS) for Parking Structure at 6th & Wells Streets – Attachment 8

Mr. Poppe indicated this resolution gives Administration the authority to enter into this lease, effective January 1, 2004, to replace existing parking at the Pabst location, which expires December 31, 2003.

Motion It was moved by Mr. Webber, seconded by Mr. Hughes, to recommend to the full board approval of the Resolution to Approve Lease from Central Parking System of Wisconsin, Inc. (CPS) for Parking Structure at 6th & Wells Streets.

Action Motion approved.

F-4 Resolutions Authorizing the Sale of \$1,000,000 General Obligation Promissory Notes, Series 2003-04B of Milwaukee Area Technical College District, Wisconsin – Attachment 8

Motion It was moved by Mr. Hughes, seconded by Mr. Webber, to recommend to the full board approval of the Resolution Authorizing the Sale of \$1,000,000 General Obligation Promissory Notes, Series 2003-04B of Milwaukee Area Technical College District, Wisconsin.

Action Motion approved.

ITEM G. DISCUSSION ITEMS

G-1 Multi-Use Civic Center Complex, 6th & State

Mr. John Bowles, President and CEO, and Mr. Charles Opferman, Executive Vice President, of Central City Construction, Inc. addressed the need for more available parking in the downtown area, and the opportunity to purchase and develop the Milwaukee County-owned parcel at 6th & State, referred to as the Civic Center Complex. This complex would predominantly be used as a parking structure for the Milwaukee Theatre and other special events. It would possibly include a tower for office space or an educational facility for MATC.

Dr. Cole reiterated the advantages this complex would serve to all the MATC campuses, and briefly mentioned funding opportunities. More detailed discussion on financing options will be held in closed session.

G-2 Healthcare Results and Projections

Attorney Brown introduced Mr. Anthony Staton and Ms. Elette Drew, health care consultants from Marsh, Inc. who provided a handout summarizing FY03 health care results and projected FY04 results. Attorney Brown also introduced MATC's new Director of Compensation & Benefits, Ms. Lynn Fugina, who is the primary contact for Marsh.

Marsh will be working with the Joint Labor Management Health Care Committee to explore plan design changes, including a disease management program and prescription drug options, to help contain health care costs. Dr. Cole requested Marsh to report back to this committee on ways other companies are redesigning their health care plans.

G-3 Preliminary FY 2002-03 Results – Attachment 10

Mr. Poppe provided an overview of the financial results for each fund, as detailed in this attachment. Specifically, Mr. Poppe pointed out that the financial performance of the Enterprise Fund has improved over \$300,000 from FY02. Strategies will continue to be implemented to help steer the Enterprise activities to self-sufficiency as practical in MATC's educational environment.

Particular discussion was focused on the \$170,248 surplus in the Public Television Fund and whether it should be reinvested with the Channel 10/36 Friends.

G-4 Policy B0804, Minority, Women, and Handicapped Business Enterprise Program – Attachment 11

Attorney Brown highlighted the proposed changes to Policy B0804 and Policy B0805, which is detailed in G-5, Attachment 12. She encouraged the committee to provide feedback on any additional enhancements needed or whether to combine the two policies for cohesiveness.

Director Webber commended the changes made to both policies, which reflect the college's commitment in providing procurement opportunities to minority women and disadvantaged businesses. Chairperson Earle encouraged all Board members to provide feedback to Attorney Brown for inclusion in the discussion at the November Finance, Personnel, and Operations Committee meeting.

G-5 Policy B0805, Minority, Women, and Handicapped Business Enterprise Procurement Bid Differential – Attachment 12

ITEM H. INFORMATION ITEMS

H-1 City of Cudahy E-TID #1 – Attachment 13

H-2 Quarterly Consultant Contracts Report – Attachment 14

Director Earle reminded the committee that these reports will be provided on a quarterly basis as a result of a Legislative Audit Bureau recommendation and MATC Board resolution. Dr. Cole commented on the importance of continuing our community presence by utilizing consultants to serve as liaisons for the college. He stressed that measurable outcomes are in place to ensure accountability.

H-3 Procurement and Construction Services Annual Summary for FY 2002-03 – Attachment 15

H-4 Office of Corporate Learning (OCL) Quarterly Report – Attachment 16

Mr. Kettner addressed the concern on the first quarter cost recovery rate of 75 percent and indicated that traditionally, costs are recovered in future quarters. He noted the change in the summary page report format, which details percent of cost recovery per contract. Those contracts with low cost recovery rates are being addressed. Mr. Kettner introduced Ms. Sandy McClary, interim director of the Office of Community and Corporate Learning.

H-5 Out-of-Country Travel Report – Attachment 17

H-6 MEC Report – Attachment 18

H-7 Grants Management Report – Attachment 19

ITEM I. MISCELLANEOUS ITEMS

I-1 COMMUNICATIONS AND PETITIONS

I-2 INFORMATION ITEMS

ITEM J. OLD BUSINESS/NEW BUSINESS

Date of Next Meeting: Thursday, November 20, 2003

ITEM K. COMPLIANCE WITH THE OPEN MEETINGS LAW

Mr. Earle stated that the committee intended to convene into Closed Session.

Motion It was moved by Mr. Webber, seconded by Mr. Hughes, that the committee convene into closed session pursuant to section 19.85(1)(e) of the Wisconsin Statutes to discuss negotiations, as well as potential involvement with Multi-Use Civic Center Complex, 6th & State.

Action Motion carried, the vote being as follows:
Ayes – Earle, Hughes, Webber
Noes – None.

CLOSED SESSION

The committee convened into Closed Session at 1:35 p.m.

ADJOURNMENT

The committee adjourned from closed session at 2:58 p.m.

No action was taken.

Respectfully submitted,

Cynthia J. Lehner, CPS
Assistant, Finance