

**WACOSA Board of Directors Meeting
February 28, 2022
5:30 PM**

Members Present:

Jon Archer
Jennifer Johnson
Joe Perske
Lindsey Rennie
Laura Krueger
Jeffrey Benveniste
Leroy Northam
Mollie Garden
Sandie Westergren
Matt DesJardins
Curt Gainsforth

Members Absent:

Jeff Murphy
Herb Trenz
Ron Brandenburg

Staff Present:

Steve Howard
Nancy Betts
Traci McKinnon
Julie Haag
Pat Flicker

Ed Stracke

1. WELCOME TO 2022!

2. REVIEW OF AGENDA – MTA

No additions or deletions to the agenda. Jon A. asked for a motion to approve the agenda. Joe P. made a motion, Sandie W. second. All in favor – motion carried.

3. BOARD TRAINING IN FUND DEVELOPMENT/PLANNED GIVING -

Ed S. and Pat F. shared they will be doing a series of trainings over the next three board meetings with each session being about 20 minutes.

Ed S. shared the story of parents that had a daughter that was born with a severe brain injury and died when she was 8 years old. As the parents were getting older, he shared realization that when they die, so will the memory of their daughter. They knew of Camp Friendship and its mission. After 6 months, they decided they would do endowment scholarship fund and become a member of the Camp Friendship Legacy Society.

WACOSA is beginning to remember and acknowledge legacy members. Ed discussed the What, Why, and Who of the WACOSA Legacy Society. There is a report in the board portal that has an expanded discussion of these principles.

Ed shared that eighty percent of contributions are through bequests or trusts, and named endowment funds while individuals are still alive. The WACOSA endowment fund is designed to keep principle funds intact while using investment income earned from this principle. Currently, WACOSA's fund has almost \$150k. This is excellent for the short time we have been working on this effort.

4. FUND DEVELOPMENT REPORT

Pat. F. reported on the KPI report. WACOSA did very well last year. Our total for 2021 was \$561,204.00. 670 gifts received were last year. 207 new donors were logged. We have had a few client deaths and some have asked in lieu of flowers to donate to WACOSA. We have had a 59% retention of donors. The Annual Appeal went from \$28k in 2020 to over \$41k in 2021.

Ed S. shared Gift Acceptance Policy changes. Changes have been reviewed and approved by the Fund Development Committee and have been submitted for approval. Jon A. ask for a motion to approve at the board level. Leroy N. made a motion, seconded by Laura K. – **Motion carried.**

Ed S. presented on the WACOSA case statement narrative. The larger the gift consideration, the more information and assurances a prospect wants.

5. EXECUTIVE DIRECTOR REPORT

Steve H. reported we have completed submission of the CARF application for WACOSA's upcoming survey. WACOSA's CARF Committee is working on preparations. MOHR, WACOSA's state association, conducted a brief survey with MOHR service programs across the state. The survey was sent to 100 members, with 67 responding. Prior to pandemic, MOHR members were serving 15,908 individuals, present 10,907. Staff positions prior 3,261 open, present 1,140 positions open. The COVID wage increase since March 2020 increased 17.5% across all MOHR organizations that responded to the survey. Individuals previously served prior to the pandemic on waiting lists is 2,138; new individuals never before served on waiting list is 1,399.

6. PROGRAM COMMITTEE REPORT

Nancy B. reported that staffing shortage remain a major concern. She and her team have been forced to develop some creative ways to staff services. We may be able to accept a few new intakes into services soon. Jeff B. inquired if sign on bonuses were helping at all to attract and retain employees. Nancy and Maggie reported there has been limited success.

Nancy B. reported that raising staff pay continues to be important and has helped recruitment and retention. In fact, we had to do so to remain at all competitive with other businesses and providers. The board can help by letting family and friends know we are a good place to work. The staffing need varies depending on location and shift. South and Annex 2nd shift historically is the hardest to staff. Nancy has had to call at the last

minute to cancel an entire shift and has never had to do that before. This impacts homes in a negative way, clients, and staff. Second shift is in rebuilding mode. Sauk Centre is doing well. All clients are back and the site is pretty much fully staffed. In terms of morale, have a fantastic core group that have been here a long time. We have also hired new staff that have a great attitude and are fantastic.

Nancy reviewed the Accessibility Report and Plan. This is done every year. A copy of this is on the Board Portal. Jon A. asked for a motion to accept both documents. A motion was made by Jeff B., seconded by Curt G. – **Motion Carried.**

7. FINANCE COMMITTEE REPORT

Traci M. presented the Statement of Financial Stability. This information is on the Board Portal and has been recommended for approval by the Finance Committee.

Revenue: Program support revenue average billed per month was \$524,000.00. In 2020, WACOSA had more clients, but they were served for shorter periods. Now they can come back for the whole day. Crews were back at normal capacity in 2021. Shred had 783,000 pounds in 2021, compared to 774,000 pounds in 2020. ThriftWorks monthly sales average was approximately \$37k. In 2020, ThriftWorks was only open for 10 months and on average did about \$30k per month. In the grant section we had a very large increase over what we budgeted for in 2021. We applied for the Employee Retention Credit for the 1st and 3rd quarters. At the end of the year, we had not yet received these, so we will see these as large receivables on the balance sheet. We received the 2nd quarter Employee Retention Credit and that amounted to approximately \$308k. The PPP loan forgiveness 2nd draw was 1.2 million. The unemployment we had as a liability on our books at the end of 2020 was forgiven in the amount of \$220k. We received the Provider Relief for rural areas in the amount of \$50k. We also had a \$25k Benton Telecommunications Grant and our endowment at the close of the year was almost \$54k. We had quite a lot of public support in the area of contributions. Investments did not perform as well as we hoped when compared to what we had budgeted in 2020.

Expenditures: At the end of 2020, we had about 115 employees, including full time, part time and subs. At the end of 2021 we had 132 employees. We have increased our employees, but as Nancy referenced earlier, there is an ebb and flow in staffing patterns. The increase under staff wages had to do with people that we laid off in 2020 that had large PTO payouts. Client wages are quite a bit higher than we had budgeted for the end of 2021 because of clients coming back and performing work. The increase in transportation costs occurred in 2021 due to contracted providers not charging us for our transportation. The big increase in miscellaneous expense is our professional fees due to Ed S.'s payment, since he is categorized as a contracted employee. At the bottom of the report under change in net assets, we are almost 2 million dollars to the positive, but if you take out some of those large COVID relief items that were a one-time thing, we would be at a negative position of \$666k. We had originally budgeted for a loss of 1.6 million. We made up a million dollars that we had not anticipated.

Balance Sheet – Traci M. highlighted some of the unusual numbers. Current maturities at \$993k, where before they were \$970k. The reason for the change is that the loan on our 310 location comes due in September. Traci M. also explained that we had applied for Employer Relief of \$837k, which we recorded in 2021. In November, Traci applied for a fourth Provider Relief and in November received \$50k for rural support areas. The one received in 2020 was \$900k.

Jeff B. – The finance committee is doing a couple of analytical pieces regarding the building mortgage. Jeff and Traci will be talking with Kimberly at Bremer. We will put some ideas in front of the board once they have been discussed.

Jon A. asked for motion to accept the financial statement as presented. Leroy N. made a motion, seconded by Sandie W. – **Motion Carried**

8. HR COMMITTEE REPORT

Maggie D. reported she continues to work on resolving staffing issues.

COVID update – We continue to encourage vaccinations. Right now 72% of staff are fully vaccinated, with 26% not vaccinated. We do have trial referral bonus and sign on bonus programs going. Currently there is an \$800 referral bonus that is broken out in payments: \$50 initially, \$250 at six months, and \$500 at one year. Maggie will post this policy to the portal. Nancy will look into possible incentive suggestions made by the board. Brief additional discussion followed.

9. MARKETING, COMMUNICATION & ADVOCACY COMMITTEE REPORT

Laura K. presented that the committee met about a month ago and discussed how we could really best support WACOSA. The committee feels they need to support the Development Committee. The committee wishes to support the big event that happens in the summer and put some real goals around this event for marketing. Laura shared that both Marketing and Development will be meeting in April to brainstorm ideas related to WACOSA's summer event.

10. Consent Agenda

Jon A. asked for a motion to approve the minutes from the November 22, 2021 board meeting. Jeff B. made a motion, seconded by Laura K. – **Motioned Carried**

11. ADJOURNMENT at 7:08 p.m. prior to the start of the Executive Session.

Next Meeting: May 16, 2022, 5:30am – 7:30pm, with Executive Session to follow (Virtual until further notice)

Ron Brandenburg, Board Secretary

Date