



Providing adults with disabilities the opportunity to work and live in their community

**WACOSA Board of Directors
Emergency Meeting
April 21, 2021
5:30PM – 6:00PM**

Board Members Present

Jon Archer
Jeff Benveniste
Ron Brandenburg
Laura Krueger
Karla Myers
LeRoy Northam
Joe Perske
Lindsey Rennie
Herb Trenz

Staff Members Present

Steve Howard
Traci McKinnon
Nancy Betts
Maggie Dilks

- A. Chair, Jon A. called the meeting to order at 5:30pm. There was only one item for discussion at this evening's meeting.
- B. Topic for this evening's meeting: Approval of financial resources to increase wages for Direct Support Professionals (DSP's).
- C. Discussion:
- The draft of the motion and the agenda for tonight's meeting were posted on the board portal ahead of the meeting. The purpose of the emergency meeting held this evening was to discuss authorizing an increase in wages for WACOSA staff (excluding the ED).
 - Jon A. explained that the WACOSA leadership team approached him approximately a month ago to discuss their concern regarding the disparity in pay between WACOSA DSP staff and those of our competitors. Not including pay levels outside of our field of service, our key competitors are residential programs and Central Minnesota Community Mental Health. WACOSA staff shared that these entities have inflated their hourly wages to staff over the past 18 months to keep themselves attractive to hiring new staff and retaining old staff. WACOSA is one of the lowest paying providers in our industry in our area. Our entry level positions start at 12.50/hour. Many of our competitors are up to \$15.00/hour or higher.

- Eighteen months ago, WACOSA's pay fell approximately in the middle of pay ranges, when compared to our competitors. However, following the commencement of COVID, it became necessary to ratchet up pay significantly to stay competitive. While our competitors have done so (as well as area businesses outside our field of service), WACOSA has failed to follow suit. This has, at least in part, created a situation where we are now unable to attract new staff and are in danger of losing our current staff. We were also hoping we might be able to reacquire some of the staff we laid off in the middle of 2020, in response to COVID's shutting our services down. At this time, many of these staff have wages that are now significantly higher than WACOSA pays, making it impractical for them to leave their current employer.
- While pay is only one consideration when hiring staff, it remains the key thing that staff focus on when applying for positions. Thus, it remains something that we need to address very soon. Failure to do so would likely mean a very different looking WACOSA 12 months from now, if we are still in business. Staff are the key to our services.
- Nancy expressed the need for something bold and immediate in order to get WACOSA back in contention as an employer to be considered when people are job hunting.
- The draft motion placed in the Board Portal is a culmination of input from WACOSA's Finance Committee and HR Committee, who have both met ahead of this meeting. Both agreed in principle that action needed to be taken but that, given the gravity of the decision and the corresponding expense, a discussion with the full WACOSA Board was warranted. Thus, this meeting was called.
- Nancy B. reported we have been treading water to keep our services operating, given the tenuous nature of staffing. We may soon need to shut down or reduce certain shifts if we are unable to acquire more staff. She and Maggie have been researching WACOSA's pay ranges and have proposed a three-phase approach to adjusting pay to help us return to being competitive. The price tag is significant (see Traci M.'s spreadsheet) Nancy also shared this wage adjustment is only a start. Wages must remain a priority in the years that follow if we are to be competitive in employing the finite pool of workers available. Additionally, we are also expecting minimum wage to go up to \$15.00/hour in the next 2 or so years. If this happens, and we have not taken the steps WACOSA leadership is proposing, we will be even further behind the curve and will need to find the dollars anyway to comply with new minimum wage requirements.
- Regardless of expense, WACOSA cannot risk not adjusting salaries to become more competitive. Currently, we have approximately 85 clients waiting to be serve. We can only serve them and access additional revenue if we get more staff.
- We have turned down seven work crew requests from area businesses thus far since we do not have personnel to staff the crews.

- Steve H. expressed additional concern that, should we not be able to serve individuals on the waiting list, this could prompt the county to invite another provider to come in and compete for our services.
- Nancy explained the budgeting process will need to be done differently in the future. Rather than budgeting expenses and leaving salaries as one of the last things to be considered, it will be necessary to first set competitive wages, along with regular increases. Then, all other expenses must flow from this figure.
- Herb T. shared that a phased in approach is what HR felt would be appropriate. It was also felt that the ED should be considered in future increases, depending upon what market data revealed. The current proposal omitted this position receiving an increase.

Jon A. asked that the motion be amended to reflect the need to bring Phase 2 to the board for approval prior to full implementation. Steve will make these edits. Having said this, Jon A. asked for a motion to approve the edited Motion to adjust staff wages for DSP's.

Ron B. motioned to approve. LeRoy N. second:

Discussion:

Joe P. asked if anyone previously hired returning will be brought in at the new rate. Nancy B. affirmed that the new rate will be used. Also, that the expense incurred in bringing staff back will occur simultaneously with new clients being brought back in order to provide the corresponding revenue.

Karla asked how/when WACOSA will be increasing daily hours. Nancy stated that we are back up to 6 hours a day, including transportation.

Jon A. called the vote. **Motion Carried, with no opposition.**

Other discussion: Jon A. will occupy the Treasurer Role and Board Chair position until a new Treasurer can be found. Jeff B. thanked WACOSA's staff for their hard work in pulling the information for the proposal together. Joe P. cautioned to be careful not to skip protocol when the board acts. We need to follow board charters and our by-laws for operating. This process skipped some of these protocols.

Meeting adjourned at 6:10pm without a motion.

Next Meeting: May 17, 2021 at 5:30pm. (virtual)

Ron Brandenburg, Board Secretary

Date