WACOSA Board of Directors Meeting
May 18, 2026
5:30 P.M.

Members Present:

Peggy Bayer
Matthew DesJardins
Mollie Garden
Jennifer Johnson
Laura Krueger
Dennis Meemken
Joe Perske
Lindsey Rennie
Collette Rubel
Sandie Westergren

Staff Present:

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

Members Absent:

Curt Gainsforth
Thad Olsen

1. **WELCOME & INTRODUCTIONS**

2. **APPROVAL OF AGENDA**
   Motion to approve agenda as presented by Joe P., seconded by Dennis M. A vote was taken and motion passed.

3. **APPROVAL OF CONSENT AGENDA**
   The consent agenda includes minutes from February 24, 2026, board meeting, and the approval of the updated Risk Management plan. There were no changes to the plan.

   A motion to approve the consent agenda by Lindsey R., seconded by Laura K. A vote was taken and motion passed.

   A motion was made to approve the nomination of Collette Rubel to the board by Lindsey R., seconded by Jennifer J. A vote was taken and motion passed. Her term begins immediately.

4. FINANCE COMMITTEE REPORT

Traci M. presented the March 2026 financials.

Revenues

- Program revenue is under budget to date and compared to the previous year by approximately $96K. The MA budget is under by about $108K. This is due to lower rates coming in than we expected and the utilization in the first quarter of the year. We also had a couple of snow days where people weren't coming in, and we had to close second shift twice.
- The DEED grant is over budget for the first time since COVID. We earned the entire grant from June through July. Next quarter we won't see anything coming from the grant but will continue the project because we may see a grant increase in the next grant cycle.
- Vocational revenue is as we expected, with community crews under budget due to not having qualified candidates to do some of the jobs. Production is over budget due to the price increases.
- Thrift is over budget due to pricing restructure.
- Public support is over budget by approximately $54K for the first quarter.
- Grants are over budget due to receiving funds for a van we acquired in 2025, and the state reimbursed us in January 2026. There is a new Stearns County grant in place, and we are over by about $38K for the year due to early startup cost reimbursement.
- Investment revenue is under budget by about $6,500.00 for the year.

Expenses

- Staff wages and related costs are under budget by about $207K for the first quarter. This is due to open positions that we have and a couple of added positions that we wanted to fill to bring some more clients back.
- Health and life insurance is under budget because we also included a couple of offsets for the anticipated employees joining our plan.
- Client wages and related costs are under budget compared to the previous year by about $26K due to the lack of clients needed for production to fill those community crews.
- Building and equipment costs are over budget by about $18K, and over $23K compared to last year due to snow removal costs.
- Advertising and public relations are under budget by about $13K. This will even out throughout the year.
- Transportation costs are under budget year to date by about $22K.
- Overall, the change in net assets is over budget by about $233K. We are at a good start again this year even though revenues are a little low and we have also cut back on our expenses.

Motion to approve the March 2026 finance report by Matt D., seconded by Peggy B. A vote was taken and motion approved.

- Approval of 401K audit. It was another clean audit. The only thing we have to wait to be issued is the 5500 report. The 5500 is completed by CliftonLarsonAllen. The finance committee reviewed both audits on Friday when they met and notified Sandie that the audit looked good and there were no concerns approving the 401K audit.

Motion to approve the 401K audit by Joe P., seconded by Lindsey R. A vote was taken and motion passed.

- Approval of the 2025 financial statement audit. We had a very clean audit. There were just a couple of minor issues. One was a recommendation on how to book 5310 reimbursements as a receivable between purchases in different years. In the 2026 audit there will be a little off set again because of that swing. The other recommendation was to update our language in the endowment policy, which was completed. Sandie reported that Thad and Curt had no concerns over the audit and no issues with approving the audit.

Motion to approve the 2025 Financial Statement audit by Laura K., seconded by Matt D. A vote was taken and motion passed.

- Approval of the endowment distribution. The current balance in the endowment fund is $769K. Of that amount, the 2025 contributions that we can't take the 4% on comes out to almost $90K. We can take 4% of $679K approximately, which would come up to $27,178.06. We must take this out of the endowment fund as per our endowment policy. We ask for the board's approval to withdraw $27,178.06 out of the endowment.

Motion to approve the annual distribution amount of $27,178.06 by Joe P., seconded by Dennis M. A vote was taken and motion passed.

5. **FUND DEVELOPMENT REPORT**

Meghan H. reported.

- Currently we are working with donor management software, Boomerang, on facilitating outbound texting capabilities, in an ongoing attempt to engage a younger demographic. We are also marketing events and specific fundraisers. We are learning how to implement and use it within all the compliance rules and regulations.
- The committee discussed the WACOSA Roots monthly giving program. It is contingent on our understanding and use of the text functioning. We are planning to rely quite heavily on the outbound text as a strategy to roll this out. When that does happen, our goal is to have $500 monthly automatically coming in from donors in a monthly giving commitment.
- Bash updates: at the last committee meeting Traci shared her idea to best implement the board of directors in terms of sponsoring and being involved in the bash, by asking the board for a direct donation of $150 for a board sponsorship level of the event, and then four food tickets to sell, rather than the 10 previously requested at $25 apiece. This will increase our overall event proceeds. We will have a banner at the Bash that would be specific to the board of directors and show the public that we have a really supportive strong board. A new $100 sponsorship level for households was added called a neighbor

level sponsorship and we have a $250 friend level sponsorship, so the board sponsorship is between those two. Our sponsorships are currently at $19K and most have previously sponsored. We also did cold call prospect outreach, and it has paid tenfold for itself.

- Other events: Pizza Ranch was April 6th, with $554.40 in proceeds which is relatively the same as last year. Sal's fish fry and meat raffle was on May 15th. The meat raffle raised $1,080, a bit higher than last year. August 7th is the annual Rox game. August 14th is the butterfly release to honor clients and donors who have passed in the past year. October 3rd is the BASH, 3-6 p.m. at the Moose Lodge.
- We were given the opportunity to share publicly the link to vote for WACOSA as their favorite non-profit through Old National. We received a grant of $2,500.

6. PROGRAM COMMITTEE REPORT

Lynn W. presented the program committee report.

- We have started play practice for the play on June 25th at the Paramount Center for the Arts and they're the ones that fund it through their Empowered Stars program. It is a beneficial collaboration with our community partners.
- Cow Tipping Press starts June 1st and goes through July. It is a program where the Cow Tipping Press teachers lead a cohort of client writers through writing exercises and then they compile the written materials needed to publish a book. There will be a book signing at the end of this class.
- Days at the Capitol were completed in March and April.
- We have completed some client intakes in Sauk Centre, the South program, and for Whitney.
- In April we had National Volunteer Week. This year we had a little party to honor our senior program because they volunteer through RSVP. They do a woodshop where they paint blocks and they play bingo with some of the retired nuns at St. Scholastica.
- MOHR spring conference is coming up at the beginning of June and we're sending five staff to advance their career development.
- We are still working on the Stearns County grant. We received this through Stearns County which comes from MN DHS. The focus is to increase individual competitive employment in the community. We will continue with the Career Track classes, also the career discovery days and touring potential businesses. In addition, the grant gave us the opportunity to offer a Lunch and Learn training session through Career Solutions to learn more about WACOSA and how businesses can benefit from WACOSA workers. Mollie G. and Lindsey R. will be on the panel in addition to a representative from St. John's, and Travis from Aqua Traction and Jenny Z., our job developer. It is June 30th at Riverside Terrace in Sauk Rapids.

7. HR COMMITTEE REPORT

Meggan T. presented the HR committee report.

- On the hiring front we continue to hire quality applicants across our DSP openings at all our programs. Current openings for a Client Manager in Sauk Centre and a Maintenance Assistant position.

- The safety committee is working diligently to look at the number of workers' compensation incidents. We have seen a reduction year to date, so we are off to a good start.
- On the benefits front we have finally transitioned to an on-line deferral process for 401k to change percents. Employees can also update beneficiaries.
- The 401K audit is completed as Traci reported.
- We hired an HR Specialist, a new position for WACOSA. This position will mainly focus on recruiting initiatives, as well as strategic initiatives, recruiting, and retention. We have an HR Manager position open, and we are recruiting for it. Linked In is now posted.

8. MARKETING COMMITTEE REPORT

Ann K. reported on the marketing committee.

- WACOSA Wear is available to order through May 22nd.
- We are working on the Annual Report, the newsletter, HR with recruitment and retention, and event season marketing.
- Ann took a class with Meghan on planned giving marketing strategy.
- Working with Career Solutions to market the Lunch and Learn project and Talent Talks Inclusion Networks.
- KPI's are on the portal. We will see some minor decreases in website use, medium in email. Social media posting in both areas, particularly Thrift jumped higher.

9. EXECUTIVE DIRECTOR REPORT

Nancy B. provided legislative and organizational updates.

- There will not be a picnic this year as Sundial Drive is being redone this summer with sewer, water, and sidewalks. We will replace the picnic with summer fun days for clients.
- MOHR updates: The Office of Attorney General specific to DHS legislation passed statewide to look for fraud and abuse with no direct impacts known yet.
- The Omnibus Human Services finance bill – will require purchasing surety bonds for all revenues of MA providers. No guidance has been given at this time, but we continue to look for further instructions from the state. Transportation reimbursements also had an administrative cost of 6%, so we will wait for this guidance as well when it is implemented.
- In the billing department, Traci and Sarah are going through rate remediation with service agreements. January and February had different rates based on state statute and federal CMS approval, so the state is requiring take backs and rebilling for all waivered services.
- We are still waiting for a 5310 one-time grant refund for vehicles insurance that is still coming and is around $30K.
- We were invited by the Initiative Foundation to apply for an Otto Bremer Grant. We are looking at items like a self-regulation space, furniture, activities, and sound proofing for sensory needs. The grant application is due June 1st and we expect a decision will be made sometime in September.

- Security system update. The security system is about 50% installed. Entering 310, Annex, and South will be different in the coming month or two. We replaced all our light fixtures to LED lights in all of the buildings that we own through an Xcel rebate program. Replacement cost would be $20K but was $0.

10. ADJOURN THE BOARD MEETING.

Motion by Joe P., seconded by Lindsey R. to adjourn the regular board meeting. A vote was taken and motion passed.

Next Meeting: August 24, 2026

Matthew DesJardins, Board Secretary	Date