



EMPLOY MILWAUKEE BOARD OF DIRECTORS

PERSONNEL, FINANCE & AUDIT COMMITTEE

November 18th, 2021, 8:30A.M. -10:00A.M.

Employ Milwaukee – 2342 N. 27th Street, Milwaukee, WI 53210

APPROVED MINUTES

Members Present: John Kissinger (Chair), Chytania Brown, Molly Gena, Jon Mariano, Alan Perlstein

Members Absent: Karen Spindler

Employ Milwaukee Staff Present: Julie Cayo, Lowell Raven, Sharron Briggs

Guests Present: Pamela Bell, Lydia David & Demetrius Nash, (Self-Help Federal Credit Union)

Chair John Kissinger called the meeting to order at 8:30AM.

1. Welcome

Chair John Kissinger welcomed committee members.

2. Minutes from August 26th, 2021 - Approval

Personal, Finance & Audit Committee members briefly reviewed and discussed August 26, 2021, meeting minutes.

John Kissinger motioned for approval of August 26th, 2021, meeting minutes; Chytania Brown seconded; minutes were approved unanimously.

3. Self Help

Chytania Brown informed the Committee that Self-Help Federal Credit Union is the organization who loaned Employ Milwaukee Inc. (EMI) the Paycheck Protection Program funding through the Small Business Administration (SBA) and EMI worked with both the Self-Help Federal Credit Union staff and the SBA to have the loan forgiven. The Self-Help Federal Credit Union staff were invited to the meeting to let the Committee know more about their organization. Those present from Self-Help Federal Credit Union were as follows: Lydia David, who is the branch manager of the Southgate location, Demetrius Nash, who is the branch manager of the Midtown location, and Pamela Bell, who is a City Executive with Self-Help Federal Credit Union. Pam informed the Committee of the history of the organization, their focus and mission

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statement. The Committee asked questions and the Self-Help staff answered the questions.

4. Finance Updates:

a) Outsourcing Payroll (Approval)

Lowell informed the Committee that EMI put out to bid the HR Scope of work which included new hire & termination processing, benefits administration, standardization reports, onboarding, performance management, training & development, timekeeping, personal profiles, and job pays history. Lowell also informed the Committee of the putting out to bid of the payroll processing services including tax filing and tax payments to 10 firms. He informed the Committee that only 2 firms replied, ADP and Paycom, and EMI had demonstrations whereby EMI was able to interview each firm and ask questions. Paycom projected costs were \$73K and ADP projected costs were \$56K, thus ADP projected at \$17 more affordable. Based on information provided, demos, interviews, and overall comfort level of EMI, we believe ADP meets the needs of EMI and am asking approval to move forward in signing agreement with ADP. ADP indicated that there is a 6–12-week implementation process and EMI wants these services up and running by 3/31/22. Chytania stated EMI is still manual with our payroll, it's too labor intensive, and time consuming and outsourcing to ADP will mitigate risk. A motion was made by John Kissinger to enter contract negotiations with ADP and seconded by Molly Gena, and the motioned passed unanimously.

b) Status of the PPP Loan Forgiveness

Lowell informed the Committee that the SBA notified Self-Help Federal Credit Union who in turned notified EMI that on 9/9/21 EMI received full forgiveness of its PPP Loan in the amount of \$1,112,150 and associated interest expense of \$15K.

c) Quarterly Financial Statements

Lowell reviewed the Comparative Statement of Financial Position from 9/30/21 v 6/30/21 as well as the Statement of Activities as of 9/30/21 for FY'22 referencing his financial statement notes to highlight the increase in cash, decrease of receivables, decrease of payables and notes payable as well as the surplus of \$98K for FY22 and the overall cumulative positive net asset position of \$1.552M as of 9/30/21. Lowell informed the Committee that EMI continues to repay the commercial line of credit and that the line of credit was renewed for 1 more year from 10/1/21-9/30/22 in the amount of \$500K.

d) FY'21 Audit Update

Lowell informed the Committee that the compliance portion of the FY'21 audit took place from 10/4-10/8/21 and that the financial portion of the audit was taking place next week, thus 11/22-11/24/21. Lowell informed the Committee that the feedback he received from WIPFLI was EMI did a very good job with the compliance portion of the audit and he is hopeful there will not be any findings. Lowell informed the Committee that they audit issuance was impacted by EMI staff turnover, WIPFLI staff turnover, COVID-19, the work involved in the PPP Loan Debt forgiveness application and the amount of time allocated to the DWD audit which took place in November 2021. Lowell informed the Committee that he will work with WIPFLI to have the FY'21 audit ready to be presented and issued in mid-January 2022, thus there is a need for a special meeting. There was a myriad of comments from Committee members that were addressed and Chytania informed the Committee that a doodle poll would be sent out to determine the availability of the Finance

Committee members for the special meeting to review and recommend the FY'21 audit to be issued.

e) Health Insurance Renewal Update (Approval)

Chytania presented information to committee about the renewal of health, dental and vision plans. EMI received several responses from providers with the WPS presenting lower cost for health care expenses and Equitable presenting lower cost for dental. After several rounds of questions from committee members it was recommended that EMI staff follow up with Karen Spindler to have her weigh in on the new plans and whether they would be good options for EMI staff if she agreed then the committee approved the plans as shared if she disagreed then the committee agreed to do an electronic proxy for new recommendations since a decision had to be made immediately to meet the January 1 benefits renewal. Alan Perlstein made motion to approve and John Kissinger 2nd the motion.

5. Discussion of Investment Policy

Lowell let the Committee know that in a separate business premium money market account there is the net proceeds from the sale of the building in the amount of \$1,204,530.62 plus interest earned. He informed the Committee that EMI is only earning about \$10 per month in interest. Various Committee members asked questions and it was decided that Jon Mariano would have an example of investment policies sent to Lowell so that he could work with someone affiliated with Jon's firm in developing investment policies which could then be presented to the Personal, Finance and Audit Committee for review.

6. Personnel Status Report

Chytania Brown reported that EMI has open positions that EMI is hiring, and noted that Sharron Briggs, who has been with the agency for 28 years, will be retiring at the end of January 2022.

7. Fund Development Report

Julie Cayo reviewed the Fund Development Report discussing aspects of the American Rescue Plan Act and how EMI benefited financially in funding. Julie noted that EMI has been awarded \$16.2M of which \$6.5M of funding is for FY'22 and the remainder of \$9.7M is funding for future fiscal years.

Julie reviewed the larger grants related to Lead Abatement Training Program from the City of Milwaukee ARPA funding for \$3M, the DWD Worker Advancement Initiative for \$5.3M, the YouthBuild grant from the Department of Labor for \$1.5M, and the Earn & Learn program from the City of Milwaukee ARPA funding for \$3.8M, of which there is carryover of approximately \$1.7M. In addition, EMI was awarded another \$1,175,000 of ARPA funding for this program thereby bring the total to \$2.875M of funding.

Chytania stated there was significant demand for our services as EMI is serving a myriad of populations in 7 business sectors. There was discussion and questions from the Committee and Julie and Chytania answered all questions.

8. Other Items

No further discussion.

Chair John Kissinger adjourned the meeting at 10:00A.M.

Jon Mariano motioned to adjourn, Molly Gena seconded, approved unanimously.

Next Meeting: February 24, 2022, at 8:30A.M.