



Meeting Minutes

Open Meeting

Date: October 19, 2017
Location: MineBrook Golf Club

IN ATTENDANCE:

Members

Marie Betlow (Job Search Central), David Hollowell (D&D Associates, **WDB Chair**), Rosalie Lamonte (Sussex and Warren Schools), Terry Newhard (NORWESCAP), Antony Smith (NJ Division of Vocational Rehabilitation Services), Susan Zukoski (Abilities of Northwest Jersey, Inc.).

Guests

Eve Azar (Warren County Community College), Jill Butcher (Warren County Library), Jon Connolly (Sussex County Community College), Peter Curley (NJ Department of Labor and Workforce Development), Sarina DosSantos (MSW Employment and Training Services), Patrick Enright (County College of Morris), Eva Fernandez (NJ Department of Labor & Workforce Development), Elizabeth Gloeggler (Literacy NJ), Joanne Hala (United Way of Northern NJ), Sean Hendricks (NJ Department of Labor & Workforce Development), Anthony Iacono (County College of Morris), Irena Kaler (County College of Morris), Julie Knapp (Sussex County Library), John Lehnert (NJ Department of Labor & Workforce Development - Veterans), Irene Schrader (representing Scott Moffitt of Morris County School of Technology), Haley McCracken (Project Self-Sufficiency), Nancy Propsner (Warren County Library, Career Connections), Marc Schweitzer (NJ Division of Vocational Rehabilitation Services), Richard Serrano (NJ Department of Labor and Workforce Development), Charles Steindel (Anisfield School of Business, Ramapo College), Ray Vaccari (Manufacture NJ), Kathy Vincelette (The Women's Center at CCM), Robert Wanhouse (Morris County Economic Development Corporation), Joan Wlazlowski (NJ Division of Vocational Rehabilitation Services).

Staff

Jane Armstrong (WDB Director), Donna Buchanan (MSW One-Stop Operator), Sallie Sullivan (Secretary to the WDB Director).

ABSENT:

Members

Anthony Abrantes, William Austin, Mark Bocchieri, Paul Boudreau, Tammy Case, David Fiore, Ann Marie Flake, George Krevet, Gus Modla, Scott Moffitt, Dianna Morrison, Frank Petrucci, Steve Sitek.

Prior to the October 19, 2017 Open Meeting, the following documents were posted on the WDB website (www.mswwdb.org) for review: Open Meeting minutes (July 27, 2017); Disability Committee minutes (August 2, 2017); Literacy Committee minutes (August 16, 2017); Youth Investment Council minutes (August 21, 2017); draft Executive Committee minutes (October 10, 2017); and the WDB Director and One-Stop Operator Report.

The Oversight Committee electronically reviews budget, performance and monitoring reports monthly. Documents shared with the Oversight Committee were available at the Open Meeting.

Committee Discussions

Starting at 8:30 a.m., WDB members and guests visited committee stations and conferred with the chairs and staff on committee and other WDB issues. The attendees took the opportunity to network with each other and WDB committee chairs, WDB Chair David Hollowell, WDB Director Jane Armstrong and MSW One-Stop Operator Donna Buchanan.

WDB Business Meeting

Meeting Opening Remarks

At 9:07 a.m., WDB Chair David Hollowell called the meeting to order and read the Public Meeting Notice. He then asked those in attendance to introduce themselves.

Board Business

WDB Director Jane Armstrong reported that the major emphasis at this time is on the Workforce Innovation and Opportunity Act (WIOA) requirement to develop a Resource Sharing Agreement (also known as an Infrastructure Funding Agreement - IFA). It applies to those entities located at the One-Stop Centers and the purpose is to identify the fiscal responsibilities for the managing of the One-Stop Career Centers. She is working with Donna Buchanan (One-Stop Operator and Director of Employment and Training Services - ETS) and Sarina DosSantos (Fiscal Officer of ETS). They have received floor plans for each of the One-Stop locations and budget information. They will come up with the facilities agreement (IFA - Infrastructure Funding Agreement), which will then be sent to the Executive Committee for review and approval. Afterwards, the Board will be notified of their finding. The IFA is due in January 2018.

Jane congratulated Donna Buchanan on being awarded One-Stop Operator effective July 1, 2017.

The WDB offices are moving to 1 Medical Drive in Central Park, Parsippany/Morris Plains on November 3, along with Employment and Training Services. While there is a change in physical address, the mailing address, phone numbers, fax number and email addresses remain the same.

Jane has begun a conversation with the Executive Committee regarding the role of each of the WDB committees. She shared with them that WIOA requires greater outreach with employers, emphasizing employment and employer engagement. She said the needs of the employers are met, but additional focus is required due to metrics. The state hasn't addressed what those metrics will be in any detail, but the board is responsible for them.

For that reason, the focus of the One-Stop Career Center Committee will be employer engagement, and taking the strong system that now exists and moving forward, keeping the metrics in mind. The next meeting of the One-Stop Career Center Committee is November 14, 2017 at the One-Stop Career Center in Randolph.

Other Business

OLD BUSINESS

Chair Hollowell opened the floor for old business. There being no old business, the Chair moved to the next item on the agenda.

NEW BUSINESS

Chair Hollowell opened the floor for new business.

One-Stop Operator Donna Buchanan directed the group's attention to the One-Stop Operator reports that were available on the handout tables. She shared some of the highlights from the report:

- Total number of clients served through the One-Stops for the 2nd quarter of Program Year 2017 was 10,724 (*Based on system-generated results, the above statistic was incorrectly reported. This is currently under review.*)
- Of those clients, 57% went through Morris County, 22% through Sussex and 21% through Warren.
- In the second quarter of WIOA performance, the MSW area continues to exceed the performance targets established by the State. We have exceeded our median earnings for Adults and Dislocated Workers. Youth results are currently in development.
- The NJ Department of Labor and Workforce Development (LWD) initially informed us that we would not get Needs Based funding. The purpose of this funding is to assist individuals in the three counties with transportation. After LWD was again approached, they graciously relented and we received \$130,000. The bulk went to Sussex and Warren Counties due to the transportation challenges in those areas.
- Since Morris View Healthcare Center was privatized, 300+ people from the Morris County Offices of Temporary Assistance received layoff notices. Since all staff would be required to submit resumes and interview for available positions, the Randolph One-Stop staff presented 28 Resume and Interviewing Technique workshops over a four-day period, covering staff hours from 6 a.m. (many of those applying worked shifts) through 4 p.m. She commended the staff for going above and beyond.
- The Phillipsburg One-Stop Career Center now hosts on-site Work Readiness sessions for WFNJ clients referred to Employment and Training Services (ETS) from the Board of Social Services in Belvidere. This training program, which was previously delivered through a vendor contracted service, is now facilitated by ETS staff. On-site Work Readiness provides greater exposure and access to all One-Stop career services and training programs.

Ray Vaccari of the **Advanced Manufacturing Talent Network** said their next Targeted Industry Partnerships (TIP) meeting takes place October 26 at Bergen County Community College. He asked those present to see him for his contact information if interested. These meetings are run by manufacturers and are focused on needs assessment, career pathway development, and outreach to young people. He mentioned that County College of Morris and other schools are doing a lot of work in that area.

Peter Curley, North Region Chief for the **NJ Department of Labor and Workforce Development** (LWD), spoke on the One-Stop Career Center's role in the Community College TAACCCT Grant. This nationwide initiative of the US DOL is similar to the Trade Act. There is money available for training when workers lose their job due to outsourcing. Some of the money has been distributed to community colleges throughout the country for programs that are in demand.

The recent grant meeting at Bergen County Community College included a search for a solution for training completers. Though many went through training, the placement results have not been that great. Completers need to be tracked to see if they found employment. One way they may try to track the completers is using the Unemployment Insurance database information. They can also call the list of completers. These are people with fresh skills and a new certificate and who are easy hires once they get them.

David Hollowell commented that there was some concern about reconfiguration and realignment of the metrics in the past year, but that the Board had the utmost confidence in Donna Buchanan and her staff. He remarked that she is a professional who stepped up to the task and did an outstanding job. The group joined him in thanking her for her efforts.

Jane Armstrong introduced Dr. Charles Steindel with his presentation on the economic forecast for New Jersey.

Meeting Topics

Presentation

"State of the State: Economic Forecast for the State of New Jersey"

Dr. Steindel spoke of the current outlook for the state's economy. He mentioned the website *NJ Spotlight* which he said features daily posts by knowledgeable people on various issues in the State. He particularly noted two posts earlier in the day that interested him, one about the state budget and another on an interesting report comparing New Jersey's present situation to Connecticut's.

He indicated that the State seems to be recovered from the recession and the overall economic situation is not bad at all. He also said it is true that New Jersey's growth has trailed that of the nation, and has been growing more slowly, although our high and low points are comparable to the nation's. He shared that New Jersey has been trailing the nation since 1990, regardless of who was in office. The important thing in New Jersey's outlook is - what is the national economy going to do? On the whole, he is fairly optimistic.

The first thing to show progress is the state's unemployment rate. New Jersey's unemployment rate soared during the recession, hitting close to 10%. It stayed high through 2012, then started falling around the time of Hurricane Sandy. Recent numbers were down to about 4%. The huge debt that the unemployment insurance system in New Jersey amassed to the federal government has been eliminated.

Dr. Steindel shared a survey conducted on behalf of the South Jersey Chamber of Commerce. Unfortunately there is not a similar survey for North Jersey or for the state as a whole. This "defusion index" gives the percentage of people who say things are getting better minus the percentage of people who say things are getting worse. Currently, it shows an over 30% victory margin for things getting better. He also mentioned similar reports on how respondents feel about their own company. Attitudes, at least about business in New Jersey, are much better than they have been in many years. He assumes this is a positive sign.

With regard to jobs, he shared that New Jersey lost over 300,000 jobs between the last peak and the bottom of the recession. During the same period, the private sector lost over 200,000 jobs. There has since been a steady rise in the private sector, with it emerging above its prior peak about a year or so ago.

He spoke about two other counts of the state's overall activities - personal income and wages paid. He said personal income comes from many different sources, including: wages, fringe benefits, dividends, rent, rental income, small business income, Medicare and Medicaid. It also includes income that's earned outside of New Jersey. The number for personal income for the second quarter was about \$560 billion on an annual rate. Wages paid, on the other hand, is just wages; it doesn't include fringe benefits. That number was about \$260 billion. These numbers represent both public and private jobs.

Some of New Jersey's strengths are: located on the East Coast corridor, highly educated and skilled workforce. The state is mostly suburbanized. Although much has been said about the trend being towards urbanization, that appears to be changing. With the economy back up, more millennials are now moving to the suburbs. Income is up, jobs are better, and they can now afford to move to the suburbs. Costs (including taxes) continue to weigh on the state. An interesting note that he shared was that the New Jersey legislature has more members with advanced degrees than any other legislature in the nation.

For the GDP outlook, Dr. Steindel sees steady growth. There have been many jobs added in the nation the last few years. He said that will probably not continue because we're running out of workers. Retail in particular is not doing well. Although job growth is slowing down both nationally and in New Jersey, it will continue, but at a slower rate than the last few years.

Jane Armstrong asked if there were any good models for a good economy. He answered that there are other states that are a good model to grow our economy, but that the root cause of high cost in New Jersey is high government costs.

David Hollowell asked how he thought North Jersey would track compared to the data he presented on South Jersey. Dr. Steindel said North Jersey is generally a wealthier area, probably structurally in better shape than South Jersey. South Jersey was a major industrial and agricultural center, but a lot of that has gone away. North Jersey is also much larger in population and economic activity. However, the northwest corner of the state is not doing as well. The term "North Jersey" refers to the northeast corridor, from New Brunswick north.

Donna Buchanan remarked on the DOW going over 23,000 for the first time, and asked if there was any correlation between what's happening in the market and the New Jersey job market. Dr. Steindel said, not necessarily. The stock market going up might be a good sign for the state's economy, or the nation's economy, although the stock market isn't the most reliable predictor.

David Hollowell and Jane Armstrong thanked Dr. Steindel for his informative presentation. Chair Hollowell then introduced the Labor Market discussion.

Labor Market Discussion

Marie Betlow of Job Search Central reported that:

The following sectors all show signs of growth: Hospitality, Education, Construction, Government, Transportation, Utilities, Manufacturing.

There are increases in individuals:

- 75 years or older coming back to work and holding management positions
- 65 years or older starting new businesses

HR trend:

- HR professionals have to engage their potential employees
- Jobseekers are looking at company values
- Jobseekers also want flexibility and generous time off

Other general trends:

- Automation (e.g., self-driving vehicles) - Automation will affect many different businesses.
- 3D printing - This will affect truck driving because people will print what they need and there won't be as much of a demand to transport items.
- Farm to Table movement - People are now growing more of their own fruits and vegetables. Again, not as much demand for transport by truck.

Benefits:

- Some benefits have become less popular, such as: pet insurance and gym membership.
- People want the basics: good health insurance, a 401K with matching, lots of time off.

New legislation in New York State regarding salary:

- In New York state, you cannot ask an individual about their salary history.
- They want to minimize pay gaps and be transparent.
- This is something New Jersey may take a look at.

Top Platform Skills: social media, project management, communication, collaboration, Microsoft Office, customer service capability.

Regarding staying on top of trend -- when she speaks to her clients, she finds everyone is learning something new. One of her clients was able to realize a \$50,000 increase by getting a new certification.

Every imaginable industry is adding IT professionals, including: Cloud computing, architecture, and coding. Often, when they learn JAVA, C++ and others, they take that new knowledge and job hop. HR's goal is to try and retain their employees as much as they can by engagement.

Jane Armstrong of the WDB reported that there are 11,000 people (in Morris, Sussex and Warren) who filed for Unemployment Insurance in quarter three of 2017. Below is a profile of those out looking for jobs:

Education:

- 36% are high school graduates
- 31% have bachelor or graduate degrees

Sectors where the unemployed came from:

- Trade, Transportation and Utility (21%)
- Professional and Business Services (19%)
- Education and Health (13%)

Percentages for age groups filing:

- 45-54 years old (26%)
- 55-64 years old (25%)

Wages of those filing for unemployment:

- \$10,000 to \$20,000 range (25%)
- \$80,000+ (15%)

Rosalie Lamonte of Sussex and Warren County Schools said they are having difficulty filling positions for library media, language instructors, ESL, and business administrators. One reason for the decline in education jobs is that, when enrollment declines, staff is very often let go. She reported that for every job opening requiring a degree in elementary education, there may be as many as 400 applicants. When she hears young people saying they really want to be a teacher, she asks them what area they're thinking of going into. If they say elementary, she mentions that would be difficult in New Jersey.

Rosalie encourages people to go into fields that are more technical and science oriented.

David Hollowell thanked all for their participation and asked for a motion to adjourn. Marie Betlow made the motion, which was seconded by Donna Buchanan, then passed unanimously. The meeting adjourned at 10:20 AM.