

WACOSA Board of Directors Meeting
February 23, 2026
5:30 P.M.

Members Present:

Matthew DesJardins
Curt Gainsforth
Jennifer Johnson
Laura Krueger
Dennis Meemken
Thad Olson
Lindsey Rennie
Sandie Westergren

Staff Present:

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

Members Absent:

Peggy Bayer
Mollie Garden
Joe Perske

1. APPROVAL OF AGENDA:

A motion was made to approve agenda as presented by Matt D., seconded by Laura K. A vote was taken and motion passed.

2. APPROVAL OF CONSENT AGENDA

One change to the consent agenda, we omitted a motion to approve the ED 2026 compensation review that was made in the Executive session, and this has been added to the December 1, 2026, minutes. The other items is a review of the Crisis Management Plan with no changes to the previous plan.

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

3. FINANCE COMMITTEE REPORT

Traci M. presented the year-end financial report for 2025.

Revenues

- The organization ended the year in a strong financial position with a positive 1.5 million to the good and if we adjust for unusual items, we are at 1.3 million. Some unusual items are restricted bonds, endowments, and our investment revenues.

- Program revenue was below budget year-to-date but exceeded the prior year by \$175K. We are under budget due to lower-than-expected individual rates and lower client utilization.
- Vocational revenue was over budget by approximately \$170K due to increased rates and increased production activity.
- Public support was below budget for the year due to unreceived grants, with corresponding reduced expenses. \$400K for in-kind donations for items that come through the thrift store recorded as donations, as well as items we receive for the BASH fundraiser. You will see an offset down in the expenses for in-kind expenses.
- Investment revenue we are over budget by \$280K for the year, due to not being able to forecast what the markets will do. We are over last year's revenues by \$100K.

Expenses

- Staff wages and related costs were under budget by approximately \$328K. This was due to open positions, but higher than prior years due to wage adjustments. We did a market rate adjustment at the beginning of 2025, followed by the second half later in the year, and a 4% increase for everyone in October as budgeted.
- Client and related costs were over budget by about \$2,500. This is due to more community crews going out and more production jobs and increase in wages.
- Program and office supplies were under budget but as expected and comparable to last year.
- Building and equipment costs were over budget by about \$35K due to utilities and an additional insurance policy to cover catastrophic roof damage at our Waite Park sites.
- Advertising and public relations were under budget by about \$8,600 due to reducing the number of pages in the newsletter and using less expensive marketing methods. Videos were done in-house at a lower rate than budgeted.
- Transportation costs were under budget by about \$35K, but in line with last year.
- Miscellaneous expenses are under budget for the year. The majority was lower than budgeted with professional fees, as we reduced our CARF survey scope.

Board designations and reserve allocations were reviewed and approved by the Finance Committee. Reserves are set aside for asset replacement if something happens to our organization. We are self-insured for unemployment.

Motion to approve the 2025 year-end financials and board designations by Curt G., seconded by Thad O. A vote was taken and motion approved.

4. FUND DEVELOPMENT REPORT

Nancy B. reported on fundraising activities.

- Total contributions for 2025 were approximately 3% higher than 2024, coming out to \$251K. Despite a 12% decrease in number of donors, dollars went up. Average size gift increased to about \$580.
- Our 2025 Spring Appeal netted about \$19K.
- Our Year end appeal was quite a bit higher than 2024. We restructured our outreach strategy and timing of the ask. This included reaching out to a larger number of lapsed

donors, which resulted in an increase from \$18K to \$27K. We received 11 gifts of \$5K or more, as opposed to 9 last year.

- WACOSA Legacy Society 2025 had 4 new members.
- The annual BASH raised \$41,500, a little more than the previous year. We will be expanding our sponsorship outreach in 2026 by adding individual sponsorship at \$100. The 2026 BASH is October 3rd from 3-6 p.m. at the Moose Lodge.
- April 6th is the Pizza Ranch fundraiser.
- The board discussed allowing members to make a sponsorship donation in lieu of purchasing event tickets and supported the idea.

5. HR COMMITTEE REPORT

Meggan T. presented the HR committee report.

- Our focus remains on recruitment and retention of staff and reinforcing our efforts with partnerships including Career Force and local colleges.
- Our turnover was approximately 32% in 2025 and we are optimistic for a 2026 reduction.
- Handbook updates include compliance with Minnesota Paid Leave, ESST, and lunch and meal breaks.

6. PROGRAM COMMITTEE REPORT

Mary R. presented the 2025 Accessibility Report and 2026 Accessibility Plan.

- Architectural access had no barriers in 2025.
- In 2026, the 320 entry door will be made wider to facilitate wheelchair access.
- Staffing shortages limited program expansion of additional clients.
- Employment and community integration access indicates we have a continued need for employment particularly center-based.
- If there is no paid work available, Program staff are always developing different programming activities like the Paramount Theatre production last year and looking at it again this year.
- We started work with our Stearns County Grant. We are working with Career Solutions and having our first Career Trek cohort of six clients who went through the 3-day process. We have one session every month for a year.
- No concerns with communication access. There are no clients that are on a waiting list due to having a deficit or a need for communication.
- Technology access is ongoing, as we replace dated hardware such as iPads and computers.

A motion to approve the 2026 Accessibility Report that includes the 2025 Corrective Action Plan was made by Matt D., seconded by Laura K. A vote was taken and motion passed.

Additional program updates included:

- We will be doing the Paramount play again in June, the group is working on the script.
- We have done 5-6 intakes so far this year in South and Annex programs.
- We are doing discovery days, taking a group of clients to a business to do tours, research positions available, and assessing the skills needed

- We had a positive CARF survey, resulting in only three policy update recommendations.
- Vulnerable Adult Abuse Prevention 2025 review was very similar as far as 2024. Incidents comparable to last year, with no new trends reported.

7. MARKETING COMMITTEE REPORT

Ann K. reported on the marketing committee.

- Year over year KPI's is included under the board packet on the portal. Additional information regarding month to month and quarter to quarter is on the portal under the marketing committee.
- Ann created our annual Recycling Input Snapshot. Last year recycled 963,966 pounds, saved over 8 thousand trees, 4 ½ million gallons of water, 2.2 million kilowatts of electricity, and 190,000 gallons of gas; lowered greenhouse emissions by over 300 cars on the road a year and we saved 1,600 cubic yards of landfill space or about 120 garbage trucks.
- Year in review, across the different platforms that we know of we have 33,908 new users. This doesn't include those that may have seen a Facebook post for the first time.
- Ann did a television interview with the local community access channel about WACOSA's mission, and she used the opportunity to let the audience know that we are hiring.

8. EXECUTIVE DIRECTOR REPORT

Nancy B. provided legislative and organizational updates.

- CMS has not yet approved the state framework for 2026 rate increases that were passed for 15-minute units by the State of MN, resulting in lower-than-expected service agreement rates.
- The MN State established a new fraud prevention office and all Medicaid providers like WACOSA can expect to be indirectly affected by auditing efforts to prevent fraud.
- We are monitoring the future state budget forecast, as the 2027 biennium predicts a deficit that might signal rate cuts to our services. There is a State work group called Long Term Support Services Committee, whose members represent all Medicaid services, to recommend to the legislative body where they could find 170 million dollars in Medicaid services savings. If the savings are not found and enacted, there will be automatic rate cuts. MOHR is working to educate legislators on solutions that may prevent this cut.
- 5310 Grant Program Updates: We received a bus in 2026 that was ordered in 2025, thereby delaying funding expected in 2025. We did order another and the minivan mentioned earlier with a lift.

Strategic Plan Review

The completed strategic plan review is on the board portal. The beginning target dates are scheduled for 2026 and 2027 which allows for a flexible plan as our goals are met and new ones established.

A four-year strategic plan was presented focusing on the following:

1. **WACOSA will be the premier place to work in Central Minnesota. We will be fully staffed and have capacity for everyone.** This came up in most of the focus groups and

at the heart of our focus right now. Simply put, if we don't have staff, we can't serve clients. Our HR department will be leading all the initiatives under this pillar. We want to be competitive with our benefits and pay, staff development and engagement opportunities, career and leadership succession. HR & Marketing will be working closely on developing and implementing internal and external marketing strategies.

2. **Create new and innovative program activities including the arts, employment, volunteering, and all things people want to do.** This is our programs and what we do in the scope of the services and support that we provide. The first goal is to move and restructure our First Ave Program for functionality. The other goal in this section is developing and implementing an arts program in a variety of mediums, as well as a volunteer program. Stakeholders would like more variety and new things to do here and in the community. The next goal focuses on competitive employment. By taking advantage of the Stearns County Employment Grant, we will be able to strengthen our community partnership with Stearns County and Career Force.
3. **Create involvement and collaboration with our community partners enabling program innovation and strong community employment opportunities.** This goal focuses on our sales and marketing department working with other departments to increase our brand recognition for ThriftWorks and DocuShred, as well as all our program sites and activities. This will help cultivate staff and client involvement in community functions and building community partnerships.
4. **WACOSA will maintain financial stability in the wake of ever-changing funding sources.** We feel there is a wealth of things that we could learn on charitable gambling as a future revenue source that can strengthen our financial base. We also will focus on increasing our planned giving and our monthly donor programs, leading to growth in the endowment.

A motion to approve the strategic plan as written was made by Thad O., seconded by Matt D. A vote was taken and motion passed.

9. ADJOURN THE BOARD MEETING.

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

Next Meeting: May 18, 2026

Matthew DesJardins, Board Secretary

Date