

WACOSA Board of Directors Meeting
MAY 19, 2025
5:30 P.M.

Members Present:

Peggy Bayer
Ron Brandenburg
Matthew DesJardins
Curt Gainsforth
Jennifer Johnson
Laura Krueger
Dennis Meemken
Thad Olsen
Joe Perske
Lindsey Rennie
Sandie Westergren

Staff Present:

Nancy Betts
Julie Haag
Meghan Hines
Ann Kennedy
Traci McKinnon
Meggan Thole
Lynn Welle

Members Absent:

Mollie Garden
Jennifer Johnson

1. APPROVAL OF AGENDA:

A motion to approve agenda was made by Thad O., seconded by Matt D. A vote was taken and motion passed.

2. CONSENT AGENDA:

A motion to approve the consent agenda was made by Joe P., seconded by Curt G. A vote was taken and motion passed.

3. FINANCE COMMITTEE REPORT:

Traci M. reported.

Revenues

The Program revenue is under budget by approximately \$32K through February, with staffing shortages not allowing clients to return to services.

The Vocational is over budget by about \$15K, due to steady work available and our scheduled price increases.

Public support is under budget due to our designated donations not coming in as previous years. We are expecting to be awarded a 5310 bus grant of approximately 150,000.

Our investment revenue is \$28K through February.

Expenses

Staff wages are under budget by \$117K with wages and health insurance, we currently have an average of 5 positions open at any given time.

Client wages were under by about \$12K, due to less clients performing the work available. Building and equipment expenses are over by about \$13K, due to an increase in utilities costs. In addition, we supplemented our insurance and added additional coverage to fully replace any roofs, since we have 4 buildings in a small area. Advertising and public relations are under budget through February and will pick up throughout the year as we promote our events and staff hiring. Most other line items are as predicted, leaving a positive balance of \$209K.

A motion to approve the February 2025 finance report was made by Matt D., seconded by Ron B. A vote was taken and motion passed.

Internal Control Policy review – Minor changes were noted, we increased petty cash by \$115 to help DocuShred with their change orders, as they were running consistently short at month end. The WACOSA depositories were updated to Old National Bank, as we have received official notice from Bremer of the change in ownership. Credit card holder names were updated as well. No other changes were made at this time.

A motion was made to approve Internal Control Policy updates by Thad O., seconded by Curt G. A vote was taken and motion passed.

The 401K audit is in draft as of right now, showing a clean audit with no issues noted.

A motion was made to approve the 401K audit by Matt D., seconded by Thad O. A vote was taken and motion passed.

2024 Financial Statements. The finance committee met with Clifton Larson at 4:00 and we were notified that we had an unmodified audit which is basically a clean audit. A change was made to Minnesota Earned Sick and Safe Time, it will no longer be recorded as a liability, as we do not pay it out to employees upon employment separation. CLA recommended we implement a more robust expense approval process, including approval of the Executive Director's expense reimbursements and credit card charges. In the future, the Finance Committee Chair will review at least quarterly and sign off on them.

A motion was made to approve the 2024 Financial Statement Audit by Joe P., seconded by Lindsey R. A vote was taken and motion passed.

Following up from our last board discussion about approval of continued services in the event of a government shutdown, Nancy presented a draft resolution for discussion. It basically defines the terms of continuing services until other board action might be required, depending on the length of a shutdown. The resolution basically states that the WACOSA Board of Directors approves the continuation of services for all clients in the event of a state or federal government shutdown for XX business days, or \$\$ dollar amount, whichever milestone occurs first. This resolution is in full effect until XX date. After robust discussion of possible shutdown scenarios, back billing requirements for services provided, a review of our reserves and anticipated monthly expenses Ron

suggested a flexible resolution that allowed continued service and board required action within 45 days if the shutdown is unresolved. Nancy will forward a draft to Ron and he will review it. Once reviewed it will be sent to all board members for an electronic vote and the results will be recorded in the consent agenda of our next meeting. Everyone agreed this is the best course of action at this time.

Approval of investment policies

We met with Bremer Wealth today and went over our different investment performances and we also reviewed the short and long-term investment policies. Currently all of our investment dollars are invested as per our policy requirements. There are no changes to either one of the policies at this time. The finance committee decided that in the near future we'll revise the language to add more diversified investment choices and bring it to the full board for discussion and approval. Thad reported that our short-term policy is nearly 100 percent invested in bonds, which is very conservative. This is where the largest percentage of investments are. Our long-term policy is at 30 percent equity, 70 percent bonds and is fairly conservative as well. The finance committee will bring this to the board in a future meeting for discussion. Will need approval of what we have today for both the short and long term.

A motion was made to approve the short- and long-term investment policies by Ron B., seconded by Laura K. A vote was taken and motion passed.

4. DEVELOPMENT COMMITTEE

Meghan H. reported.

There are two new development committee members, DeAnn Burns, who previously worked as a development director at another local non-profit and Chad Roggeman, an attorney in St. Cloud with experience in planned giving. At the last board meeting Thad recommended Angie Basler as a potential committee member. She is not joining as a committee member, but she has offered mentorship to Meghan.

We have had one new WACOSA Legacy Society member since the last board meeting.

Fundraising events: The HuHot fundraiser was on April 28th and we raised \$261.00 from 57 guests. The Sal's Fish Fry and meat raffle raised 1065.00. The Rox game is on June 27th and tickets are on sale online and at the front desk. The Pizza Ranch fundraiser is on July 7th from 4-7 p.m. The WACOSA Bash is on August 16th and as of today, we have 22 sponsors totalling \$20K. Last year we had 20 sponsors totaling \$12,800. Meghan requested board members sell 10 tickets each and will mail them to each board member. There is a Lions club bratwurst fundraiser on August 22nd and 23rd at the St Joe Meat Market.

Nancy reported that we are looking for approval of the Endowment Policy revision to match what the Central MN Community Foundation policy is in their distribution rate. We discovered that our policy says 5%, theirs says 4%. We are asking for a motion to change our policy from 5% to 4% so that it matches.

A motion was made to approve the change of the distribution amount to four percent by Joe P., seconded by Lindsey R. A vote was taken and motion passed.

5. PROGRAM COMMITTEE

Lynn W. reported.

The Program Committee reviewed the upcoming fundraisers our play at the Paramount in June, Arhgg! We made two trips to the capital this year, one was in March and another on April 29 hiring a coach bus for transport. The annual picnic is coming up on June 13 and the board is invited to attend. We also have an all staff training day scheduled to complete our Top 20 training with Willow Sweeney at the Moose Lodge. We received notification that our CARF accreditation is postponed to late December or January. Our 14C minimum wage certificate renewal is in June, so we plan to move forward with that. We have had some intakes since the last meeting. We have had three for the north, two for the south and two for the Annex. We are currently working on getting some for our seniors' program.

6. HUMAN RESOURCES COMMITTEE

Meggan Thole reported.

The HR committee met last week. This was Meggan's first meeting, and we got to know each other a bit. Sandie and Lindsey are mentoring Meggan through the process of working for a non-profit. We reviewed our HR statistics and dashboards as usual. We are going to look at and discuss a strategy to reduce our days to hire, which is the offer-to-offer days between when a supervisor would like to extend an offer to when the offer is actually made to the applicant. We would like to improve that from four days to two.

7. SALES & MARKETING COMMITTEE

Ann K. reported.

During the marketing committee meeting we talked about making a quarter over quarter comparison of the KPI's. The newsletter is coming out soon and we are working on the annual report. Ann reported using short videos to increase online engagement. At the Sal's fundraiser Ann took an 18 second video of Meghan, Jenny, and Dana, which garnered 2400 views. This indicates we are reaching a new audience, and we will continue to explore this marketing tool.

Joe P. commented that he feels good about where we are today. When looking at fundraising and the report on marketing, our clientele are engaged with public activities and visible at all of our public events. People see us in the community and visibility is a positive thing.

8. EXECUTIVE DIRECTOR REPORT

Nancy B. reported.

Legislative Updates:

The state legislature said they have some sort of budget agreement, but we haven't seen what the specific cuts might be. We have information that it could be reducing the competitive workforce factor, resulting in an up to 9% decrease in rates for various waiver

services. Other services may range from 2-9% per diem unit cut as well. Whatever happens at the state level won't take effect until January 1, 2026, so we have time to plan.

Federal legislation has targeted Medicaid cuts, which is what pays for the waiver dollars here. It is unknown at this time what will happen. Nancy will send out action alerts when we get information.

Our transportation rates are negotiated and will stay the same, so no cuts there.

ADJOURN THE BOARD MEETING.

A motion to adjourn the meeting was made by Thad O., seconded by Matt D. A vote was taken and motion passed.

Next Meeting: Monday, August 25, 2025

Matt Des Jardins, Board Secretary

Date