

Southwest Wisconsin Counties Consortium Meeting

May 23, 2023
Meeting Minutes

The Southwest Wisconsin Counties Consortium meeting was held on Tuesday, May 23, 2023, in-person at the SWWDB Administrative Office and via conference call. Attendance was as follows:

Members Present:

Mr. Marty Brewer
Ms. Jody Hoesly
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

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

1. Approval of Minutes

The meeting minutes of the February 28, 2023, SWCC meeting were distributed and reviewed by SWCC members.

Motion made by Mr. Brewer, seconded by Mr. Keeney, to approve the minutes of the Southwest Wisconsin Counties Consortium (SWCC) meeting held on February 28, 2023. **Motion carried unanimously.**

2. Program Year (PY) 2022-23 Financial Reports, Quarter 3

Ms. Thousand presented the financial statements to SWCC members. The draft financial statements include the Balance Sheet and Statement of Operations as of March 31, 2023.

The Balance Sheet is current through Quarter 3 (January 1 – March 31). It shows revenues are exceeding expenditures by \$168,055.69. Ms. Thousand indicated that the organization is in a good financial position and went over some of the accounts.

Account 1000-Cash is higher at the moment due to bigger cash draws. SWWDB has a few different bank accounts. The main bank account is at Clare Bank. SWWDB has a pledge agreement with Clare Bank ensuring SWWDB's money is protected.

Since SWWDB is through Quarter 3, the goal on the Statement of Operations is to be around 75% spent. The column labeled "Pct" shows revenues at 93.62% and expenditures at 84.62%. Ms. Thousand went into more detail on some of the accounts that appear to deviate from the 75% goal.

Account 5300-Revenue Interest Income shows 1,327.36% spent. This is because the interest rate increased dramatically since SWWDB administration prepared the budget.

Account 6119-Fringes shows -235.69% spent. This account is off every time as it is the flexible spending offset account.

Account 6155-Meals shows 313.72% spent. This is a result of a few different program events: Youth Apprenticeship (YA) mentoring, a national YA event, and a Workforce Advancement Initiative (WAI) luncheon. Ms. Suda explained that YA has a couple events per year where mentors, employers, and parents meet and SWWDB provides a meal for the event.

Account 6342-Subscriptions shows 118.77% spent. SWWDB started a new subscription for a virtual learning model to engage youth in careers that may be of interest to them.

Account 6353-Network Connectivity shows 108.54% spent. This is due to staff turnover for Manpower. Manpower is the program operator for the Workforce Innovation and Opportunity Act (WIOA).

Account 6410-Legal shows 166.67% spent. This is due to the deductible for SWWDB's cyber liability policy. Ms. Thousand revisited the ransomware attack from June 2022. SWWDB backs-up its data every night and the back-up was done before the hackers deleted all of SWWDB's data.

Account 6431-Consultants shows 0% spent. Last year, SWWDB was provided \$25,000 in extra funds to produce a video for the Foodshare Employment and Training (FSET) program. The video was to show the success of SWWDB and the FSET program.

Account 6708-Stipends shows 313.87% spent. This is mainly for the WAI program. Participants in this program are eligible to receive a stipend for attending class. SWWDB also assists with the cost of tuition, fees, and books.

Accounts 6736-35% Training Support and 6740-Customized Training show 293.21% and 234.15% spent respectively. These are funds directly spent on participants.

The Budget Modifications were presented to SWCC members for review and discussion. Ms. Thousand pointed out that all the activity that has happened since the last meeting is shown in yellow at the top of the document.

Under the Foster Care (FC)/Independent Living contract, SWWDB was provided with additional funding.

With approval from the Department of Workforce Development (DWD), SWWDB can transfer funds between the WIOA Adult and Dislocated Worker programs. Therefore, \$75,000 was approved and transferred from Dislocated Worker to Adult as this is where the need is.

In YA, Dana Leikness, SWWDB's Job Developer/Apprenticeship Liaison, met the goal for the number of students enrolled, so SWWDB was given more funds. SWWDB administration is looking at more mentor training in June.

Mr. Brewer asked if YA is through the schools. Ms. Suda responded yes and explained SWWDB's part in assisting apprentices. Ms. Hoesly asked if this is done during school. Ms. Suda said that it could be done during the school year or it could be done during the summer. CESA 3 covers the Southwest counties of Workforce Development Area (WDA) 11 and SWWDB covers Green and Rock Counties.

Motion made by Mr. Keeney, seconded by Mr. Brewer, to approve the Program Year (PY) 2022-2023 financial statements, including the Budget Modifications, for the period ending March 31, 2023. **Motion carried unanimously.**

3. Appointment of Board Members

Dale Poweleit has shared his plan to retire and recommended Brian Toutant, Business Representative for Steamfitters #601, to replace him. Ms. Suda shared that the Workforce Innovation and Opportunity Act (WIOA) requires 20% of board membership represents labor.

Jeff Elingson has also resigned from the Board of Directors. The Stateline Manufacturing Alliance is recommending Amy Santas, HR Director from Stoughton Trailers, to replace Mr. Ellingson.

Ms. Hoesly, on behalf of Mr. Guth, asked about Mr. Toutant's home address in Oconto, WI. Ms. Suda indicated that Mr. Toutant covers a region and has an apartment in New Berlin.

Motion made by Mr. Brewer, seconded by Mr. Podzilni, to appoint Brian Toutant and Amy Santas to serve on the Southwest Wisconsin Workforce Development (SWWDB) Board of Directors. **Motion carried unanimously.**

4. Program Year (PY) 2023-24 Budget

SWCC members were presented with the budget for Program Year (PY) 2023-24. The document consists of three (3) major pieces: the Budget Summary, the PY 2023 Budget Expenses, and the PY 2023 Revenues. This budget will amend and modify the current year budget and set the initial budget for next year starting July 1.

Ms. Thousand went over the Budget Summary and explained what each column represents. Column 1- Approved Budget is the budget that was approved at the May 2022 SWCC meeting. Column 2-P/Y (Prior Year) Reserve Avail for Use is revenue from a year or two ago and is at SWWDB's disposal. When SWWDB gets to a grant's ending period, the unused funds are either forfeited or used. Column 3- Budget Changes includes modifications that are presented at every meeting. Column 4-Budget/Reserve combines columns 1 through 3. Column 5-YTD (Year to Date) as of 3/31/23 ties to the financial statements presented earlier in the meeting. Column 6-Projected as of 6/30/23 Modified Budget is used to project where SWWDB will be at the end of the year. Column 7-Planned Reserve includes carry-over from multiple year grants. Ms. Thousand noted that column 7 is for reference only.

SWCC members were informed that SWWDB will be carrying-over PY 2022 funds at almost 100% because at the start of the next program year, the Department of Workforce Development (DWD) will only release Quarter 1 funds. Quarters 2 through 4 funds are not expected to be released until fall 2023.

Column 8-Proposed Budget includes strictly new grants SWWDB will receive beginning July 1. It is estimated to be around \$5 million. This amount matches the detailed revenue sheet. Ms. Thousand stated that SWWDB administration tries to be conservative when budgeting. The contract with the

Regional Planning Commissions moved to a cost-reimbursement basis on January 1, 2023. The PY 2023 Workforce Innovation and Opportunity Act (WIOA) allocations decreased more than anticipated. The Quest grant will be received, but unsure on how much. Most of the grant agreements are the same as the current program year. SWWDB is in the final year of the Foodshare Employment and Training (FSET) grant. However, the Department of Health Services (DHS) extended the contract for one (1) year because the work requirement that was waived during COVID is disappearing this fall. SWWDB is expecting a huge influx of individuals so if a new provider were to start the contract, there would be no way they could handle the increase of individuals. SWWDB administration submitted a proposal to DHS for next year's FSET contract.

Column 9-Projected vs. Proposed is the difference between the "Proposed Budget" column and the "Projected as of 6/30/22 Modified Budget" column. Column 10-Percent Change is the difference as a percent.

Ms. Thousand presented the PY 2023 Budget Expenses and Revenues to SWCC members. For expenses, there are two (2) pieces: how much is thought to be spent over 12 months in the "Annualized Exp" column and to establish the PY23 budget. The far-right column contains some notes on where the numbers came from. The 3% increase in salaries is across the Board and the addition of another staff member for the Quest Grant. Ms. Thousand noted that in account 6342-Subscriptions, the virtual reality for youth will increase from around \$11,000 this year to \$23,000 next year.

SWWDB administration budgeted a 10% increase for health insurance for 2024. The Total expenditures ties back to column 6 of the Budget Summary. The PY 2023 column ties to column 8 on the Budget Summary.

Motion made by Mr. Keeney, seconded by Mr. Brewer, to approve the Program Year (PY) 2023-24 budget as presented. **Motion carried unanimously.**

5. Program Year 2023-24 WIOA Title 1 Allocations

SWCC members were presented with an estimate of Program Year (PY) 2023-2024 Workforce Innovation and Opportunity Act (WIOA) Title 1 Allocations. Formal notification has not been received.

Wisconsin is expected to receive an 8.4% decrease. SWWDB administration will present real numbers at the next SWCC meeting. The maximum decrease could be between \$150,000 and \$200,000. The allocations are labor market driven.

Ms. Suda stated that this decrease may affect service providers next year more than this year. SWWDB administration tries to conserve and reserve first year funds. If funds run low, potential participants are put on a waiting list. However, these individuals could be served under the Foodshare Employment and Training (FSET) program.

6. Leased Employee Program

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 May 16, 2023, SWWDB has four (4) contracts: one (1) with Grant County, one (1) with Green County, and two (2) with Richland County.

The leased employee information shared with SWCC members is current through SWWDB's third fiscal quarter (January 1 – March 31). The information compares the first calendar quarter numbers in 2021, 2022, and 2023. In 2021, there were 27 leased employees with a gross billing of \$210,743.04. In 2022, there were 35 leased employees with \$233,335.30 in gross billing. In 2023, there were 25 leased employees with \$210,163.49 in gross billing.

Ms. Thousand noted that the big change happened in January. Richland County hired all of the full-time leased employees. Payroll this week shows only two (2) leased employees from Richland County.

For Ms. Hoesly's sake, Ms. Suda explained the leased employee program.

7. **Adjournment**

The next meeting of the Southwest Wisconsin Counties Consortium is scheduled for Tuesday, August 22, 2023, in-person at the SWWDB Administrative Office. Lunch will be provided.

Motion made by Mr. Brewer, seconded by Mr. Podzilni, to adjourn the meeting at 12:33 p.m. **Motion carried unanimously.**