

**Region 4 Workforce Board
Executive-Finance Committee
Meeting Minutes
Wednesday, May 22, 2024**

Meeting Time: 8:00 AM
Method: Virtual - GoTo Meeting Conference Call

Committee Member Participants: Randy Vernon, Chair; Matt Lewellen, Vice Chair; Holly Moore, Treasurer; Steve Snyder, Secretary.

WDB Staff: Gregg Notestine, Executive Director; Mellisa Leaming, Director of Operations; Blake Sempstrott, Controller; and Tina Overley-Hilt, Executive Assistant

Other Attendees: Carla Crowe, Crowe LLC.

Absent: Deb Waymire, Chief Operations Officer

Executive-Finance Committee

Randy Vernon, Executive Committee Chair, called the Executive-Finance Committee meeting to order at 8:00 AM.

Finance

PY23 Revenue and Expense Report –4/30/2024

Carla Crowe, Crowe LLC, presented the PY 23 Revenue and Expense Report for the period ending 4/30/2024. Noteworthy observations include the following:

- WIOA funding is 66% expended at \$1,557,732 of the 83% goal. Funds not expended will carry over into PY 24 to support us during the first quarter.
- Non-WIOA funding is at 59% expenditure compared to an overall 85% expenditure goal. Several of the grants expire beyond 6/30/2024.
- USDOL Rural Healthcare ends January 2025.
- USDOL Building Pathways to Infrastructure Job Grant is getting started. Funds were budgeted for anticipated expenses during PY 23. The grant ends September 30, 2028.

The bottom half of the report shows line-item expenditures compared to the straight-line budget for the period.

- *Salaries* – the difference reflects the Board staff change with Roger's retirement,
- *Communications*–expenditure is slightly over the goal percentage. There is no concern since it is not a large dollar amounts and we are under expended in other areas.
- *Direct Participant Costs* are slightly below the goal percentage. Some of those funding streams go beyond 6/20/2023. We do anticipate fully spending those funding streams.

Total Expense is \$3,966,868.

PY 24 WIOA Preliminary Budget (July 1, 2024-June 30, 2025)

Carla Crowe presented the proposed preliminary budget for Program Year 2024 (*July 1, 2024-June 30, 2025*). We have not received the WIOA allocation for PY 24. Once we know our allocations and have confirmed the final carry-in amount, the financials will be updated.

- Salaries and Fringe Benefits decreased due to the staffing changes with the retirement of Roger Feldhaus and the anticipated retirement of Kathy Burns and Deb Waymire. There is a proposed 3% cost of living one time pay-out for the Executive staff effective July 1, 2024. There is an increase for Mellisa Leaming's promotion to Chief Operations Officer and a six-month salary for a possible new hire to backfill the Director of Operations position. There will also be a review of the salary ranges for a possible merit raise in January 2025.

- Staff Development and Travel increased to support CEO outreach to regional chambers and economic development agencies.
- Space costs decreased due to the closing of offices in PY 23.
- Communications slightly increased
- Supplies and Equipment decreased
- Professional services increased to reflect the anticipated audit fee increase.
- WDB Expenses decreased because there are no plans at this time for Board members to attend the NAWB Forum. There will be discussions about planning team building and/or strategic planning in the October or November timeframe. Executive Finance Committee members expressed concern about the decrease.
- WorkOne Overhead Expenses are reduced partially due to closing of brick-and-mortar offices.
- WorkOne Direct Participant Costs – We are currently budgeting WIOA, JAG, and Workforce Ready grant at the same level as PY 23.
- 100% of the Infrastructure Grant funds are obligated to our service provider, JobWorks.

The PY24 Proposed Projected Budget is \$7,845,606; an increase of \$1,612,871 compared to PY23. This is the budget the Executive Staff recommends for the Executive-Finance Committee to approve for the full Board's consideration. The budget will be updated throughout the program year to reflect any significant change including additional revenue.

Note: The preliminary budget presented to the Executive/Finance Committee assumed all granted are fully received and expended in the budgeted plan year. This was a change from the prior practice of budgeting *expected* grant receipts and expenditures for the budgeted plan year with carry-over of remaining grant funds. After internal discussion and analysis, a decision was made to revert to past practice, which will, among other things, provide a better comparison with prior years' expenditures.

Operations

Mellisa Leaming, Director of Operations, presented the Operations update.

Rural Healthcare Grant (RHG) and Infrastructure Grant Progress

RHG Grant is a four-year grant running from February 2021-January 2025. Region 4 is the administrator and fiscal agent with nine sub-recipients across the state. The goal of the grant was to assist individuals with training in the healthcare sector in rural areas. The grant needs to wrap up by December 2024 with participants employed by January 2025 to meet the grant performance measures. We are on target to meet or exceed outcomes set forth in the grant.

Pathways to Infrastructure Grant Progress (Grant period 9/30/2023-9/30/2028)

This is a five-year USDOL *Building Pathways to Infrastructure Jobs Grant- Regional Electrical Vehicle Manufacturing Partnership* to upskill 700 individuals in jobs in the electric vehicle and electric battery sector. It is slow to start because of a new sector, employers, curriculum, and training. It has been challenging to understand what is needed.

USDOL Trade Adjustment Act (TAA) Visit – Kokomo WorkOne

USDOL will monitor the activity of the Trade Adjustment Act (TAA) program in Indiana and visit the Kokomo WorkOne to observe TAA case managers on June 6, 2024. TAA funding allows for re-training of individuals impacted by foreign imports. Congress has not reauthorized the Trade Adjustment Act. The TAA caseload is less and DWD will have to lay off staff. There are only 13 TAA case managers in Indiana and two in Region 4. The goal is to offer staff other positions with the State.

Jobs for America's Graduates (JAG) Expansion

Terri Simons, Regional Operator with JobWorks and Ethan Groff, Region 4 JAG Manager have done a great job recruiting new schools for the JAG Expansion program. There are 10 new schools/programs including an Out-of-School program with Lara and Ivy Tech in Kokomo. Indiana has 91 new schools with a goal of 125 new schools.

Administration

Board Composition & Certification

- ***Board Membership*** – Gregg Notestine reviewed the Board composition changes. Deb Close, CEO, Dukes Memorial Hospital is near retirement and unsure if she will continue to serve on the Board. Steve Snyder has taken a new position with Freitag-Weinhardt, Inc and will represent Business. Shannon Turner, Field Representative with Bricklayers Local 4, will fill the labor member seat vacated by Steve Snyder. Sherri Burnett with Kokomo Vocational Rehab may replace Rebecca Jones. We would like to add one more business representative. Considerations are Lori Azbell or Erin Townsend, Senior HR Mgr. Talent and Development at Haynes International, and a business leader from White County and/or Montgomery County.
- ***Board Officer Slate*** – The slate of officers for Region 4 Workforce Board was approved by the Executive/Finance Committee. The slate of officers is Chairman-Matt Lewellen, Vice-Chair-Steve Snyder, Secretary-Holly Moore and Treasurer-Randy Vernon. The slate will be presented to the Board for a vote at the June 19, 2024, meeting.

Local Plan /Board Strategic Plan Update

- Local Plan: The Executive staff is in the process of updating the Local (State) Plan. The internal target date to complete is August 1, 2024. The Plan will be posted on the Region 4 Workforce Board for public comment for 30 days. Board Members, stakeholders, partners will be asked to review. It is due to DWD by September 30, 2024, but the goal is to submit by August 31, 2024.
- Region 4 Board Strategic Plan is a plan of goals/objectives and strategies to make sure the region is aligned with the State's Local Plan. The review of the current Strategic Plan will begin after the completion of the Local (State) Plan. We would like to bring in a consultant to facilitate the discussions. The goal is to complete by calendar year fourth quarter 2024 or first quarter 2025.
 - Send out a summary of the pillars of the Local (State) Plan as a preview of what the Board Strategic Plan may be based on, as well as other materials related to the Region 4 Strategic Plan.

Succession Planning Update

Deb Waymire will retire September 30, 2024. The month will be a transition month as Mellisa Leaming will be promoted to Chief Operations Officer. Kathy Burns is retiring June 30, 2024. Several individuals will be handling Kathy's responsibilities including WorkOne Business Services staff and Executive (TAP) staff.

Adjournment

The Finance/Executive Committee meeting adjourned at 9:20AM.