

**Attachment FPO - 1**

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

<b>STAFF/ADMINISTRATION PRESENT:</b>	Theresa Barry Christy Brown Pablo Cardona Darnell Cole	Robert Hartung Rick Kettner Mike Sargent Jim Walsh
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**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 Thursday, August 17, 2006, and called to order by Chairperson Hughes at 2:04 p.m. in the Board Room, Room M210, at the Milwaukee Campus of Milwaukee Area Technical College.

**ITEM A. ROLL CALL**

**Present:** Bell, Hughes  
**Excused:** Colón

**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 – June 21, 2006**

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to approve the minutes of the June 21, 2006, committee meeting, as submitted.

Action Motion approved.

**ITEM D. COMMENTS FROM THE PUBLIC**

None

**ITEM E. APPROVAL OF CONSENT AGENDA ITEMS**

**E-1 Bills – June, 2006**

**E-2 Bills – July, 2006**

**E-3 Financial Report – June, 2006**

**E-4 Financial Report – July, 2006**

**E-5 Human Resources Report**

**E-6 Procurement Report**

**E-7 Affirmative Action Quarterly Report**

Motion: It was moved by Mayor Bell, seconded by Dr. Hughes, to approve items on the consent agenda, as presented.

Action: Motion Approved.

**ITEM F. ACTION ITEMS**

**F-1 Resolution Authorizing the sale of \$1,000,000 General Obligation Promissory Notes, Series 2006-07A of Milwaukee Area Technical College District, Wisconsin**

Mr. Michael Sargent described that this bond is the first in a series to support the renovation and construction budget approved by the full board June 27, 2006.

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to recommend to the full board approval of the Resolution Authorizing the sale of \$1,000,000 General Obligation Promissory Notes, Series 2006-07A of Milwaukee Area Technical College District, Wisconsin.

Action Motion approved.

**F-2 Resolution Authorizing the Issuance of \$1,000,000 General Obligation Promissory Notes, Series 2006-07B of Milwaukee Area Technical College District, Wisconsin**

Mr. Michael Sargent described that this bond is the second in a series to support the renovation and construction budget approved by the full board June 27, 2006.

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to recommend to the full board approval of the Resolution Authorizing the issuance of \$1,000,000 General Obligation Promissory Notes, Series 2006-07B of Milwaukee Area Technical College District, Wisconsin.

Action Motion approved.

**F-3 Tentative FY2006-07 Finance, Personnel, and Operations Meeting Schedule**

Committee members agreed to the proposed schedule (monthly on Wednesdays during the week preceding the full board meeting), with a meeting time of 2:00pm.

Action Motion approved.

**F-4 Resolution to Approve Budget Adjustment FY2006-07 Number 1**

Ms. Kathy Brehmer stated that throughout May and June, 2006, budget managers held budget review meetings. The adjustments made reflect the results of those meeting. Various expenditure functions were moved between accounts and departments, reducing the budget in areas that were greater than necessary and increasing the budget where needed. Ms Kathy Brehmer also noted the addition of \$1.4M to reserves.

Discussion occurred regarding the need for additional staff in the Financial Aid department.

Ms. Theresa Barry stated that Human Resources is working to fill three positions in addition to the financial aid coordinator position that has been added and will be staffed in September, 2006. These positions are included in the amended budget

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to recommend to the full board approval of the Resolution to Approve Budget Adjust FY2006-07 Number 1.

Action Motion approved.

**F-5 Resolution to Approve Three-Year Facilities Plan**

Mr. Al Evinrude reviewed the Three-Year Facilities Plan, a WTCS annual requirement for all districts. Approval of this facilities plan approves the strategic planning process along with possible project proposals

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to recommend to the full board approval of the Resolution to Approve Three-Year Facilities Plan.

Action Motion approved.

**F-6 Resolution to Revise FY2005-06 Renovation/Remodeling (Capital) Projects**

Comments Mr. Al Evinrude reviewed the Fiscal Year 2005-06 Renovation/Remodeling (Capital) Projects List, which has been revised since its initial approval in June, 2005. Adjustments were made within the approved budget to fund the purchase of a grease interceptor, replacing the currently installed, deteriorating interceptor and satisfying evolving codes.

Mr. Michael Sargent noted that this revision will not result in an addition to the construction budget. Dollars will be reallocated from a project with less priority.

Motion It was moved by Mayor Bell, seconded by Dr. Hughes, to recommend to the full board approval of the Resolution to Revise FY2005-06 Renovation/Remodeling (Capital) Projects

Action Motion approved.

**ITEM G. DISCUSSION ITEMS**

**G-1 FY2006-07 Budget Update/District Property Values**

Mr. Michael Sargent shared preliminary information pertaining to district property values, stating that initial data indicates that the equalized property values of the Milwaukee district will increase more than those of the state as a whole. The Wisconsin Department of Revenue will provide final equalized valuation assessments in early September. This information will be shared with the full board as it becomes available and used to set the tax levy, which goes to the full board for approval at their regular meeting in September.

Mr. Michael Sargent also noted more dollars resulting from Tax Incremental Districts in Milwaukee than in any other district.

The calculated adjustment of the state aid allocation results in a loss of just over \$470,000, \$335,000 due to the increase in equalized property values and \$138,000 due to the high level of TIDS in the MATC taxing district.

**G-2 Budget Variance Report Preliminary Year End June FY2005-06**

Mr. Michael Sargent discussed preliminary information pertaining to the close of Fiscal Year 2005-06, noting a growth in reserves that was more than budgeted. He also stated that revenues, state aid, and tuition and fees were less than budgeted. These were offset somewhat by increased revenues in the contract area, largely due to new initiatives by the Office of Corporate Learning.

Salaries were close to budget, with significant savings in almost all categories other than instructional salaries.

Mr. Michael Sargent also noted a modification in accounting for the cost of undiminished pension for early retirees. Historically, Milwaukee Area Technical College recognized expenses for undiminished retirement when the invoices were received from the Wisconsin Retirement System (WRS). By accruing expense during the year of retirement, there is a more correct recognition of the liability. The result of this change in practice will be an increase in aid-able cost and more timely recognition of the liability.

Mr. Sargent also noted the need to research the causes of bad debt pertaining to students and alter screening processes to decrease the amount of new bad debts.

Dr. Hughes requested that this information, when available, be combined

with data relating to student indebtedness.

**G-3 Budget Variance Report July FY2006-07**

Mr. Michael Sargent provided an update on the current year budget, noting that revenues were slightly less than budgeted and a favorable expense variance.

**ITEM H. INFORMATION ITEMS**

**H-1 Quarterly Consultant Contracts Report**

**H-2 Out-of-Country Travel Report**

**H-3 Grants Management Report**

**ITEM I. MISCELLANEOUS ITEMS**

**I-1 COMMUNICATIONS AND PETITIONS**

**I-2 INFORMATION ITEMS**

Resulting from a partnership established between Milwaukee Area Technical College and TCF Bank, a TCF Banking branch opened on campus.

**ITEM J. OLD BUSINESS/NEW BUSINESS**

Scheduled Date of Next Meeting: Wednesday, September 20, 2006 – 2:00 P.M.

**ADJOURNMENT**

The committee adjourned at 2:48 P.M.

Respectfully Submitted,

*Karen Esche*

Administrative Specialist - Finance