

Southwest Wisconsin Counties Consortium Meeting

August 23, 2022

Meeting Minutes

The Southwest Wisconsin Counties Consortium meeting was held on Tuesday, August 23, 2022, at the SWWDB Administrative Office, 1370 North Water Street, Platteville, WI and via conference call. Attendance was as follows:

Members Present:

Mr. Marty Brewer
Mr. Jerry Guth
Mr. Robert Keeney

Mr. John Meyers
Mr. Russ Podzilni *

Members Absent:

Mr. Jack Sauer

Staff Present:

Ms. Katie Gerhards
Mr. Matt Riley

Ms. Rhonda Suda
Ms. Danielle Thousand

* Attended via conference call.

1. Call to Order

The meeting of the Southwest Wisconsin Counties Consortium (SWCC) was called to order by Mr. Meyers at 11:30 a.m.

2. Approval of Agenda

The meeting agenda of the August 23, 2022, SWCC meeting was reviewed by SWCC members. No corrections or changes were made.

Motion made by Mr. Keeney, seconded by Mr. Guth, to approve the August 23, 2022, SWCC meeting agenda. **Motion carried unanimously.**

3. Approval of Minutes

The meeting minutes of the May 24, 2022, and June 23, 2022, SWCC meetings were distributed and reviewed by SWCC members.

Motion made by Mr. Keeney, seconded by Mr. Brewer, to approve the minutes of the Southwest Wisconsin Counties Consortium (SWCC) meetings held on May 24, 2022, and June 23, 2022. **Motion carried unanimously.**

4. Program Year 2021-22 Financial Reports, Quarter 4

Ms. Thousand presented the financial statements to SWCC members. The draft financial statements include the Balance Sheet and Statement of Operations as of June 30, 2022.

The Balance Sheet is a draft for the year end as of June 30. SWWDB Finance staff are still working on the year end close out process. Complications are expected due to the ransomware attack. The two (2) categories that will change the most as the close out process continues is 1100-Grant Cash Receivable and 3200-Accounts Payable.

Account 1101-Loan Receivable is a holding spot for office supplies billed to Forward Services Corp. (FSC). The SWWDB Administrative Office shares its space with FSC and therefore shares supplies. SWWDB purchases the supplies and FSC reimburses SWWDB for a portion of the supplies.

Ms. Thousand noted that the accounts labeled "Prepaid" means that those costs are paid for ahead of the time that they are used. SWWDB's health insurance, for example, is paid for prior to it being used.

Accounts 1501-Accumulated Depreciation, 1503-Equipment & Furniture, and 1540-PAS Rewrite Project has been growing and changing over the year. SWWDB has put money down on the items/software and will amortize it once it is fully functional.

Since SWWDB is through Quarter 4, the goal on the Statement of Operations is to be around 100% spent. The column labeled "Pct" is showing revenues at 103.79% and expenditures at 102.64%. Currently, it shows that revenues are exceeding expenditures by \$164,661.91. This is not final. The Statement of Operations includes modifications and the budget that were approved at the last SWCC meeting. Ms. Thousand stated that SWWDB is very close to being on-budget.

Account 6119-Fringes is showing -20.19% spent. This is due to SWWDB's flexible spending account. Staff have had the funds taken out of their paycheck, but have not requested reimbursement yet.

Account 6261-Equipment Under \$5,000 is showing 213.09% spent for a few reasons. In May, there was more purchasing than anticipated for laptops and staff's phones. The laptops included job center laptops to be used for job fairs and Rapid Response sessions as well as new laptops for some staff.

Account 6581-Donations is a new account. It is for the Worker Advancement Initiative (WAI) grant and the talent development council donation which is built in. When SWWDB was awarded the WAI grant, all workforce boards requested \$5,000 for the Wisconsin Workforce Development Association (WWDA).

Account 6610-Subcontractor Expense is showing 106.12%. It is missing some June activities from subcontractors.

Account 6708-Stipends is showing 234.74% spent. This includes stipends from June for the Rock 5.0 Externship. It was a one week project and provided job shadowing experiences for Rock County teachers. The purpose was to expose K-12 educators to Rock County industries and careers. This was a leased employee contract with Rock County.

Ms. Thousand presented the Budget Modifications. Dana Leikness, SWWDB's Job Developer/Apprenticeship Liaison, has been doing a great job with this grant. CESA 3 operates the grant in the Southwest counties and SWWDB covers Green and Rock Counties.

The SWWDB team working with the Independent Living/Foster Care (IL/FC) funding for youth has been awesome. Special funding for stimulus payments to youth was completed a few months ago and now

SWWDB offers a vehicle match policy. The stimulus funding can also help with food, housing, living expenses, etc.

Motion made by Mr. Guth, seconded by Mr. Brewer, to approve the Program Year (PY) 2021-2022 financial statements, including the Budget Modifications, for the period ending June 30, 2022. **Motion carried unanimously.**

5. Appointment of Board Members

Kendal Garrison from Lactalis Cheese has indicated his desire to resign from the SWWDB Board of Directors. He has not made it official, however. Mr. Garrison made a recommendation for his replacement, but Ms. Suda stated that this person does not have decision-making authority. Ms. Suda continued by saying at a previous SWCC meeting, members discussed recruiting Board members from smaller businesses. Ms. Suda asked members to make a recommendation to her if they have any.

Mr. Guth asked what the responsibilities and meeting schedule is. Ms. Suda answered that the Board meetings are held quarterly the second Wednesday of the last month of the quarter in the afternoon. Meetings used to be in-person in New Glarus, but are now held more via video conference.

6. Program Year 2022-23 WIOA Allocations

The Program Year (PY) 2022-23 Workforce Innovation and Opportunity Act (WIOA) allocations were presented to SWCC members. The budget is included these estimates. SWWDB's allocation is decreasing by \$177,287 (approximately 13%). Wisconsin received a lower allocation because the economy is getting better. SWWDB's area has improved in the labor market.

Ms. Suda reassured members that staffing will not be affected. SWWDB has carry-over funds to use. The more WARN notices issued, the more SWWDB's allocation will be. A WARN (Worker Adjustment and Retraining Notification) helps ensure advance notice in cases of qualified plant closings and mass layoffs. The WIOA Dislocated Worker program was affected the most. This funding correlates directly to company layoffs and closures. Ms. Suda added that Saputo Cheese in Belmont is closing and laying off approximately 200 employees.

Motion made by Mr. Brewer, seconded by Mr. Keeney, to approve the Program Year (PY) 2022-23 WIOA Title 1 allocations as presented. **Motion carried unanimously.**

7. Quarter 4 WIOA Title 1 Performance Reports

Ms. Suda presented the Quarter 4 Workforce Innovation and Opportunity Act (WIOA) Title 1 Performance Reports. These are preliminary numbers at the end of the program year on June 30.

Overall it was a good year. SWWDB met or exceeded performance numbers.

8. Program Year 2022-23 and 2023-24 Performance Goals

Every two (2) years, the Department of Labor (DOL), state workforce agencies, and local workforce boards engage in negotiations to set performance goals. The Department of Workforce Development (DWD) negotiates with each local board once they have completed negotiations with DOL. Local performance negotiation is a function of the local elected officials and the local board. Ms. Suda provided SWCC members with an update on negotiations.

SWWDB administration accepted all of DWD's proposed numbers except the Measurable Skills Gain. SWWDB administration has made another proposal and the state will either accept the negotiated numbers or make another negotiation. The Measurable Skills Gain is a new measure for WIOA. For the last two (2) years, it was a baseline measure and SWWDB was not held accountable for anything. DWD was trying to determine a threshold. The state failed this measure which meant all workforce boards or a few boards failed the measure.

The performance goals must be determined by September 30. If SWWDB has to negotiate again, the SWCC will have to convene. Ms. Suda will send out a meeting notice if SWWDB administration and SWCC members have to have a meeting. This would not happen until after the September Board meeting.

Motion made by Mr. Guth, seconded by Mr. Keeney, to accept up to the numbers/percentages as presented in the SWWDB Proposal column. **Motion carried unanimously.**

9. One Stop Centers Certification

The One-Stop Comprehensive Site is located at the Rock County Job Center in Janesville. The Affiliate Job Center site is located at Southwest Wisconsin Technical College (SWTC) in Fennimore. Both sites have been certified for three (3) years until June 30, 2025.

Ms. Suda explained that SWWDB complies with the Department of Workforce Development's (DWD) expectations at these sites. The Platteville location is not an affiliate site but individuals do get served out of that location. The same is true for the Monroe, Dodgeville, Richland Center, and Beloit offices.

10. Leased Employee

Ms. Thousand presented a summary of SWWDB's leased employee program to SWCC members. It is summarized by contract/department, not by person. As of August 17, 2022, SWWDB has six (6) contracts: one (1) with Grant County, one (1) with Green County, three (3) with Richland County, and one (1) in Rock County.

The leased employee information shared with SWCC members compares the second calendar quarter in 2020, 2021, and 2022. In 2020, there were 30 employees with a gross billing of \$197,228.20. In 2021, there were 28 employees with a gross billing of \$240,764.79. In 2022, there were 50 employees with a gross billing of \$273,934.58. This is largely due to the Rock 5.0 interns. There are now 30 employees after the close of the intern program.

Mr. Guth said that Green County has one (1) contract that has been consistent with six (6) employees. Mr. Brewer added that Richland County is really happy with this program.

11. Ransomware Discussion

On June 28, SWWDB became a victim of a ransomware attack in the early morning hours. Ms. Suda explained that someone accessed the network and erased some information on the server. As far as SWWDB and the IT consultants know, there was no data breach where the hackers copied files. Information was simply erased. It is still unclear how or where the hackers got in. The only software left to restore is Sharepoint. Sharepoint runs on an old operating system that is no longer supported by Microsoft. Instead of opening it up and possibly infecting others, it is still offline.

SWWDB administration immediately notified the organization's insurance, the Board Chair, funders, the Wisconsin Department of Justice, FBI, and local police. Matt Riley, SWWDB's Network Coordinator, and SWWDB's IT consultants met and set-up a plan. The hackers sent messages that they were holding SWWDB's system hostage and provided an account number. SWWDB was to call or email and the hackers would tell SWWDB how much is owed. Mr. Riley stated that all parties involved have been super accommodating in resolving the issue as quickly as possible.

SWWDB does work for the Southwestern Wisconsin Regional Planning Commission (SWWRPC) and the Grant, Green, and Lafayette County Child Support agencies who also got affected by the attack. The child support agencies have been back online for a few weeks.

Ms. Thousand added that during the ransomware attack, all costs to help clients were incurred in a single program year. It did not cross program years which is great.

12. Adjournment

Before adjourning, there was discussion on the date of the November meeting. SWCC members and Ms. Suda scheduled it for November 15 in-person after SWWRPC's in-person meeting in Platteville.

Motion made by Guth, seconded by Mr. Brewer, to adjourn the meeting at 12:56 p.m. **Motion carried unanimously.**