

DRAFT Minutes of the Southeast Tennessee Local Workforce Development Board
American Job Center | 5600 Brainerd Road, Suite A-4, Chattanooga, TN 37411
June 12, 2024 | 11:30 AM – 1:00 PM ET

Board members present were Kimberly Steele, Amy Soloman (proxy for Blake Markham), John Proffitt, Josh Ewing, Leslie Travis, Chad Jaynes (proxy for Rebecca Ashford), Jennifer Thacker, Corey Raburn, Carri Smith, John Freeze, Chase Brett, Susan Hatto, Jim Stailey, Candy Johnson, and Crystal Renner (proxy for Julie Hoover).

Other guests in attendance: Sequatchie County Executive, D. Keith Cartwright, Rhea County Executive, Jim Vincent, Robert Gordon, Tim Mckibben, Charlotte Burger, William Saxton, Donald Kilgore, Kerry Ervin, Shavonne Smith, Andy White, Bo Drake, Sam Wills, Hannah Young, Angie Markum, Dana Braddock, Allison Hutchenson, Eric Hall, Jay Frank, Mayra Pineda, and Nedra Wakefield.

Staff present were Michele Holt, Allison Schiavo, Christi Chapman, Maty Partin, Alicia Zuidema, Kevin Treadway, Don Kellerman, Reece Stevens, and Deborah Gibney.

Call to Order

Carri Smith welcomed the members and called the meeting to order. She 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 Smith called for the public comment period and none were brought forth.

Approval of the Minutes

Chair Smith called for approval of the minutes from the March 12, 2024 Workforce Board meeting. The minutes were unanimously approved on a motion by John Proffitt and a second made by John Freeze.

Administrative Reports

Chair Smith called on Michele Holt to provide a brief administrative update. Ms. Holt shared that the East Regional and Southeast Local Plans were approved by the State Workforce Board on May 17, 2024. She stressed the need for stronger linkages with community partners and the use of community facilities to bring services to those most in need.

She continued by discussing the year-over-year loss of revenues in federal allocations. While the Title I Adult, Dislocated Worker, and Youth programs saw a minimal reduction this program year, the Wagner Peyser allocation saw a significant reduction. A funding reduction from any partner can have a negative impact on the Infrastructure Funding Agreement and discussions are currently underway concerning other facility options for the Chattanooga and Dayton AJCs. The TDLWD is analyzing its budget and will adjust accordingly. The board will be updated as soon as we know more.

Additionally, rising infrastructure costs and the challenge to attract and retain top talent remains a priority. As a result, the Southeast Tennessee Development District will no longer be able to purchase food for workforce board meetings. The Workforce Innovation and Opportunity Act does not have provisions for the purchase of food for workforce board meetings. In the past, the agency has graciously sponsored the food for our meetings, but due to the continued reduction in funding for the federal workforce programs they are responsible for managing, they will no longer continue this practice. We can adjust the timing of our meetings

or ask for meal sponsorship from the membership or other community organizations. Ms. Holt suggested she would ask for sponsorships for the next few meetings and determine if we needed to pivot.

Chair Smith asked Reece Stevens to present the financial reports. Mr. Stevens presented the April 2024 financial report, indicating the overall budget was 57% expended to date. The minimum participant cost rate is trending at 40% with one month reported for Q4. Participant expenditures are steady, and we do not anticipate falling below the 40% minimum before the end of the year. Mr. Stevens stated that all carryover funds are expended, except the FY23 Dislocated Worker, but that should close out well before the end of the program year. Current contracts are expended at about 46% overall; however, participant expenditures are continuing to be obligated as expected. Other grants are reported at 19%; however, many are newly awarded grants that are fully obligated and will be invoiced before the end of the year. The Summer Youth Employment Program (now TN Youth Employment Program or TYEP) expenditures have been increasing and will continue through the end-of-year closeout and any remaining balance will carry over to the next program year. American Job Center expenses are on track for the year. The committee approved the April 2024 financial report as presented. Motion: Candy Johnson. 2nd: Leslie Travis. Motion passed with unanimous approval.

Mr. Stevens presented the FY25 Workforce Board Budget. He presented an overall budget of \$6,989,654 for the next program year. He noted the overall budget was down \$312,649 and a significant portion of the current reduction is due to additional contracts (Consolidated Business Grants, Justice Involved, Apprenticeship) not yet being released. The budget includes a 3% increase for occupancy and contract services which supports rent and security in the American Job Centers. He continued by referencing Ms. Holt's statement on seeking the most affordable rental options that could lower these budgeted increases. The committee approved the FY25 Workforce Board Budget as presented. Motion: John Proffitt. 2nd: Jennifer Thacker. Motion passed with unanimous approval.

Chair Smith called for approval of the Operations, Youth, Opportunities, and Executive Committee Meeting minutes. Motion: John Proffitt 2nd: Jim Stailey. Motion passed with unanimous approval.

Ms. Holt asked to present the individual service provider contracts on a recommendation from the Executive Committee that met last week.

Ms. Holt presented the One Stop Operator proposed budget from In the Door for \$300,000. This is a decrease of \$50k from last year. The expenses for the provider are currently trending lower than this year's contract and a further evaluation of the system is likely to lead to an increase in services being performed by existing AJC staff with less dependency on the One Stop Operator. The Executive Committee moved to approve the In the Door One Stop Operator proposed budget. Motion: Crystal Renner. 2nd: John Proffitt. Motion passed with unanimous approval.

Next, Ms. Holt presented the Career Services proposed budget from EDSI at \$1,870,027. This is a decrease of approximately \$132k from last year. The Executive Committee moved to approve the EDSI Career Services proposed budget. Motion: Chase Brett. 2nd: Kim Steele. Motion passed with unanimous approval.

Lastly, Ms. Holt presented the Youth Services proposed budget from EDSI at \$1,735,341. This is an increase of approximately \$40k and includes both the Title I Youth Formula funding and the state TYEP funding. The state is requesting all TYEP funding be 100% expended by the end of summer (late July or mid-August). The Executive Committee approved EDSI's Youth Services proposed budget. Motion: Jim Stailey. 2nd: Jennifer Thacker. Motion passed with unanimous approval.

Tennessee Youth Employment Program (TYEP)

Chair Smith called on Maty Partin to provide a brief presentation and panel discussion on the newly funded Tennessee Youth Employment Program (formerly Summer Youth Employment Program). The program is designed to provide work experience opportunities for youth ages 14-24 and provides support to both youth and employers needing to hire skilled workers. This program allows the youth to receive career exploration in multiple career paths or do a more in depth focus on a strong career interest. The program can also be used to help youth secure permanent employment if so desired. For the employer, it provides an opportunity to train youth with the skills they need at their company while developing a talent pipeline. It can also assist with filling open positions for a short time.

The program has served over 312 youth and provided \$300k in wages to over 100 worksites. In the coming weeks, new goals will focus on counties with lower participation rates, establish more worksites in rural communities, and engage more employers and community partners in recruitment efforts. She continued to share target goals and expenditures by county and provided additional contact information for employers that may want to get involved.

Ms. Partin brought forth her panelist, Angie Markum, Skillern Elementary Principal and work experience employee, Allison Hutcheson to share more about the TYEP experience. Ms. Markum shared the approach she took to make this a meaningful work experience opportunity for Allison by including her in more advanced conversations and asking related questions to engage her critical thinking skills about the work. Ms. Hutcheson shared how much she learned from the experience and the encouragement she received from Ms. Markum including discovering her passion for young students, becoming a policymaker, and the importance of advocating for the needs of students and teachers. She shared how her passion for policy has grown through this work experience and what it has done to help her determine what career she will choose. After some questions, Ms. Partin turned the meeting back over to Chair Smith.

One Stop Operator Report

Chair Smith asked Robert Gordon to provide the One Stop Operator report. Mr. Gordon presented the current KPI performance and noted the significant increase in TYEP, Wagner Peyser, Jobs for Veterans, and Justice-Involved. Other metrics were lower and were impacted by the TYEP push as we near the end of the program year. He noted there were 13,650 visits from March 2024-May 2024 with 2,022 e-Referrals received during the same time period.

He continued to note the visits to the AJC had increased by 8% with those seeking jobs, career assistance, job searching, and resumes up by 24% and those seeking unemployment insurance down by 32%. He provided a brief spotlight on partner outreach efforts, and noted a recent WARN for 50 impacted employees with Whirlpool Corporation in Cleveland, TN. The Rapid Response team provided on-site services in May with the Mobile AJC onsite to provide technical assistance to all employees in advance of the layoff.

Other Business

With no other business, Chair Smith called for a motion to adjourn. Motion: Ethan Lloyd 2nd: Jim Stailey

Respectfully submitted,

Marshall Graves, Chairperson
Southeast Tennessee Local Workforce Board