

**Chief Elected Officials Special Virtual Meeting Minutes
March 19, 2020**

CEO Present: Corey Eberling, Barb Francis, Sis Grieman, Tim Latham,
Mark Smeby, Linda Tjaden, Mike Stensrud

Staff: Caroline McManigal, Region 2 Board Support

Public Guests: Heather Garcia, Region 11 Executive Director Board Support,
Linda Rousch, IWD State District Manager

1.0 Welcome: Corey thanked everyone for attending special meeting.

- CEO Approval of March 19, 2020 Agenda
CEO Motion
1st Francis 2nd Tjaden Vote: Unanimous

2.0 Consultation/Discussion with the CEO's on the possible merger with Regions 1 and 7:

Heather Garcia, Region 11 Executive Director Board Support, spoke to the CEO board about fiscal agents, one stop operators, board support, and remaining as a separate region. Based on her research the fiscal agents could complete their work in three to five hours a month, at an average rate of \$50.00 an hour, bringing the total admin dollars around \$6,000.00 a year. For one stop operators, Heather performs those services for Region 11 and spend around 5-10 hours a month, rate of \$50.00 an hour, with total admin dollars around \$6,000.00 yearly. Board support could be 10 -20 hours a month, \$50.00 an hour for around \$12,000.00. Total admin dollars cost from board budget for fiscal agents, one stop operator and board support for year, would be \$24,000.00. If working with a budget of \$30,000.00 could make this work and would be able to stay as a separate region, which would allow region to keep their local area and enable the region to keep their voices strong. Another two reason to keep as a single region would be so the region could keep its local one stop center and keep NIACC as the service provider. It would be important for the local workforce development board to be more involved and if possible, to have more committees going forward to help with all the duties.

At the meeting in Waterloo, Corey talked with Dave Baker and they discussed the possible plan going forward and Corey said, the CEO board could possibly be making the recommendation of merging the regions. But since that meeting have seen the economy fall apart and the extra demand for services grow rapidly and not sure if that should change the boards mind.

Before Waterloo meeting, Corey spoke with Steve Schultz, Mindy, Patti and Taylor and the biggest message was they want stability, do not want to have to worry every year about what is going to possible change. Another big question discussed was, will the CEO president or local board president have the helping hand they need. If the Region 2 local workforce development board is not able to play a bigger part, the decision of merging with Regions 7 and 1 have been made for them.

In this new process, we need to have 19 local board members and once it is set up, the CEO's are able to take a step back. The CEO's do need to make sure a one stop operator is in place; the fiscal agent is set up and have board support that can adequately support their board and the local workforce development board needs.

If merge with Regions 1 and 7, could lose Mason City as a one stop center because Waterloo could end up being the one stop center. Mason City may be a satellite center, however, would not have all the services available. Staff would most likely be reduced due to not having the local one stop centers. Region 1 did vote to merge and Region 7 will be having merger discussion meeting on Friday, March 20, 2020. Do have the option of staying as a single region and in a year could merge with Regions 1 and 7, but they may not agree to do so, next year.

The local workforce development board is key to the decision of merging, as they will be tasked with more of the day to day operations, including holding six to twelve meetings a year, looking over some claims, oversight of the programs. Required to have nineteen local board members and will need to go through nominating process, again to become compliant. Board members must be nominated by the local chamber, economic development group or a trade association.

Other items to consider: if choose to merge regions would have a larger pool of funds, to remain financially sound and at this point, counties are not able to contribute any more monies to the local region. Fiscal agent - all county supervisors on the CEO board spoke with their auditors and none are interested in being fiscal agent for Region 2. An area decided upon before becoming compliant, could possibly be granted a delay, but still need to work on compliance issues.

Linda Roush, IWD State District Manager, joined meeting at 11:40 a.m. to clarify a couple items. Do not necessarily have to be compliant to merge, state needs to approve local areas and are sure they will be thrilled once the regions come together and put in the proposal. In regard to losing offices, it is not the intent, there is a lot of funding as workforce offices that come in other than the Title I monies and those other funding strains help to fund brick and mortar offices, across the state. There are no conversations about closing offices as you all become a local area. Also, the \$32,000 in local admin money is not going to go far. The staff to the board is very important because if the local board is not willing to fully commit to helping with everything that needs to be done, that staff is going to be able to do a lot for the board. Understand wanting to stay small, but, working together as a local area can have many benefits. Example: can go after additional grants for the area. In addition, if have one area will only need one Title I director, instead of three, which would save a lot of money. Want to make sure basing decisions on all the facts. Corey brought up concerns about IWD past statements and promises. Linda stated the board is only responsible for the Title I portion and not the brick and mortar offices. Concerning RFPs: Linda will try her best to provide templates, so are able to fill in your local area information and who you want the RFPs to go to and a process to make it easier for the local areas.

Additional CEO questions and answers:

Question for Corey, if merge and does not work out is Region 2 able to get back out? It would be very changeling and would need state board approval. Question for Linda, when send out the RFPs do you usually get a good response? Depends on the local area and have received some very good responses.

- CEO Approval to go into recess for consultation with LWDB.
CEO Motion
1st Grieman 2nd Francia Vote: Unanimous

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CEO Motion
1st Grieman 2nd Francia Vote: Unanimous

Roll call for LWDB: JR Ackley, Jennifer Breister, Julie Dannen, Nick Foley, Gayla Toebe, Hunter Callanan, Amy Markum (for Mary Ott), Sis Grieman, James Erb.

Roll call for CEO: Mike Stensrud, Mark Smeby, Corey Eberling, Sis Grieman, Barb Francis, Linda Tjaden, Tim Latham.

Corey thanked the board for attending the meeting and then asked the LWDB for their consultation on one decision with two options, with the CEOs having the final decision. Options being continuing to try and operate as our current individual region or merge with Regions 1 and 7. Pros and cons, both ways. CEOs are struggling, would like to keep as it, however, have many concerns about making it financial work. New legislations states that only 10% of funding can be used for administrative costs and have to fund three operations with those funds: fiscal agent, one stop operator and board support. Corey explained all the costs associated with these new requirements.

Region 7 has voted to merge, and Region 1 will be voting, tomorrow. There are concerns over possible closings of one stop centers and do not want to lose Mason City as a one stop center. There might be more dollars available due to the current unemployment situation, but there is no guarantee.

Biggest question to the LWDB for this decision, is do you have the time or the passion that will be required under the new legislation? Will also need to get more businesses involved due to the oversight required.

If merge where would headquarters be located? The local board location would mostly be a central location, such as Waterloo or Waverly. At this time, do not know the exact location. The meetings could be done virtually with some members attending meetings at their local offices.

Is it a possibility to remain as an individual region? Some tell us it could work, that being said there are real concerns. Regions 3 and 4 are staying on and Regions 9 and 16 have voted to merge. We have to be compliant by July 1, 2020 and Youth Provider has to be in place by July 1, 2020. RFP has to be out as soon as possible. Board members will have to reapply due to new matrix requirements, does not matter if stay as Region 2 or become a new area will need to be re-nominated to part of the new board.

Nick Foley: With the budget being very tight have not been able make it work, from staff shortages to supporting all of the workshops for our customers. NIACC has been a tremendous partner with extra funding.

Other governmental agencies or entities could also provide additional dollars towards administrative funding. The counties do not believe that they can afford to help with any additional expenses. Shortfall to cover administrative costs would be around \$55,000 per year. Could have additional funding come through due to the COVID-19 virus but cannot be counted upon.

- LWDB Approval to merge with Regions 1 and 7.
LWDB Motion
1st Ackley 2nd Foley Vote: Unanimous

Nick Foley point of contact for Title II information. Time to evaluate our Title II partners. Anybody that wants to be considered will make a submission through our website and need a small committee to see how it aligns with our local area plan. Nick will take the lead. Jennifer Breister and Jim Erb volunteered to help with the process.

Corey thanked everyone for all their help, questions and comments. He will relay to new area that the local board would like 1/3 representation on new board.

- LWDB Approval to Adjourn meeting.
LWDB Motion
1st Ackley 2nd Breister Vote: Unanimous

Roll call taken: Mike Strensrud, Mark Smeby, Corey Eberling, Sis Grieman, Barb Francis, Linda Tjaden, Tim Latham.

- CEO Approval to reconvene CEO Meeting.
CEO Motion
1st Latham 2nd Grieman Vote: Unanimous
- CEO Approval to merge with Region 1 and Region 7.
CEO Motion
1st Smeby 2nd Tjaden Vote: Unanimous
- CEO Approval to merge with Region 1 and Region 7.
CEO Motion
1st Latham 2nd Grieman Vote: Unanimous

Roll call vote on merger with Region 1 and Region 7: Mike Strensrud, Mark Smeby, Corey Eberling, Sis Grieman, Barb Francis, Linda Tjaden, Tim Latham.

Vote: Unanimous

- CEO Approval to merge with Region 1 and Region 7.
CEO Motion
1st Grieman 2nd Latham Vote: Unanimous

3.0 Any other discussion items: 28E agreements financial part, in case something goes awry with disbursement of funds, we as CEOs of those counties would be responsible to pay those funds back. What repayment verbiage would we like in agreement? 1/20 stake or percentage used by county. Per cap should be used, every county is different, and it would be the fairest way for repayment.

4.0 Adjournment of Special CEO Board Meeting:

- CEO Motion
1st Grieman 2nd Latham Vote: Unanimous