

WACOSA Board of Directors Meeting
February 26, 2024
5:30 p.m.

Members Present:

Jeff Benveniste
Curt Gainsforth
Mollie Garden
Jennifer Johnson
Laura Krueger
Thad Olsen
Joe Perske
Sandie Westergren

Staff Present:

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

Members Absent:

Peggy Bayer
Ron Brandenburg
Matthew DesJardins
Lindsey Rennie
Herb Trezn

1. APPROVAL OF AGENDA

Nancy recommended moving the marketing committee report to 4b, and removing the tour, as most members present had the opportunity previously. 2024's committee assignments were on the last meetings executive session and removed our consent agenda.

Thad O. motioned to accept the agenda changes. Joe P. seconded and a vote was taken, motion passed.

2. CONSENT AGENDA

Thad O. motioned to accept the consent agenda, including the November 27, 2023, meeting minutes. Laura K. seconded, a vote was taken, and the motion passed.

3. COMMITTEE REPORTS/BUSINESS

FINANCE COMMITTEE

Traci M. presented the finance report.

Our Program Revenue is over budget by about \$600k and over the previous year by 1.5 million. This is due to individual client waiver rate increases for transportation and per diems and client attendance has been increasing and is steady. Our Stearns County per diems are under by about \$65k, due a reduction in clients on this funding stream. Our EE grant income is under by about \$44k as well because of the same issue. As clients become eligible for EE funding, the program staff are working at getting them onto the grant if they qualify. 2023 should be the end of these changes and our revenue predictions will be more stable in the future.

Our vocational revenue was over budget by \$100k and over budget the previous year about \$186k due to price increases on community crews and in center production jobs, as well as an increase in work volume from our customers. Our shred revenue is over budget due to price increases and increases in volumes picked up and brought to our store front. Thriftworks is over budget due to increased pricing structures, reworking our discount schedules and increasing our market share of customers.

With new accounting standards in place, Clifton Larson Allen had us book in-kind donations differently than in past years. This is reflected in our donation totals and there will be an off-set line item in our expenses section. These in-kind donations include Thriftworks inventory and silent auction items for our fundraising event.

Staff wages and related costs are under budget by approximately \$560k due to open positions.

Client wages are under budget by about \$39k, with various client ability levels dictating their individual level of pay, per our 14c certificate. This is comparable to last year as well.

Building equipment and costs remain under budget, with spending on maintenance and repairs steady, as we keep up with our aging properties. We have begun to invest in larger projects that had been put off during the pandemic.

Our advertising spend is under by approximately \$8k, but higher than last year by about \$30k. Dollars are being spent on staff recruitment and our 2 primary businesses.

Transportation costs are under budget by about \$50k. Fairly stable gas prices and the mild winter weather helped keep costs down. As our fleet is aging, we have been researching leasing new vehicles again, as the past leases have worked well for getting vans. However, with supply chain issues still slowing the automotive market, the availability is in question.

Miscellaneous expenses are under budget by approximately 35k due to annualizing that expense as recommended by Jeff B.

As a result of all these changes, our 2023 budget year ended with an \$805K positive position as opposed to the -\$706K we budgeted for. This is due to refraining from spending on capital projects and realizing the gains on our transportation rates negotiated

in 2022. The finance committee recommends looking at getting updated budget quotes to begin some of these projects in 2024.

It was also recommended that we look at our budget forecast for the first quarter and compare where we are at and make appropriate adjustments.

Our Year-end balance sheet reflects the cash that was invested in a CD ladder, totaling 1 million dollars, with CD's that mature every 4 months.

Joe P. motioned to approve the 2023 year-end financials. Laura K. seconded the motion, a vote was taken, and motion carried.

Endowment – end of 2022 we had \$127,085k fully invested. Per document, if fully invested, can take 5% out in distribution, which was \$6,354.29. This needs the board's permission to take out. Mandatory withdrawals as established by the board. Traci spoke with Ed Stracke. Keep the initial, anything earn off of it, use for operating expenses.

Motion to approve moving the annual distribution amount of \$6,354.29 to the operating account. This will be completed this week. Amended motion to approve move into general operating funds account within the next 30 days. Motion to approve Jeff B., Curt G. seconded. All in favor and motion carried.

4. MARKETING COMMITTEE

Ann K. presented the marketing committee report. KPI's for 2023 include 131 quotes for DocuShred and 165 quotes for in-house work. We received 18 new jobs and 1 new customer.

The Marketing Committee met with the HR committee to begin work and a recruitment campaign for marketing. They will come up with a strategy to help engage new avenues for potential employees.

FUND DEVELOPMENT COMMITTEE

Pat F. presented the Fund Development report. The KPIs for the year were broken out into three buckets: general operating, designated, and endowment. There was discussion about how the APH donation dollars come to WACOSA, as they are sent in at different times during the year and are designated dollars.

Two large endowment donations came in at the end of the year and we have 20 total WACOSA Legacy Society members. We have the potential of adding 5-6 more people in the near future.

Pat gave an update on the annual Bash fundraiser event, scheduled for September 14th at the Moose Lodge. We will have the same offerings of a band, silent auction, and buffet.

5. HUMAN RESOURCES UPDATE

Maggie announced her leaving WACOSA and we are in the process of filling her position. Maggie will be available to help with the transition and Sandie and Lyndsey will be

assisting with the hiring process and whatever assistance is needed for HR and general populous support. Sandie and Lindsey did phone screening. Team of Nancy, Traci, Lynn

and Maggie presented the reviewed Crisis Management Plan. There are no overall changes to the plan, other than changing staffing titles to reflect our current org chart.

Thad O. motioned to approve the Crisis Management Plan as presented. Laura K. seconded, a vote was taken, and motion carried.

6. PROGRAM REPORT

Mary R. presented the program report. She briefly summarized WACOSA's 2024 Accessibility plan, noting most goals will continue as previous years and they remain relevant. The 2023 Year End Report was reviewed and nothing new was noted and all goals were either completed or are ongoing. Generally, our access to services remains strong for our stakeholders.

Thad O. motioned to approve the 2023 Year End Report and the 2024 Accessibility Plan as presented. Laura K. seconded, a vote was taken, and motion carried.

Program Updates were given, with March 19th Day at the capitol coming up and WACOSA clients will attend. Intakes are being done again at 1st Avenue and Whitney, so our client numbers will increase. There was discussion about the current state of our 14C certificate, with the newest information from the legislature recommending a phase out of the certificate. As of this time, no bills have passed at the state or national level. WACOSA's certificate expires in July 2025 and will most likely be renewed. Sauk Centre's lease is approximately \$2700k a month and we continue to discuss the program needs there. Jeff B. recommended connecting with the finance committee if the discussions progress to making location changes.

Our art project with Dan Mondloch is finishing up in Sauk Centre and he will be completing the murals shortly.

KPI's include 506 current clients: 400 in employment exploration, 90 individual placements, and 94 working on crews.

7. EXECUTIVE DIRECTOR REPORT

Nancy B. presented the Executive Director report.

Legislative Updates: Since this is not a budget year focus continues to be on the 14C certificate as referenced in the program report. Nancy explained the benefits to having the certificate for our clients and their stakeholders. As we get more information, we will keep the board informed, and we will continue to research all the possible service models that may be of future value to our clients. Jennifer J. talked about how younger adults are looking for services that meet their needs now and in the future.

The new 2024 DWRS rates have been published and the services WACOSA provides saw a 5-7% increase. We will begin to see this new revenue as individual service agreements are renewed throughout 2024.

Nancy presented the Title VI policy for review and noted no changes are needed, except for the board to reauthorize it. We need this policy for our 5310 grant program. Curt G. motioned to reauthorize the Title VI policy. Thad O. seconded, a vote was taken, and motion carried.

Nancy presented the 5310 2025 resolution to apply for a minivan. This is a MnDOT pilot program, and we would like to apply for a wheelchair accessible minivan. We anticipate using it for work crews or community activities, as well as possible daily routes. There was a question if we could apply for a minivan without a lift and Nancy explained that all 5310 grant vehicles are required to have a lift.

Thad O. motioned to approve the 5310 resolution as presented. Joe P. seconded, a vote was taken, and motion carried.

8. ADJOURN THE BOARD MEETING.

A motion was made by Curt G. to adjourn the meeting. Thad O. seconded, a vote was taken, and motion carried.

Next Meeting: Monday, May 6, 2024

Matthew DesJardins, Board Secretary

Date