

**Winona ORC Industries
Board of Directors Annual Meeting
Minutes of August 25, 2014 5:00PM**

Directors Present: Kevin O'Reilly, Jim Pomeroy, Dave Adank, Deb McClellan, Maggie Modjeski, Bob Peterson, Bill Reinarts, Ron Wenzel, Jim Yenish, Ann Nelson

Directors Absent: Chad Anderson, Steve Volkman

Employees Present: Judie Foster-Lupkin

Guests: Blaine Krogh, Serena Johnson

1. **Review of Agenda:** Motion made and seconded (Wenzel, McClellan) to approve the agenda with the addition of presenting the Financial Audit.
2. **Review of Minutes:**
Motion made and seconded (O'Reilly, Adank) to approve the minutes from 4.28.14. Motion carried.
Motion made and seconded (McClellan, O'Reilly) to approve the minutes from 6.2.14. Motion carried.
3. **Finance Committee Report:** Jim Pomeroy reported a \$27,000 net profit compared to \$18,000 budgeted; year-to-date net loss of \$21,000. Have filed FY15 Hardship Waiver with DEED due to not meeting Extended Employment contract.

Motion made and seconded (Modjeski, Adank) to approve the financial report. Motion carried

Audit Report – Blaine Krogh announced his retirement as of April 16, 2015. He will stay on as an advisor. Serena Johnson will be taking over.

- 2013 report shows no material adjustments. Laundry was added to the assets. Debt increased from \$200,000 to \$675,000. The year showed a profit with grants increasing over previous year and agency revenue increase of about \$60,000. Lewiston Villa is not included since it was purchased January 2014. Also discussed the MN Attorney General Report.

Motion made and seconded (Pomeroy, Peterson) to approve the 2013 audit report. Motion carried. (Serena left the meeting)

4. **Executive Director's Report:** Judie Foster-Lupkin reported
 - Hired a Director of Community Services – Paul Sanders. He will complete paperwork on 8.25.14 and meet staff the next day. Paul was recommended by Dave Trickett and has extensive customer/human resources experience.
 - The job coach positions have been difficult to fill. Rehired a former job coach part time and another part time position to fill the community school sites. The full time person who was offered a position never showed up for work.
 - Have reviewed and resubmitted many contracts for increases due to minimum wage increase.
 - Attended MOHR association meeting at Breezy Point. Discussed changes in state funding, DEED opening the Extended Employment rule for re-write, subminimum wage certification, Legislative strategies for 2015, Olmstead Plan and what it means, MN Employment First Policy.
 - Staff Salaries – Director wages are still down the 5%, direct staff 5% cut has been reinstated. Board would like personnel committee to consider reinstating the 5%.
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 that the committee recommends restoring salaries to the Directors effective today 8.25.14 for the 1st paycheck in September.

Motion made and seconded (Wenzel, O'Reilly) to approve restoring Director salaries. Motion carried.
Thank you Directors.

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Sales & Business Development – Bob Peterson reported that June sales are down about a third. The trend from 2010 – 2014 is a 2:1 ratio of CBS income to Center-based. Sales in this time period are up 62%.

Fund Raising/PR – Maggie Modjeski report that the golf event was a success raising \$34,000. The group talked about new ideas for next year, maybe moving it to Thursday. The committee won't meet until after the starlight stroll.

Starlight Stroll - Need Board support for the event; participation at races around the community are down.

Program Management – Kevin O'Reilly reported that there was 1 Vulnerable Adult report filed. To date we have 262 active clients.

Laundry Update –Bob Peterson reported that laundry is improving with each month; we started at 8% capacity and are now at 13%. Started with 17 client hours per day, now at 25 client hours per day.

- Mats – this is not employing clients. Todd is doing the work as it comes in. To continue will need to have a designated machine for cleaning mats – will look into the business opportunities here.
- Winona Health – the contract was signed to start mid – January 2015. Nov – Dec will be the ramp up period. Capital expenditure of a dryer and new washer. One of the used dryers behaves unpredictably. This will turn into a backup dryer and the purchase helps spread depreciation. This contract will increase pounds of laundry from 11,000 to 60,000 (13% utilization to 48% utilization). Will use 2 DTH job coaches on clean side and add others to soiled side. With Winona Health we will employ 21 clients per day.
- Sauer – can't seem to get a commitment
- Jail – still no contract yet with the jail
- Truck – is working well.

6. **Old Business:**

- CARF certification – working on recommendations, making progress
- Lewiston Villa – showed the building to Family & Children Center – will be visiting again with the director and maintenance people. Had 2 yard sales

7. **New Business – none reported**

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

Respectfully Submitted,



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