

WACOSA Board of Directors Meeting
August 22, 2022
5:30 PM

Members Present:

Jon Archer
Jeffrey Benveniste
Ron Brandenburg
Matt DesJardins
Curt Gainsforth
Jennifer Johnson
Laura Krueger
Leroy Northam
Joe Perske
Lindsey Rennie
Herb Trenez

Sandie Westergren

Staff Present:

Nancy Betts
Maggie Dilks
Pat Flicker
Julie Haag
Traci McKinnon
Ann Kennedy

Staff Members Absent:

Steve Howard

Members Absent:

Jeff Murphy
Mollie Garden

1. REVIEW OF AGENDA

No additions or deletions to the agenda. Request to approve agenda, Jeff B. motioned to approve, Leroy N. second- motion carried.

2. BOARD TRAINING IN PERSON CENTERED THINKING

Steph Schaefer, Positive Support Professional with WACOSA, presented on person centered thinking. Person centered thinking is all about autonomy, choice, participation and WACOSA helps engage clients in services that they are choosing and they enjoy doing.

3. CONSENT AGENDA

Request to approve consent agenda as presented. Motion was made by Joe P. Second Jeff B. – motion carried.

4. FINANCE COMMITTEE REPORT

Jeff B. gave an overview of the financials today, explaining the impact of the COVID relief funds WACOSA received in the first half of the year. Our financial situation has performed well in a difficult environment. The labor shortage is limiting financial growth.

Traci M. presented June Financial Report.

Revenues: Program revenue over budget by about \$94K with bringing back clients and finding new ways to provide services. Vocational revenue was over budget by about

\$51K with more community crews providing services to our business partners. Donations have slowed down, as is typical at this time of year. Public support is over budget with \$861K in Provider Relief, and we received \$99K in unanticipated endowment funds. Investment income losses \$128K for the year, most are unrealized losses. Jeff B. shared while ThriftWorks revenue is flat it's important to understand the relationship between ThriftWorks and other business lines and how much they depend on each other. He suggested looking into adjusting allocated line items to get a better financial picture in 2023.

Expenditures: Payroll is under budget by \$480K due to open positions. Health insurance is under by about \$120K per year. We are self-insured and a lot of higher claimants in prior years have moved off our plan and a lot haven't reached \$4K deductible, which is a financial benefit at this time. Client wages about \$20K over budget with more clients working and are offset by the increase in vocational revenues. Building and equipment are under budget than what we expected, except for utilities. Transportation and utilities are over budget with the increases in gas and heating costs up. Professional fees are over budget because of annualized costs that include the audit, our tax return, Netsuite licenses, and CARF accreditation.

LeRoy N motioned to accept the financial report as presented. Second by Matt D. – motion carried.

The 2021 990 tax return was reviewed by the finance committee with no questions or concerns. LeRoy N. motioned to approve as presented. Second by Ron B. – motion carried.

Discussion of 310 Building Refinance. Ron B. explained the procedure to adopt the motion to approve and obtain the required signatures to satisfy the documents. Ron will revise the document and sign as Secretary certifying that the 6 resolution motions were passed by the board and Jon A. will be signing on behalf of WACOSA.

Jeff B. praised Traci M.'s strategy of refinancing for WACOSA's long term benefit. We will be paying the 890,000.00 owed down to a remaining balance of 450,000.00, which will be refinanced for a new 5-year term. This results in paying off the building early and keeping the monthly cash flow roughly the same so we can budget accordingly.

Jeff B. motioned to approve refinancing of the 310 building as presented. Second by Laura K. – motion carried.

Joe P. raised discussion about maintaining the integrity of the organization and our bylaws and charter and the importance of bringing items like this to the board in a timely manner. He requested that items needing decisions within a prescribed timeframe be gotten to all board members for review and discussion prior to asking for approval. The board reviewed the bylaws for voting in person and via electronic when needed and we are within the rules of the bylaws.

Investment Policy review – Traci M. reviewed the investment policy overview for both long term and short term investments. After review by the Finance Committee there were no

recommended changes. The Finance Committee will review our current and future strategies, as the markets and inflation fluctuate, and make recommendations in the coming year.

Jeff F. motioned to approve investment policy as is without changes. Second by Leroy N. – motion carried.

5. FUND DEVELOPMENT REPORT

Pat F. presented the report. The annual 1-5K netted approximately \$30K, down from last year's \$41K because of the loss of 2 major sponsors. General sponsorships were also below last year's totals. Attendance was approximately the same as previous years. It was suggested to research other events to get more community involvement. The Fund Development Committee will create a subcommittee to brainstorm ideas that we could do differently next year.

The APH fundraiser successfully raised \$356K, with 55-60 people touring WACOSA's programs. About 100 people attended the event and we will be following up with thank you notes to all the suppliers that supported us.

Pat gave an update on KPI's. We have received \$206K at the end of the 2nd quarter with an annual year end goal of \$264K. Pat is working on three grants, art grants and for the LED ThriftWorks sign. Planned giving received \$99K this year that we didn't expect and the Endowment funds current value is \$128K.

Give to the Max is coming up. Pat requested that the board consider helping once again with matching funds. Last year we raised over \$14K, with the help of a \$3,000 matching fund from our board. Laura K. stated it would feel good to do this again and asked for full board support.

6. PROGRAM COMMITTEE REPORT

Jennifer J. reported a change in the meeting schedule, changing to meeting 2 weeks prior to the board meeting. Nancy's position is changing so she will no longer be leading this committee.

Nancy B. presented the report. The primary focus on hiring and retaining staff, so we can bring in clients, and maximize services to those clients to increase revenue. We are strategizing to see how we can work within the confines of our wait list and licensing statutes and CARF standards.

Satisfaction survey results are posted on board portal. We streamlined the questions and sent out a digital 30 second or 1-minute survey request. We got increased participation and more reliable data. General stakeholder satisfaction is high amongst our funders, guardians, clients served and community crew partners. We addressed ideas that were presented to us and will continue to track satisfaction scores to help guide our program decisions. Areas of growth and improvement continue to be offering a variety of work and employment options for our clients as well as increased days of service after our COVID shutdown.

7. HR COMMITTEE REPORT

Maggie D. presented report. Recruitment and Retention synopsis of report will be added to the board portal. While our second shift still challenged in getting staff, we are getting a little closer to pre-pandemic staffing numbers overall. Our biggest challenge is not able to meet pay expectation, or getting other job offers.

The board approved a 6% raise in the 2022 budget scheduled for October, which is step 2 of our agreed upon compensation plan from 2021.

Turnover rate for 2022 is 17% which is pretty good, especially for human services at this time. Discussion focused on providing more information to staff on the value of their benefits and total compensation package as a means to retain and recruit new staff. This came from the results of our staff engagement survey, with the HR committee looking further into the results and offering ideas to enhance what we offer.

Jeff B. raised discussion regarding the PTO policy and offered some ideas to potentially reduce our accrual liability on the books and Maggie will investigate some options. Other survey results were unremarkable, staying steady with a high satisfaction of their engagement at WACOSA.

8. MARKETING COMMITTEE REPORT

Laura K. presented report. The marketing committee is focusing on recruitment of new staff and are sharing ideas and strategies to try. Brainstorming on marketing for the 1-5K event went very well and the committee will look at upcoming initiatives and work with the development department so that we can get more people to donate and attend.

Ann K. reported on customer satisfaction survey results. Our in-house production customers rated us 100% satisfied for the 13th year in a row. ThriftWorks and Docushred are again in the high 90% for customer satisfaction.

9. EXECUTIVE DIRECTOR REPORT

Nancy B. presented the Executive Director report. As we continue the transition process, Steve and Nancy meet weekly and go over things so nothing gets missed in the transition. Steve and Traci working with Bremer Bank to have some of the accounts moved over for Nancy as a signer and for her to have the access that Steve has, so he can complete that part of the transition. For the most part feel the transition is going just fine and hopefully you as a board see this and any feedback is always welcome. Nancy will reach out if there are any questions.

Invitations were sent out for retirement celebration for Steve on September 22nd 4:30-6:30 at Great River Bowl in Sartell for his retirement.

Update on CARF virtual visit. Thank you to all who participated. Today we received our letter granting us a three-year accreditation. With over 1200 standards we have to prove we do every day, we received 8 recommendations to address. One thing is that our policies have to have what we would do in a crisis situation for overdose, which will be added.

10. ADJOURN THE BOARD MEETING at 7:32 p.m. prior to the start of the Executive Session.

Next Meeting:

Ron Brandenburg, Board Secretary

Date