



Meeting URL: <https://sowib-org.zoom.us/j/81927714815?pwd=N2JEQTNkcHN1amF0MXA0cE9Kb3J2Zz09>

Meeting ID: 819 2771 4815

Passcode: 499820

MINUTES

1. Call to Order and Confirmation of Quorum

	Dr. Gray (B) (TBD)	X	Jason Traylor (B)		Andy Owens (B)
X	Robert Westerman		Ben Messner (B)	X	Mike Hicks
X	Joe Benetti (B)	X	Debbie Sargent	X	Rod Sprinkle
X	Dave Sanders (B)		Ali Mageehon	X	Brian Prawitz
	Rhonda Amer (B)		Amy Kincaid	X	Nichole Moody (B)
	Laura McKeane (B)	X	Marie Simonds (B)		Rachel Pokrandt

Names in red -unable to attend, prior notice given.

The meeting was called to order at 12:02 pm by Joe Benetti. 10 of the 17 members (excluding vacancies) were present, making up 64% of the total members. Of the 64%, 55% represent Businesses.

2. INTRODUCTION OF NEW SOWIB STAFF

Angila Petris, is our newest staff member, and was hired to be part of the finance Team.

3. PUBLIC COMMENT SESSION: Members of the public may now comment on any matter posted on this Agenda, which is before this Board for consideration and action today. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.

No public comment was presented.

BOARD ACTION ITEMS

4. DISCUSSION AND POSSIBLE ACTION: Consent Agenda (Approved with One Motion)

- Meeting Minutes – November 21, 2024

Motion to approve minutes and consent agenda made by Robert Westerman and seconded by Marie Simonds. The motion carried unanimously.

STANDING REPORTS

5. INFORMATION: Finance Update; Yolanda Brumfield

Yolanda highlighted key financial figures as of 12/31/24:

Total Assets: \$3.58M

Operating Cash: \$850,158

Grants Receivable: \$2.33M, representing reimbursable expenses incurred under allowable costs from donors.

Inventory: \$116,000, consisting of boat kits that will be sold for income once completed.

Net depreciation: \$272,000, program-related fixed assets, (the simulator and truck) from the Good Jobs program

Accounts Payable: \$403,000, including \$102,000 in accrued payroll and benefits. Deferred revenue remains steady at \$867,000, reflecting grant funds received in advance but not yet utilized

Total Net Assets: \$2.1M

Board member, Marie Simonds asked if we are earning interest on our funds, and Yolanda answered Funds are split across several accounts. We have an ICS account, earning interest.

Revenue and Expenses

Total revenue to date is \$3.6M, consistent with last year's \$3.7M. Revenue is sourced from federal, state, and private foundation funding. Personnel costs total \$1.05 million, accounting for approximately 40% of expenses, reflecting a personnel-heavy structure. Community investments are at \$518,000, and subawards to contractors to implement our programs total \$1.34 million (over 41%), highlighting the pass-through to other organizations. Total expenses to date are \$3.23 million.

Actuals

Annual budget for revenue, was at \$8.1M, and our revenue actual at \$3.6. Community investments are under budget, with \$518,000 spent out of a \$2.2M projection. This shortfall is attributed to an overestimated budget and timing delays; some funds may roll over or were inaccurately forecasted. No immediate concerns have been identified.

For personnel costs:

Personnel costs are currently at \$1.05M out of a \$2.6M annual budget (approximately 40%), and projections indicate we will come in under budget by about \$600,000. This is due to unfilled positions, a staff transition that resulted in cost savings, and fringe benefits coming in lower than expected.

As of 12/31, there is an \$81,000 shortfall in indirect cost recovery due to lower-than-expected spending in certain areas, such as community investments. Since indirect recovery is tied to actual spending, a detailed projection will be developed to assess year-end impact.

Board Member Maire Simonds questioned if 10% indirect is the standard number for workforce boards. Sara Stephens said 10% rate only applies to the first \$25,000 of each contract, but for the next fiscal year that will change to 10% off the first \$ 50, and we are moving to annual contracts instead of biennial contracts, so we can receive more indirect costs. We have 27 subcontracts which will make a significant boost in indirect revenue.

A Board Member asked if there any active recruiting for specific open roles? Sara Stephens said there will be an additional benefits navigator. Funding set to expire next year.

Yolanda discussed calculating the cash reserve in light of a recent federal government shutdown, which prompted concern and coordination across Oregon organizations. Fortunately, SOWIB has accessible cash, though timing and access to accounts receivable are important factors. Based on the December 31st numbers, unrestricted net assets provide nearly five months of cash reserves. These funds are unrestricted which can be used without needing donor approval in emergencies and supports the entire program organization, and not just personnel costs.

The audit process has begun and is in progress.

Two initiatives SOWIB is working on are a new Payroll system, Paycor, instead of Cardinal and are actively reviewing and finalizing the decision to implement a new accounting system that will go into effect at the next fiscal year.

We are bringing back the Finance committee and looking for volunteers to meet between 2 - 4 times per year for one hour before board meetings to do a deep dive into finance.

PRESENTATIONS

6. Director's Report-Sara Stephens

***HowTo Grant** ends at the end of this fiscal year*

***Good Jobs Grant** ended*

***Oregon Youth Employment Funding** for 23-25 ending, but we expect to receive it again at the next biennium*

Debbie Sargeant from the Oregon Employment Department shared that federal funding for the Trade Act Assistance Adjustment (TAAA) program—supporting workers impacted by foreign competition—has not been renewed by Congress. As a result, staffing will be reduced and program operations will change. In response, Sara Stephens stated that SOWIB will explore ways to address and fill the resulting service gaps.

SOWIB is considering two potential locations for its new office.

On the federal side, there has been no official guidance from OED state directors or HECC regarding the loss of federal funding. However, a 10% reduction in WIOA funds is expected, and SOWIB is planning its budget accordingly.

The Oregon Workforce Partnership is actively advocating for four key bills to ensure workforce needs are represented in upcoming legislation:

- ***HB 61:** Requests \$2M in funding for maritime industry support.*
- ***HB 2972:** Seeks \$3M to reauthorize re-entry funding for individuals transitioning from incarceration into the workforce.*
- ***Prosperity 10K:** Proposes \$50M in flexible funding to enhance wraparound services for training and employment programs—an increase over past allocations (bill number pending).*
- ***Transportation Bill:** Requests \$10M to support workforce needs related to transportation, including truck driving and infrastructure (bill number to be assigned).*
- *Efforts include working closely with legislators to ensure the workforce system has a strong voice in these funding decisions.*
- *SOWIB is also continuing its efforts in early care, education, and childcare, maintaining a strong focus on supporting and advancing this area of workforce development.*

SOWIB was invited by the Senator's office, through Dana Black, to apply for a federal appropriations bill. This may result in funding for a Surgical Technician Apprenticeship program.

SOWIB awarded Southwestern Oregon Community College (SWOCC) \$100,000 to launch a Diesel Mechanic Program, set to begin in the 2025–26 school year. SWOCC will construct a new shop on campus for the program. In partnership with SWOCC, SOWIB also secured a \$1.5 million EDA grant to support both the Diesel Mechanic program and the development of a CDL truck driving school at SWOCC's Curry campus.

There are currently two vacancies on the SOWIB Board for business leaders. The goal is to fill these positions by the May meeting, ideally with at least one representative from Curry County.

The Surgical Technician Apprenticeship program aims to address a significant workforce shortage, particularly in rural areas. Funding will cover administration, curriculum, supplies, and staffing for the apprenticeship director. The program cost has been reduced from \$15,000 to \$7,500 per apprentice, with employers covering the cost. Thirty applications have already been submitted.

Additionally, the Higher Education Coordinating Council (HECC) is applying for a large federal apprenticeship grant, which includes funding support for both the surgical tech and early care and education apprenticeships.

7. Maritime Workforce Development Update – Sara Stephens and Natasha Garrison

SOWIB received \$437,202 from House Bill 3410, piloted by Representative Glomberg, as part of a \$2 million allocation to strengthen the maritime workforce in Coos and Curry Counties.

- *Fishing Families Support: \$30,000 was awarded for safety gear, rain gear, and other customized needs.*
- *Little Fish Seafood Market: SOWIB granted \$16,000 for electrical work and freezer installation. This market, operated by Greta Horn (also of Lady Bug Bakery), enables local fishing families to process and sell their catch locally. Four families are currently participating.*
- *Local Seafood Sourcing & Employment: SOWIB is exploring local seafood sourcing and aims to collaborate with organizations supporting individuals experiencing homelessness or recovering from substance use. The seafood butchery initiative will offer low-barrier jobs and meet the growing demand for seafood processors by early next year.*
- *Additional Investments: Funding has also supported SWOCC's Diesel Mechanic program, provided boats for high schools to offer maritime-related work experiences, and launched a new marine upholstery business—an industry previously absent in the region.*

8. WIOA Compliance – Rena Langston

HECC – WIOA Program Performance Monitoring is due March 10

Updates were given on the Adult program, Dislocated Worker, and Rapid Response

9. The next Board meeting is scheduled May 15th when we will go over budgets, audit presentations, and get to know staff. The economic summit is that same day, so we may look at rescheduling the meeting.

10. The public meeting concluded with Joe Benetti facilitating the transition into an executive session. Sara Stephens organized the transition, requesting that board members remain, and all staff and guests disconnect from the Zoom session to maintain confidentiality.

11. Executive Session: Sara Stephens

- **To consider the employment of a public officer, employee, staff member or individual agent.**

- To consult with your attorney regarding your legal rights and duties in regard to current litigation or litigation that is more likely than not to be filed. ORS 192.660(2)(h).

12. Adjournment

Joe Benetti officially adjourned the meeting at approximately 1:42 PM PST.

Meeting Calendar Available