

GOVERNOR'S WORKFORCE INVESTMENT BOARD MEETING
AKA State Workforce Investment Board (SWIB)
Thursday, December 9, 2010– 1:00 p.m.
Grant Sawyer Building – Suite #4401
555 East Washington Avenue
Las Vegas, Nevada

MINUTES OF MEETING

Present: Cass Palmer (Chair), Jim Chavis, Douglas Geinzer, Kathy Grost, Eric James, Leslie Martin, Charlie Nguyen, Jean Peyton, Geoffrey Wilson, Frank Woodbeck, Stacy Woodbury, Mary-Ann Brown, Romaine Gilliland, Maite Salazar, Senator Allison Copening, Veronica Meter, Dr. Maria Sheehan, Dennis Perea (for Larry Mosley)

Absent: Jo Cato, Pamela Egan, Alvin Kramer, Richard Lee, Dr. Keith Rheault, Assemblyman James Ohrenschall, Dennis Shipley, Bradley Woodring

Also present: William Anderson (DETR - Chief Economist), Cindy Jones (Employment Security Division – Administrator), Earl McDowell (DETR – Deputy Administrator), Tom Fitzgerald (NevadaWorks – Executive Director), John Ball (Workforce Connections – Executive Director), Ardell Galbreth (DETR – Deputy Director), C. Lloyd Phillips (CSA/DC), Michael Pennington (CSA/DC), Elise Oshiro (CSA), Steven Aramini (Arsenal Advertising)

I. WELCOME – Chairperson Palmer called the meeting to order at approximately 1:00 p.m.

II. INTRODUCTION OF NEW MEMBERS – Chairperson Palmer announced Dennis Shipley would be attending the next meeting as a new Board member. He provided a brief summary of Mr. Shipley's professional background. Chairperson Palmer also announced David Fordham has resigned from the Board. There were several vacancies on the business representation side of the Board. Bylaws require a minimum of 50% business representation on the Board. Chairperson Palmer requested individuals from the business community interested in serving on the Board contact Tamara Nash for more information.

III. ROLL CALL AND CONFIRMATION OF QUORUM – Roll call was heard and a quorum of eighteen members was determined.

IV. VERIFICATION OF POSTING – This item was not addressed.

V. DISCUSSION/POSSIBLE ACTION: APPROVAL OF THE SEPTEMBER 16, 2010 MEETING MINUTES – Jean Peyton moved to approve the September 16, 2010 meeting minutes. Maite Salazar seconded the Motion. Motion carried.

VI. PRESENTATION: NEVADA'S ECONOMIC OUTLOOK – Bill Anderson, DETR Chief Economist, reported October's unemployment rate decreased from 14.4% to 14.2%, which was the first month-to-month decline in approximately five years, but the decline was the result of a decline in the work force. The broadest measure of unemployment is at 22.3%, but the official unemployment rate averaged at approximately 13.6%. Job losses have stabilized in the 2% range. Initial claims for unemployment are trending downward. There were approximately 110,000 Nevadans receiving unemployment benefits as of October 2010. Approximately 40% received regular State benefits and the remainder received various federally-funded benefits, but those figures were starting to trend down. Job losses will be right around 2%. Job growth is expected to increase by 2013, but not to the extent that it had in the past.

Member Wilson asked about the impact to those individuals who will exhaust their ninety-nine weeks of benefits if benefits are extended and the impact to those individuals in the State if benefits are not extended by the federal government. Mr. Anderson stated, between now and March 2011, approximately 65,000 Nevadans would lose their benefits if benefits were not extended. If benefits are extended and maintains its previous structure, approximately 2,000 Nevadans a month would exhaust their complete ninety-nine weeks of benefits.

Member James asked if federal funding goes towards the funding that is being borrowed to pay current State benefits. Mr. Anderson replied no. The funding being borrowed from the federal government is strictly used to pay benefits. Member

James asked how much of a deficit the State will have incurred once borrowing is complete. Cindy Jones, Employment Security Division Administrator, stated extensions being contemplated at the federal level will not impact the State's trust fund. Federal funding being borrowed is only to pay regular State benefits or the first twenty-six weeks of benefits and the federal extension being considered by the federal government is to pay for extended benefit programs. At this time, approximately \$579 million has been borrowed and, by September 30, 2011, approximately \$820 million will have been borrowed to pay regular State unemployment benefits.

Member Wilson asked about the estimated unemployment rate through September 2011. Mr. Anderson stated it was expected that the unemployment rate will fluctuate during 2011, but stabilize at approximately 14%. There may be a decline to less than 10% by 2014.

Chairperson Palmer asked about Nevada's unemployment situation compared to other states. Mr. Anderson reported Nevada's unemployment rate remains the highest in the nation due to the decline in the construction industry and discretionary consumer spending.

Member Grost asked if projects were being put in place to diversify Nevada's economy. Mr. Anderson stated that was a policy issue, but efforts were being put in place to diversify Nevada's economy. He noted Nevada's economy has become diversified over the years through the leisure and hospitality industry; therefore, the infrastructure was in place to ramp up those efforts.

Chairperson Palmer requested Member Woodbeck respond on Mr. Anderson's comment. Member Woodbeck reported the Lt. Governor's Task Force will be reporting on eight separate initiatives regarding economic diversification on Monday. Member Meter added the Governor-Elect and the business community was also working on addressing issues of economic diversification.

Member James requested a report be presented at the next meeting about the success that has been had with the "green" energy funding that has come into the state. Dennis Perea stated they would be happy to present a report at the next meeting in conjunction with Member Woodbeck regarding future projects and what is in place. Member James asked if it was also possible to provide information on the re-location of outside organizations or employers into the State of Nevada. Member Woodbeck explained there was some information that could not be disclosed due to non-disclosure agreements, but that there was some information that could be presented regarding incentive approvals for companies and the development of job growth within the state.

Member James asked for Mr. Anderson to elaborate on what factor(s) were used to project the decline in the unemployment rate after 2011. Mr. Anderson stated that was due to the decline in population, which creates a smaller labor pool. It was also due to the moderate employment growth being projected in the retail/trade sector, the professional/business services sector, healthcare, and the mining industry.

Member Meter asked what was being done to keep track of unemployment claim frauds. Ms. Jones reported there were controls and programs in place to thwart fraud activity and two federal grants were also received to strengthen those controls in the future. Member Meter asked if statistics could be reviewed regarding fraud activity. Ms. Jones stated that information was available through the U.S. Department of Labor website. They could also provide that information to the Board, as well.

VII. UPDATE ON INDUSTRY SECTOR COUNCILS – Earl McDowell, DETR Deputy Administrator, reported an orientation meeting for the healthcare sector was held on November 16, 2010. An orientation meeting would also be held for the Manufacturing Sector Council and the Leisure and Hospitality sector, which would be held on December 14, 2010. Individuals on the Green Renewable Energy Sector Council were contacted about their interest in the Council, but only four individuals responded therefore Boards would be approached to identify additional individuals to serve on that Council.

Chairperson Palmer asked for a review of the vision of some of these Sector Councils. Mr. McDowell stated the vision of the Sectors was to get individuals on these Councils that have expertise in that particular industry.

VIII. LOCAL WORKFORCE INVESTMENT BOARD REPORTS

A. NevadaWorks – Tom Fitzgerald, NevadaWorks Executive Director, reported it has been a quiet quarter as they await information from the Department of Labor about getting started on the SESP Green Grant.

Member Grost asked for update information regarding the SESP Green Grant. Mr. Fitzgerald reported grant revisions had to be submitted in order to achieve the goals of the grant and that they were awaiting official approval.

Chairperson Palmer asked for an overview of the training efforts and intent related to the grant. Mr. Fitzgerald stated it was known that approximately three-quarters of the population resides in the Southern Workforce Board area; therefore, it was suggested three-quarters of the training be handled in that area, which would be broad-based training for both incumbent and new workers. The focus in the north would be on incumbent workers and working with training providers and companies who will train workers with new, green skills.

Member Sheehan asked if this training would be additional training for individuals already employed. Mr. Fitzgerald stated that was correct.

Member Brown asked if the focus of training would be on industries that are most at-risk or on individuals who feel they need to have more training in order to grow in their employment. Mr. Fitzgerald stated that would be determined based on the response received from the proposal that was submitted to both local employers and current providers.

B. Workforce Connections (Formerly Southern Nevada Workforce Investment Board) – John Ball, Workforce Connections Executive Director, commented on the success of the Ready for Life Program’s Drop-out Prevention Summit, the establishment of the Statewide Council, and the evaluation indicators identified. He stated he wanted to thank, for the record, Maureen Peckman and John Broscoe for securing funds through Ready for Life. He reported Sector-targeted grants for healthcare and green economy were launched this year and were off to a great start. They also secured an additional federal healthcare sector planning grant. He thanked staff for their efforts with the grants and stated they expected to hear back about the grants by December 15, 2010. Project 5000 Kids was co-sponsoring the National Job Shadow Day to be held on February 2, 2011 in Southern Nevada. A kick-off lunch will be held next Friday to address the initiative and issues with organized labor. He reviewed training for the green energy grants.

IX. GOVERNOR’S WORKFORCE INVESTMENT BOARD (GWIB) COMMITTEE REPORTS

A. Workforce Planning, Policy, and Performance Policy Committee – Member Chavis stated a meeting has not been held since August 30, 2010, but there were reports to present on the Strategic Plan Goals and performance measures. He pointed out one of the performance measures that has not been met is Board attendance, but solutions were being considered to address this matter.

1. Update: Strategic Plan Goals, Objectives and Strategies – Ardell Galbreth, DETR Deputy Director, expressed his thanks to the Board for their leadership and policy guidance with the local Workforce Investment Boards. He reviewed the five-year Strategic Plan handout. He reported quorums for committees and councils continue to be a challenge. There were still two DETR staff positions vacant that should have been filled by October 31, 2010. It was expected to have those two positions filled by no later than the first quarter of next year. Two grant proposal applications were submitted to ensure persons with disabilities are integrated in policy and program development, but only one application was approved. There were problems with how to measure workforce needs therefore they would be partnering with businesses to determine that measurement. The goal of developing world class education and training initiatives has been met.

Member Grost asked about the proposal application that was approved. Mr. Galbreth stated it was to serve youth with disabilities and that more information would be provided in the coming months. Member Grost asked about the purpose of the proposal. Mr. Galbreth stated it was to provide both training and to connect youth with gainful employment.

Member Nguyen asked if there was a timeframe to accomplish workforce needs. Mr. Galbreth stated it should be continuing because there should always be workforce needs for businesses.

A question was asked regarding what tool was being used to measure business demands and what gauge there was to measure what demand industries are creating new jobs in the new Job Board System in order to develop training around those jobs rather than train for jobs that may not exist. Mr. Galbreth stated that information would be provided through the partnership with Economic Development. Member Meter added the goal should be driven by the businesses that come to Nevada through the partnership with Economic Development which will better identify industries to focus on.

Member Salazar asked about the tracking system in place to track needs being met with employers by the employees being placed. Mr. Galbreth stated he would present the tracking mechanism in the performance measures portion of today’s meeting.

Chairperson Palmer stated he agreed that the measurement was too broad and should be narrowed down in terms of how to achieve individual measurements. He suggested an e-mail be sent to Board members in order to discuss these issues more off-line.

Member Nguyen asked about some of the deliverables expected by June 30, 2015 regarding Objective 5.1 and the status on those deliverables. Mr. Galbreth stated some deliverables were still pending, but to be recognized by a national and international program and training initiative has been accomplished. Member Nguyen asked if local colleges and universities were approached to work on these deliverables or was this strictly a DETR project. Mr. Galbreth replied no, but there should be some type of outreach to colleges and universities by March 2011.

Member Wilson commented he was uncomfortable with this report because of the unrealistic goals. Discussion followed regarding the lofty goals set by the Board and changes that can be made to better refine goals.

2. Report of 1st Quarter Program Year 2010 Workforce Investment Act (WIA) Performance Measures – Ardell Galbreth, DETR Deputy Director, reported there was a slight decrease on the statewide basis.

Member Peyton suggested information be provided regarding the number of individuals reflected in the percentage amounts. Mr. Galbreth stated that information could be provided to the Board.

B. Governor's Reserve Funds Budget Committee – Chairperson Palmer stated there was no report since there have been no additional projects since the last Board meeting.

C. Marketing & Business Support Committee – Member Lee was not in attendance to present a report. Chairperson Palmer stated this Committee was not meeting at this time, but DETR staff was working with Arsenal to release some materials that were previously developed in collaboration with the Committee. Steven Aramini, Arsenal Advertising, reviewed advertising being developed for the Youth Council and Nevada Job Connect.

Member Geinzer asked if the youth portion of the site would have a feed from Nevada Job Connect or would it run independently whereby employers would have to post in multiple locations. Mr. Aramini stated there would be a link routed to the same sources as Nevada Job Connect. Member Geinzer asked how the database would be parceled out so youth are not looking at jobs that require extensive education and experience. Mr. Aramini stated they would be working within the site to make youth aware of these resources, but that youth would have to use the filters provided once inside the site.

Member Peyton asked how youth are to know about the Nevada Youth.org website. Mr. Aramini stated it would be promoted on the main Nevada Job Connect site and search engine optimization. In addition, a press conference will be held to announce the site and information would be provided to schools. Tamara Nash noted promotional items would also be ordered to be passed out at job fairs and other youth-oriented activities that will have the website information.

Member Meter asked if schools were posting information and being provided with job information for their counselors. Mr. Aramini stated that was the goal. Member Meter suggested stakeholders be approached with this information in order for them to show support and provide input. Discussion followed regarding the media plan being developed to advertise the website.

A comment was made suggesting having an employer screening process in place to prevent identity theft and to have special jobs for special people.

D. Youth Council – Member Salazar reported there would be a third seat on the Governor's Board for the Youth Council and that she requested to be contacted if there was a Board member interested in the seat.

1. Update: Ready for Life – Chanda Cook, Nevada Public Education Foundation, reviewed the 2010 Youth Council Year-End Review regarding Ready for Life programs. She stated a Youth and Economic Summit would be held tomorrow at UNLV.

E. Green and Renewable Energy Sector Jobs Council – This item was not addressed.

X. DISCUSSION/POSSIBLE ACTION: APPROVAL OF 2011 SWIB CALENDAR OF MEETINGS – The 2011 SWIB Meeting Calendar was provided to the Board for review in Board packets. The next meeting would be held on March 24, 2011, but some meetings would be held before the unemployment rates are released.

XI. PUBLIC COMMENTS

A comment was made regarding the benefits of working with Economic Development and developing partnerships.

A comment was made to discuss the Green and Renewable Energy Sector Jobs Council at the next hearing to be more diversified and not focus on one industry.

XII. ADJOURNMENT – There being no further business, the meeting adjourned at approximately 3:14 p.m.

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