
TOWN BOARD OF SUPERVISOR MEETING MEMORANDUM

MEMO TO: Dave Valentine, Chairman
Town Board of Supervisors

MEMO FROM: Jim Culotta, Town Administrator

MEMO WRITTEN: August 31, 2007

MEMO SUBJECT: Item #10e: Discussion and possible motion regarding the Milwaukee Area Technical College

BACKGROUND

The State of Wisconsin created the Wisconsin Technical College System (WTCS) to provide occupational education/training for residents and assistance to business/industry in order to foster economic development. The WTCS is comprised of sixteen technical college districts. The Town of Cedarburg is currently located in the Milwaukee Area Technical College (MATC) district. Each district is governed by a board that is responsible for the operation of the school and its programs. Districts have the power to levy property taxes, provide for facilities and equipment, employ staff, and contract for services.



DISTRICT BOARD GOVERNANCE

Under current law, a district board must consist of nine members who are residents of the technical college district, including two employers, two employees, a school district administrator, a state or local elected official, and three additional members. All board members serve three-year terms and are not subject to term limits. The members of the district board are appointed by an appointment committee consisting largely of K-12 school board presidents in the district. According to the MATC website, the MATC District is divided into three geographical areas based on school districts. Board members will be appointed from the geographical areas as follows:

- City of Milwaukee - 4 members
- North Suburban - 1 member
- South Suburban - 1 member
- North or South Suburban - 1 member
- Anywhere - 2 members

At least two of the members from the City of Milwaukee must be minorities, with a total of at least three minority members overall; and at least three members must be women and at least three members must be men, in each case excluding the school district administrator member.

TOWN OF CEDARBURG RESIDENTS

Town of Cedarburg residents are directly impacted by the property taxes they pay to the MATC and their use of MATC programs and services. The following table details the number of Town residents that have attended each of the technical college districts. As you can see below, most Town residents attend the MATC. It is worth noting that the cost of attending a technical college is the same regardless of the jurisdiction the students resides.

Town Residents			
Source: Wisconsin Technical College System			
Technical College District	FY 2004	FY 2005	FY 2006
Chippewa Valley Technical College	1	0	0
Southwest Wisconsin Technical College	0	1	1
Madison Area Technical College	2	1	2
Blackhawk Technical College	1	0	1
Gateway Technical College	3	5	3
Waukesha County Technical College	4	8	6
Milwaukee Area Technical College	174	154	155
Moraine Park Technical College	7	10	15
Lakeshore Technical College	10	14	9
Fox Valley Technical College	3	5	12
Northeast Wisconsin Technical College	2	1	0
Mid-State Technical College	0	0	1
Nicolet Area Technical College	0	0	1
Total Town Residents	207	199	206

As you can see below from the 2006 tax levy, Town residents pay more property taxes to the MATC than they do to Ozaukee County. Attached is a recent article from the Milwaukee Journal Sentinel regarding the MATC tax levy. From 2003 to 2006, the MATC tax levy has grown an average of 5.6% each year. The 2007 tax levy will increase by 5%. The article also includes a comparison of tax rates from other technical college districts. According to the MATC, Town residents generally pay approximately \$100 more in property taxes to MATC than they would if the Town was a part of the Moraine Park district.

TAXING JURISDICTION	TOTAL LEVY	RATE (FIVE PLACES)
State.....	\$ 140,954.99	\$ 0.21797
County.....	\$ 1,356,567.20	\$ 2.09778
Municipal.....	\$ 1,733,912.00	\$ 2.68130
Utility.....	\$ -	
School.....	\$ 6,923,906.49	\$ 10.91531
Technical College.....	\$ 1,420,989.00	\$ 2.19740
GROSS TAX RATE	\$ 11,576,329.68	\$ 18.10975
State School Credit.....	\$ 1,157,446.84	\$ 1.78986
NET TAX RATE	\$ 10,418,882.84	\$ 16.31989

Town staff has received comments from several residents regarding their displeasure with the lack of representation on the MATC Board of Directors. These concerns stem from the fact that there are no Ozaukee County residents on the MATC board and because MATC board members are appointed rather than elected as is the case in all the other taxing jurisdictions.

DETACHMENT

Due to some of the concerns discussed above, some municipalities and school districts have openly discussed the possibility of detaching from the MATC for another technical college district. Ozaukee County is also reviewing this issue. Attached you will find a letter from the Ozaukee County Corporation Counsel detailing the detachment procedures.

LEGISLATION

Several pieces of legislation have recently been or will soon be introduced in the legislature regarding technical colleges. Two of these bills are as follows:

2007 Senate Bill 253 – *Introduced by Senators Darling, A. Lasee, Lazich and Lehman, cosponsored by Representatives J. Ott, Roth, Honadel, Pridemore, Gottlieb, Moulton, Kerkman, Owens, Musser and Nass.* This bill provides for the election of all members of district boards from election districts within each technical college district on a nonpartisan ballot at the spring election. Each member must be an elector of the election district from which he or she is elected. Terms are changed to four years. Under the bill, current district board members serve until July 1, 2009, at which time district board members who are elected at the 2009 spring election take office. The terms of the members are staggered so that at least two are elected every year. Nomination paper signature requirements, contribution limits, and spending guidelines are the same as for the office of representative to the assembly. Candidates for the district board are not eligible to receive public grants to finance their campaigns.

2007 Assembly Bill #TBD – *To be Introduced by Representative Gottlieb.* This bill requires at least one member of a district board that governs a technical college district encompassing a 1st class city (presently only Milwaukee) to be a resident of a county other than Milwaukee County. The bill permits current members of that district board to serve their terms, but requires all vacancies occurring on that district board to be filled with members who are residents of counties other than Milwaukee County until the membership of the district board is brought into conformance with this bill.

ACTION REQUESTED

Town staff requests the Town Board discuss the information provided and determine what, if any, action the Town should take regarding this issue.

ATTACHMENTS

- a. Milwaukee Journal Sentinel article 7-24-07
- b. Ozaukee County Corporation Counsel letter 7-11-07

MATC secession talk is spreading

Mequon latest to ponder switch to less costly district, a move rarely tried

By **TOM KERTSCHER** and **ERICA PEREZ**
tkertscher@journalsentinel.com

Germantown — A proposal to remove Germantown from the Milwaukee Area Technical College District is a step into largely uncharted territory, but it is attracting interest from other communities that want to cut property taxes.

Meanwhile, MATC is waiting to see whether it could lose millions of dollars to the Moraine Park Technical College District, should Germantown succeed in moving to the lower taxing district.

Gaining approval from the state technical college board for such a move probably would be difficult, given that it would take money away from the Milwaukee district, said Germantown Village Trustee Al Vanderheiden.

But Vanderheiden, who proposed the switch, maintains that Germantown's property tax dollars should support

MATC BOARD OF DIRECTORS

Milwaukee Area Technical College provides education and levies taxes in communities in Milwaukee County and parts of Ozaukee and Washington counties, but all of its board members are based in Milwaukee County.

Chair: Bobbie Webber, Milwaukee Fire Department captain and firefighters union president

Vice chair: West Allis Mayor Jeanette Bell

Secretary: Ann Wilson, manager, Hillside Family Resource Center, Milwaukee

Treasurer: Milwaukee attorney Peter Earle

Members: Milwaukee Public Schools administrator Lauren Baker; state Rep. Pedro Colón of Milwaukee; Robert Davis, president and CEO, Zoological Society of Milwaukee; and Fred Royal, group leader, Delphi Automotive Systems, Oak Creek

Source: MATC Web site, www.matc.edu/about/people/board.html

Please see **MATC, 5B**

Tuesday, July 24, 2007 **5B**

Tax rates from college districts compared

Here's a look at how tax rates and increases compare from college district to college district. Figures for 2007-'08 budgets are proposals.

YEAR	TAX LEVY	% INCREASE	TAX RATE PER \$1,000 OF EQUALIZED VALUE
Moraine Park Technical College District			
2007-'08	\$32,378,155	4.0%	1.36
2006-'07	31,132,841	4.8%	1.37
2005-'06	29,707,291	4.8%	1.43
2004-'05	28,336,008	4.1%	1.47
2003-'04	27,215,732	4.4%	1.53
Waukesha County Technical College District			
2007-'08	\$56,799,686	3.4%	1.08
2006-'07	54,921,375	3.0%	1.11
2005-'06	53,321,723	3.0%	1.17
2004-'05	51,763,424	3.3%	1.26
2003-'04	50,129,009	3.2%	1.33
Milwaukee Area Technical College District			
2007-'08	\$139,306,263	5.0%	1.73
2006-'07	132,673,000	5.1%	1.77
2005-'06	126,248,000	6.4%	1.88
2004-'05	118,611,000	6.0%	1.94
2003-'04	111,905,000	4.9%	1.97
Gateway Technical College District			
2007-'08	\$51,075,834	4.0%	1.17
2006-'07	49,093,282	3.8%	1.24
2005-'06	47,295,000	5.0%	1.33
2004-'05	45,043,000	3.9%	1.41
2003-'04	43,338,000	3.4%	1.48

Source: 2007-'08 budgets for each college

ENRIQUE RODRIGUEZ
erodriguez@journalsentinel.com

MATC

Millions are at stake

technical college instruction in Washington County, which Moraine Park provides — especially since there are no Washington County representatives on the MATC board.

“Every year, they increase the (tax) levy and we have nothing to say about it, other than to open our wallets,” Vanderheiden said.

Germantown Village Administrator David Schornack said Friday he will ask the Germantown School District this week to join in a petition that would move property taxpayers in the School District from MATC to Moraine Park.

Moraine Park is based in Fond du Lac, but it has campuses in West Bend and Beaver Dam and offers classes in Hartford. MATC's main campus is in downtown Milwaukee and also has campuses in Mequon, West Allis and Oak Creek.

Such a move would be a financial blow to MATC and a savings for Germantown-area property taxpayers.

If the move had been made this year, MATC would have lost the \$5.10 million that property taxpayers in the Germantown School District contributed to MATC's 2006-'07 property tax levy.

That is nearly 4% of the Milwaukee district's total levy of \$132.7 million.

“If we lose (even) a million dollars, it's a lot of money,” said MATC President Darnell Cole. “We can't get it from the state. Yeah, it would be a challenge for us.”

A typical Germantown homeowner, meanwhile, would have saved about \$100 in property taxes had the move been made this year, because Moraine Park's tax rate is lower than MATC's.

Figures show that the owner of a Germantown home assessed at \$250,000 would have paid about \$242 in property taxes to Moraine Park, rather than \$342 to Milwaukee.

The possibility of tax savings has caught the attention of other communities.

Last week, the town admin-

istrator in Cedarburg said he had begun researching the possibility of a move from MATC to Moraine Park. And Mequon Ald. John Wirth said several of his constituents have asked him whether such a move would be possible for Mequon.

Cole, the MATC president, said he met this month with a Germantown School District representative about Germantown's possible move and said he doubts the School District will join the village in petitioning for the change.

Nevertheless, Cole said that the discussion in Germantown has convinced him that he must meet individually with all 20 school superintendents in his district to talk about their concerns.

Michael Schultz, vice president of the Germantown School Board, said he expects the School Board would discuss the move.

A rare move

How difficult it would be to change technical college districts is largely unknown, given that it is rarely attempted.

In 2004, the Wisconsin Technical College System Board rejected a request from the school district in Colby, northwest of Marshfield, to move from the Northcentral Technical College District to the Chippewa Valley Technical College District.

The board decided the move would have an adverse impact on costs for students and taxpayers who remained in Northcentral, said Morna Foy, a spokeswoman for the board.

Foy said she was not aware of any other petitions having been filed since the current technical college district boundaries were formed in the 1970s.

According to state regulations, the state technical college board must decide such petitions based on three factors: the financial impact on the two technical college districts involved; the education needs of students in the two districts; and any other information that the board receives, including comments made at a mandatory public hearing.

Should officials in Germantown file a petition to move from MATC to Moraine Park, the state technical colleges board would have 90 days to render a decision.



OFFICE OF CORPORATION COUNSEL

Dennis E. Kenealy
Corporation Counsel

Rhonda K. Gorden
Assistant Corporation Counsel

DATE: July 11, 2007

TO: Tom Meaux
County Administrator

FROM: Dennis E. Kenealy
Corporation Counsel

RE: Procedure for Detaching from Technical College District

You indicate the County is interested in the process to follow if the County would detach its technical college system from MATC.

Under § 38.02 of the Wisconsin Statutes, a system of technical colleges is established within the state.

Section 38.04 of the Wisconsin Statutes provides for a technical college system board at the state level. That is the governing board of all the technical college districts in the State of Wisconsin. There are also district boards for each technical college district within the state under § 38.08 of the Wisconsin Statutes.

Section 38.06 of the Wisconsin Statutes establishes the procedure for reorganization of any district. That statute states that a reorganization means any alteration, dissolution, creation or merger of a district.

One of the methods of attaching to another district under § 38.06(3) is for the local district, presumably MATC in our case, upon its own motion to issue a district reorganization order. Prior to issuing that order the local district board shall conduct the studies, investigations and hearings as it deems necessary. There are some other procedural matters that must be followed under that section but they are merely a process as the reorganization goes forward.

A second method of requesting a reorganization is for the governing body of a county to file a petition with the state board requesting that the county's territory be detached from the district in which it currently lies and attached to a district which is contiguous to the county's current district. The state board upon receipt of the petition must notify each district board affected of the receipt of the petition and of the boundary reorganization that is requested. Each district's board must then within 45 days notify the state board of their recommendations on the petition. Within 90 days of the receipt of the petition, the state board shall notify the governing body of the county filing the petition and each district board affected of its approval or disapproval of the proposed detachment and attachment of territory.

The statutes set forth two methods of requesting reorganization, detachment or reattachment of a technical college district. One is performed by the local district itself, the other is by a municipality within a district such as the county. The process on paper is fairly straight forward. I don't know of a situation where it has attempted to be used so I cannot comment on how the process will work on a practical level.

DEK:af

c: Robert A. Brooks
David W. Barrow