

Winona ORC Industries  
Board of Directors Meeting  
Minutes of September 28, 2015 Meeting 5:00 PM

Directors Present: Steve Volkman (Chairman), Kevin O'Reilly, Jim Pomeroy, Chad Anderson, Deb McClellan, Bob Peterson, Ron Wenzel

Directors Absent: Bill Reinarts, Maggie Modjeski, Matt Semling, Ann Nelson

Employees Present: Heidi Smith

1. Review of Agenda: Motion made and seconded (McClellan, Anderson) to approve the agenda, with the addition of the independent auditors report to be presented to the Board. Motion carried.
2. Review of the Minutes: Correction was noted in the Executive Directors Report that the visitors viewing the chain project were business customers who were requested by the Executive Director to obtain feedback on the project. Motion was made and seconded (O'Reilly, Johnson) to approve the amended Minutes. Motion carried.
3. Finance Committee Report: Jim Pomeroy reported on August financials. Jim detailed certain revenue and expense categories stated in the financial report and commented that expenses for the month are better (less) than budgeted. Motion made and seconded (Johnson, Wenzel) to approve the financial report. Motion carried.
4. Independent Auditors Report: Blane Krogh made an appearance (complete with temporary prosthetics) from his retirement to present the independent auditors report to the Board. His chauffeur and colleague, Curtis H. assisted with the presentation. Blane reported that the financial statements 2013-2014 were relatively clean and everything they reviewed was consistent with GAAP. The Balance Sheet reflected a significant cash balance with net assets breaking even in the year. Revenues were down, but marginally. Minimal changes or variations existed from the reports submitted by the accountants. Occupancy costs were significantly high, but likely attributed to laundry program. Overall, this was not a bad year and was good compared to prior years. Curtis H. provided an opinion with regard to the Audit that was completed. There were no disagreements or discrepancies. The Audit went well and they discovered only minor deficiencies with regard to segregation of duties. Comments were provided that this was typical for non-profits of the size as WORC. There was discussion surrounding conducting a review of fraud events, which the Auditors will investigate further. Also, a discussion occurred with respect to maintaining excess funds in outside bank accounts and options were considered and it was concluded that this is not a meaningful or material issue for WORC to be concerned.

The Chairman proposed that the Independent Auditors Report be placed on the agenda for the next meeting to be considered and approved.

5. Executive Director Report: Heidi reported that this is a recertification year and they have been working on updates, which likely will result in increased wages. There is no update on the Villa sale, except that inspections have been ongoing. There has been little or no real estate activity since we received the proposal currently being evaluated. It was discussed whether additional real estate broker activity and marketing should be occurring. The ORC listing agreement is expiring in December and several directors commented whether other alternatives should be considered and pursued. Regarding the Starlight Stroll, posters were made available for displaying and participation in the event was encouraged. Regarding the 'Chicken Chain' program, they have met expectations for the week and all is going well. It was reported that the 'Live Well' event was a great staff morale booster and the ORC placed second in their division. Everyone is looking forward to next year. Regarding the 'Mitten' event, there is a large inventory to sell. With respect to CARP training, we are on-track. Finally, we continue to be short on job coaches, so referrals of possible candidates would be beneficial.

6. Personnel Committee: Jim P. had nothing to report this month.

7. Sales Committee: Bob J. reported that job coaches were down. On the production side, X-mas season numbers appear to be similar to the requests we've received in past seasons. With regard to the Peerless project, we experienced some elevated number of injuries initially, but these numbers are down. With laundry, customers appears to be pleased with the service and they are working with us to address the linen supply issues. It was reported that Todd has been working with customers to address and alleviate supply flow issues.

8. Fundraising/Publicity: Maggie M was absent; therefore, no formal report was presented. However, Heidi commented there would be a meeting on the Starlight Stroll event this week. Also, there was a discussion on possibly looking at tennis tournament event.

9. Program Management: Kevin reported that the Committee would not be meeting until October and he would provide a report to the Board after they met.

10. Updated Strategic Plan: The Chairmen received input from the directors regarding the proposed updates to the Strategic Plan. The comments submitted by Kevin O. regarding quantification were duly noted and further discussion occurred with regard to more details or quantification will be provided in each 'sub-committee' strategic plans. Also, Kevin O. suggested incorporating additional references to 'improving the quality of life' of participants into the Mission Statement. Motion was made to approve the Amended Strategic Plan and seconded (Pomeroy, McClellan). Motion carried. The Chairman commented that the sub-committee strategic plans need to align with the amended Strategic Plan that has been approved and the sub-committees will be working on their committee strategic plans, with a goal for completing in December. Heidi indicated that she would start to work on this effort in October.

11. Annual Meeting: The Chairman commented that we need to start reviewing and preparing for the Annual Meeting. It was identified that officer and director renewals need to be reviewed and considered by the Board. Also, there was a discussion concerning the Compliance Officer position (Lynda Digby) and making her aware of the various responsibilities with this position. Additionally, the Board will need to consider and review the budget for next year in connection with the Annual Meeting.

12. Adjourn: Motion was made and seconded (Wenzel, Pomeroy) to adjourn. Motion carried.

Next Meeting: October 26, 2015

Respectfully Submitted,

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John J. Milek  
Board Member