

Winona ORC Industries
Board of Directors Annual Meeting
Minutes of September 22, 2014 5:00PM

Directors Present: Kevin O'Reilly, Jim Pomeroy, Dave Adank, Deb McClellan, Bob Peterson, Ron Wenzel, Jim Yenish, Ann Nelson, Steve Volkman

Directors Absent: Chad Anderson, Maggie Modjeski, Bill Reinarts

Employees Present: Judie Foster-Lupkin

Guests: Blaine Krogh

1. **Review of Agenda:** Motion made and seconded (Volkman-Pomeroy) to approve the agenda with the change in item 3 to review July/August 2014 Financial Statements. Motion carried.
2. **Review of Minutes:**
Motion made and seconded (Peterson-Adank) to approve the minutes from 8.25.14. Motion carried.
3. **Finance Committee Report:** Jim Pomeroy reported a July \$36,366 net profit with a \$14,500 year to date contribution compared to a budgeted loss. August brought a \$28,400 net profit with a \$45,500 year to date contribution.
The Worker Comp experience mod has been decreased to .79! The experience mod uses a 3 year rolling balance to determine the rate.

Motion made and seconded (Wenzel-O'Reilly) to approve the financial report. Motion carried
4. **Executive Director's Report:** Judie Foster-Lupkin reported
 - Jayne has sent out performance evaluations to be completed.
 - The Director of Community Services is doing well. He has jumped in, running work sites, meeting people and working on quotes. He will be giving performance reviews for job coaches and Judie will be writing the reviews.
 - Preliminary budget preparation is proceeding. Expecting to have a draft budget by Friday to the Finance Committee.
 - Vertex – case management client portion and job numbers are loaded. Next is working on the payroll, which should be up and running by January 1st. Plan to run duplicate payroll in January with spot checking to verify wages, taxes etc. For the conversion of data: Leslie owns case management; Michael owns Finance and Jayne owns HR and Payroll. There is a lot of work on the back end. Reports are very good. Itemizing goals will be more difficult. When purchased, we paid a percentage up front as and as August started the monthly fee of \$4300 for the next 5 years.
 - Installation and support for Vertex, have hired Eric wright and IT person. Eric has been working with Vertex and coordinating with Directors.
5. **Committee Reports:** The following committee reports were presented to the Board. The reports are a summary of the topics that were addressed at each meeting. Additional detail and exhibits related to the subject matter can be found in the minutes of each respective meeting located on the secure website.

Personnel – Jim Pomeroy reported met going over a number of areas. Received resignation for Judie Foster-Lupkin. Updated 10 policies in response to changes in MN regulations or CARF standards. Reinstated 5% wages for Directors wages. Conducting a new prevailing wage study for 14c subminimum wage certificate.
 - **Draft Budget** – budgeted for minimum wage increase for 2015. Total wages estimated at \$1.4 M in 2015 compared with \$1.36M wages in 2014. No bonuses were budgeted for 2015.
 - **Judie had allocated 10% of the ED bonus to directors in the past several years**
2014 ED bonus is budgeted and for December and available
2015 – estimating a 3% increase in wages (Jim Yenish will be responsible for wages)
Sales & Business Development – Bob Peterson reported that sales are strong, although 86% of expected. CBS continues to be about 64% of sales. Winona County scanning contract will be reduced from \$12,000 to \$8,000 as of January 1st due to budget constraints.

- **Winona Health cleaning contract** – some concerns about the quality of cleaning and asked to send additional job coaches to supervise/train.
- **Production** – 32% of sales. No chicken train sales are expected by the end of the year.

Fund Raising/PR – Deb McClellan report

- **Starlight Stroll** – committee meeting weekly. Have distributed flyers. Working on press releases and letters to sponsors. May need to identify additional sponsors. T-shirts – waiting for final design.

Program Management – Kevin O'Reilly, Ann Nelson and Steve Volkman reported.

- No Vulnerable Adult reports filed. To date we have 272 active clients as of August. Total hours in program is up to 6074 with an average hours per day of work and programming at 5.94 per person. Rich talked about making progress cleaning the floor in the old machining area. Preparing for new washer and dryer units and building a fence around the maintenance area to block access to chemicals and equipment (CARF recommendation). Bus grant submitted to replace 2009 bus.
- **MN Public Transit Association would like WORC to host the 2016 Transportation Rodeo.** Rich will be attending the 2015 event. SE Tech would host the space.
- **ProAct** – Judie and Jayne visited ProAct in Red Wing and Eagen to learn more about their programming. It appears that we will need to move more in this direction of offering unpaid activities in the coming year. Through a United Way grant, have hired a Special Ed Teacher to develop curriculum for theme teaching. Other resources may be WSU and SMU.

Laundry Update – Bob Peterson reported that laundry is at 4% of sales and should start picking up next month.

- Mats - no decision has been made about proceeding with mats. If continues will need sales support.
- Jail – a small contract is now in place with the jail.

6. **Old Business:**

- CARF certification – working on recommendations, making progress.
- Lewiston Villa – again showed the building to Family & Children Center. They liked the space but it is too big for their needs. Have also showed to a Behavioral Management organization out of the cities. They apparently liked the space. Judie would walk through 3-4 times per week. Michael will take over the contract. Rich will take the maintenance. A neighbor does the lawncare and could do weekly walk through. Michael has the name for snow plowing. Need someone to care for the boiler. Need to contact possible people sooner rather than later.

7. **New Business –**

Executive Director Search – Jim Yenish reported on the progress to date. Position description has been modified and accepted. ED compensation range was increased by 10%. Discussed an Interim Executive Director position and/or using the policy in place during the absence of the ED. Jim Y will pursue an offer with an increase of \$1500 per month beginning 9.26.14. Will need to move special events activities to another. The board is ok with hiring a fundraising person part time if needed.

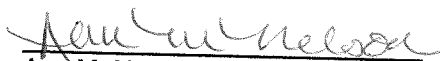
- Relocation – would look at a \$7500 relocation expense based on actual expenses.
- Steve and Jim Y will draft bonus objectives (and include laundry, relationship with State and legislatures as a specific objective).
- Interviewing – plan to start 10.10.14.

Membership – Deb McClellan has submitted her resignation to the board effective 12.31.14. Jim Y is accepting suggestions for future board members. It would be nice to add an attorney. A couple of possible suggestions were made. Need more turnover in the Executive Committee for 2015.

October 2nd – Farewell party for Judie at Bub's from 4:30-7:00.

8. **Adjourn:** Motion made and seconded (Wenzel, Peterson) to adjourn. Motion carried.

Respectfully Submitted,


Ann M. Nelson, M.S., LSW, PHR
Secretary