



PLANNING COMMITTEE MEETING

Wednesday, January 11, 2012

7:30 a.m.

Merrimack Valley Workforce Investment Board
Lawrence, MA 01843

Members Present: Ron Contrado, Kevin Page, Fred Carberry

Members Absent: Peter Matthews, Atty. Robert Leblanc, Michael Munday, Juan Yopez; Joseph Bevilacqua,

Staff Present: Rafael Abislaiman, Barbara Zeimetz, Mary Kivell

Guests Present: Francisco Brea, Arthur Chilingirian

I. Approval of Minutes of November 16, 2011

In the absence of committee chair Peter Matthews due to illness, it was agreed that Fred Carberry would chair the meeting. Fred called the meeting to order at 7:55 a.m. and called for a motion on the minutes of November 16, 2011.

Motion by Ron Contrado seconded by Kevin Page to suspend normal procedure to allow for a vote on the minutes of the November 26, 2011 meeting by committee members not present at that meeting. Motion passed.

Motion by Ron Contrado seconded by Kevin Page to approve the minutes of the November 16, 2011 Planning Committee meeting as submitted. Motion passed.

II. FY2011 Career Center Performance Report

Rafael Abislaiman said that he wanted to draw attention to the performance of ValleyWorks Career Center's performance ending June 30, 2011. He said that we are first in the state in the category for all job seekers with an outcome of 54%. We are the fourth highest region with minority population served. Under participant characteristics Adults, our region tied for the lowest high school completion rates, the highest welfare rate and third highest with below 9th grade math or reading level. The Entered Employment Rate is the 5th highest in the state at 86%. The adult average earnings is slightly below average but Chili noted that you can't measure against other regions that may have higher wages. He said that we should measure against our local goal which we exceeded. Ralph continued stating that the only area with a lower local goal is New Bedford and we need to put that in context.

Rafael continued with the retention rate for dislocated workers in our region being the second highest in the state. He said that a dislocated worker is one who has worked within

99 weeks and received some form of intensive services. We are well on the upper half above the state average. The only region that beat us is Lowell but we have more people. Ralph said that this is a measure of the people helped with WIA dollars. Ralph said that we are especially proud of our veteran outcomes which are the second highest in the state and the numbers of people far exceed other regions. The veterans entered employment is the second highest in the state with the second highest wage rate. Under the UI claimant outcome summary we are tied for first and above the state average. As noted previously, we are first in the state for job seekers. We are below the state average in wages but Ralph said that given the demographics we are number one in people finding jobs.

Chili said that in addition to the ten criteria for WIA performance we are the only area to meet the criteria for eight years in a row. In the past, we received a \$20,000 incentive for reaching or exceeding our goals but due the funding cuts will not be receiving incentive funds for this year.

Francisco Brea said that the AFL-CIO is interested in connecting people with jobs and asked where the jobs are, what are the requirements and are they paying good wages. Ralph said that he could get him information as to where the jobs were and wages.

III. Supplemental Budget Allocation

Rafael Abislaiman said that final page of the attached FY2012 Annual Plan Modification has the total allocation recommendation. We received an additional \$180,000 from the state for WIA. Ralph explained that we need to adjust the existing budget to allocate these funds. Ralph said that this was based on the same ratio of the original budget. The MVWIB Admin is 10% with DGA Admin at 80% for a total Administration of WIA Adult \$7,124.49 and WIA Dislocated Worker of \$10,639.84. GIC Retirees cost is 4% Adult and 5% DW and DTD/VWCC Program is 31% Adult and 21% DW Program. Training is 65% Adult and 74% DW Program to a total program allocation of \$64,120.38 for WIA Adult and \$95,758.52 WIA Dislocated Worker.

Rafael explained that the DGA Admin is to address unforeseen costs possibly related to end of the year layoffs as we know there will be budget cuts and we will need funds for this purpose. Beginning last year we are required to cover GIC retirees' health costs and we cannot use money from WIA program funds. Ralph said that after discussion he is requesting that the Planning Committee pass this budget allocation.

Kevin Page said that he understands retiree costs but wondered what we would do without the \$180,000 increase and what would then happen to the retiree health costs. Rafael said that nationwide health costs are outpacing the rate of inflation. We could probably cover the cost this year but this addresses unforeseen costs coming up. He said that in the future this could be a problem. Retiree costs are both pension and health care. Employees have put in up to 11% and the employer adds 9%. Originally we have paid \$180,000 to the city for these costs. Now they want \$600,000 and there is no way we can do that. Working within the parameters of WIA we can only use so much for admin. Kevin wondered if these categories WIA Adult and WIA Dislocated Worker are our top two goals and Barbara Zeimet said that the money comes down in these two categories. We are cognizant of the desire to add training slots and this adds 35 more training slots.

Motion by Ron Contrado seconded by Kevin Page to approve the Supplemental Budget Allocation as submitted. Motion passed.

Rafael then said that this may be premature but both Chairman Joseph Bevilacqua and Peter Matthews are aware that because of budget issues and the request to go on the city accounting system we may need to negotiate this change. Our accounting system has been commended by both the state and federal government and any attempt to distance us from the City of Lawrence would still include the Mayor of Lawrence as CEO and appointing authority. If we separate from the City of Lawrence, guaranteeing existing and prospective retirees would fall on our shoulders. This will all need to be negotiated.

Barbara Zeimetz said that we have twelve retirees in the past 35 years and our share is not \$600,000. The city finance director is looking at all city departments and there is an issue with the entire city who has to make up the gap which involves all kinds of legal issues. Ralph said that this issue does not single out Lawrence but is going to be a national problem.

IV. Youth Council Update

Rafael said that the only significant Youth Council update is the resignation of Deborah Andrews, Youth Workforce Program Manager, who left to work at a non-profit in Newburyport. He said she is a Newburyport resident and that we wish her well in her new endeavor.

V. Other Business

Rafael reported that at a recent meeting Paul Harrington, a national expert on labor studies, noted that there is very little significant information as to why fewer teens are being hired. This predates the recession. He created an employer survey which Ralph said he would appreciate employers filling out. The survey has been mailed to all MWIB board members.

Chili said that he would like to give it to youth and let them fill it out to see what their responses would be. Ralph said that this is a perspective survey to garner industry sector opinion.

Kevin Page referred to a book he read on how to deal with 18-25 year olds in the workplace that said they like to keep their headphones, prefer to work on screens, and respond to positive feedback. These are some factors bigger companies are looking at. Discussion followed on employee and company loyalty and the changes between the private and public sectors today.

VI. Adjourn

Having no further business Ron Contrado made a motion to adjourn the meeting seconded by Kevin Page. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell,

Recorder