SOUTHEAST TENNESSEE DEVELOPMENT DISTRICT/
CHATTANOOGA AREA REGIONAL COUNCIL OF GOVERNMENTS

Joint Meeting
of the
Executive Committee Meeting of SETD/CARCOG
And
Southeast Tennessee Local Workforce Board
Construction Career Center
2225 Roanoke Avenue, Chattanooga
Tuesday, December 10, 2025
10:30 A.M. EDT

MINUTES

Chairman Gary Davis called the meeting to order and welcomed everyone to the annual joint meeting of the Southeast Tennessee Development District/Chattanooga Area Regional Council of Governments Executive Committee and the Southeast Tennessee Workforce Board.
Chairman Davis called on Mayor David Jackson to deliver the invocation.
Chairman Davis then called on Kelly Puckett to conduct the roll call.

Roll Call
SETD Mayors present included Gary Davis, David Jackson, Dwayne Land, Keith Cartwright, Jason Turner, John Gentry, Greg Maloof, and Tom Meeks. A quorum was declared present.

Chairman Davis then recognized Marshall Graves, Chairman of the Southeast Tennessee Local Workforce Board, who called on Michele Holt to conduct the Workforce Board roll call.

Workforce Board members present included Marshall Graves, John Proffitt, Blake Markham, Ethan Lloyd, Kimberly Steele, Chris Schnarr, Kenny Smith, Scott Michels, Grant Roddy (proxy for Leslie Travis), Corey Rayburn, Jennifer Thacker, Barbara Brakebill (proxy for Rebecca Ashford), Susan Hatton, and Chase Brett (proxy).

Workforce staff present included Michele Holt, Allison Schiavo, Alicia Zuidema, Christi Chapman, Maty Partin, Kelsey Rozzell, and Quinita Robinson.

A quorum was declared present.

Approval of Minutes
Chairman Davis stated that the minutes from the previous Development District meeting had previously been distributed to members for review. Chairman Davis asked for a motion to approve the minutes. Keith Cartwright made the motion and David Jackson was second. All were in favor and the minutes were unanimously approved.

Chairman Graves called for a motion to approve the minutes of the September 10, 2025, meeting. On a motion from Jeff Barger and a second from Blake Markham, the minutes were unanimously approved.

Development District Financial Report
Chairman Davis called on Jim McClure, Finance Director, to deliver the Development District Financial Report for the period ending October 31, 2025.

Mr. McClure directed the members to the financial statements in their packets. He reported the following highlights:

- Total Assets: $25,032,064
- Cash on Hand: approximately $13.5 million
- Notes Receivable: $5.8 million
- Total Liabilities: $4.6 million

Mr. McClure reported that year-to-date revenues totaled approximately $6.4 million, slightly below budget due to timing differences in grant billing. Expenses totaled approximately $6.2 million, resulting in a positive variance primarily due to open staff positions and lower pass-through expenditures.

Net income year-to-date was $210,669.

Mr. McClure also noted that $105,000 in loan write-offs had occurred and collection efforts would continue.

Chairman Davis asked for a motion to approve the financial report. There was a motion made by way of the Finance Committee. Keith Cartwright was second. All were in favor and the motion passed.

Budget Amendment Number Two
Mr. McClure then presented Budget Amendment Number Two, reflecting an overall increase of approximately $1.3 million.

Major adjustments included:

- Increased Aging program funding through state allocations and carry-forward funds
- Removal of SNAP program funding due to administrative requirements
- Adjustments to WIOA funding, including the return of the QUEST grant

The amendment increases the overall budget from $19.4 million to approximately $20.7 million. Chairman Davis asked for a motion to approve the budget amendment as presented. A motion was made previously by way of the Finance Committee and David Jackson was the second. All were in favor and the motion passed.

Annual Report
Chairman Davis recognized Chuck Hammonds, who presented highlights from the 2025 Annual Report.

Mr. Hammonds noted several accomplishments during the year, including:

- Over $57 million secured in grant funding for local governments
- More than 1,000 jobs created through economic development initiatives
- $1.3 billion in regional capital investment
- 89 small business loans administered, supporting 580 jobs
- Launch of the "Discover Southeast Tennessee" tourism blog series
- Over 219,000 home-delivered meals provided through Aging services
- 31 Tech Goes Home classes with 310 graduates
- Nearly $1 million in tuition assistance for workforce training

Chairman Davis asked for a motion to accept the Annual Report. A motion was made and seconded. All were in favor and the motion passed.

Workforce Financial Report
Chairman Graves called on Reece Stevens to provide the Financial Report. Reece continued to October 31, 2025 Financial Report. Reece reported the budgeted revenues, in the amount of $5,215,996 and actual expenses for the year at $1,397,574. Actual expenditures for the period totaled 27%, resulting in a variance of -6.33%. He noted this variance is being monitored closely and is within the expected range for the fourth month of the fiscal year. Additionally, with four months reported, the MPCR is at 50 and is within the 40% minimum.

Reece continued to the Financial Status Report and noted the FY25 carryover contracts are the current priority and are on track to close out at 100%. The PY26 Adult and Dislocated Worker contracts are on track. He explained these are the initial contracts that when combined with the carryover funds support the bridge between the program year and fiscal federal year for the first quarter of each program year. Utilization of the FY26 Adult and Dislocated contracts is low, but expenditures were slow in the first quarter due to the transition in the service provider. The contracts covering the infrastructure expenses are in line with the budget.

After some discussion, Chairman Graves called for a motion to approve the October 31, 2025 Financial Report. On a motion from Scott Michels and a second from Jeff Barger, the October 31, 2025 Financial Report was unanimously approved.

Workforce Budget Amendment II
Chairman Graves asked Reece Stevens to present Budget Amendment II. Reece reported that the amendment includes a overall decrease of $107,515. The overall reduction is primarily due to a decrease of $470,366 in NDWG QUEST funding. This decrease is partially offset by increases of $111,111 in Vocational Rehabilitation work experience funding, $75,000 in Apprenticeship funding, and $176,720 in CRRG funding. The reduction in NDWG QUEST funding also resulted in a decrease of 1.5 FTEs in salary allocations.

Additionally, budget adjustments include increases in Contract Services, Occupancy, and Equipment. These increases are offset by corresponding decreases in EDSI Staffing, Participant Funding, and Pass-Through funds. The reduction in EDSI Staffing aligns the budget with actual expenditures. The decrease in Participant Funding is directly related to the reduction in QUEST funding.

Chairman Graves called for a motion to approve Budget Amendment II. On a motion from Jeff Barger and a second from Jennifer Thacker, the motion was unanimously approved.

Workforce Director's Report
During this quarter, no election of officers was conducted. The process biennial election of officer has been paused to allow time for revisions to the Bylaws, specifically to update the language related to officer progression and to explore options for strengthening the committee structure so it better aligns with future workforce needs.

Several grant updates were provided. For apprenticeship funding, although $300,000 was initially announced at the last meeting, the state was ultimately only able to award approximately $70,000 due to unforeseen prior commitments. However, additional funding may be released soon, and all applicants from the first round will remain under consideration for subsequent opportunities. Under the Community Reentry Reinvestment Grant, the board applied for $176,000 to support the purchase of TransfrVR headsets, assist with essential documents, fund non-ETPL training, and launch a CDL cohort. The TYEP program received an additional $100,000 in partnership with Vocational Rehabilitation to assist individuals who need extra support to enter the workforce. The program provides employer cost reimbursement of $3,500 per participant, and interested partners may contact Maty Partin for more information. Regarding Incumbent Worker Training (IWT), on November 21, 2025 the Tennessee Department of Labor and Workforce Development released $2 million in statewide funding. This round is competitive, with $150,000 set aside for each local area and an additional $650,000 available for areas that can demonstrate need, alignment with in-demand occupations, and responsible use of funds.

An update was also provided on the Benefits Cliff initiative. Tennessee will launch a Davidson County pilot integrating the Atlanta Federal Reserve's CLIFF Dashboard into American Job Centers. This pilot aims to equip counselors with tools to model wage changes and benefit impacts, support individuals in pursuing stable long-term career paths, inform program and policy decisions with real-time data, and engage employers, particularly in hospitality, to better

understand how benefits cliffs affect retention. The pilot will emphasize intensive, personalized career coaching and will inform a planned statewide rollout in Summer 2026. Tennessee-specific data from the Federal Reserve will be presented at the State Workforce Development Board meeting in February 2026.

Finally, the TN Works initiative continues to advance as the state's single source and central hub for connecting employers to customized, data-driven workforce solutions at no cost. Through TN Works, businesses can simplify access to workforce resources, tailor strategies to meet their needs, grow their teams, and strengthen Tennessee's economy. Additional information will be shared soon, and a more intensive statewide roadshow is planned for early spring.

Workforce Committee Reports
Chairman Graves called for a motion to approve the Operations, Youth, and Opportunities Committee Reports, which were distributed in advance for review.

On a motion by Jennifer Thacker and a second by Corey Rayburn, the committee reports were unanimously approved.

Community and Economic Development Update
Staff provided updates on recent grant activity.

Recent awards included:

- Six ThreeStar grants
- Two CDBG awards
- Four Tourism Enhancement grants
- Two Downtown Improvement grants awarded to Athens and South Pittsburg

Upcoming grant deadlines include:

- LPRF letters of intent due January 14 (full applications due April 1)
- CDBG applications due March 20
- BUILD grant applications due February 26

Planning Department Update
The Planning Department reported several updates.

A new staff member, Maggie, joined the department with experience from the Appalachian Regional Commission and East Tennessee Development District.

Additional updates included:

- Annual Planning Commission and Board of Zoning Appeals training held with approximately 120 attendees
- Rural Planning Organization meeting scheduled for the following day
- Announcement of a Rural Planning Grant Initiative with approximately $75,000 available

Regional Housing and Population Trends
Ashley Gates presented an overview of regional population growth and housing trends.

Key highlights included:

- Significant migration-driven population growth since 2020
- Increased housing construction across the region
- Rising housing and rental costs in several counties

Staff also demonstrated interactive mapping tools available on the district website that allow users to view housing development, affordability trends, and population changes across the region.

Aging and Disabilities Update
Stacie Burgess highlighted the success of the Senior Community Food Pilot Program.

Program accomplishments include:

- Distribution of more than 19,700 boxes of fresh produce
- Service to 714 seniors across the region
- Partnership with Hughes Farms, who assist with preparing and delivering produce boxes

In recognition of their service and community partnership, Hughes Farms received the Community Heart and Harvest Award.

Program Updates – One Stop Operator
Chairman Graves recognized Quinita Robinson for the OSO report. She reported that Q1 and Q2 KPIs are meeting or nearing targets, except for Wagner-Peyser. Outreach efforts have been expanded, and partner programs are being leveraged to increase Wagner-Peyser registrations. AJC outreach services have been delivered in all counties except Meigs, where implementation is in progress. An update will be provided at the March meeting.

The system continues transitioning to a mobile AJC model, with a goal of weekly service in each county and twice-weekly service in Bradley and Hamilton counties. Upcoming quarterly staff training will focus on virtual interview tools, customer service, and improved program coordination.

Announcements
Chuck Hammonds reported that the Community and Economic Development newsletter continues to perform well, maintaining open rates well above industry averages. Also said a farewell to Audra Kelly after 20 years of service.

Chairman Davis also recognized representatives from the offices of Congressman Scott DesJarlais and Congressman Chuck Fleischmann who were present.

Public Comment
Chairman Davis asked if anyone wished to make a public comment. No comments were presented.

Adjournment
There being no further business, the meeting was adjourned with holiday wishes extended

Respectfully submitted,

Keith Cartwright, Secretary

Respectfully submitted,

Marshall Graves, Chairman

3.11.26	Board Member Name	County of Residence	Date Certified by TDLWD	Organization Member Represents
✓	Wesley Skinner	Meigs	1/28/2019	Iron Craft
	Kimberly Steele	Hamilton	3/6/2023	CHI Memorial
	Evann Freeman	Hamilton	12/3/2021	EPB
	Kimberly Bowen	Hamilton	9/10/2024	Unum
✓	Blake Markham	Rhea	3/6/2023	Nokian Tyres
	Crystal Renner	Hamilton	9/10/2024	Miller Industries Jamad COI
✓	Marshall Graves **Board Chair**	Grundy	9/30/2019	Stone Door Group
✓	John Proffitt	McMinn	9/17/2018	Advanced Energy Solutions
	Carrin Smith	Marion	9/17/2018	Valmont Industries
	Chase Brett	Polk		Polymer Components
✓	Ethan Loyd	Bledsoe		Bledsoe Telephone Cooperative
	Jeff Barger	Sequatchie		Mann+Hummel
	Chris Schnarr	Bradley		Wacker Polysilicon NA LLC Jamad COI

Replace	Kenny Smith	Hamilton		IBEW Local 175
Proxy	Josh Ewing	Hamilton	9/17/2018	UA Local 43 Joe Coker
	Keri Randolph	Hamilton	3/10/2025	Chattanooga 2.0
	Reginald Smith	Hamilton	8/27/2025	Urban League Jamad COI
	Scott Michiels	Hamilton	3/10/2025	Hamilton County Sheriff's Department

✓	Leslie Travis	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development
Proxy	Barbara Susan Hatto	McMinn	3/6/2023	Tennessee College of Applied Technology
proxy	Gwendlyn Davis Rebecca Ashford	Hamilton	1/28/2019	Chattanooga State Community College

✓	Jennifer Thacker	Hamilton	9/17/2018	Tennessee Department of Labor and Workforce Development
Proxy	Vicki Sneed Corey B. Raburn	Hamilton	3/10/2020	Tennessee Department of Human Services
proxy	Tucker McClendon	Hamilton		Hamilton County Government Jamad COI
	Bob White			