

Mark Kessenich, **Interim CEO**
Employ Milwaukee
2342 North 27th Street
Milwaukee, WI 53210
Phone: (414) 270-1700
Fax: (414) 225-2375
Website: <http://www.employmilwaukee.org>



Tom Barrett, Mayor, City of Milwaukee
Designated Chief Elected Official

Donald W. Layden, Jr.
Chair

**EMPLOY MILWAUKEE BOARD OF DIRECTORS'
PERSONNEL, FINANCE & AUDIT COMMITTEE
MEETING**

August 29, 2019 at 8:30 am

2342 N. 27th Street, Milwaukee, WI 53210 – Conference Room B
Conference Call Number 1 302 202-1090 - Access Code 108408#

AGENDA

1. Welcome
2. Minutes Approval
3. Financial Activity Report
4. Fund Development Report
5. Building Update
6. Personnel Status Report*
7. Other Business

**The Committee may go into closed session pursuant to Section 19.85 (1)(b)(c) of the Wisconsin Statutes.*

Board of Directors Meeting: Thursday, September 12, 2019

Next PFA Committee Meeting: Thursday, November 21, 2019

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EMPLOY MILWAUKEE BOARD OF DIRECTORS

PERSONNEL, FINANCE & AUDIT COMMITTEE

May 30, 2019 – 8:30 a.m. – 10:00 a.m.

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

DRAFT MINUTES

(pending Committee approval)

Members Present: John Kissinger (Chair), Don Layden, Mike Fabishak, Karen Spindler, Jon Mariano
Members Absent: Alan Perlstein
Staff Present: Scott Jansen, Patti Porth, Pete Coffaro, Eileen McMahon
Guests Present: Renee O'Day (DWD)

Chair John Kissinger called the meeting to order at 8:37 a.m.

1. Approval of Minutes from February 28, 2019

After a brief review and discussion by the committee, Karen Spindler motioned for approval and Mike Fabishak seconded, February 28, 2019 meeting minutes were approved unanimously.

2. Financial Activity Report – 3rd Quarter Ending March 31, 2019

Packet Information – FY2019 July 1, 2018 – June 30, 2019 Budget vs. Actual by Category, FY2019 Budget

Ms. Porth presented the Financial Activity Report for the quarter ending March 31, 2019. Employ Milwaukee expended \$11.8 million (65%) of the \$18 million budget for the year. Staff anticipated 90% of the annual budget to be spent by June 30, 2019. Staff wages, direct program cost and indirect at 76%.

The committee discussed the change in the annual budget from \$19M to \$18M, staff reflected that while WIOA funding hasn't decreased much the Executive Team wants to go into 2020 more conservative.

3. FY2020 Budget – Approval

Packet information – FY202 Budget & Fund Development Report, Budget Comparison FY2020 vs. FY2019, FY2020 vs. FY2019 Budget by Funding Source

Patti Porth presented the proposed budget of \$17.3 million. The budget includes \$16.3 million of contracted funding plus \$1 million of fund development. The budget is a \$750,000 (-4%) decrease from FY2019. While total funding is smaller the distribution % is the same.

Karen Spindler motioned for approval of FY2020 Budget; Mike Fabishak seconded; approved unanimously.

4. FY2019 Fund Development Report

Packet information – Fund Development Report 2018-19 Q4, Secured Grants by Affiliation

Rob Cherry, Chief Fund Development Officer, provided a report for the past year. Employ Milwaukee has secured \$5 million in grants over the past year, of which \$1.9 million is included in the current year budget. Will be receiving DWD Youth Apprentice grant of \$22,500.

New grants awarded:

DWD – Summer Employment	\$422,400
Office Violence Prevention – Earn & Learn	\$ 35,401
City of Milwaukee – CDBG Compete OSY	\$ 85,000
City of Milwaukee – CDBG Earn & Learn	\$100,000

The following grants applied for are pending:

Substance Abuse & Mental Health Services	\$1.5 million
DOL Reentry Adult (partnered with State)	\$1.3 million
DOL Reentry Youth (partnered with State)	\$1.3 million
DOL Reentry Youth (MUS)	\$ 50,000
Wisconsin Fast Forward/BankWork\$	\$200,000

5. Equity Analysis Update

Discussion continued regarding the equity in the building. Ms. Porth was directed to discuss listing options with brokers. ResCare will not renew their lease in October. This is a loss of \$162,000 in rent revenue until we can secure a new tenant. WCS has requested more space in the building.

6. Building Update

Don Layden and Patti Porth previously discussed option for selling building. Ms. Porth met with broker May 29, 2019. Seven years earlier the building was on the market for \$3.6 million and didn't get an offer. EM currently owes \$1.67 million.

7. Personnel Status Report

Packet information – New Hire and Termination Report FY19 July 1, 2018 to May 15, 2019

Patti Porth presented the report. As of May 15th, we had 68 full-time employees and 2 part-time interns. Currently there is a hiring freeze until the FY2020 Budget and staffing levels are reviewed.

8. Other

No discussion.

The meeting was adjourned at 9:35 a.m.

Next Meeting: Thursday, August 29, 2019 at 8:30 a.m. at Employ Milwaukee offices.

EMPLOY MILWAUKEE
FY2019: July 1, 2018 - June 30, 2019
Budget vs Actual by Category as of June 30, 2019

COST CATEGORIES	FY2019	Actual	% Spent	Budget Balance
Direct Program Costs - Contractual & Participants				
Contracted Services	\$5,370,189	\$4,560,485	85%	\$809,704
Training & Work Experience	\$4,044,754	\$3,728,219	92%	\$316,535
Support Services	\$822,107	\$772,112	94%	\$49,995
Sub-total Contractual & Participant Costs	\$10,237,050	\$9,060,816	89%	\$1,176,234
Direct Program Costs - Employ Milwaukee				
Staff Wages	\$4,150,431	\$4,139,274	100%	\$11,157
Fringe Benefits	\$1,280,872	\$1,272,275	99%	\$8,597
Occupancy & Overhead	\$1,338,066	\$1,230,524	92%	\$107,542
Sub-total EM Direct Costs	\$6,769,369	\$6,642,073	98%	\$127,296
TOTAL DIRECT PROGRAM COSTS	\$17,006,419	\$15,702,889	92%	\$1,303,530
Employ Milwaukee - Indirect Costs (Administration)				
Staff Wages	\$626,154	\$624,900	100%	\$1,254
Fringe Benefits	\$222,427	\$214,010	96%	\$8,417
Occupancy & Overhead	\$242,108	\$234,909	97%	\$7,199
Sub-total Administrative Costs	\$1,090,689	\$1,073,819	98%	\$16,870
TOTAL	\$18,097,108	\$16,776,708	93%	\$1,320,400

Unaudited-For Discussion Purpose Only

Employ Milwaukee Fund Development Report		Staff Lead	Rob Cherry, Chief Fund Development Officer		
Program Year & Quarter	2019-2020 Q1	Dates	July 1, 2019- August 25, 2019		
Remaining to Date on \$3.5M Activity Goal		Remaining on \$1M Operating Goal			
\$3,154,500		\$811,100			
Workforce Investments Secured for Greater Milwaukee Community					
\$345,500					
Quarter 1	EM Awards	2020 Budget Allocation	Future Allocations		
Grants Approved (6)	\$285,500	\$188,900	\$0		
Grants Pending (5)	\$1,971,000	\$771,000	\$1,200,000		
Grants Declined (Q4 -3)					
Non-Grant Based Fund Development (Board Participation, Corporate Sponsorship)					
Detail Q1					
New Program and Operation Grants Awarded					
<i>Grantor</i>	<i>Award</i>	<i>2020 Budget Allocation</i>	<i>Future Year Allocation</i>	<i>Partners</i>	<i>Months</i>
DWD - Youth Apprenticeship	\$22,500	\$22,500	0		12
Community Development Block Grant - VISTA Interns	\$34,000	\$18,700		City of Milwaukee	12
Community Development Block Grant - MPS Bridges	\$187,00	\$18,700	0	MPS	
Community Development Block Grant - Funding Alliance	\$60,000	\$60,000	0		12
Wisconsin Fast Forward Bankwork\$	\$79,000	\$79,000	0		12
Special Initiative Grants					
Black Male Advisory Council	\$150,000	\$50,000	0	MATC	12
Pending					
<i>Grantor</i>	<i>Ask</i>	<i>2020 Budget Allocation</i>	<i>Future Budget Allocations</i>	<i>Partners</i>	<i>Months</i>
Substance Abuse & Mental Health Services Adm	\$1,500,000	\$300,000	\$1,200,000	MPS	60
City of Milwaukee - CDBG Compete Milwaukee OSY	\$85,000	\$85,000	\$0		12
City of Milwaukee - CDBG Earn and Learn	\$100,000	\$100,000	\$0		12
Dept of Workforce Development (Summer Youth Employment)	\$211,000	\$211,000			
Bucyrus Foundation	\$75,000	\$75,000	\$0	Mayor's Office	
Not Awarded - Q4 2019-2020					
<i>Grantor</i>	<i>Request</i>				
Department of Labor - Reentry Adult (State)	\$1,300,000	\$235,000	\$265,000		36
Department of Labor - Reentry Youth (State)	\$1,300,000	\$235,000	\$265,000	WDA1, DOC, DWD	36
Department of Labor - Reentry (MUS)	\$50,000	\$15,000	\$35,000	Midwest Urban Strategies	36
Upcoming Identified Grant Opportunities					
<i>Grantor</i>			<i>Possible Partner</i>	<i>Max</i>	
Bellwether Education Partners Effects of Fragmentation on Vulnerable Youth			MPS		
Re-Employment Support and Training for the Opioid Related Epidemic			State of WI	\$500k	
Apprenticeships: Closing the Skills Gap			MUS	\$6M	
Grant Capture Rate					
<i>The grant capture rate reflects those grants where EM was the lead applicant</i>					
EM's Year to Date: 100%			EM's 2018-2019: 94%		

Awarded

DWD Youth Apprenticeship

Awarded: \$22,500

Length: 12 months

Coordinating YA activities for 25 youth and provide them exposure to multiple aspects of the industry, skilled mentors and a paid on-the-job work experience.

Community Development Block Grant - VISTA Interns

Awarded: \$34,000

Partners: City of Milwaukee

Length: 12 months

This Love Your Block program asks cities to focus their initiatives on improving housing stock, and revitalizing neighborhoods by eliminating serious property blight in order to end the cycle of vacancy and decline. VISTA members will help support the second year of the Love Your Block program in the City of Milwaukee. VISTAs will have a high level of community interaction to build relationships with residents and partner organizations. These interns will be operationalized out of Milwaukee City Hall.

Community Development Block Grant - MPS Bridges

Awarded: \$187,00

Partners: City of Milwaukee and MPS

Length: 12 months

Connecting more MPS youth intentionally to the Earn & Learn Summer youth employment program.

Wisconsin Fast Forward Bankwork\$

Awarded: \$79,00

Length: 12 months

BankWork\$® training is a partnership between Employ Milwaukee and the Wisconsin Bankers Association (WBA) that includes an eight-week free skills development program that primarily trains participants from underserved neighborhoods for careers in retail banking. The Milwaukee partnership places adults with barriers to employment, in jobs in the financial services industry. Employ is serving its third cohort.

Pending

Strategic Prevention Framework - Partnerships for Success

Funder: Substance Abuse & Mental Health Services Adm

Ask: \$1,500,000

Planning grant that will allow Employ Milwaukee to convene community partners around preventing the onset and reduce the progression of substance abuse and its related problems while strengthening prevention capacity and infrastructure at the community level through the Earn & Learn network of students and employers.

Earn and Learn

Funders: City of Milwaukee – CDBG and Dept of Workforce Development

Asks: \$696,000

Length: 12 months

Compete OSY

Funders: City of Milwaukee – CDBG and Dept of Workforce Development

Ask: \$85,000

Length: 12 months

Employ Milwaukee, Inc.

Tenancy Profile Aug 2019



TOTAL BUILDING SQUARE FEET (SF): 57,666

Tenancy	% by occupant	SF	Cost per SF	Lease Term: Start	Lease Term: End	Monthly Rent	Annual Rent
Employ Milwaukee, Inc. -Admin and Programs	54%	31,132	\$9.00				
Employ Milwaukee, Inc.- Unoccupied	17%	10,000					
ResCare	8%	4,697	-	10/1/2016	9/30/2019	\$15,411.00	
H&R Block	4%	2,425	\$10.00	5/1/2019	4/30/2022	\$2,150.00	\$25,800.00
Wisconsin Community Services (WCS) - Project Excel	3%	1,802	\$13.00	9/1/2019	8/30/2022	\$1,951.00	\$23,412.00
Wisconsin Community Services (WCS) - Wrap Around	13%	7,610	\$13.00	9/1/2019	8/31/2024	\$8,244.00	\$98,928.00
Totals thru October 1, 2019						\$27,756.00	
Totals after October 1, 2019						\$12,345.00	

***Mo. Mortgage payment:** \$12,488.63

EMPLOY MILWAUKEE, INC
New Hire and Termination Report
Fiscal Year 2020
 July 1, 2019 to July 31, 2019

Full Time

Start Total	Hires	Terms	Change in FTE	End Total
66	0	8	0	58

Interns and Part Time

Start Total	Hires	Terms	Change in PTE	End Total
5	1	1	0	5

Terminations from July 1, 2019 - July 31, 2019

Job Title	Department	Date	Reason
COO		7/9/19	Position Elimination
BI Analyst	Administration	7/9/19	Lay Off
Workforce Specialist	Programs	7/9/19	Lay Off
CFO	Administration	8/1/19	Resigned
Intern	Development	8/23/19	Return to School
Workforce Specialist	Programs	8/27/19	Job Opportunity
Manager - Marketing & PR Business Solutions Sector	Marketing	8/30/19	Lay Off
Specialist	Business Solutions	8/30/19	Lay Off
Program Specialist	Programs	8/30/19	Resigned

New Hires from July 1, 2019 - July 31, 2019

Job Title	Department	Date
Intern	Development	7/1/19

Internal Moves from July 1, 2019 - July 31, 2019

Former Job Title	New Job Title	Date
Manager - Business Solutions Integ.	Bus Svcs Sec Spec	7/22/2019
Program Specialist	Workforce Specialist	7/22/2019

Change in FTE from July 1, 2019 - July 31, 2019

Job Title	Now	Date
Workforce Specialist	PT	7/5/19

Vacancies as of July 31, 2019

Job Title	Status	Date
CEO	Posting anticipated	9/3/2019
Budget Director	Posting anticipated	9/15/2019
Compliance manager	Posting anticipated	10/15/2019