

COMBINED MEETING
OhioMeansJobs Stark County Office
822 – 30th Street NW, Canton 44709
June 20, 2024 @ 12:00 p.m.

STARK TUSCARAWAS WORKFORCE DEVELOPMENT BOARD - COUNCIL OF GOVERNMENTS

MEMBERS:

Janet Weir Creighton, Commissioner, Stark Cty.-Absent
Chris Abbuhl, Commissioner, Tusc. Cty.-Present
Scott Robinson, STWDB Chair – Present

STWDB STAFF:

JoAnn Breedlove-Present
Rebecca Harris-Present

FISCAL AGENT:

Chuck Byrd-Present

GUEST/OTHER:

Mayor William V. Sherer II-Present

WORKFORCE INITIATIVE ASSOCIATION - COUNCIL OF GOVERNMENTS

MEMBERS:

Janet Weir Creighton, Commissioner, Stark Cty.-Absent
Chris Abbuhl, Commissioner, Tusc. Cty.-Present
William V. Sherer II, Mayor, City of Canton -Present

WORKFORCE INITIATIVE ASSOCIATION STAFF:

Chuck Byrd - Present

GUEST/OTHER:

JoAnn Breedlove-Present
Rebecca Harris-Present

BUSINESS MINUTES

Commissioner Abbuhl formally called the meeting to order at 12:16 p.m.

ROLL CALL: Taken. Quorum present for both STWDB and WIA COGs

APPROVAL OF December 21, 2023, MEETING MINUTES

MOTION: ROBINSON MOVED FOR THE APPROVAL OF DECEMBER 21, 2023; MEETING MINUTES AS PRESENTED. MAYOR SHERER II SECONDED. MOTION CARRIED UNANIMOUSLY.

Review of PY22 Audits...C. Byrd, WIA Executive Director

Byrd displayed on the screen "Stark Tuscarawas Workforce Development Board Audit for Year ended June 30, 2023, and Workforce Initiative Association Audit for Year ended June 30, 2023. Paper copies available at the meeting to reference if needed.

A **letter from the Ohio Auditor of the State** was in each audit of Stark Tuscarawas Workforce Development Board (STWDB) and Workforce Initiative Association (WIA). It was noted in each letter that they had reviewed the Independent Auditor's Report prepared by Charles E. Harris & Associates, Inc. for the audit period of July 1, 2022, through June 30, 2023. Based on their review, they have accepted the audits for both Stark Tuscarawas Workforce Development Board

and Workforce Initiative Association. Both audits had no findings, no material weaknesses, no management letter recommendations and both audits were “clean”.

Byrd shared the screen to show the STWDB Statement of Receipts, Disbursements and Changes in Fund Balances for year ending June 30, 2023. Total cash receipts were \$4,784,279 and total disbursements \$4,141,969.

Byrd shared the screen to show the WIA Statement of Receipts, Disbursements and Changes in Fund Balances for year ending June 30, 2023. Total cash receipts were \$5,796,302 and total disbursements \$5,874,461. There is a deficit of \$78,159 since money is collected at a later date than the report is generated.

Byrd noted Charles E. Harris & Associates was granted a 2-year extension from the Auditor of State. Charles E. Harris & Associates has been our Independent Public Accountants for 10 years. Generally, after the 10th year, it goes out for bid for another Independent Public Accountant, but this year they gave an option to extend our contract with Charles E. Harris & Associates for another 2 years.

MOTION: Mayor William V. Sherer II made a motion to accept the Workforce Initiative Association audit, and Commissioner Abbuhl seconded. Motion carried.

MOTION: Scott Robinson made a motion to accept the Stark Tuscarawas Workforce Development Board audit, and Commissioner Abbuhl seconded. Motion carried.

Information Updates:

Legal Counsel / Cybersecurity Policy Discussion..... C. Byrd, WIA Executive Director

Byrd noted Attorney Rob Roland of Buckingham, Doolittle & Burroughs is retiring, and he recommends Joshua E. O’Farrell from his firm to replace him in his role as **legal counsel** for both organizations. A bio of O’Farrell was shared on the screen and paper copies were available to all.

Byrd indicated the first project with O’Farrell was to look at all WIA & STWDB insurance policies. We also had David Myers, Partner of Buckingham review proposed policies from our current broker on cyber security. On counsel’s recommendation, we sent questions back to the broker to get clarifications.

Byrd wanted to make everyone aware we are looking at this and more than likely we will add this coverage, just not sure level of coverage. They quoted \$1 million coverage with David Myers’ advice. Myers would like to see what the premium difference is with \$2 million in coverage. The \$1 million coverage would cost \$2700 Workforce Initiative Association and \$2500 Stark Tuscarawas Workforce Development Board.

OhioMeansJobs (OMJ) Centers Lease Renewals / Update..... C. Byrd, WIA Executive Director

Byrd shared an update on lease renewals and space needs. Currently there are less partners in the office and less foot traffic in centers. We have been offering more virtual services and identifying access points locally with internet access.

The OhioMeansJobs Stark County center lease is up December 14, 2026, with DeHoff Realtors. We are currently working to downsize the space at the OhioMeansJobs Tuscarawas County center location in New Philadelphia. Byrd shared the current floor plan and renovation floor plan of the Tuscarawas office. The Tuscarawas current space is under utilized so by downsizing there will be a cost savings. The landlord will be completing the renovations as we cannot buy capital improvements, so we will sign a 5-year contract. Tentatively, renovations will be complete by the end of December 2024. During the construction, the staff will move over to the other side of the building. We plan to add one large conference room in the new space, and the glass walls in the conference room will open to the Monroe mall atrium.

Workforce Investment Council..... C. Byrd, WIA Executive Director

December 2023, the WIA and STWDB COG boards met and approved making a donation of unrestricted, unencumbered funds from both COGs to our nonprofit entity Workforce Investment Council (WIC) specifically to establish an endowment at the Stark Community Foundation to provide a permanent sustainable source of funding. This was established with necessary COG approvals in December 2023. In January 2024, established this endowment with Stark Community Foundation.

As of the end of March 2024, we received our first statement from Stark Community Foundation for the WIC endowment fund. The initial quarterly statement reflected earnings of \$15,000. The total donations were \$470,000 (\$460,000-split between STWDB & WIA and Stark Community Foundation (SCF) provided a \$10,000 match for establishing the fund.) There is a quarterly fee of 0.75%. The fund needs to be in place for 1 year before we are able to spend. We are anticipating about \$20,000 per year of income for available activities that support the WIC's mission and purpose.

WIOA/“A Stronger Workforce for America Act”

Reauthorization Status..... J. Breedlove, Executive Director

ASWA is the current proposed WIOA federal reauthorization legislation which passed the House of Representatives on April 9, 2024 (H.R. 6655). WIOA legislation was passed back in 2014 and implemented in 2016. Currently, we are funded under a continuous resolution. Once legislation is passed, it takes 2 years to be implemented. It reached the Senate HELP Committee Hearing on June 11, 2024 (Health, Education, Labor and Pensions). There is anticipation of movement this year in 2024. Several organizations that support workforce development boards provide advocacy efforts to congressional representatives and others: (*indicates membership) The organizations are National Association of Workforce Boards*, US Conference of Mayor/Workforce Development Council*, Midwest Urban Strategies*, Ohio Workforce Association* and National Skills Coalition.

The positive provisions of the proposed new legislation (ASWA) are:

- More inclusive Out of School youth definition as well as 65% of funds spent on "Opportunity Youth" from 75%.
- Flexibility to use virtualized services and affiliated sites (access points) to deliver center services.
- Maintains 100% transferability between Adult and Dislocated Worker funding (based on local demand/needs).

Some Areas of Concern are:

- Requirement of 50% of WIOA Adult and Dislocated Worker funding must be spent on training services alone which does not recognize/include the other supports job seekers need.
- Increases the Governor's Reserve for 'Critical Industries Fund,' reducing local investments.
- A possible redesignation of established local board regions established with local autonomy, flexibility and innovation that best meets community needs.

STWDB Staffing J. Breedlove, Executive Director

○ **FLSA Changes / Implications (2024/2025)**

Breedlove reported on the upcoming changes with the Fair Labor Standards Act (FLSA). On April 23, 2024, the U.S. Department of Labor announced a final rule, "Defining and Delimiting the Exemptions for Executive, Administrative Professional, Outside Sales and Computer Employees.

The final rule will increase the standard salary level. The change will affect the salary threshold level for those employees that are classified as salary exempt. (see PowerPoint / Handout)

This specific change will affect the STWDB employees since they are paid salary, paid weekly and at this time meet the salary criteria. As of January 1, 2025, staff may need reclassified as non-exempt since some will not meet the salary requirement of \$58, 656 per year and duties test.

○ **Positions / Work Arrangements**

Breedlove reported the staffing positions needing to be filled are the Deputy Director and the previous BRN Director position held by Matt Falter. The job titles / duties may change. Falter's position was with Workforce Initiative Association but will move to the STWDB COG since it is a more strategic position. She is unsure if new positions will be a hybrid role.

PY24 Healthcare Insurance Employee ContributionsC. Byrd, WIA Executive Director

STWDB and WIA have been notified it will receive a 6.48% medical insurance premium increase, a 3.95% dental insurance premium increase, a 0.00% vision insurance premium, and 1 “Premium Holiday” for the period of July 1, 2024, through June 30, 2025, from the Stark County Schools COG Health Insurance Consortium (COG), subject to final approval by its board.

The STWDB and WIA employee health insurance contributions for the period July 1, 2024, through June 30, 2025, are proposed to remain at 10% for Single coverage and 18% for Family coverage. Estimated contributions amounts are as follows:

Coverage Level	Total Monthly Premium*	Employee Monthly Contribution*
Medical-Single	\$1,017.66	\$101.76@ 10%
Medical-Family	\$2,472.18	\$445.00 @ 18%
Dental-Single	\$103.08	\$10.30 @ 10%
Dental-Family	\$254.32	\$45.78 @ 18%
Vision-Single	\$20.20	\$2.02 @ 10%
Vision-Family	\$50.18	\$9.04 @ 18%

MOTION: Mayor Sherer II moved that, Workforce Initiative Association’s (WIA) employee health insurance contributions for the period July 1, 2024, through June 30, 2025, remain at 10% for Single coverage and 18% for Family coverage. Commissioner Abbuhl seconded. Motion carried.

MOTION: Scott Robinson moved that Stark Tuscarawas Workforce Development Board’s (STWDB) employee health insurance contributions for the period July 1, 2024, through June 30, 2025, remain at 10% for Single coverage and 18% for Family coverage. Commissioner Abbuhl seconded. Motion carried.

PY24 Annual Budgets (Historic Allocations)C. Byrd, WIA Executive Director

Byrd referenced the handout and shared on the screen, STWDB PY24 WIOA Allocations which are up 13.3% (\$331,847 increase). This funding is down 21% from 5 years ago. Dislocated Worker funding continues to go down. WIA FY25 TANF Allocations are anticipated to stay steady at \$3,470,000 which is based on the Federal fiscal year (10/1/24).

STWDB receives the majority of their funding from WIOA dollars on 7/1/24 from Department of Labor (DOL) through ODJFS and is allowed 2 years to spend the funds and have a carry in portion. There are also some additional miscellaneous grants received by STWDB.

WIA receives the majority of their funding from TANF dollars on 10/1/24 from ODJFS and in addition receives a contract (large amount of WIOA funds) from STWDB to provide WIOA services which shows as an expense on STWDB. STWDB receives as shown on the budget \$35,000 for services they perform for WIA for a CCMEP TANF contract.

Byrd referenced the STWDB & WIA Interagency breakdown of funding sources: **WIOA** 46.5% **TANF** 44.4% **Other** 9.1%. Byrd highlighted the combined expenditure section with staffing at 42.0%, other operating expenses at 14.2%, and direct program expenditures at 43.8%.

Byrd referenced the highlight of WIA Comprehensive Subgrant of \$2,685,683 which comes from WIOA funds. STWDB and WIA combine the WIOA and TANF dollars to leverage resources for the Comprehensive Case Management Employment Program (CCMEP) youth program which receives referrals from the county Job & Family Services.

Under Training and Supportive Services-our direct training expenditures were higher last year since we needed to make up some ground in terms of spending last year. Historically our numbers have been around \$750,000 on direct training costs.

Byrd referenced the handout on detailed Personnel Positions and costs and highlighted several positions for STWDB & WIA that will be filled in the future. STWDB looking to fill the following positions: Business Solutions (BRN) Manager and Deputy Director. WIA looking to fill the following positions: Employment Specialist-New Phil., Employment Professional-CCMEP, Employer Specialist, Contracting / Purchasing Coordinator, and Data Manager.

Byrd referenced in the handouts for both individual budgets of STWDB and WIA to show how funding streams were further broken down.

STWDB and WIA have each prepared an annual budget for PY-24 spanning the period from July 1, 2024, through June 30, 2025. The budget includes all anticipated revenues and expenditures for all known STWDB and WIA funds/grants for the coming fiscal year and is summarized as follows separately:

STWDB PY-24 Budget	
Projected PY23 Carry-In Resources	\$2,226,432
Projected PY24 New Resources	<u>\$2,376,043</u>
Total Projected Resources	\$4,602,475
Total Projected Expenditures	\$4,602,475
Annual Excess (Deficit)	<u>\$ 0</u>

WIA PY-24 Budget	
Projected PY23 Carry-In Resources	\$1,380,000
Projected PY24 New Resources	<u>\$5,238,963</u>
Total Projected Resources	\$6,618,963
Total Projected Expenditures	\$6,618,963
Annual Excess (Deficit)	<u>\$ 0</u>

Byrd displayed the STWDB PY24 WIOA allocations, STWDB/WIA PY24 budgets and Workforce Initiative Association FY25 CCMEP TANF allocations. (Attachments previously emailed and printed out for meeting.

MOTION: Scott Robinson moved that Stark Tuscarawas Workforce Development Board (STWDB) approve the PY24 Budget as presented. Commissioner Abbuhl seconded. Motion carried.

MOTION: Mayor William V. Sherer II moved that Workforce Initiative Association (WIA) approve the PY24 Budget as presented. Commissioner Abbuhl seconded. Motion carried.

Other BusinessCommissioner Abbuhl

PY24 STWDB Subgrant Agreement with WIA..... C. Byrd, WIA Executive Director

- Byrd stated now that the budgets were approved, and we will need signatures from JoAnn Breedlove, Chuck Byrd, Scott Robinson and Chris Abbuhl since Janet Creighton not present. The Subgrant agreement is grant funding that STWDB receives and passes it down to WIA for transactional services.
- There is a contract between STWDB and WIA shown as \$2.7 million WIOA funds.

Adjournment: 1:45

MOTION: SCOTT ROBINSON MOVED TO ADJOURN THE MEETING AND MAYOR SHERER II SECONDED. MOTION CARRIED.

Next Meeting: To be determined (November / December 2024)