



1021 Kingsway, Suite 1
Cape Girardeau, MO 63701

Financial Committee Meeting Minutes (meeting held in-person with virtual Zoom option)

Members present: Committee Chair, Lisa Cook; Scott Sattler, Ron Huber

Members absent: Stan Beel, Matt Crabtree, Steve Pinkley

WDBSE staff present: Gretchen Morse, Sarah Wells, and Allysia Long

Tuesday, July 22, 2025 – 9:30am-11:00am

Ms. Lisa Cook called the meeting to order and reports were prepared for review.

Financial Expenditures Overview

Ms. Wells shared the PY24/FY25 budget and spending for the various funds, including WIOA Dislocated Worker, Adult, and Youth programs. She explained that the admin dollars left in the Dislocated Worker funds will be transferred to ensure proper budget allocations. Ms. Wells mentioned that the region is carrying over \$480,000 to the new year, which is less than the previous year's carryover of \$556,000. She also noted that the Adult program is at 56% spent and obligated, Dislocated Worker program is at 80% spend and obligated, while the youth program is at 73% spent and obligated. Ms. Wells assured that the funds would be spent by the end of the fiscal year, especially with the extra dollars in other funding expenditures. Ms. Wells shared update on funding for youth work experience, performance incentives, and tornado recovery efforts. They noted that additional funding from the Department of Employment Security was unlikely in 2026. Ms. Wells highlighted the success of recent incentive funds, which allowed extra resources for participants and office supplies. Ms. Morse shared that only a few regions met all WIOA performance measures, and the Southeast region is expected to meet all criteria for PY24. They also discussed the use of tornado recovery funds, which were primarily allocated to EDSI, and the challenges in spending due to lack of counties needing and requesting the assistance. Ms. Wells reported that 35% of funding remaining is for carry over, and the Healthy Blue program having \$9,800 left for participants. They reviewed funding cuts from DSS, including a reduction in TANF funding to \$190,000 and Jobs League funding to \$58,000, while FNS funding was cut to \$54,500. The team noted that while some DSS funds remained unspent, particularly with EDISI, they would be more vigilant about ensuring these funds are fully utilized, especially for participant wages, and are awaiting contracts from DSS which are typically issued in August.

Motion to approve financial expenditure reports made by Scott Sattler, seconded by Ron Huber, all in favor, motion carried.

Funding PY25/FY26

The Board reviewed expenditures and discussed new funding allocations for PY25/FY26. Ms. Wells explained the budget process, including a 10% administrative fee and a 65-35 split between program and participant funds. Once approved by full Board Ms. Wells will enter the approved budgets into the state system. Ms. Morse noted that health insurance costs may increase in January and will monitor premium rates during open enrollment in October.

Motion to approve new funding allocations made by Scott Sattler, seconded by Ron Huber, all in favor, motion carried.

PY24 Internal Financial Monitoring (EDSI)

Ms. Wells presented the final PY24 EDSI financial monitoring report, noting that while they don't conduct on-site visits due to being out of state, they had no compliance findings or areas of concern.

Principal 401k Plan

The group discussed switching current employee retirement plan from Principal to American Century Investments for retirement fund management. American Century's 403(b) plan will not cost the Board anything; however each active employee with less than \$25,000 in the fund will be required to pay \$25.00 annually. Mr. Huber raised a question about whether American Century would handle the required 5500 tax form administration, which Ms. Wells confirmed they do not handle, as this responsibility typically falls to the auditor or payroll department.

The group discussed the process of transitioning from a 401(k) to a 403(b) plan, focusing on the communication and actions required for former employees with vested balances. Mr. Huber emphasized that former employees must initiate the rollover process themselves and highlighted the importance of including a statement about consulting a tax advisor in the communication letter. The team agreed to send the draft letter to former employees, with a recommendation to use certified mail and follow up with phone calls, while also confirming with Principal about their authority to automatically roll over accounts.

Mr. Huber made motion that financial committee recommend to full Board closing the current 401k and moving to a 403b with American Century Investments contingent on American Century Investments filing the required Form 5500. Motion seconded by Scott Sattler, all in favor, motion carried.

Motion to adjourn made by Ron Huber, seconded by Scott Sattler, all in favor, motion carried.

- Next Meeting – October 14th, 2025 at 9:30am

*See below addendum dated 7/24/25-----



1021 Kingsway, Suite 1
Cape Girardeau, MO 63701

Thursday, July 24th , 2025

Addendum to Financial Committee Meeting Minutes July 22nd , 2025

This addendum is to expand upon minutes of the committee meeting held on July 22nd , 2025.

Upon further review of past employees with funds in Principal account; if the past employees do not take action within the 60-day window, Principal will place the funds into an IRA Principal Bank.

Upon further review on the annual filing of Form 5500; the annual filing of Form 5500 is typically exempt for WDB's. WDB's are considered a governmental entity and not subject to ERISA and therefore do not have to file Form 5500. However, the Board's CPA has been contacted to confirm the exempt status.

ERISA stands for the "Employee Retirement Income Security Act of 1974". It's federal law that sets minimum standards for most private-sector employee benefit plans in the United States, including retirement and health plans.

Prepared by Gretchen Morse, President/COO