**WACOSA Board of Directors Meeting**

**October 14th, 2019**

**5:20 PM – 6:38 PM**

Members Present:

Jon Archer
Ron Brandenburg
Zachary Dorholt
Jennifer Johnson

Jeff Murphy
Karla Myres

LeRoy Northam
Herb Trenz

Members Absent:

Joe Perske
Cherie Scofield
Jeanne Theis

Staff Present:
Nancy Betts

Steve Howard
Ann Kennedy
Traci McKinnon
Sarah Starling

Beth Sueker

Sandie Westergren

1. **Welcome Board Members – Meeting called to order**
2. **Review of Agenda – Additions/Changes**
3. **Approval of Minutes from September 16th, 2019 Meeting**Motion by Mr. Zachary Dorholt, seconded by Mr. Jon Archer, to approve the September 16th, 2019 minutes as presented. Motion passed.
4. **Committee Reports**
	1. **Finance**
		1. **Investment Update**Ms. Traci McKinnon stated Mr. Kurt Hunstiger said we are right where we should be with our returns. Short-term is approximately 2.37% and Long-term is 9.74%. She is going to discuss changing some short-term investments to CDs instead of bonds when our short-term investments are up.

		The Investment Policy will be brought to the board in the spring for review and discussion.
		2. **Approval of Extended Employment Audit**Ms. McKinnon stated this was a clean audit. There was on glitch on the state’s end. We told them to shift $14,000 from one area to another and they did not make this switch. They are working to ensure we are reimbursed fully.

		Mr. Jon Archer stated there was nothing negative in the audit the he could see. Motion by Mr. Jon Archer, seconded by Mr. LeRoy Northam, to approve the Extended Employment Audit as presented. Motion passed.
		3. **Approval of 990**Ms. McKinnon stated there were no big changes from the previous year. Mr. John Bartlett is still listed as a board member because the 990 was from 2018 and he was a board member at that time.

		Mr. Howard commended the accounting department for completing audits thoroughly.Motion by Mr. LeRoy Northam, seconded by Mr. Jon Archer, to approve the 990 as presented. Motion passed.
		4. **Review of August Financials**Ms. McKinnon stated August program revenue was under budget for the month by $8,400 and under by $141,000 for the year. The biggest part is in the area of MA and County Funding. We were closed earlier this year for weather and rates continue to fluctuate.

		August vocational revenue was over budget by $4,700 for the month and over $92,000 for the year. Year-to-date community crew income is under budget by $14,800; production revenue is over budget by $70,500; shred revenue is over budget by $9,500; and ThriftWorks! revenue is over budget by $9,300. Electrolux will be leaving the St. Cloud area in the near future and the work WACOSA completes for them is expected to end by November 1. Mr. Trenz asked if we have seen a loss of shred revenue since Marco joined the area. Ms. Beth Sueker stated it is about the same as last year. We have only lost a couple of customers and a couple bids to them. Marco markets to the larger businesses while WACOSA markets more to small and medium businesses. Mr. Howard stated we have different business models from each other, which makes collaboration more difficult but allows us to coexist working in the same industry.

		August donation revenue was under budget by $40,600 for the month and under budget $114,000 for the year.

		Staff wages and costs were under budget for the month by $72,000 for the month and under budget $340,000 for the year. The reason for the decrease was due to the open positions we had anticipated to fill and lower than expected insurance claims.

		Net health insurance/life benefits were under budget for August by $30,400 and under $166,000 for the year.

		Client wages and costs were under budget for the month by $4,300 and over for the year by $18,000.

		Building and equipment costs were under budget for the month by $14,200 and under $56,000 for the year. The subcategories that make up the greatest part of the $56,000 is building and grounds maintenance which is under budget for the year by $14,000; equipment under $1,000 which is under budget for the year by $32,000; snow and lawn care which is over budget by $1,200; and equipment maintenance which is under budget by $2,500 for the year.

		Advertising and public relations were under budget for the year by $39,000 due to more advertising being done closer to the end of the year for the holiday season.

		Transportation costs are under budget for the year by $32,000 for the year. Contracted transportation was under budget by $11,000; vehicle maintenance was over budget by $13,000 which is due to an aging fleet; and vehicle fuel was under budget by $28,000.

		Professional fees were over budget by $27,900 for the year. Those expenses will even out due to some outstanding audits, tax returns, and the CARF survey. Motion by Mr. Jon Archer, seconded by Mr. LeRoy Northam, to approve the August Financials as presented. Motion passed.
	2. **Executive Committee**Mr. LeRoy Northam stated the Executive Committee is fine-tuning the committee charters. They still need more time to dive in to them.

	The known budget items for 2020 are additional log-ins for committees with community members, allowing community members to access only their specific committee documents. Ms. Kennedy will talk to Dayta and add it into the 2020 budget.

	The Executive Committee is discussing what to do with the Sauk Centre building during 2020.

	Mr. Ron Brandenburg is going to review the bylaws to keep them current with new governance policies.

	Mr. Northam stated they are reviewing the board job descriptions. There will be no major changes at this time.

	New board members are being considered for next year.

	The board would like to see more involvement in the strategic planning in coming years.

	The board survey result suggestions make sense. The results themselves were great.

	The committee discussed changing the President of the board to the Chairman of the board. Mr. Brandenburg stated then the Executive Director would generally then become the President of the organization, if such a change were made.

	Mr. Jeff Murphy stated the next Executive Committee meeting is scheduled for November.
	3. **Fund Development**Ms. Karla Myres stated the Fund Development Committee went through the new charter. They are going to meet with Ms. Connie Cross and Mr. Jeff Rausch to discuss membership.

	Ms. Myres stated the 1-5K Walk-Run has a lot of potential as a fundraiser.

	The Initiative Foundation funded Project CoNNECT, a breakfast event that was held in September to encourage local businesses to hire people with disabilities. The event was successful. Several of the attendees changed their outlook on hiring people with disabilities.

	The committee discussed developing the WACOSA endowment program.

	They are scheduled to meet again in January.
	4. **HR Committee**Mr. Herb Trenz stated the HR Committee reviewed the turnover statistics and they are slightly lower than this time last year. The committee is going to eventually add a Worker’s Compensation statistic to the monthly metrics report. There are a couple larger claims, but our new carrier is much more proactive in taking care of claims.

	The committee discussed allowing community members on the committee. Mr. Trenz was concerned about privacy and the skills of potential new board members wanting to join the committee.

	The employee handbook was updated to include new wage theft laws. Nothing else was changed.

	Ms. Sandie Westergren received copies of other non-profits board job descriptions to look at as we update ours.

	They are currently discussing the Executive Director job description.

	The committee is planning to redo our organizational chart. They want to flip it so management is at the top and potentially add more specific organizational charts broken out for each department.

	Mr. Murphy asked about creating an HR Advisory Committee. Ms. Westergren stated it might get added to the main HR Committee as needed and include non-board members.
5. **Director’s Report**
	1. **Brainstorming Minutes**Mr. Steve Howard stated the previous brainstorming minutes from the September meeting are on the portal.

	Ms. Karla Myres asked if Mr. Charlie Clour was creating a script for the clients still. Ms. Nancy Betts stated he will train and coach clients to do the calls to find the contacts then Mr. Clour will reach out to the contacts at each company. Ms. Betts stated we currently have eight clients are going to potentially make the phone calls.Mr. Northam suggested sending the video to the people we reach out to. Ms. Kennedy stated we could, however Mr. Clour is working on creating more in-house work opportunities rather than community employment partnerships.
	2. **Compliance Minutes**Mr. Howard stated compliance meetings and minutes are a CARF and HIPAA requirement. There have been no significant issues.
	3. **September Metrics**Mr. Howard stated we served 621 persons in September. We produced 10 new in-house jobs for the month and 137 for the year. We produced 64 in-house job opportunities for the month and 240 for the year.

	Companywide turnover for the month was 2.86% and 14.29% for the year, compared to 2.64% for the month and 17.88% for the year in 2018 at this time. DSP turnover was 2.82% for the month and 16.90 for the year, compared to 3.33% for the month and 23.33% for the year in 2018 at this time.

	ThriftWorks! was about $2,500 over budget for the month and over budget $10,000 for the year. DocuShred was under budget by $2,500 for the month and over budget $7,000 for the year.

	At some point in the future, Ms. Westergren will add in Worker’s Compensation to the metrics, once the HR Committee decides exactly what they would like to see.
6. **Motion to Adjourn**Motion by Ms. Karla Myres, seconded by Mr. Herb Trenz, to adjourn the meeting. Motion passed.

**Staff are dismissed. Board members asked to stay for Executive Session.**

**Next Meeting: November 25th, 2019**

 LeRoy Northam, Board Secretary Date

\*Board members met briefly once the formal board meeting adjourned.