

**Winona ORC Industries
Board of Directors
Minutes of September 24, 2012 5:00PM**

Directors Present: Jim Pomeroy, Jim Yenish, Bob Peterson, Don Schneider, Ann Nelson, Chad Anderson, Ron Wenzel, Dave Adank, Kevin O'Reilly, Laurel Mohan
Directors Absent: Crystal Hiatt, Maggie Modjeski

Guests: Blaine Krogh

Employees Present: Judie Foster-Lupkin – Director (via phone)

1. **Review of Agenda:** Motion made and seconded (Peterson, Schneider) to approve the agenda. Motion carried.
2. **Review of Minutes:** Motion made Wenzel- Peterson) to accept the contracts. Motion carried
3. **Finance Committee Report:** C Anderson reported that there was a \$19,000 net profit with a \$80,000 year to date net profit
Motion made and seconded (Peterson- O'Reilly) to accept the Financial Committee Report.
Motion carried.
4. **Executive Director's Report:** Judie Foster-Lupkin reported via phone.
Finance – received state EE contract and returned with signatures. Will not been able to bill for July or August until the contract is returned with signatures from the state. Still waiting for a determination of the waiver request. Hope to know before the end of October what the contract amount will be.
Laundry – continue to work on the project
Computer Software System – comparing the proposed program with others available.
Legislation – trying to stay abreast of legislative issues through the associations.
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 – J. Pomeroy reported.

Computer Software System – the committee reviewed the return on investment of the new system. Conservatively it could save about \$87,000 per year in reduced staff time. The cost is \$250,000 over a 5 year period with a \$4,000 - \$4,500 per month maintenance fee. (\$63,000 – license, \$40,000 – train, \$20,000 – maintenance) The company is willing to set up a payment plan. If approved it will still take 6-9 months to implement. Board would like to see the proposed contract before action is taken.

Dress Code – will know allow 1 small facial piercing (no larger than 3 mm)

Letter from National Council on Disability to the President – requests the elimination of section 14© of the Fair Labor Standards Act (FLSA) that allows us to pay sub-minimum wage to people with disabilities. Judie indicated that the associations will be drafting a letter.

Workers Compensation – 1 minor incident occurred.

Sales & Business Development – Bob Peterson reported.

Sales are up. Behrens bought out their competition from Oregon and moved the work to the Winona plant. Schools are up and running. Watlow has given us a dedicated work place for production. The County seems pleased with the work there. Fastenal School of Business has another big binder job ready to start.

The production floor is now swamped with work. Wincraft has clock work that includes disassembling 50,000 pieces for QC issues. Working to inspect meat grinding blades for correct thickness. Watkins – assembling 25,000 kits. Hal Leonard has 15,000 clam shells to assemble. Peerless demand is up. Rocktehn sent malt-o-meal pallets that are out of spec. Will charge more to complete the project. Shredding is up to 20 customers (think 80 customers is capacity). Exploring the need to be a certified shredder.

Mittens – at 753 mittens sold this fiscal year versus 500 for last year. Attending craft and trade shows. Now have them at Grandpa's Barn in Wabasha. Llama wool is selling for \$90/pound which seems unreasonable to pursue.

Fund Raising/PR – Chad Anderson reported.

Waiting to hear on several grant applications (laundry, veterans service, tech grant). Received \$9500 for United Way. Golf Tournament netted \$34,000 compared with \$41,000 last year. Expected the total be lower due to donors giving to the laundry project instead. Will not be hosting the Spelling Bee fundraiser this year. Researching new options like a Glow Run that would be held in the evening.

Program Management – Kevin O'Reilly/Ann Nelson reported. Committee didn't meet, but Leslie did a report for us. No Vulnerable Adult (VA) reports. Have 265 active clients; Social Security Ticket to Work application is completed and submitted. The DTH hourly ratios were turned in to the counties. This information is used to develop a new rate structure. 68 people placed year to date in 2012.

Maintenance – working on energy efficiencies with Enerchange. Excel has some rebate programs for lighting. Looking at replacing production floor lighting. 5310 Bus grant applications are under way and ahead of schedule.

6. Old Business:

Laundry Update – An anonymous donor gave \$250,000 in stock that was sold for \$262,000. This brings our fundraising total to \$987,804, which is over our 80% targeted amount. Letters were sent to donors who gave more than \$1,000 asking for an additional gift. Also sent letters to those who have not given.

- Pledges now become payables. Many pledges are due in December (about \$20,000). Chianne is sending out reminders. Finance Committee will be reviewing a need for an investment policy. According to the feasibility study, we estimate to be running in 7 months.

Motion made and seconded (Wenzel-Schneider) to proceed with the plan, executing from month 9 and beyond and to develop an Ad Hoc Laundry Team with Bob Peterson chairing, Kevin, Ron, Jim P and Jim Y, Todd and Judie. Judie will check with Dave Trickett to see about including him. Motion carried.

Vertex Software Proposal – Notes above under Personnel

Executive Director Succession Plan, CARF 1.1-B5.b – the document was sent out to Board members for review. Very thorough.

Motion made and seconded (Schneider – Peterson) to approve the policy as presented. Motion carried.

7. New Business - None

- 8. Adjourn:** Motion made and seconded (Peterson-O'Reilly) to adjourn. Motion carried.

Respectfully Submitted,



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