



PLANNING COMMITTEE MEETING

Wednesday, April 20, 2011

7:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Peter Matthews, Fred Carberry, Rosemary Chandler

Members Absent: Ron Contrado, Kevin Page, Atty. Robert Leblanc, Michael Munday, Juan Yopez, Joseph J. Bevilacqua

Staff Present: Rafael Abislaiman, Odanis Hernandez, Susan Almono, Mary Kivell

Guests Present: Arthur Chilingirian

I. Approval of Minutes of March 16, 2011

A quorum being present, Peter Matthews called the meeting to order at 7:35 a.m. Peter then called for a motion on the minutes of the March 16, 2011 meeting.

Fred Carberry made a motion to accept the minutes of the March 16, 2011 meeting as submitted with Rosemary Chandler seconding the motion. Motion passed.

II. Legislative Update

Rafael explained that, in the past, the Planning Committee requested detailed minutes so that what was said couldn't be "sanitized" by staff. That is the reason they are so long.

He said that there is a 10% WIA cut in the Continuing Resolution and that we could withstand an additional 10% next year. Rafael said that the cuts could be worse. Chili said that DOL made an error in documenting how 15% money should be used. A substantial increase in WIB funding was intended to happen from State 15% money. The 15% money to the state is dispersed in the first and third quarters, and U.S. DOL's directive language didn't include the second WIB distribution. Rosemary Chandler said the split is still 5% for admin and 10% discretionary. Chili said that he is confident that DOL will try to right the ship. Rosemary said this applies to the period of 7/1/11 through 10/1/2011 which is our first quarter of FY'12 and the federal last quarter of FY'11.

Rafael then referred to a legislative update sheet indicating a proposed 37% reduction in Dislocated Worker funding through October, 2011. Chili said that there is an incorrect view that there is enough money to carry the system through from July to October. It is based

on a misunderstanding of the definition of obligated and spent funds. Peter Matthews said that we will continue to monitor the situation over the next couple of months.

Chili said that the state supplemental budget funds the statewide YouthWorks program at \$4m and Connecting Activities at \$2m. The State Legislature is also trying to make Workforce Training Funds into a trust fund. At the State level, the Career Center line item is intact.

Ralph then reported that our efforts to make better performing poor youth eligible for our services were successful. Making them eligible for training and summer jobs is an achievement of which we can be proud.

We have since tried to narrow this year's summer jobs to serve only 2011 high school graduates in Lawrence, Methuen and Haverhill. That was rejected by the state who reasoned that all poor should be able to participate and that we can't exclude anyone. As it is, there is currently enough summer job money to help about 120 kids. That number can be reached in one block in a Lawrence neighborhood.

III. Reduction in ITA Cap

Peter Matthews said that this item was discussed at the last meeting. Ralph said the issue was whether to include an exclusion or waiver. He said that Chili provided him with information indicating that less than 10% of the ITAs cost more than \$8,000. Therefore reducing the ITA ceiling to a maximum of \$8,000, with the possibility of a waiver if there is clear cut employer need to fill the position and virtually guaranteed employment, is advisable.

Motion by Fred Carberry to reduce the ITA cap to \$8,000 with a provision for waiver in cases where there is demonstrated demand for workforce training that is certain to result in job placements. Rosemary Chandler seconded the motion.

Discussion followed on setting a clear policy but it was agreed that the motion allowed for the development of a policy. Ralph said that we have already been informing vendors that money is tight. He said that the rule will be the \$8,000 cap with a rare exception if there is a clearly demonstrated employer need and that the training will result in well-paid employment.

After discussion, the motion passed.

IV. Update on Lobbying

Ralph said that he doesn't know why there is such focus on this at the state level but that it relates pending national budget cuts. In Massachusetts, the policy clearly states that public employees cannot lobby during work hours and sometimes after hours. It is very clear what our limits are. Peter Matthews said that the policy is different for volunteers and the fact is that you can do what you want on your personal time.

Rafael said that there was mention of putting together a letter to Senator Brown but he might create an info flyer for the quarterly meeting and then let board members take action as they see fit. He said that he would be keeping away from e-mailing or any action that

could be construed as lobbying. Peter Matthews said that he is not a fan of form letters signed by numbers of people. He thinks that contact in a legal, individual way is much more effective. He also said inviting legislators to a breakfast meeting where we tell the story of what we do and a few individuals provide a testimonial of services at a later date is the way to go.

Ralph mentioned that Senator Brown will be in Newburyport and at the Chamber in the next few weeks. He said that he is one of a handful of lawmakers whose opinion is not clear. Peter Matthews talked about his office and the number of staff and said that it is critical to reach the right person on his staff, specifically, the person who deals with workforce development and can bring the information to the senator. Ralph also said that the Senator's website provided information on how to contact the senator or his staff through a web text submission. There is no clear email posted.

V, Other Business

Ralph said that since the agenda was posted, Mayor Lantigua permanently appointed him to the position of Executive Director. He said that it is nice to get the permanent appointment even though the national picture doesn't make any public job permanent. He said that Mary Sarris does a fine job promoting workforce development and referenced a recent Globe article that mentions her while supporting WIA.

Rafael also said that the Planning Committee might start considering what should be done if there's a 50% cut in funding. We would have to close one Career Center and cut about 50% of staff. He then mentioned a new requirement from the city whereby we would be responsible for retirees' health insurance costs. If money is severely cut, we need to look at how we allocate funds. Should we, for example, maintain the training allocation at 30% of WIA funds.

Peter Matthews asked about the health coverage and Ralph said right now covering nine retired employees costs about \$8,000 - \$9,000 per month. This will increase as aging workers retire. Chili said that we could soon be looking at around a \$120,000 per year cost. Fred Carberry said that he is one of those retirees and when this directive came out he felt that it didn't consider that he only worked here for the last four years and at the office of Planning & Community Development for the majority of his career. He felt that longevity should be taken in consideration when determining which department is liable for the cost of the health care. Ralph said that we will be seeing more and more of these situations in the current state of the economy.

VI. Adjourn

Having no further business Fred Carberry made a motion to adjourn the meeting seconded by Rosemary Chandler. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell

Recorder