

**Business Employment Skills Team, Inc.
(Hybrid) Meeting Minutes
December 19, 2022**

The Business Employment Skills Team, Inc. Board of Director's Meeting was called to order at 6:30 p.m. by Co-Chair Kathy Enbom. Roll call was taken.

Name	Present	Absent	Name	Present	Absent
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		X

PROXY: Kevin Lindeman to Wayne Reising

OTHERS PRESENT: Carrie Folken, Jo Ann Johnson, Annette Pace, Dianna Schuler, Joe Payette (Carroll County Board Chairman), Don Jensen (LaSalle County Board Chairman)

Since there were new members attending the meeting, each member introduced themselves.

PY 21 Audit Report

Co-Chair Enbom, introduced Rusty Gibson with Clifton Larson Allen (CLA) to members. Rusty informed members that copies of the PY 21 Audit and Governance Communication Letter was sent to members prior to the meeting. He provided members with an overview of the Audit. Rusty complimented Annette and Jessica for their support and flexibility in conducting the audit. Referring to a power point presentation that was distributed to members prior the meeting, Rusty told members that CLA issued an unmodified audit opinion over financial statements and the reports are in accordance with Government Auditing Standards (GAS) and Uniform Grant Guidance (UG). He told members that total revenues were \$3,507,537 for the year ended June 30, 2022, which were down by \$450,000 FY 21. As 99% of revenue is from federal grants, the decrease is primarily due to the amount of grant funding in the current year, as funding decreased for the WIOA dislocated worker grants \$320,000. In regards to expenses, Rusty said that total expenses were \$3,517,992 for the year ended June 30, 2022, which was a decrease of \$445,000 from FY 21. As BEST's program activities decreased with less grant funding, expenses have decreased proportionally. Referring to the chart that shows the ratio of program expenses vs. management and general expenses, Rusty said that a good rule of thumb is to keep management and general at 20% or less of total expenses. He said that BEST has consistently maintained this rate at 10% or less over the past 5 year period. Rusty continued by saying that the majority of the expenses are allocated to the programs, with most of these being either training & materials or personnel costs. These costs, he said, have consistently been 85-90% of total expenses over the trailing 5 year period. Rusty told members that FY 21 had additional expenses for layoff aversion costs. Overall operations, Rusty said, resulted in a reduction in net assets of \$10,455 for the year ended June 30, 2022, compared to a negative change in net assets of \$5,754 for FY21. He said that since the main source of revenue is federal grants, the programs operate close to break-even each year. Continuing to highlight the financial

analysis, Rusty told members that total assets were \$367,000 at June 30, 2022, which is a decrease of \$41,000 from June 30, 2021. He commented that funding sources will fluctuate based on timing of draws and receipts from the state. As required by federal funding regulations, Rusty said that BEST monitors cash levels to ensure there is minimal time from draw to disbursement of funds. Justin told members that total liabilities as of June 30, 2022 were \$362,000, which is down by \$31,000 from FY 21. He said that payables and accrued expenses will fluctuate based on timing of year end payments. Rusty noted that payables and accrued expenses will fluctuate based on timing of year end and payments. He said that BEST had no unearned grant revenue at June 30, 2022. Continuing, Rusty told members that net assets decreased to \$4,314 as of June 30, 2022. As the main source of revenue is federal/state grants, the programs operate on a close to break-even budget and significant excess revenue is not expected. In regards to the Single Audit, Rusty told members that the audit was a very positive report and there were no findings or issues reported. He also noted that CLA values their relationship with BEST, Inc. and once again thanked staff for their assistance throughout the audit process.

Members thanked Rusty for the audit presentation and thanked Annette and Jessica for the clean audit.

Approval of the Meetings Minutes

Wayne Reising motioned to approve the October 17, 2022 Meeting Minutes. Motion was seconded by Steven Malavolti. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

Public Comments

Dianna Schuler, BEST, Inc. Business Services Manager was introduced to members. Carrie said that Dianna and her two staff members cover all 8-counties of the Local Workforce Area.

Don Jensen, LaSalle County Board Chairman and Day Payette, Carroll County Board Chairman were also introduced to members.

Executive Director Report

Carrie informed members that her typed report was including with the meeting materials. However, she provided members with an overview of the Program Services Team noting that updates from each of the partners were included with her report. Carrie noted that a few years ago partners completed a self-assessment to see how we could better work together with mutual customers. She told members that along the same line, we are seeing a lot of collaboration and cooperation with the other agencies such as partnering with Job Fairs, employer visits and other events that are taking place. Carrie shared

information that was shared on social media of a collaborative event with IL Department of Employment Security and BEST regarding individuals that were laid off from Owen's in Streator, IL. Carrie informed members that for the Owen's event, BEST received 12 referrals from the 25 in attendance. With 4 interested in returning to school to further their education. Carrie gave high kudos to Dianna Schuler to going above and beyond to organize this Rapid Response event for those individuals being affected by the layoff. Carrie said that Dianna contacted local businesses that were hiring and put together a packet of information to share with the individuals laid off. The packet, Carrie said, also included information about the partnering agencies listing the types of services they have available. Carrie told members that staff were told that 180 individuals would be affected by the layoff, but the final count was 121. She said that staff held 6 Rapid Response events.

Finance Director Report

Trade Grant Update

Annette informed members that Trade Grant PY 20-661004 has been closed out and submitted to DCEO. She said that Trade Grant PY 21-661004 documents have been submitted to the State for approval.

PY 22 WIOA Update

Annette told members that a modification transferring \$550,000 from the Dislocated Worker funding stream to the Adult funding stream has been submitted to the State for approval

PY 21 WIOA

Annette said that the PY 21 WIOA grant is going as expected. She said that staff are having difficulty spending the Dislocated Worker grant which prompted the need to transfer the funds between the Dislocated Worker and Adult funding streams. She said that the youth funding is going as normal and the adult funding is fully expended, so they are using the PY 22 grant. Annette noted that if the funds are not utilized then they will be taken away. She said that it is easier to transfer between the grants then to lose the money. Annette said that if additional Dislocated Worker funds are needed, staff can apply for a 1E (emergency) grant.

Required Expenditure Rates

Annette reported that the expenditure rates are in good shape. She said that staff have done a good job with the youth work based learning program for PY 21 so PY 22 funds are now being utilized.

Audit Report

Jim Duffy motioned to approve the PY 21 Audit Report as presented by Rusty Gibson earlier in the meeting. Motion was seconded by Steven Malavolti. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	

James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

Approval of the Fiscal Reports

Wayne Reising motioned to approve the September & October 2022 Monthly Financial Reports. Motion was seconded by Steven Malavolti. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

HR Committee Report

Review and Approval of Employee Health/Life Insurance Coverage

Wayne informed members that the HR Committee met prior to the BEST Board meeting and reviewed the employee Health/Life Insurance benefit with United Health Care. He told members that BEST, Inc. received 1.1% increase and recommended approval to renew the policy. Wayne motioned to approve the renewal of the Employee Health/Life Insurance policy as recommended by the HR Committee. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

Wayne informed members that the HR Committee discussed the Holiday Schedule and considered adding June 19th. However, after discussion no action was taken and therefore there were no changes to the Holiday Schedule. BEST, Inc. staff will remain with the 12 Holidays that they have outlined in their Employee Handbook.

Other Business

Election of Officers

Kathy explained to the new members that the BEST, Inc. Bylaws allows for co-chair. One representing counties and one business. Kathy Enbom nominated Jim Duffy to represent the counties. Jim Duffy nominated Kathy Enbom to represent business. Kathy nominated Steve Malavolti as Secretary. Wayne Reising motioned to close nomination. Chris Flikkema seconded the motion. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

Business Employment Skills Team, Inc. Board of Director's are as follows:

James Duffy / Kathy Enbom – Co-Chairs
Steven Malavolti – Secretary

Request Out of State Travel for NAWDP Conference

Carrie informed members that in the past she brought a request to attend the National Alliance of Workforce Board (NAWB) conference in Washington, DC. This year, she said, she is only recommending to send 2 individuals plus herself to the National Association of Workforce Development Professionals (NAWDP) to an out of state conference. Carrie said that this year's conference will be May 8-10 in New Orleans, LA. Carrie told members that the NAWDP conference will have a workforce track that she plans to attend in lieu of attending the NAWB Conference. Jim Duffy motioned to approve sending 3 individuals (including Carrie) to the NAWDP Conference in May to New Orleans, LA. Motion was seconded by Steven Malavolti. Roll Call vote was taken.

Name	Yes	No	Name	Yes	No
Gary Camarano	X		Steven Malavolti	X	
James Duffy	X		Michael McEmery	X	
Kathy Enbom	X		Kerwin Paris	X	
Chris Flikkema	X		Wayne Reising	X	
Keane Hudson	X		Jamey Sulser	X	
Kevin Lindeman	X		LaDon Trost		

Motion carried.

Membership List / Committee Structure

Carrie provided members with an overview of the BEST Board Committee Structure and explained the functions of each of the standing committees. She said that if you are interested in making a change or joining one of the committees to let her know. Carrie also offered to meet with the new members to talk with them roles as County Board representatives on the BEST, Inc. Board (and Chief Elected Officials Board).

Meeting Schedule for 2023

Jim noted that meeting schedule for 2023. Carrie said that hopefully we will be meeting at the Lee County Courthouse in February. The dates of the following meeting are: February 27, April 24, June 26, August 28, October 23, and December 18.

Adjournment

With there being no further business, Wayne Reising motioned to adjourn. Motion was seconded by Steven Malavolti and carried. Meeting adjourned at 7:25 p.m.

Jo Ann Johnson

Approved by:



Steven Malavolti
Board Secretary