



EMPLOY MILWAUKEE BOARD OF DIRECTORS

PERSONNEL, FINANCE & AUDIT COMMITTEE

December 3rd, 2019 – 8:30 a.m. – 10:00 a.m.

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

MINUTES

Members Present: John Kissinger (Chair), Mark Kessenich, Alan Perlstein, Mike Fabishak, Jon Mariano
Members Absent: Karen Spindler
Staff Present: Rob Cherry, Pete Coffaro, Eileen McMahon, Sharlie McCain
Guests Present: Jean Christensen, WIPFLI (Phone)

Chair John Kissinger called the meeting to order at 8:34 a.m.

1. Welcome

Chair John Kissinger welcomed committee members.

2. Approval of Minutes from August 29, 2019

After a brief review and discussion by the committee, Jon Mariano motioned for approval of August 29, 2019 meeting minutes and Mike Fabishak seconded; August 29, 2019 meeting minutes were approved unanimously.

3. Financial Activity Report – 1st Quarter Ending September 30, 2019

Packet Information – EMI FY2020 Budget July 1, 2019 – September 30, 2019 Financial Activity Report, FY2020 July 1, 2019 – September 30, 2019 Budget vs. Actual by Category Comparison as of June 30, 2019
Mark Kessenich presented the Financial Activity Report for quarter ending September 30, 2019. Committee members briefly discussed.

4. Program Year 2020 Budget Update

Mr. Kessenich reported on PY2020 budget and informed members that budget update shows positive trend and budget will not be dependent on raising additional funds. Budget is being expended at 20% burn rate, which is projected to continue for the rest of the year. This budget includes savings from staff layoff in the categories of wages, fringe benefits and occupancy. Budget also includes hiring a CEO, Director of Finance, Youth Manager.

5. 2019 Audit Update

Packet information – Two working documents: 1) EMI Statement of Financial Position Year Ended June 30, 2019, 2) EMI Statement of Activities Year Ended June 30, 2019

Jean Christensen, WIPFLI, presented an overview of working documents for EMI annual audit, which should be completed week of December 9th, 2019. Financial Statements were received from EMI last week and WIPFLI created statement of financial position, which assumes no material changes. Auditors from WIPFLI will be contacting EMI with questions later in the week to explain negative net assets and debt compliance having to do with \$500,000 line of credit. Assumption is there will be many changes to these working documents.

Chair Kissinger stated that additional discussion should be held after financial statements are complete.

Next steps – WIPFLI agreed to provide additional report of comparative statement prior year over current year. Chair Kissinger will schedule Special Personnel, Finance and Audit Committee conference call once audit is finalized. Alan Perlstein has agreed to assist with footnotes on audit documents.

6. Building Update

Packet information – EMI Tenancy Update

Carlton Thompson, EMI IT and Facilities Director, is working on five year projection of improvements and costs for the building. EMI recently increased lease space with WCS and plan to lease an additional 10,000 square feet of space that, at \$13.5 per square foot, could bring in additional \$135,000 in unrestricted funds. EMI total building square footage is 57,666 with tenants leasing 33,000 sq. ft. and staff utilizing 30,000 sq. ft. Members had brief discussion on merits of selling building and Mr. Kessenich reported that most developers are suggesting a 5-7 year lease back commitment option vs. just selling and moving elsewhere.

7. Personnel*

Status Update

Packet information – EMI New Hire and Termination Report

Due to lack of time, this item was tabled for discussion at next meeting.

The meeting was adjourned at 10:08 a.m.

Next Meeting: February 27, 2020