

## SWWDB – FINANCE COMMITTEE MEETING

**June 14, 2006**

MINUTES

4:00 to 5:00 p.m.

Mr. Finley, Chairperson

The SWWDB Finance Committee met on Wednesday, June 14, 2006 at Freedom Plastics, Inc. in Janesville, WI. Attendance was as follows:

<b>Members Present:</b>	Mr. Tom Schraeder	Ms. Shari Schaff
<b>Members Excused:</b>	Mr. James Finley, Chair	Ms. Tammie Engelke
<b>Staff Present:</b>	Ms. Annette Meudt	Ms. Stephanie Kerkenbush
	Ms. Amy Charles	Ms. Barb Tucker

Mr. Schraeder called the meeting to order at 4:00 p.m. in the absence of Mr. Finley who was attending the Executive Committee meeting.

### 1. Review of Financial Statement for May 2006

Ms. Meudt presented the May 2006 Financial Statements, and stated that most grants are spending as planned. There is still \$13,000 that is unobligated, due to staffing changes made in the Future Fields grant. 2006-2007 will be the last year for the Future Fields Grant; therefore it will be the last time SWWDB can allocate funds to this program. Ms. Annette Nekola from DWD has said that if there is money left as of June 30, 2007, SWWDB could pay for staff beyond that date to help close the grant. Ms. Schaff asked if that money could be reallocated somewhere else. The answer is no, it must be allocated and spent on participants who are eligible for the Future Fields program. \$50,000 of the unallocated Dislocated Worker 2005-2007 dollars are being earmarked toward the Virtual Job Center. The WIA allocation is decreasing every year, so SWWDB is trying to find other fund sources.

Job Service has used all of its funding under the 2005-2006 Older Youth-Rock contract for staff. The Committee questioned how Mr. Palzkill will pay for staff to complete contract commitments through June 30, 2006. Mr. Palzkill does have other fund sources, because with Job Service, people can charge out of separate categories. Job Service also has Wagner-Peyser money to fall back on. Ms. Meudt stated that AFL-CIO has the contract to serve ATK participants, but that project is currently under-enrolled. Ms. Tucker will be making changes to contracts in the next fiscal year.

Traditionally there has been a 65/35% split between younger youth and older youth, however, legislation is encouraging SWWDB to shift more toward older youth, so the new split will be 50/50. The CESAs have been holding back on some of their spending, and they have requested carryover funds in which they were told would be allowed. SWWDB may take carryover money from both CESAs and then divide it evenly between the two. WIA legislation directs WDAs to gradually target the older youth population. Older Youth funding is for youth who are at high risk for dropping out of school, or youth who have disabilities (academic, at risk youth, financial difficulty).

SWWDB is receiving about \$65,000 more for Title V (for individuals 55 and older), and the State has requested that SWWDB focus on Rock County. This program is performance based and has been very successful, which is why the State added seven (7) more slots to the SWWDB contract.

**Ms. Schaff moved and Mr. Schraeder seconded a motion to approve the Financial Statement for May 2006 for presentation to the full Board. Motion carried unanimously.**

### **2. 2006-2007 SWWDB Budget**

Ms. Meudt gave an overview of the 2006-2007 SWWDB Budget, and highlighted the following: The 2006-2007 WIA allocation has increased \$26,000 over the 2005-2006 WIA allocation. Ms. Charles has written a couple of grants that will not be added to the budget until approval has been given. The Budget breakdown is as follows: Administration is 9% of total budget, the WIA allocation is 39%, Competitive Grants are 27%, Leased Employees are 24%, and Corporate/Network/Misc. monies account for 1% of the total budget. One item not included in the budget is revenue from business services. Business services revenue will have to go back into program expenses.

Ms. Meudt explained that new state guidelines require that 35% of the WIA Adult and Dislocated Worker allocation must be used for training and support activities. These dollars must be directed toward training programs that lead toward high wage, high growth jobs. \$12.93 has been identified as the median wage for the Southwest Wisconsin WDA.

Ms. Meudt reviewed a handout of Cost Savings Implemented since July 1, 2003 (on file). Under Dr. Borremans' direction, SWWDB has made cuts in staffing, rent/overhead, health insurance, audit, telephone, internet service, and board meetings. The total annual savings have amounted to \$748,167.80. Any further reductions will need to come from program operators.

**Mr. Schraeder moved and Ms. Schaff seconded a motion to recommend approval of the 2006-2007 SWWDB Budget, as presented, to the full Board. Motion carried unanimously.**

### **3. WIA Allocation Awards**

Ms. Tucker presented the PY 06-07 WIA Title 1 Planned Enrollment and Contract dollars by Program Operator for approval (on file).

- **Job Service of Rock County** – Contract amount of \$92,713 to serve 80 adult participants for the period July 1, 2006 through June 30, 2007.
- **Job Service Southwest** – Contract amount of \$85,500 to serve 73 adult participants for the period July 1, 2006 through June 30, 2007.
- **AFL-CIO LETC** – Contract amount of \$121,000 to serve 141 dislocated workers for the period July 1, 2006 through June 30, 2007.
- **Job Service Southwest** – Contract amount of \$80,725 to serve 100 dislocated workers for the period July 1, 2006 through June 30, 2007.

- **CESA #2** – Contract amount of \$86,000 to serve 48 in-school youth for the period July 1, 2006 through June 30, 2007.
- **CESA #3** – Contract amount of \$82,502 to serve 35 in-school youth for the period July 1, 2006 through June 30, 2007.
- **Job Service Rock** – Contract amount of \$70,200 to serve 65 out-of-school youth for the period July 1, 2006 through June 30, 2007.
- **Job Service Southwest** – Contract amount of \$64,930 to serve 60 out-of-school youth for the period July 1, 2006 through June 30, 2007.

Discussion was held on the number of participants to be served under each contract. Ms. Schaff asked if Program Operators would be able to serve the number of participants identified for each program. Ms. Tucker stated that Program Operators will need to do some different marketing strategies, but felt the numbers could be met. **Mr. Schraeder moved and Ms. Schaff seconded a motion to accept all of the program operator contracts as presented and recommend approval to the full Board. Motion carried unanimously.**

#### 4. State Fiscal Monitoring Report

DWD/DWS required a desk-review WIA fiscal monitoring review instead of an on-site review this year. The results of the review will be shared with the Committee when the report has been received from the State of Wisconsin.

#### 5. Health Insurance Update

Ms. Meudt stated that the Executive Committee approved changing health insurance carriers effective June 1, 2006. SWWDB now has Dean Care for its health insurance carrier. The plan is a point of service plan which allows employees and their families to either choose providers who are in or out of the network. Most benefits are the same or better than the previous plan. Enclosure 6 (on file) shows the annual employer and employee savings of \$134,244.48.

#### 6. Other Business

None.

#### 7. Schedule Next Meeting

The next meeting of the Finance Committee is scheduled for September 13, 2006 from 4:00-5:00 p.m. prior to the board meeting.

#### 8. Adjournment

Mr. Schraeder adjourned the meeting at 5:03 p.m.