

Yavapai County Workforce Development Board Executive Committee July 8, 2021 Meeting Minutes

Attendees:	Present/Absent	Number of Absences in 2021
Anita Payne, Chairman	Present	1
Philip Tovrea, Vice-Chairman	Present	1
Kurt Greves	Present	1
Mark Timm	Present	0
Gary Hassen	Present	0
Rick Duff	Absent	1

Guests: Mary Mallory, Yavapai County District 5 Supervisor
 Cynthia Gentle, Executive Assistant to Supervisor Mallory
 Melissa Tobin, Senior Administrative Assistant, NACOG
 Trevor Stokes, CEO Partnership for Workforce Innovation
 Robert Garcia, Office of Economic Opportunity
 Leah Cickavage, Operations Manager, NACOG

Staff: Teri Drew, Executive Director
 Julia Sawyer, Executive Assistant

I. Call to Order/Welcome/Introductions

Chairman Anita Payne called the meeting to order at 9:03 AM and asked for introductions of the in-person attendees. Executive Director Teri Drew identified all attending in person and introduced her new Senior Administrative Assistant, Melissa Tobin. Chairman Payne called for Executive Assistant Julia Sawyer to call roll; a quorum was present.

Chairman Payne reviewed meeting protocol.

II. Approval of the May 13, 2021 Minutes

Chairman Payne called for review of the May 13, 2021 meeting minutes and for a **motion to approve the minutes as drafted; so moved by Gary Hassen, seconded by Phil Tovrea. The motion carried unanimously.**

III. Chairman's Report

Chairman Payne reported on her recent trip to the National Association of Workforce Boards (NAWB) 2021 Forum in Washington, DC, attended with Executive Director Teri Drew. Chairman Payne noted of the many presentations available, the message that stood out to her was regarding skills-based knowledge, a current trend in hiring. Chairman Payne suggested that businesses consider looking beyond the degree or technical knowledge and to individuals that may not have a degree, but possess the skills desired in the workplace as a means to meet the workforce needs. She considered this to be crucial information for workforce development. She paused for comments. Ms. Drew commented that

Chairman Payne noted that she expects the WDB to apply for a national award next year. Chairman Payne briefly noted that the leadership at NAWB encouraged applications for the awards and she and Ms. Drew agreed that they will apply for next year.

With that, Chairman Payne concluded her report and turned the meeting over to Ms. Drew to introduce the next Agenda item.

IV. Strategic Planning Discussion

Ms. Drew expressed appreciation to Chairman Payne for joining her for the past few years at the NAWB Forum. Ms. Drew then introduced Trevor Stokes to bring an update on the WDB Strategic Planning process. She reminded everyone that there is a current 4-year Workforce Development Plan in place, but she saw an advantage to the Board having their own Strategic Plan moving forward to keep step and to keep ahead of the changing landscape of workforce development. With that she turned the meeting over to Mr. Stokes.

Mr. Stokes began by thanking the Board for the opportunity to provide a brief update on the strategic planning process. He identified the Strategic Planning Committee (SPC) members: Phil Tovrea, Kurt Greves, Rick Duff, Nancy Jensen and Ginger Johnson. Mr. Stokes noted the SPC met a few weeks previous to today's meeting, noting that three themes emerged from the discussion regarding why they individually serve on the Workforce Development Board (WDB);

1. The WDB can make an impact;
2. Respect and gratitude for staff that facilitates Board activities; and
3. Importance of workforce and related issues in today's economy.

Mr. Stokes reported that one of the first tasks the SPC took on was to evaluate the Vision Statement of the WDB. He noted that the previous statement was rather lengthy, and the SPC took the time to recreate the Vision Statement. Mr. Stokes noted that this is the first draft and will be revisited following a survey of the Board members. The new Vision draft reads as follows:

"We are the leaders of innovative partnerships and services that support sustainable business services."

Mr. Stokes commented that the Vision Statement sums up the elements of the Strategic Plan. He noted that the Mission Statement was determined to be relevant by the SPC and will remain the same:

"To Build Economic Success through Workforce Development Partnerships."

Mr. Stokes then briefly touched on some of the details of the outline of the plan that was visited by the SPC. He noted the next step will be the Values segment to define the values that create the fences within which we work. The outline demonstrated placeholders that will be filled in based on the results of the Board survey. Mr. Stokes then shared a timetable for the completion of the Plan, with a goal of making the final Strategic Plan ready for the August 12, 2021 WDB meeting for approval.

Mr. Stokes highlighted some strategies and outcomes expected with the final Plan to help position the WDB to achieve its vision and execute its mission, which include the introduction of Committee Charters to guide the work of each Committee, and Chair's Initiatives – an annual goal for each Committee to pursue throughout the year. These two strategies will help provide more purpose to the Committees that are appointed by the Board. Other strategies include the development of goals and strategies to accomplish the goals.

This is not an action item for the Executive Committee but is for informational purposes. Mr. Stokes paused for comments. Ms. Drew noted that this was a very good overview. She noted that one of the focus areas was to have action-driven committees, tasking them to specific activities. Ms. Drew noted a long discussion with the SPC regarding the concept of “kaizen”, the Japanese word for “continuous improvement. She asked for comments from other SPC members. Kurt Greves commented that he felt that everything that was said aligned with the SPC discussions. He felt that keeping it simple was key and the Plan is on target. With that, Mr. Stokes’ presentation was concluded.

V. Director’s Report

Ms. Drew then moved to the Director’s report at the direction of Chairman Payne.

➔ Program Update

Ms. Drew reported that there was a memorial service/life celebration for former Board member, Steve Silvernale, held on July 2. Ms. Drew noted that the Workforce Board was specifically named as one of Mr. Silvernale’s many community services. She said there were photos shown of the Board of Supervisors presentation recognizing Mr. Silvernale’s service to the WDB just prior to his passing. Ms. Drew noted that flowers were sent to the family on behalf of the WDB.

Ms. Drew spoke about unemployment, noting 331,500 individuals in Arizona signed up for Unemployment Insurance (UI) benefits during the pandemic since February 2020. Of that, 247,200 jobs have been recovered. Ms. Drew complimented Governor Ducey for reinstating the work search requirement for UI, which was a real boost to employers trying to keep in business and operate with minimal staff. Ms. Drew noted that many individuals have chosen to remain as remote workers or as entrepreneurs working on their own businesses from home.

Ms. Drew noted that some occupations that are having trouble filling vacant positions that appear to be due to national civil unrest, including law enforcement and public safety employers, such as fire fighters. She noted that fire fighters that work under federal employment start at \$15/hour, and couple that with the personal risks to self and family and the fact that the average wage in Yavapai County is now at \$24/hour, these factors make it difficult to fill those positions.

Ms. Drew noted also the “fear” factor that keeps people home – fear of the virus, exposing the children to risks at daycares and fear of the vaccine. Many companies are having to reduce their production, hours of operation, and sometimes have to close for lack of employees. Ms. Drew notes that these barriers to employment impact the resilience of the economy.

Ms. Drew reported that Yavapai County workforce development area has kicked off a Return to Work Campaign, advertising with social media, website, radio, Quad Cities News and Prescott Living Magazine, doing several feature stories on the Return to Work campaign, as well as some of the other initiatives NACOG is involved in. She made mention particularly of Journalist Ray Newton who has written several pieces on behalf of NACOG and the WDB.

Ms. Drew noted that the NACOG office has been open to the public for the last three weeks following a period of nearly a year and a half of only receiving clients downstairs and by appointment. Ms. Drew remarked that very little was done to publicly announce our opening but people began to come to the office in spite of the lack of advertisement. She noted that as a federally-funded organization we follow federal guidelines regarding mask recommendations, and while our employees can self-identify as being fully vaccinated and opt out of wearing a mask, all public must wear masks when entering the building. We can’t ask public if they have been vaccinated, which can cause some confusion. Ms. Drew shared one incident that was experienced

that was quickly resolved. NACOG's strategy is to recruit as many workers as they can to fill as many jobs as we can to help our employers sustain themselves.

Ms. Drew reported that DES is also kicking off a Return to Work Campaign, offering incentives for UI recipients to return to work, such as retention bonuses and daycare assistance. We also use these incentives to encourage return to work. The applications for the incentives are available beginning July 10.

Ms. Drew then shared a UI recovery chart that she received with a Recovery and Resilience plan project that NACOG is currently undertaking, particularly the Yavapai County unemployment rate chart, which demonstrated a 15.9% unemployment rate in April of 2020, however, the numbers quickly dropped and leveled off for Yavapai County. She noted that Yavapai County is quite resilient, better than average.

➔ **WDB and Title I Budget Review/Approval**

• **DES Contract Amendment – WIOA PY21-FY22 Allocations**

Ms. Drew reported the Title I Program Year (PY) 2020-2021 budget amendments, noting that annually the state has the option to redistribute unspent funds to local areas who have exhausted their funds. This year, Yavapai County is eligible to receive \$2,650 for the Dislocated Worker (DW) program. Ms. Drew noted that there was an allowed \$265 for administrative expenses and \$2,385 for training. She recommended that the dollars be directed to the "Other" categories of both the Admin and Training line items to allow the most flexibility in spending. These are normally designated for items such as rent, telephones, supplies, utilities, etc., and the new year budgets reflect some losses in the "Other" categories. With that she turned to the Chairman for a **motion and second to accept these additional funds from the state**. Chairman Payne called for a motion and second, **so moved by Mark Timm and seconded by Gary Hassen. The motion carried unanimously.**

Ms. Drew then reviewed Budget Comparisons between PY 2020-21 to PY 2021-2022, demonstrating an overall loss. She explained that the loss was due to the recovery of Arizona being quicker overall than the rest of the country, which led to the redirection of the allocations to the areas that were harder hit by the pandemic. The overall loss for Yavapai County amounts to -\$107,077.

Ms. Drew began to discuss the PY2021-22 budgets, beginning with the WDB budget. She noted that there was a dispute from the state as to whether the Yavapai County WDB could have a budget, and with inquiry to the U.S. Department of Labor (DOL) the Board's budget was substantiated as allowable, and that Partners need to contribute to the WDB budget. Ms. Drew noted a great result from the long conversation about fair share contributions with partners being actual cash contributions to the WDB budget from partners. Ms. Drew noted that there are some allocable rules that some partners must follow, including that they cannot allocate funds to salaries and fringe outside of their own organizations. Therefore, since staff to this Board are employees of NACOG, NACOG alone covers the salaries, fringe and indirect cost (IDC) line items for the Board budget. The portion that applies to partner contributions includes professional and outside services, such as the costs for Mr. Stokes' contract, as well as travel and "Other" operational expenses.

Ms. Drew commented that a large part of the dissention was caused by the WDB's approved "fair share methodology", previously agreed to be one quarter for each of the partners. It was determined that a compromise was reached to use "Full-Time Employment" (FTE) to determine "fair share" for all partners, which breaks down as follows:

- Title I (NACOG) - \$8,533
- Title III (DES) - \$5,008
- Title IV (DES Vocational Rehabilitation) - \$5,009
- Title II (Adult Education Yavapai College) - \$17,061
- Total contributions - \$35,611.

Total Board Budget = \$123,852. Ms. Drew paused for approval. Comments followed on the long process to reach this agreement. Chairman Payne called for a **motion to approve the PY2021-22 WDB Budget; so moved by Gary Hassen, seconded by Phil Tovrea. The motion carried unanimously.**

Ms. Drew then moved to the Title I Adult Budget, which she noted is for Adults 18 years and older. She noted a 2% decrease across the board. She noted that the exception is that the Salaries, Fringe and IDC increases by 2% due to a cost of living adjustment. Ms. Drew commented that the loss is nominal by comparison. Training is where most spending occurs, and is flexible to move to where the demand is, so 88% of the funding goes to training. The total Adult budget is \$597,403, which reflects a loss of \$14,199 overall.

Chairman Payne called for a **motion and second to approve the Title I Adult PY 2021-22 budget; so moved by Mark Timm, seconded by Phil Tovrea. The motion carried unanimously.**

Ms. Drew then reported a slight increase in the Title I Youth budget, and she identified same and similar allocation percentages as the Adult program for the dollar amounts designated for the Youth program, total budget being \$568,484. The increase amounted to \$9,684 or 2%.

Chairman Payne called for a **motion and second to approve the Title I Youth PY 2021-22 budget; so moved by Gary Hassen, seconded by Mark Timm. The motion carried unanimously.**

Ms. Drew then demonstrated the Dislocated Worker (DW) budget, which took the hardest hit in decreases to allocations – a 16% decrease amounting to -\$102,562. She noted the irony in the loss of funds in such a time that they are needed the most, then cited that Arizona fared better than many other areas across the nation. Funds are distributed based on UI, poverty and business closures. Ms. Drew demonstrated the DW budget breakdown and total budget amount of \$554,600.

Chairman Payne called for a **motion and second to approve the Title I DW PY 2021-22 budget; so moved by Gary Hassen, seconded by Phil Tovrea. The motion carried unanimously.**

➤ **Board Recertification Update**

Ms. Drew moved on to Board Recertification, pausing to reflect on the long process this has been. The Memorandum of Understanding (MOU) and Infrastructure Funding Agreement (IFA) is the last piece required for final recertification of the Board. Ms. Drew invited Leah Cickavage, NACOG Operations Manager, to review the MOU/IFA, which has finally gone out for signatures from all partners, and will soon be taken to the Board of Supervisors for approval and signature.

➤ **MOU/IFA Review/Approval**

Ms. Cickavage gave a brief overview of the MOU/IFA, which process was originally started in 2019 with the local partner representatives coming to agreement on the MOU/IFA, however the document was not authorized at the state level. State partners provided a number of disagreements with the documents and the processes of revising began. Ms. Cickavage provided details to the

modifications requested. Ms. Drew concluded by asking for questions and requesting a motion and second to approve.

Chairman Payne called for a **motion and second to approve the Yavapai County 2020-2023 Memorandum of Understanding/Infrastructure Funding Agreement; so moved by Phil Tovrea, seconded by Gary Hassen. The motion carried unanimously.**

➤ **2021 Annual Awards Recommendations/Approval**

Ms. Drew moved on to present recommendations of the nominations for this year's Title I Annual Awards, which included two business leadership recommendations, one from East County and one from West County, and four Individual Achievement Awards, for Veteran, Adult, Youth and Dislocated Worker. Ms. Drew kept last names hidden for the sake of our client's privacy and made recommendations as follows:

- Brandon – Veteran
- Guy – Adult
- Dinah – DW
- Lexus – Youth
- Elan Electric – West County Business
- Western Heritage Furniture – East County Business

Ms. Drew provided a description of each client's successes in their achievement, and the hiring and retention rates of the employers. She noted that none of the nominees know of their nominations and asked they be kept a secret until the winners are announced. Ms. Drew concluded and paused for any other nominations, there were none. Chairman Payne called for a **motion to approve the nominations as presented; so moved by Phil Tovrea, seconded by Gary Hassen. The motion carried unanimously.**

Ms. Drew concluded her report.

VI. Member Comments

Chairman Payne called for Member Comments, there were none.

VII. Public Comments

Chairman Payne called for comments from the public, Supervisor Mary Mallory asked for clarification of the date and time of the Awards Ceremony. Robert Garcia asked for an invitation to the Awards Ceremony.

VIII. Adjournment

Chairman Payne called for a **motion to adjourn; so moved by Phil Tovrea, seconded by Gary Hassen. The meeting adjourned at 10:16 AM.**