

JOINT POWERS BOARD COMMITTEE

March 9, 2017, 10:00 a.m.

Workforce Development, Inc.

Rochester, Minnesota

MINUTES

Attendees: Dan Belshan (Chair), Randy Johnson (Executive Director), Brian Ashton, Steve Bauer, Susan Boehm, Rick Gnemi, Cheryl Key, Mitch Lentz, Teresa Walter, Jill Miller (Note Taker)

A quorum (6) was present and Dan Belshan called the meeting to order. **Steve Bauer moved for consent of the March agenda, Mitch Lentz seconded, and the motion passed. Cheryl Key moved for consent of the February meeting minutes, Teresa Walter seconded, and the motion passed.**

Fiscal Update – Brian Ashton

- Fiscal Report: **(Attachment A)** Brian stated that there have been two changes since the last reporting period. We received the Department of Human Services (DHS), Year 3 (Pathways to Prosperity Healthcare) Grant. Brian noted that we estimated that we would receive \$53,031. The actual amount we received was \$52,025; a miscalculation in our estimate. An adjustment of \$1,006 was made to the budget. We received the formal notice of funds available for the SE Asian Economic Relief Grant. The grant is for \$100,000 over two years. Brian stated that we expect to expend \$45,000 of the grant prior to the end of the fiscal year.
 - There was a discussion about the Minnesota Family Investment Program (MFIP) in Steele County. Steele County is the only county in our 10-county region where MFIP funds are not contracted through Workforce Development, Inc. (WDI). Under contract, Mankato Rehabilitation Center, Inc. (MRCI) has received funding to provide employment services for MFIP recipients in Steele County for the last 5-6 years.
- Brian reported that our budget is just over \$7.8 million. He noted that we are 66% of the way through the Fiscal Year. Salaries and fringe run a month behind. The staff development/conferences line item is high due to the Global Career Development Facilitator (GCDF) training our counselors are required to take. Brian remarked that we will reallocate funds by the end of the fiscal year if needed. For the classroom training line item, we have over \$125,000 in outstanding vouchers yet to come in from the training institutions, most are Riverland. Brian stated that we will end up having plenty of money for summer session without any restrictions. Overall, we are in good shape. **Cheryl Key moved to approve the Fiscal Report, Teresa Walter seconded, and the motion was approved.**

Program Reports

Dislocated Worker – Randy Johnson

- Randy reported that the BARD Medical Grant will expire on June 30, 2017. The grant is going to be modified for an ending date of June 30, 2018, which will allow staff to case manage enrollees while in training funded by the Trade Adjustment Assistance (TAA) program. Bill Hahn is processing the extension. There was a discussion about other business closures in the 10-county area. Randy commented that many retail chains are closing due to online sales. He remarked that Amazon is dominating the online retail market and that Amazon is even interested in opening brick and mortar stores.

Youth – Randy Johnson

- Randy provided the Board with the Youth Programs Report created by Jinny Rietmann, Regional Youth Services Coordinator for WDI. He discussed the difference in how Federal and State youth money can be used. He reported that we are promoting a career model to high schools throughout the 11-county region in SE Minnesota, including Winona County. He remarked that many times there are crisis counselors in schools, but no one to assist students with career planning. WDI has been offering our services to schools through this model as a menu of services we can provide. He also indicated that in Steele County, the City of Owatonna, the United Way, and several other organizations came together to provide funding for WDI to hire a career counselor to be housed at Owatonna High School to provide career counseling.

Welfare Reform/Supplemental Nutrition Assistance Program (SNAP) – Randy Johnson

- Randy provided the Board with a SNAP report. Randy discussed that SNAP is a Federal program that helps the working poor without children with food support benefits, while helping the recipient gain stable employment and move off of SNAP. The program is supervised through MN-DHS, and the funds are allocated to county agencies. Randy noted that there are two different kinds of SNAP funds: 100% Federal SNAP money and 50%/50% SNAP

money (which allows for a 50% State match). He commented that the MN-DHS has never put money into this fund. If MN-DHS would contribute State money, we could get the Federal match. There is a lot of money available that would qualify for the 50% match. Randy remarked that the bigger collection of where the dollars are at is in the WorkForce Centers. MN-DHS continues to look at other nonprofits and not the WorkForce Centers. Randy commented that WDI is at the table and negotiating to get more funding and make the State match happen.

Workforce Innovation and Opportunity Act (WIOA) – Randy Johnson

- Regional Plan/WIOA Timelines: Randy supplied the Joint Powers Board (JPB) with a copy of the regional plan draft document. He indicated that this spring is when all of the regional plans get approved. Our region includes our 10-county delivery area and Winona County. Randy noted that officers from both Boards meet to work together on common strategies. The regional officers are meeting again on March 14th in Rochester to put additional details into the regional plan and to determine how to measure ourselves against the plan going forward. Cheryl Key will represent the Joint Powers Board at that meeting.
- One Stop Operator RFP/Selection Process: Randy discussed that a One Stop Operator has to be submitted as part of our WIOA Plan. He noted that we will work with DEED on the details and competitive bidding process. Randy stated that WDI obtained a legal opinion, and our One Stop Partners/Consortium could take on this role. WDI will go through a Request for Proposal (RFP) process. We are required to send our process to DEED by March 31st. Sealed bids will be sent to our auditor, who will open them and record the responses. An RFP Review Panel will convene to make recommendations, and our JPB will review recommendations and make the final selection at the May 11th JPB meeting.
- Adult Basic Education (ABE) RFP Review Panel: Randy mentioned that Adult Basic Education (ABE) will be a part of a similar but separate RFP process as part of WIOA. WIOA states that there has to be a public process for ABEs to bid on their own funds and that an ABE RFP Review Panel, made up of our Workforce Development Board (WDB) members, should assist with reviewing the bids.
- Career Pathways Progress Report: Susan Boehm discussed that WDI is partnering with the Carpenters Union in Rochester and Comuidades Latinas Unidas en Servicio (CLUES), a non-profit organization from the Metro area that focuses on the Hispanic and other refugee communities, to offer a six-week credentialed training. CLUES hired a navigator/recruiter this week to recruit 12-20 people to start the program. The first week of training (40 hours) will be held at WDI and will cover soft skills. Following that, there will be a week of training (40 hours) at the Carpenters Training Center in southwest Rochester focusing on math skills and safety. This will be followed by four weeks of carpenters training. At the end of the program, there will be a session where employers can meet and connect with students who are graduating. Susan stated that we are hopeful that area employers will contribute funding for future training sessions. She commented that CLUES plans to focus on recruiting individuals from the Hispanic and/or other refugee communities in the region, but anyone can apply. Susan also discussed that she reached out to both the City of Rochester and Olmsted County regarding areas where they are having job shortages. The City of Rochester Water Reclamation Plant responded right away and indicated that they have been unable to fill several #3 Operator positions. She indicated that there are discussions taking place on how we can get people interested and trained in water reclamation jobs. Susan stated that she is hopeful that once customized training is set up, we can replicate it in other counties throughout the SE Minnesota region. Additionally, she noted that discussions are taking place about the possibility for short-term information technology (IT) training in Rochester. Susan commented that other conversations we are having for career pathways include insurance/financial, retail, and detention.

Director's Report – Randy Johnson

Seating of Public Community Based Organization (CBO) Board member

- Roy Harley, who filled the Public Community Based Organization (CBO) seat on the WDB, elected to relinquish his seat on the WDB. The Director recommended that the Joint Powers Board seat Dee Sabol of the Rochester Diversity Council to fill the Public Community Based Organization (CBO) vacancy. **Cheryl Key moved to approve the seating of Dee Sabol to the WDB, Teresa Walter seconded, and the motion of was approved.**
- Randy also shared that Gordy Adamek, who filled the private Rice County seat representing Mercury Corporation of Faribault, passed away in early February. Randy will be working on filling this vacant seat. He has an appointment set up to talk with representatives at Post in Northfield. Steve Bauer mentioned that Faribault Foods may be another business Randy may want to make contact with regarding the vacant WDB seat.
- Tim Gabrielson, a Mower County Commissioner who is no longer serving on the JPB, had been representing the JPB at the Management Committee and Workforce Development Board meetings. Now that Tim is no longer serving on the JPB, a new representative should be appointed. **Rick Gnemi moved to appoint Jerry Reinartz**

to represent the JPB at the Management Committee and Workforce Development Board meetings, Cheryl Key seconded, and the motion of was approved.

Legislative Update

- Randy discussed that the MN Workforce Development Fund totals \$55 million annually. The money for the fund is generated from a payroll tax. The fund was originally created for the purpose of dislocated workers. However, currently, the fund is going in dozens of different directions. Randy shared the PY16 Annual Allocations from the MN Workforce Development Fund report listing where money in the fund was allocated in PY16. The JPB discussed the report. Randy advised that he met with Deputy Commissioner Jeremy Hanson Willis last week to discuss ideas on how to better manage the Workforce Development Fund. He also met, yesterday, with the Chair of the Jobs Committee who indicated that there most likely will not be time to address the fund during this legislative session. Randy remarked to the JPB that he is very frustrated about this.
- Randy commented that our Bridges to Healthcare Program in Rochester is doing very well. He noted that a majority of funding for this program runs out in July 2017, and that we may have to discontinue this program without additional funding. He discussed that we were able to get a bill dropped in both the House and Senate yesterday for \$360,000 each year for the Bridges to Healthcare Program. We now need to go testify. We also got the Chair to say that a portion of money should go to outstate competitive grants.
- At the Federal level, we are good until October 2017. A year from now we could be in tough shape as far as Federal funding, but it is unknown.

Next Meetings

- April 20th – Best Places to Work Banquet at the International Events Center in Rochester at 5:30 p.m.
- April 20th – New Member/Staff Orientation at the International Events Center in Rochester from 3:30-5:00 p.m.

Next JPB Meetings

April 13, May 11, and June 8, 2017, at 10:00 a.m.

- Dan Belshan asked that Randy arrange for the JPB to visit local businesses in different industries as a test run for similar career tours they would offer youth. He mentioned starting at Mayo Clinic.
- Randy Johnson commented that we will discuss the Hot Jobs list and WDI staffing/the potential for future budget cuts at the next meeting.

Other

- Steve Bauer commented that the following businesses are trying to recruit and taking applications: Faribault Foods, Faribault Woolen Mills, and MRG Tool and Die.

Rick Gnemi moved to adjourn the meeting, Cheryl Key seconded, and the meeting was adjourned.

Respectfully submitted,
Jill Miller
Workforce Development, Inc.

ATTACHMENT A**Workforce Development, Inc.****REVENUES by fund source**

From: 1-Jul-16 Thru: 28-Feb-17	Y-T-D Actual	% of Budget	Annual Budget
Grants:			
Adult Employment & Training	1,141,126	59.7%	1,910,543
Youth Employment & Training	649,321	59.1%	1,098,374
Dislocated Workers	1,084,926	57.8%	1,877,713
Reading Recognition	1,772	15.5%	11,400
	<u>2,877,145</u>	<u>58.7%</u>	<u>4,898,030</u>
Fees for Service/Other:			
Welfare Reform	1,718,308	57.7%	2,978,548
Custom Training	763	38.2%	2,000
Donations	3,591	35.9%	10,000
	<u>1,722,662</u>	<u>57.6%</u>	<u>2,990,548</u>
Total Recognized Revenues	<u><u>4,599,807</u></u>	<u><u>58.3%</u></u>	<u><u>7,888,578</u></u>
Unrecognized Revenues:			
Unbilled Welfare Reform	15,882	0.0%	0
Unallocated Indirect Costs	63,734	0.0%	0
	<u>79,615</u>	<u>0.0%</u>	<u>0</u>
TOTAL REVENUES	<u><u>4,679,423</u></u>	<u><u>59.3%</u></u>	<u><u>7,888,578</u></u>

Changes Since Last Report:

P2P - DHS Year 3	(1,006)
SE Asian Equity Grant	45,000
Total Change	<u><u>43,994</u></u>

ATTACHMENT A**Workforce Development, Inc.****BUDGET to ACTUAL by programs/function**

From: 1-Jul-16 Thru: 28-Feb-17	Y-T-D Actual	Percent of Budget	Annual Budget
Salaries and wages	2,293,912	65.4%	3,509,195
Payroll taxes & benefits	733,107	65.5%	1,118,673
Subcontracted services	145,060	43.9%	330,495
Staff development/conferences	55,875	93.1%	60,000
Travel	61,334	62.3%	98,440
Board expenses	8,695	47.0%	18,500
Telephone	36,770	66.3%	55,500
Postage	7,309	48.7%	15,000
Utilities	43,415	67.3%	64,500
Marketing	6,185	47.6%	13,000
Dues and subscriptions	11,944	59.7%	20,000
Auditing & legal fees	4,183	20.9%	20,000
Maintenance	53,402	69.4%	77,000
Rent and occupancy	263,126	66.6%	395,000
Insurance	12,047	66.9%	18,000
Supplies and other	64,861	58.0%	111,839
Equipment	5,832	29.2%	20,000
Equipment rental	63,739	68.1%	93,600
Classroom training	529,690	60.1%	881,411
Participant support	213,574	30.0%	711,260
OJT contracts/wage subsidy	16,651	21.1%	79,000
Participant Wages	51,071	32.2%	158,569
Participant Fringe	7,404	33.2%	22,297
Other training expenses	276	2.2%	12,300
Workforce Center Partner Billing	-10,039	66.92%	-15,000
	<u>4,679,423</u>	<u>59.32%</u>	<u>7,888,578</u>