

**KENTUCKIANAWORKS BOARD MEETING
GREATER LOUISVILLE WORKFORCE DEVELOPMENT BOARD
Thursday, November 17, 2022 – 8:30 a.m. – 10:00 a.m.
Hybrid Meeting In person (at Greater Louisville Inc., 614 West
Main Street, Louisville) and via Zoom**

Members Present: Tony Georges, Jeff O'Brien, Jennifer Lampton, Cornelius Cotton, Dr. Ty Handy, Eric Friggle, John Archer, Andy Bianco, Kimberly Blanding, Patricia Williams, Ty Richardson, Rick Purdy, Chris Schremser, Mike Hesketh, Jonathan Westbrook, Rocki Rockingham, Marty Pollio, Joe Rayhill, Cortney Burden, Christine Tarquinio

Welcome and Greetings - *Chairman Tony Georges*

Chairman Georges welcomed everyone to the Board Meeting and thanked them for attending. He introduced the two new Board Members from Bullitt County. Cortney Burden is the Practice Administrator for Kentucky Eye Care, and she is also a 6-year Navy Veteran working to serve veterans through Active Heroes and the American Legion. Joe Rayhill is currently the 4th District Magistrate in Bullitt County, and he owns Rayhill Home Inspectors, LLC as well as a real estate investment company.

Vote Needed: Review and Approve Minutes from September Meetings - *Tony Georges*

There was a quorum, and a motion to accept the September Meeting minutes was made by Ty Richardson and seconded by Rick Purdy. The motion passed unanimously.

Vote Needed: Review and Approve the Consent Agendas– *Cindy Read*

Cindy stated that there was a quorum and the committee recommended board approval for one item, which was the renewal of the contract with WorkBay for the career development platform used primarily with school districts and by SummerWorks participants for an amount not to exceed \$163,050 effective Dec. 15, 2022 – Dec. 14, 2023.

WorkBay provides the technology behind KentuckianaEARNNS.com, which provides the region with a single digital platform for youth (ages 16 – 21) to connect to various work-based learning opportunities such as summer jobs, part- and full-time jobs, internships, apprenticeships, and co-ops. This platform is a critical tool in helping to build a more integrated and comprehensive youth talent development system. Regina Phillips reported that WorkBay had completed most of the scope of work to date as well as a complete redesign of the system. The current WorkBay contract is paid for entirely by SummerWorks funding. This will be the third year of the anticipated five-year commitment.

A motion to approve the consent item was made by Jeff O'Brien and seconded by Rocki Rockingham. The motion passed unanimously.

A discussion followed about how the KentuckianaEARNNS platform may be used to assist young adults being served by Goodwill at The Spot both in Louisville and across the regional counties. Michael Gritton pointed out that we are still working to figure that out at the staff level, and will have more to report in future meetings. The state recently signed a deal with LinkedIn that will have it become the job matching platform used across the state's Career Centers. We are still determining how that effort and the KentuckianaEARNNS effort will work together without creating duplication.

Presentation and Discussion: The State of the Labor Market as we Enter 2023, and Key Areas of Opportunity for the KentuckianaWorks Board – Sarah Ehresman

Chairman Georges introduced Sarah, and noted how different and unusual the last 2-3 years of economic activity have been across our region and indeed the nation from what was expected and predicted back in 2019. He noted that her presentation is meant to frame up for the Board the current economic and labor market conditions across our region, so that we as a Board can discuss and determine at future meetings where we can make the biggest difference in the next year or two.

Sarah began her slide presentation discussing the theme of 2022 of “where are those workers?” and noted that while Kentucky’s labor force participation rate has trended lower than that of the country for 20+ years, that rate for our region (along with the Lexington and Northern Kentucky region) is higher than the nation’s.

Dr. Ty Handy noted that sometimes people theorize that our labor force participation rate is low because people are choosing college over work. But he explained that in our region, before the pandemic about 60% of JCPD students went on to college, which dropped to 56% during the pandemic, and has now dropped to 48%. They are either going into the workforce or they are disappearing – but they are not enrolling in college the way they once were.

Sarah explained that September’s unemployment rate for our region was 2.7% -- the lowest September reading ever for our region! The big takeaway from this part of the data is that if you’re looking for a job, you probably already have one – and if you don’t, you’ll get one soon. Rick Purdy asked if the discouraged worker effect was a part of the analysis. Sarah stated that by definition a discouraged worker has to have stopped looking for employment for more than 6 weeks, and they would not be considered a part of the analysis.

John Archer asked if the data reflects that women have returned to the workforce after leaving it in greater numbers in the early months of the pandemic, and Sarah confirmed that is the case. She noted that early retirements of people 55 and older, continuing issues with childcare availability, and people with lower levels of educational attainment are still three factors leading to lower labor force participation rates.

Sarah highlighted a couple of key data points as areas for the Board to focus on in the near future. One slide showed that across the region, 1 in 7 young people ages 16 to 24 are not working or enrolled in school – nearly 20,000 young adults. Another slide indicated that among unemployed men in the U.S., by age 35, 46% have a criminal conviction. Michael stated many of those with a criminal conviction are turned away by employers, which in turn, causes those workers to go into the underground economy. Dr. Handy interjected saying that the college is required not to do those criminal background checks, but then students pursue degrees and find they can’t get a job in the field they studied because of their past criminal conviction. Sarah wrapped up the presentation by noting that in the first full calendar year after their release, only 55 percent of those previously incarcerated have any reported earnings, and the median earnings of those that do are just above \$10,000.

Ty Richardson went back to the data regarding the workers with criminal records, he suggested we use this as a future Board agenda item to dig in to the dynamics and the statistics and continue to think about this as an opportunity in the region. What kind of “root cause analysis” could we do to learn more about this issue and then create better strategies to address it? Rick Purdy agreed with Ty’s suggestion, and said he was startled by how big the problem really is for people with criminal backgrounds. Tony Georges stated that rather than just focusing on the

industries who can't hire people with criminal backgrounds, we should work to identify those than can, and do all we can to help people get jobs in those sectors for sure.

Jeff O'Brien stated that this week the Metro Council Labor and Economic Development Committee passed out preferences for second chance businesses through metro contracting. If government starts to take a position that they can hire second chance businesses to do some of the government's work, this may be one of the places where local government can lead, and bring along other employers as they see it working.

Presentation and Discussion: What did We See American Rescue Plan (ARP) Funds to Do, what to get, and What is Louisville Metro Choosing to Fund Instead? – Michael Gritton
Chairman Georges wanted to remind the Board members what was asked from the American Rescue Plan before discussing what was awarded, and then he turned it over to Michael Gritton. Michael shared a PowerPoint which was also made available to the members.

Michael noted that we asked Louisville Metro Government for roughly \$20 million in ARP funds for core things we know how to do and that would not build in longer term funding commitments, primarily job training scholarships that would flow through our Kentucky Career Centers. But we also asked for another \$20+ million to fund a number of things that would have created a longer-term funding commitment on the city's part, and in retrospect, those items were clearly ones they did not choose to fund. The only exception is the \$2.5 million we received to serve ex-offenders returning from prison through a national non-profit called the Center for Employment Opportunities. This is the only request for ARP funding that we were granted.

Michael provided a brief introduction to the \$40 million proposal from the Healthcare CEO Council that the Metro Council voted recently to fund. He explained that he has conferred with Josh Williams at the Healthcare CEO Council, and will invite him to a future meeting to tell this Board how they hope to spend this funding, and what they hope to accomplish with it. He noted how different the environment is for the KentuckianaWorks Board, because not only is the Healthcare CEO Council a totally new player in the workforce development space, but our friends at Goodwill of Kentucky and at the Louisville Urban League have also added to their capacity in the last few years. We will work as your staff to help frame up for you what this new environment means for our options in terms of using our limited resources most wisely, and we will then ask for your guidance about how to do so.

Chairman Georges noted that the "field" of workforce development has gotten more crowded locally, but he emphasized that our role is the system, and we don't care who gets the credit as long as the work gets done. But what this is showing us is this once in a generation funding is not flowing through this Board. What message this sends, he said he didn't know – but we need to figure that out. He also noted that we lead in some of these key areas – and we also fill gaps where others can't provide services. So, if others can fill some of these gaps, that is a good thing – we can find other gaps to fund. Our job as the Board is to set the strategy for the Executive Director and the staff, and then to hold them accountable for results. But the key headline today is that the environment we're operating in has definitely changed – and we as a Board will need to figure out in 2023 where we can make the biggest difference with our limited resources. We need to be agile – that's the word for 2023.

Michael also stated that Ty Richardson's comments about diving deeper on workers with criminal convictions can be done in the coming year because that specific population seems to get little attention. In addition, the State Chamber of Commerce and the Governor had announced their willingness to do more, but it is completely disconnected from

KentuckianaWorks. KentuckianaWorks is trying to navigate how and what it can do to help with these factors given our limited resources. Michael stated that this topic of discussion will be brought back in January.

Rick Purdy asked if there was an equivalent of CEO Councils on the IT side. Michael mentioned TechFirst at GLI, but there is no analogue in that sector. Christine Tarquinio stated that GLI is in the process of building that same structure through communications with CTOs of various tech companies.

Rick Purdy asked about fixing the communication bridge between KentuckianaWorks and the State moving forward. Michael stated that the Deputy Secretary of the Workforce Cabinet, Beth Brinly, was just recruited back to the Cabinet in October. He is hopeful that Deputy Secretary Brinly will help improve the coordination of these efforts over time. Chairman Georges noted that he was a part of the State level Workforce Board and the conversations in those meetings are unrelated to the ones at KentuckianaWorks Board meetings. He stated that as a result, there is opportunity for alignment while keeping autonomy.

Chairman Georges then adjourned the meeting. The next meeting is scheduled for Thursday, January 26, 2023 at The Spot.

Staff:

Latricia Swope
Michael Gritton
Christopher Locke
Angella Wilson
Cindy Read
Evelyn Woock
Patrick Garvey
Aleece Smith
Lori Hiser
Sarah Ehresman
Katie Elliott
Lada Gasparac
Mike Karman
Bailey Preston
Regina Phillips
Jaime Disney
Brian Luerman
Stacy Roderick
Alicia Pardo
Dana Mooror

Contractors/Guests

Sara Dodeci
Bria Henson
Lynn Rippy
Tonika East
Lisa Thompson
Matthew Bowen
Charlotte Kerns
Rena Sharpe