

Eastern Area Workforce Development Board
Annual Contract/Budget Meeting with Chief Elected Officials
Roswell, NM
June 8, 2010

AS APPROVED August 10, 2010

CALL TO ORDER

The annual contracts/budget meeting between the Eastern Area Workforce Board and its chief elected officials was called to order at 10:10 a.m. at the Roswell Job Corps Center.

ROLL CALL

In lieu of roll call Shearer announced that the sign in sheet (**Attachment #1**) would be maintained as the official record of attendance and asked that those who had not signed in to please do so. The sign-in sheet reflects that the following were in attendance and a quorum was lacking.

Directors Present: Danny Armijo, Dora Batista, Ray Battaglini, Sue Bracksieck, Tonk Chester, Gina Corliss, Terri Douglass, Marion Duryea, Ruth Giron, Clint Harden, Rene Hatfield, John Hemphill, Jackie Ingle, John Merchant, Slade Morgan, Alfred Pacheco, Steve Reshetar, Warren Robinson, Twila Rutter, Jimmie Shearer and Larry Smith.

CEOs Present: Matt White (Mayor of Eunice), Del Journey (Mayor of Roswell) and Richard Arguello (Chairman Union County Commission).

Directors with Excused Absences: Christy Beasley, Judith Cooper, Gail Melpolder, Jean Morrow, Becky Rowley, Richard Spragins and Tup Tupper.

Directors Absent: Paul Barnes, Angelita Buurma, Juan Haro, Chris Herbert, Van Horner, Linda Lewis, Patrick Martinez, Brenda Miller, Eileen Sedillo, Dan Stoddard and Lisa Thomassie

Staff Present: Richard Arguello, David Brown, Beth Elias, Glennis Erramouspe, Carlos Molina, Kay Vineyard, Ruby Witt and Laura Wyche.

WELCOME AND INTRODUCTIONS

Members and guests introduced themselves and Shearer thanked everyone present for their interest and for participating in the affairs of the Eastern Board. Terri Douglass recognized Mayor Del Journey of Roswell and expressed her appreciation for his attendance.

APPROVAL OF JANUARY 2010 CEO/EXECUTIVE COMMITTEE MINUTES

Shearer stated that the Executive Committee had previously approved the minutes of the January 18, 2010 meeting between the EAWDB Executive Committee and the CEOs that was held in Santa Fe. He asked for a motion from the CEOs to approve and finalize these minutes. **On a motion by Arguello, seconded by Mayor White these minutes were approved as written.**

APPROVAL OF APRIL 2010 BOARD MINUTES

On a motion by Battaglini, seconded by Duryea, the minutes of the April 13, 2010 board meeting were unanimously approved as submitted.

APPROVAL OF MAY 28, 2010 MINUTES OF EAWDB EXECUTIVE COMMITTEE

On a motion by Douglass, seconded by Battaglini, the minutes of the May 28, 2010 meeting of the EAWDB Executive Committee were unanimously approved.

APPROVAL OF AGENDA

On a motion by Hemphill seconded by Smith the agenda was approved.

APPROVAL OF CONSENT AGENDA ITEMS

On a motion by Armijo, seconded by Bracksieck, the following consent agenda items from the May 11, 2010 Committee meetings were approved with Director Corliss abstaining:

OPERATIONS/FINANCE

Recommends that the EAWDB Executive Committee meet via conference call prior to the next board meeting in order to determine which funding streams should be utilized to fund the Sandra Hastings Contract and in what amounts from individual funding streams.

YOUTH COUNCIL/EAWDB EXECUTIVE COMMITTEE

Recommends that the CEOs/EAWDB approve Summer Youth Employment Program contracts in the following amounts pending sufficient federal funds being appropriated.

<i>Zone</i>	<i>Proposer</i>	<i>Contract Amt.</i>
1	<i>Help-NM, Inc.</i>	<i>\$78,485.46</i>
2	<i>High Plains Comm. Dev. Corp.</i>	<i>\$88,941.98</i>
3	<i>Region IX Education Coop.</i>	<i>\$82,059.41</i>
4	<i>Help-NM, Inc.</i>	<i>\$53,271.01</i>
5	<i>Help-NM, Inc.</i>	<i>\$47,472.23</i>
6	<i>Help-NM, Inc.</i>	<i>\$49,769. 00</i>

REQUEST FOR WAIVERS

Shearer explained that “requests for waivers” was a standing agenda item utilized by the Eastern Board that provided an opportunity for board members to publicly state their intention to utilize WIA funding to supplement salaries of positions within their respective offices. Waivers were requested by the following directors for their organizations

Director	Organization
Gina Corliss	Region IX Education Cooperative
Danny Armijo	New Mexico M.E.P.
Twila Rutter	Interim Health Care
Terri Douglass	Division of Vocational Rehabilitation
Slade Morgan	Dean Baldwin Painting

On a motion by Smith, seconded and adopted, waivers were granted to the organizations listed above. All directors requesting waivers abstained.

CHAIRMAN’S REPORT

Open Meetings Resolution: Shearer presented the Open Meetings Resolution

(Attachment #2) for the upcoming year. Smith asked that the words “under only” in #4 be changed to “only under”. Witt stated she would make this correction. **On a motion by Douglass, seconded by Merchant the Open Meetings Resolution for 2010-11 was approved with this correction.**

Report of the Nominating Committee: Douglass, chair of the Nominating Committee, reported that she, John Merchant, Ray Battaglini and Danny Armijo had received nominations from the Board for Chairman and Vice Chairman for the next two years in accordance with Board By-Laws.

Douglass said that based on responses received that the Nominating Committee was recommending **that Jimmie Shearer continue as Eastern Board Chairman and that Slade Morgan be elected Vice Chairman of the board for the two-year period beginning July 1, 2010-June 30-2012.** She asked whether or not there were nominations from the floor and none were forthcoming. **Battaglini then moved that Jimmie Shearer and Slade Morgan be elected by acclamation. The motion passed.**

One Year Term Extension for Board Members: Shearer asked that all board members extend their term of service for an additional year. There were no objections and all board members terms are hereby extended for an additional year beginning July 1, 2010.

One Stop Contract 2010-11: Shearer stated that with the loss of the TANF contract, that all current one stop providers except ENMU-Ruidoso had decided they could not continue providing WIA services since TANF currently covered 40% of their operating costs in the one-stop centers. The EAWDB Executive Committee met on May 28th to find a solution to this dilemma. The Executive Committee is recommending to the board that a single one-stop contract be written to ENMU-Ruidoso for our 12-county area beginning July 1, 2010. It is also recommended that no on-site services will be provided in the counties of Union (Clayton), Harding (Roy), Quay (Tucumcari) and Guadalupe (Santa Rosa). Services to these locations will be provided by alternative means. Elias reported that a total of 54 people had been served in these four counties in the last 12 months.

Lengthy discussion ensued. DWS Cabinet Secretary Ken Ortiz was asked to contact Katie Falls at HSD and request that they not vacate the one-stop locations. Currently HSD is planning to remain only in the Hobbs one-stop. Ortiz said he would contact Secretary Falls, but felt sure their decision to vacate these offices was financial in nature.

On a motion by Douglass, seconded and adopted, it was recommended that ENMU-Ruidoso be offered the one-stop contract with no on-site services in Union/Harding/Quay and Guadalupe counties. The motion passed. Directors Harden and Duryea voted “no” since both were opposed to closing of any offices. **On a motion by Mayor White, seconded by Arguello, the CEOs approved a single one-**

Request from HSD for Contract Extension: Shearer reported that he had received a phone call last Thursday from HSD asking that the Eastern Board consider a 23-day extension to the current TANF Contract. All providers were contacted and all except CCC were not in a position to accept an extension as personnel had already been advised that their jobs would terminate on June 30th. Jan Bradburn then said that CCC had since determined that they were no longer interested in pursuing this option either. Shearer will advise HSD that the Eastern Board is not in a position to accept their offer of a 23-day extension.

STAFF REPORT

3rd Quarter Performance Report: Elias presented the PY09 3rd Quarter Performance Report to the Board (**Attachment #3**). She reported that the Youth Literacy numbers were off and stated that the state was working on a regression model to present to the USDOL for the next program year's performance measures.

DWS UPDATE

Shearer then welcomed DWS Cabinet Secretary Ken Ortiz to the meeting and expressed his sincere appreciation to the secretary for his attendance. Secretary Ortiz covered a number of topics including the new 800 numbers which had been added and had reduced wait time for UI claimants by 80%. He stated the length of time an individual could draw unemployment benefits had now been extended from 26 weeks to 99 weeks under certain circumstances. As a result of high unemployment – 8.7% in April compared to 6.6% a year ago, the unemployment fund for the State of New Mexico could run out of money in late 2011 if the economy remains weak and there is no change in the number of jobless claims. The UI fund is expected to have a balance of \$110 million in January and it is expected that employers will pay about \$155 million into the fund through taxes, but the state projects expenditures of approximately \$312 million in benefits to unemployed individuals. Based on what the state is paying out – compared to what they are bringing in – he anticipates some sort of tax increase to be proposed during the 60-day legislative session in January to keep the UI fund solvent. The Department, however, is looking for ways to minimize the need for another tax increase. The Department will also be auditing to make sure businesses are paying the taxes they owe.

The current average tax payment by a business for each of its employees will go up approximately 22% in January to \$190 a year under a law enacted earlier this year to rebuild the unemployment trust fund. Employers dodged a higher tax rate because the state was able to transfer more than \$100 million from a reserve account to shore up the fund. The reserve fund was created when the UI program had a surplus, but the

OPERATIONS/FINANCE

Proposed Budget 2010-11: Glennis Erramouspe presented the board with the proposed budget (**Attachment #4**) for one stop operators, youth providers and the administrative formula funds for 2010-11. She pointed out that the Adult/DW budget included projected savings from the four offices who will be receiving services via alternative methods which have been incorporated into the single one stop contract that will be written to ENMU-Ruidoso in the amount of \$746,244.00.

On a motion by Battaglini, seconded and adopted, the Eastern Board's WIA budget for 2010-11 was approved as presented. Directors Hemphill and Corliss abstained.

On a motion by White, seconded by Arguello and adopted, the CEOs approved the 2010-11 budget. White asked that CEOs be brought back in should there be major changes in the budget as presented.

WIA/TANF/ARRA Financials: Ray Battaglini presented the WIA/TANF and ARRA Financial Status Reports (**Attachments #5, # and #7**) as of April 30, 2010. These reports were accepted as presented.

WIA/ARRA One Stop Obligation Reports: One Stop obligation reports for WIA and ARRA for the month ending May 31, 2010 (**Attachments #8 and #9**) were presented and accepted.

Revenue/Expense Statements (Clovis and Roswell): R/E statements (**Attachment #10**) for the period ending May 31, 2010 for the Clovis and Roswell One Stops were presented and accepted.

PRODUCTS/SERVICES COMMITTEE

One Stop Business Services Meetings: Board members were encouraged to visit the Business Services Teams at their local one-stops and come back to the board with a report on how well outreach to employers is working. Elias stated that outreach was working in some offices like Carlsbad and Ruidoso, but generally inconsistent across the area.

Allied Health/Inventory of Jobs: Douglass stated that in order to assist the committee in recommending training priorities that Ashley Leach with DWS had provided her with an inventory of prospective jobs in the healthcare industry over the next five years. Healthcare and renewable energy are current training priorities for the Eastern Board.

Green Jobs/Advisory Council: . A steering committee needs to be formed to identify all of the key players in the renewable energy field. AE asked to contact colleges to find out who will represent their institution

Re-Employment Plan: Larry Smith questioned whether or not the Re-employment plan was being effectively implemented. Elias responded by saying that Sandra Hastings' report to the Board (**Attachment #11**) indicated that information was not going back to the Skills Unit to develop curriculum and that there was no accountability in the one stop offices. Elias further reported that certain state staff was undermining instructions being given to local offices. There is considerable work to be done.

Administrative Entity/Fiscal Agent:

1. The AE/FA staff for the board left the meeting. Upon return, the following two motions were made.
 - a. A motion was made by Harden, seconded by Merchant that the Attorney General of the State of New Mexico be contacted to ascertain whether or not there is a conflict of interest for an individual to serve simultaneously as a (1) Chairman of a County Commission (2) Chairman of the Board of Directors of the Eastern Plains Council of Governments while that same individual also serves as (3) paid Interim Executive Director for Eastern Plains Governments. The motion passed.
 - b. A motion was made by Smith, seconded by Duryea and adopted that the board instructed the Chairman to write a letter to the EPCOG Board of Directors expressing the EAWDB's dissatisfaction with execution of the Administrative Entity and Fiscal Agent Contracts and requesting that the EPCOG Board respond within 30 days from receipt of letter. The motion passed.

SYSTEMS DEVELOPMENT COMMITTEE

Fee for Service: Hemphill stated that the Committee would be considering "fee for service" ideas that would be a source of revenue for the one stops and that the committee would welcome any suggestions from the board.

Cancellation of Youth Training: Bracksieck reported that the training recently approved to secure the services of consultant Judy Moreno had now been cancelled, This will leave a \$23,000+ balance in the ARRA youth.

OLD BUSINESS/NEW BUSINESS

Next Committee Meeting: The next committee meetings of the EAWDB will be held on Tuesday, July 13, 2010 via polycom beginning with the Operations/Finance Committee at 9:30 a.m.

EAWDB Board Meeting: The next Board of Directors meeting of the EAWDB is scheduled for Tuesday, August 10, 2010 beginning at 10:00 a.m. in the Zia Room at ENMU-Portales.

ADJOURNMENT

Shearer asked members of the Executive Committee meet immediately after the board meeting to ratify board actions. There being no further business to come before the board, the meeting was adjourned at 3:30 pm.

AS APPROVED

Jimmie Shearer, Chairman