

**DRAFT Minutes of the Southeast Tennessee Local Workforce Development Board**  
**Komatsu America Corporation | 409 Signal Mountain Road, Chattanooga, TN 37405**  
**March 13, 2024 | 11:30 AM – 1:00 PM ET**

Board members present were Kimberly Steele, Evann Freeman, Trey Shoemaker, Blake Markham, Ethan Lloyd, John Proffitt, Josh Ewing, Lelsie Travis, Leslie Travis, Rebecca Ashford, Jennifer Thacker, Corey Raburn, and Tucker McClendon.

Other guests in attendance: Charlotte Burger, Jorge Vera, William Saxton, Kerry Ervin, Autumn Derrick, Wes Skinner, Evan Meltone, Nedra Wakefield, Kayleigh Heaton, Melanie Smith, Cynthia Brooks, Daniel Jayroe, Jim Vincent, Hannah Young, Laken Shattuck, Gracie Shamblin, Christina Henderson, Patrick O'Hagan, Michelle Bosworth, Tim Mckibben, Kelly Puckett.

Staff present were Michele Holt, Maty Patton, Allison Schiavo, Christi Chapman, Alicia Zuidema, Dani Beck, Don Kellerman, Jim McClure, and Reece Stevens.

### **Call to Order**

Marshall Graves welcomed the members and called the meeting to order at 11:33 AM ET. He welcomed everyone in attendance and called on Maty Partin to give the roll call.

Maty Partin gave roll call and Michele Holt declared a quorum was present.

Chair Graves called for the public comment period. With no comments to be made, he asked Trey Shoemaker to give a short presentation and a welcome to Komatsu. After technical difficulties, Marshall Graves was no longer able to attend the meeting virtually.

### **Komatsu Welcome**

Trey Shoemaker gave a brief introduction to Komatsu. He noted the facility in Chattanooga manufactures forestry equipment including building and painting equipment. He spoke about Komatsu's involvement with the Workforce Board highlighting their pre-apprenticeship program and being a recent recipient of an incumbent worker training and on-the-job training grant. With no questions, Mr. Shoemaker turned the meeting over to Evann Freeman who will continue to chair the meeting in Chair Graves absence.

### **Approval of the Minutes**

Chair Freeman called for approval of the minutes from the Joint SETD and Workforce Board meeting on December 5, 2023. The minutes were unanimously approved on a motion by John Proffitt and a second made by Blake Markham.

### **Administrative Reports**

Mr. Freeman called on Reece Stevens to present the financial reports. Mr. Stevens presented the Financial Statements for January 31, 2024. He noted we should be 58% expended but are trending slightly behind at 43%. As the program year continues, expenditures should increase as enrollments increase. Items above the budget are line-item 13, Equipment- Rental and Maintenance at 65% due to having to change providers for the website, and line-item 14, Printing and Publications at 165% due to increased job postings.

He continued to note the Minimum Participant Cost Rate (MPCR) was at 35% for Q2, which is below the requirement; however, Q3 is trending above the requirement at 54% with one month reported and the year-to-date reported at 41%. Annually, we must maintain a 40% minimum and should track to complete the quarter strong.

Continuing, Mr. Stevens reported all carryover contracts are fully expended except for the FY23 Dislocated Worker and PY 23 Youth administrative. This should trend upward as the program year progresses. As a reminder, WIOA allows for funding to be transferred between Adult and Dislocated Worker, and if needed additional transfers will occur to ensure 100% expenditure of funding. He noted that the PY24 for Adult is almost fully expended, but we can transfer funding from the dislocated worker contract to continue those services if needed. Mr. Stevens moved to Other Grants and reported most were on track except for the newly awarded NDWG Quest grant in line items 39-42.

After some discussion and additional questions, the January 31, 2024, Financial Statements were unanimously approved as presented on a motion by Rebecca Ashford and a second from Jennifer Thacker.

Next, Ms. Stevens presented Budget Amendment 3. He noted we will be bringing in an additional \$645,106 in new grants. This will include:

- Programming of \$593,874
- Administrative Cost of \$51,232
- \$5,500 to average out the excess cost for printing and publications.

The additional funding is due to the award of \$380,000 for the Quest Grant and \$265,000 for the Consolidated Business Grant. With no questions, Mr. Freeman asked for a motion to approve Budget Amendment #3. John Proffitt made a motion and Ethan Lloyd made a second. The amendment was approved unanimously.

Mr. Freeman called for approval of the Operations, Youth, and Opportunities Committee Meeting minutes. On a motion made by John Proffitt and seconded by Rebecca Ashford, the minutes were unanimously approved.

### **Workforce Board Meeting Restructure**

Chair Freeman called on Ms. Holt to introduce the topic of restructuring the format of our quarterly board meetings. She discussed Chair Graves's vision for utilizing our board meeting time to examine specific topics or strategies in more detail. He would like to move business to the format of a consent agenda. Members in attendance were receptive, but acting Chair Freeman chose not to call for a vote at this meeting.

### **Local Plan Presentation and Next Steps**

Ms. Holt presented the Southeast Tennessee Local Workforce Development Board 2024-2027 Local Plan highlights. She shared the planning process, purpose, and timeline with the group. She shared the local area's top industries; top advertised skills and that the local area had trained approximately 2,200 individuals during the last plan cycle. She highlighted the labor force participation rates for the area and added the importance of understanding how Southeast Tennessee can help reach Governor Lee's goal of an overall 65% LFPR for Tennessee by 2025. She added the local area has approximately 46% of households that are in poverty and ALICE (Asset Limited Income Constrained Employed) populations. She noted the need to increase services to numerous targeted populations, most importantly, youth,

low-income, justice-involved, veterans, and individuals with disabilities. Several priorities were presented:

**Priorities:**

Increase labor force participation by 0.5%

1. Incorporate mobile and virtual assets to reach individuals throughout our service area.
2. Increase the number and quality of referrals to raise co-enrollment rates.

Implement the State's Business Engagement Plan

1. Reorganize Business Service Teams and provide training on a new CRM system.
2. Concentrate efforts on sectors like Healthcare, Manufacturing, Transportation/Logistics, Professional Services, Construction, and Information Technology.
3. Expand business contacts by leveraging recent sector strategy development momentum.
4. Establish consortia of local businesses to foster collaboration.
5. Simplify the application process for Work-Based Learning (WBL) opportunities to save businesses time.

Expand youth employment opportunities

1. Collaborate with schools, local governments, and community-based organizations to increase the number of youth participating in the Tennessee Youth Employment Program (TYEP) by 2% each year.
2. Pilot a public-sector youth internship for human services roles.
3. Increase outreach in rural communities through relationships with local schools and governments.

Lastly, she briefed the board on an 18-24 month system evaluation period where the local board will assess the ecosystem to aid in establishing the full vision, defining system strengths and limitations, infrastructure capacity, and needs. This will be followed by further engaging community partners to help build sector strategies, complete and compile a working asset map, increase funding support, and develop a "master plan" for the community that will drive a clear concise strategy to organize a workforce ecosystem that is informed and empowered to enhance workforce development in Southeast Tennessee.

**Other Business**

With no other business, Mr. Freeman called for a motion to adjourn. The meeting was adjourned at 12:57 p.m. ET on a motion made by Ethan Lloyd.

Respectfully submitted,

Marshall Graves, Chairperson  
Southeast Tennessee Local Workforce Board