



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

****ALL BHAGS WILL BE MEETING AT 5:30PM****
****A light meal will be served****

Community Development BHAG

Committee MembersJudge's Chambers room****

Angela Doren
Scott Peterson
Pam Lehmann
Mitch Kling
Jim Dahlvang
Jeff Olson
Kathi Thymian

Marketing BHAG

Committee MembersCity Council Chambers****

Bruce Swigerd
Brett Buer
Brent Olson
Mike Thein
Gary Hendrickx
Jim Schmaedeka
Upper Sioux Community Vacancy

Board Stewardship BHAG

Committee MembersRDC Meeting room****

Rusty Dimberg
Harold Solem
Warren Rau
Juanita Lauritsen
Heather Giese
Gary Johnson
Mark Bourne



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BOARD MEETING AGENDA

6:30 PM, June 28, 2011

Call to Order
Introductions
Approve Agenda/Additions

1. Consent Agenda Items
 - a. Approve Minutes of May 24, 2011 Meeting
 - b. Approve Treasurer's Report and May check listing

NOTE: All items listed under consent agenda will be enacted by one motion. There will be no separate discussion of these items unless desired by a Commission member. That item would then be removed from the consent agenda list and considered separately.

Citizens Comments

ROUND ROBIN: Please share any recent actions, discussions or issues from your council or board.

Staff Presentations

2. Informational Items
 - a. Planner Update
 - b. Acronym List
 - c. Marketing Packets
 - d. Board of Directors & Officers Election
 - e.
3. Action Items
 - a. RLF Advisory Board Recommendations
 - b. FY12 Levy Recommendations
 - c. FY12 Statement of Indirect Costs & Direct Expenses
 - d. Hedgehog Fund Recommendation
 - e. Staffing recommendations
 - f. FY2012 Budget Recommendation
 - g. Governmental Accounting Standards Board (GASB) #54 Policy; Resolution; FY11 Fund Balance Designation Schedule
 - h. Nominating Committee
4. Discussion Items
 - a. BHAG Committee Reports
 - b.

Next Meeting Annual Meeting July 26, 2011

Adjourn

"Enable the region to thrive through assisting local governments."

MINUTES

Upper Minnesota Valley Regional Development Commission

Appleton Civic Center

Appleton, MN

May 24, 2011

6:30 PM

Members Present: Bruce Swigerd, Juanita Lauritsen, Brent Olson, Brett Buer, Mark Bourne, Rusty Dimberg, Gary Hendrickx, Jeff Olson, Mitch Kling, Heather Giese, Warren Rau, Harold Solem, Gary Johnson, Jim Schmaedeka, Angela Doren, Pam Lehmann, Scott Peterson, Kathi Thymian

Members Absent: Mike Thein, Jim Dahlvang

Staff Present: Dawn Hegland, Jen Remboldt, Jenifer Fadness, Kristi Fernholz, Jacki Anderson

Call to Order

Vice Chairperson Johnson called the meeting to order at 6:45 p.m.

Approve Agenda/Additions

Four items were requested as additions and one item was moved from consent agenda to action item to the agenda:

- 3a. Equipment Purchases
- 3c. Prairie Country Resource Conservation & Development Area
- 4a. Community Survey Presentation
- 4b. BHAG Discussion
- 1e. Byway Grant Application Authorization moved to Action Item 3b

M/S/P - B. Swigerd, B. Olson to approve the agenda with the additions and change.

1. Consent Agenda Items

- a. Approve Minutes of April 26, 2011 Meeting
- b. Approve Treasurer's Report and April Check Listing
- c. Browns Valley Contract for Fiscal Agent & Advisory Services
- d. Granite Falls Contract for Fiscal Agent & Advisory Services

M/S/P – G. Hendrickx, B. Buer to approve the consent agenda as presented.

Citizens Comments ~ None

ROUND ROBIN DISCUSSION

The Board had good discussions on issues they are working on in their respective counties and communities – some of which were:

- All townships and counties are dealing with wet, muddy, and/or washed out roads.

- Scott ~ Yellow Medicine Municipalities – Granite Falls breaks ground May 25 for new water treatment facility and social hosting ordinance was presented to the city council.
- Angela ~ Big Stone County Municipalities – Ortonville’s Utility and Street boards are meeting jointly to prioritize projects within the city.
- Pam ~ Lac qui Parle EDA- The Computer Commuter will be presenting at the State Conference for Adult Basic Education in St Cloud in June.
- Brent ~ Big Stone County – County’s GIS subscriptions have just about paid for the yearly fees.
- Mitch~ Yellow Medicine Townships – Meeting with FEMA May 25th for disaster assistance.
- Gary Hendrickx ~ Swift County – Will hold a first reading on a cemetery ordinance on June 8 and trying to include into the budget a new voice over IP phone system for the county offices.
- Heather ~ Swift County Municipalities – Appleton city council is continuing to meet with Appleton Area Health Services.

2. Information Items

a. Planner Update

Commissioners reviewed a status update on RDC activities in the last month.

b. CEDS Update

Jacki informed the board that the Department of Commerce Economic Development Administration is standardizing CEDs reporting so the RDC will be completing the CEDs revision and will submit it in June of 2013.

3. Action Items

a. Equipment Purchases

Dawn presented to the board a request to purchase three new computers for the office. All three are part of the equipment rotation and included in the equipment budget for this fiscal year.

M/S/P – B. Olson, P. Lehmann to authorize the purchase of three new computers with a cost not to exceed \$6,000.00.

b. Byway Grant Application Authorization

Kristi presented a grant proposal that she is currently working on for the Minnesota River Valley National Scenic Byway. The grant if awarded requires a 20% match over two years.

M/S/P – G. Hendrickx, H. Solem to authorize a 20% match of up to \$31,703 over two years for the Minnesota River Valley Scenic Byway Corridor Management Plan update 2011.

c. Prairie Country Resource Conservation & Development Area

Brent Olson advised the RDC board that the Prairie Country RC&D has lost their funding from the USDA. He stated that he was contacted by another county commissioner asking if the UMVRDC could assist in projects that the Prairie Country RC&D were doing. Dawn advised the board that she was also contacted by other individuals as well. Discussion was held. No action was taken as more research needs to be conducted.

4. Discussion Items

a. Community Survey Presentation

Jacki shared with the board the results of the Community survey that was conducted this spring. She also informed the board that a County survey has just been sent out and will share those results at a later meeting. Discussion was held.

b. BHAG Report

Each BHAG committee gave a short synopsis of their meeting. All BHAG's will meet again next month to finalize goals for FY2012.

Adjourn

M/S/P – B. Buer, P. Lehmann to adjourn the meeting at 7:57 pm.

Next Meeting Location

Appleton Civic Center June 28, 2011 6:30 pm

APPROVED BY:

PREPARED BY:

Presiding Officer

Administrative Assistant

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury
Financial Officer

DATE: June 28, 2011

RE: Treasurer's Report – May 2011
May Check Listing

Attached is the May 2011 treasurer's report. On the bottom of the revenue report (page 2) I have added the current and year to date pass-thru revenue that is not included on the itemized revenue report. Pass-through items include things like payments to grants recipients; Meander and Tourism ads and special activities; Byway projects. At the end the disbursement report (page 3) are the agency balances for the following accounts: general checking, money market, revolving loan fund, agency auto and equipment fund. Also enclosed is the check listing that lists all checks cut for the month of May 2011.

ACTION REQUESTED:

For the Commission to approve the attached UMVRDC May 2011 Treasurer's Report and also the May check listing (check #16239 through 16296) as presented.

Enc.

Upper MN VALLEY REGIONAL DEVELOPMENT COMMISSION

May-11

Page 2

	FY11 Current			
Agency Revenues	Budget	Current	YR-To-DT	
Interest	4,000	394	4,281	107%
Levy	249,000	22	116,888	47%
Miscellaneous	200	(1,894)	2,034	1017%
Contracts & Reserves	0		0	0%
Economic Development/EDA				
EDA Planning Grant	64,628		64,628	100%
WesMN RLF Admin	32,000	(4,311)	28,556	89%
Hazard Mitigation				
4-County Hazard Mitigation Updates	55,491	10,210	42,490	77%
Upper Sioux Hazard Mitigation Updates	21,607	0	21,266	98%
LqP Hazard Mitigation Updates	35,000	17,690	32,024	91%
Technical Assistance				
Technical Assistance Potential Contracts	0		0	
Clara City Comp Plan (\$4,250 HH)	3,000	5,750	5,750	192%
Swift Park Ordinance	0	865	1,581	
Swift County Emergency Operations Plan	0		0	
Ortonville EDA Planning	450		0	0%
Upper Sioux Energy Plan	20,000		17,453	87%
Graceville Web Site	1,600	1,427	1,456	91%
Granite Falls Strategic Planning (\$2,000 HH)	4,000		4,000	100%
GIS Repair	6,348		6,348	100%
Appleton CCS	2,945	500	3,445	117%
Benson Shared Services	3,890	590	3,890	100%
Blandin Extension Project	4,875	(172)	858	18%
Swift Zoning (\$4,000 HH)	12,000	(865)	11,192	93%
Blandin Marketing	12,500	(3,861)	11,863	95%
Blandin Website Projects		4,405	4,405	
Blandin Demo Community	5,000	(4)	10,000	200%
Grant Writing				
Potential Grant Writing Contracts	0		0	
Potential SCDP Grants	0		0	0%
Dawson DEED BDIP Grant	3,000	3,000	3,000	100%
Dawson EDA Grant Application (\$4,000 HH)	8,000	(890)	5,890	74%
Granite Falls Strategic Planning	4,000		0	0%
Granite Falls Bridge	4,000		2,000	50%
LqP Legacy Park Grant	0		0	
Benson SCDP Short Form Grant	1,500	3,000	3,000	200%
Benson DEED Redevelopment Grant	1,000	1,000	1,000	100%
Benson Park Ordinance and Shared service			3,440	
LqP Geothermal Energy Grant (\$750 HH)	1,500		1,500	100%
Grants Administration/Management				
Browns Valley HUD	55,000	8,335	42,444	77%
Granite Falls Overall Admin	37,500	6,902	24,912	66%
Maynard/Clara City SCDP	12,589	(5,905)	12,048	96%
Granite Falls/Clarkfield SCDP	19,000	4,390	15,734	83%
Benson SCDP	15,000	4,072	9,421	63%
Appleton SCDP	10,000	72	1,836	18%
Transportation/MN DOT				
Planning Grant	50,000		45,000	90%
Transit Study	4,650		6,336	136%
Transit Coordination Study Update	5,000	394	394	8%
Prairie Waters	56,500	(7,525)	68,921	122%
Forecast Public Arts Grant			1,500	
Art Crawl	29,700	7,725	45,135	152%
Legacy Grant - MN Historical Society	1,321		1,231	93%
Byway Legacy Interpretative Panels	37,390	0	35,887	96%
	895,184	55,314	725,039	81%
Pass-Thru Revenue (not included above)		71,814	1,253,348	

Upper MN VALLEY REGIONAL DEVELOPMENT COMMISSION

May-11

Current YR-To-DT

DISBURSEMENTS

Salaries/Fringe	511,200	36,847	0	471,403	92%
Data Acquisition	500			10	2%
Commissioner's Expense					
Per Diem/FICA	14,000	1,023		9,581	68%
Meeting Expense	3,000	100		1,244	41%
Public Officials Ins.	6,000	(4,426)		6,932	116%
Travel C&C	9,000	586		4,926	55%
Training	7,000			1,125	16%
Audit	12,000			12,477	104%
Hedge Hog Grants	0			0	
LqP OES Grant	750			750	100%
Dawson EDA Grant	4,000	110		2,000	50%
Swift Zoning	4,000			4,000	100%
Granite Falls Strategic Planning	2,000			2,000	100%
Clara City Comp Plan	4,250			2,000	47%
Computer Technical Assistance	25,000	2,107		14,357	57%
Contract for Services/Comm Dev	17,000	370		15,042	88%
Copy Charge/Xerox Lease	10,000	706		8,088	81%
Depreciation	10,000	746		8,328	83%
Dues	3,000	83		83	3%
Equipment	2,000			325	16%
Insurance	3,500			1,194	34%
Lease/Service Agreement	5,000	50		1,928	39%
Legal Fees	10,000			2,960	30%
Miscellaneous/Employee Morale	4,000	500		1,964	49%
Office Rent	12,210	1,017		12,200	100%
Postage	15,000	0		8,432	56%
Printing/Advertising	11,000	300		2,715	25%
RDC Marketing/handouts	10,000			2,935	29%
Registration/Training	13,500	1,104		6,634	49%
Repairs/Maintenance	1,000	80		1,008	101%
Software	3,000			466	16%
Software/Maint GIS	3,000			25	1%
Sub./Publications	2,000	8		1,194	60%
Supplies	8,500	228		3,133	37%
Telephone	8,000	650		5,961	75%
Travel/Staff	25,000	1,287		14,980	60%
Regional Recruitment		110		110	
Art Crawl	16,700			6,770	41%
Tourism Trade Shows/Ads	15,000	569		9,821	65%
	811,110	44,155		649,101	80%

Revenue over (under) expense 84,074 11,160 75,938

General Checking	\$ 182,087.74
Money Market	\$ 353,311.22
RLF Savings	\$ 383,337.10
Agency Auto	\$ 31,862.89
Equipment Fund	\$ 21,608.47

UMVRDC Secretary/Treasurer

UMVRDC Executive Director

May 2011 CHECK LISTING

Check#	Check Date	Vendor Name	Check Amount	Description
16239	05/05/2011	Appleton Oil Company	34.12	Oil Change - Van and Car
16240	05/05/2011	CHIPPEWA COUNTY AUDITOR	374.87	Dental Insurance
16241	05/05/2011	CITY OF APPLETON	1,016.67	Office Rent - June 2011
16242	05/05/2011	DAWN HEGLAND	75.00	Cell Phone - May 2011
16243	05/05/2011	Dyrdahl Lumber Co.	3,997.00	Granite Falls Owner Rehab
16244	05/05/2011	Federated Telephone	2,107.00	Computer Technical Assistance
16245	05/05/2011	JACALYN ANDERSON	64.87	Staff Travel
16246	05/05/2011	Lac Qui Parle Valley Community Ed	500.00	52 Wing
16247	05/05/2011	Mediacom LLC	100.92	Internet (5-4-11 - 6-3-11)
16248	05/05/2011	Michelle Bouta	62.50	HRA Account - May 2011
16249	05/05/2011	PRAIRIE FIVE CAC	2,361.00	Granite Falls Owner Rehab Admin \$2,060; Rent Rehab Admin \$301
16250	05/05/2011	Ruth Keller	80.00	Office Cleaning
16251	05/05/2011	The Appleton Press	12.28	Supplies
16252	05/24/2011	Bourne, Mark L	71.14	Commissioners Payroll
16253	05/24/2011	Buer, Brett T	79.81	Commissioners Payroll
16254	05/24/2011	Dahlvang, Jim	200.68	Commissioners Payroll
16255	05/24/2011	Giese, Heather	47.17	Commissioners Payroll
16256	05/24/2011	Hendrickx, Gary	47.17	Commissioners Payroll
16257	05/24/2011	Johnson, Gary L.	83.89	Commissioners Payroll
16258	05/24/2011	Kling, Wayne	82.87	Commissioners Payroll
16259	05/24/2011	Lauritsen, Juanita	47.17	Commissioners Payroll
16260	05/24/2011	Olson, Brent	71.14	Commissioners Payroll
16261	05/24/2011	Olson, Jeff	71.65	Commissioners Payroll
16262	05/24/2011	Rau, Warren	60.43	Commissioners Payroll
16263	05/24/2011	Schmaedeka, Jim	82.87	Commissioners Payroll
16264	05/24/2011	Solem, Harold	363.88	Commissioners Payroll
16265	05/24/2011	Swigerd, Bruce	70.12	Commissioners Payroll
16266	05/24/2011	Thein, Mike	102.25	Commissioners Payroll
16267	05/19/2011	Chase Card Services	1,710.75	Equipment, Staff Travel, Agency Auto Gas, Regional Recruitment, Telephone, Meeting Expense, Supplies, Training, WWW Host Design,
16268	05/19/2011	Dana F. Cole & Company LLP	30.94	Flex Admin Fee
16269	05/19/2011	DONS FOOD PRIDE	34.81	Meeting Expense
16270	05/19/2011	Dyrdahl Lumber Co.	3,060.00	Clarkfield/Granite Rent Rehab
16271	05/19/2011	E&M Electric	167.00	Benson Grant - Owner Rehab
16272	05/19/2011	Franz Albert Richter	250.00	Contract for Services
16273	05/19/2011	Grants Management Systems, Inc.	50.00	GMS Maintenance
16274	05/19/2011	Great America Leasing Corp.	109.01	Postage Meter Rental
16275	05/19/2011	MCIT Training	80.00	Training
16276	05/19/2011	Nortec Communications Inc.	230.00	Telephone
16277	05/19/2011	Outdoor News Publications	154.50	Prairie Waters Ad
16278	05/19/2011	PAUL MICHAELSON	120.00	Granite Falls Consultant
16279	05/19/2011	Scarcely Ltd.	450.00	Clarkfield/Granite Falls Grant - Owner Rehab
16280	05/19/2011	Select Account	7.66	May Admin Fee
16281	05/19/2011	South Dakota Magazine	519.00	Prairie Waters Ad
16282	05/19/2011	TDS Telecom	207.72	Telephone Charges
16283	05/19/2011	The Appleton Press	300.00	Advertising
16284	05/19/2011	USABLE Life	28.10	Life Insurance - June 2011
16285	05/19/2011	West Central Sales	31.90	Supplies
16286	05/19/2011	Xerox Corporation	737.46	Copy Charge - April 2011
16287	05/24/2011	LEAGUE OF MN CITIES FINANCE DEPARTMENT	825.00	Annual Conference - June 15-17, 2011
16288	05/24/2011	MN NCPERS Life Insurance	32.00	June 2011 Life Insurance
16289	05/24/2011	NADO - National Association of Development Organizations	1,000.00	NADO Membership
16290	05/24/2011	Swift County Monitor-News	33.00	Subscription
16291	05/24/2011	WEST CENTRAL TRIBUNE	165.30	Subscription
16292	05/31/2011	Bangsd Construction Inc.	6,449.00	Benson Owner Rehab
16293	05/31/2011	Bergman's Plumbing and Heating	14,943.00	Appleton Commercial Rehab
16294	05/31/2011	Brett Larsen Construction	9,879.00	Appleton Commercial Rehab
16295	05/31/2011	Cronen Construction	11,285.00	Benson Owner Rehab
16296	05/31/2011	PRAIRIE FIVE CAC	1,165.00	Benson Commercial Rehab Admin
			<u>66,323.62</u>	Total Expensed in May 2011

Brett Buer, UMRDC Secretary/Treasurer

Dawn Hegland, Executive Director

Gray highlights are pass-thru expenses

INFORMATION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Jacki Anderson, Kristi Fernholz, Barb Jordahl, Arlene Tilbury & Jenifer Fadness

DATE: June 28, 2011

RE: Planner Update

In an effort to update the Commission on projects, staff has prepared the following brief summary of current projects.

Revolving Loan Fund – Jacki

Funds available for equipment, working capital or real estate as of May 2011 are \$383,337.10. For more information about the RLF check out the RLF page on the UMRDC's website under "what we do"!

Blandin Broadband Demonstration Community – Dawn, Jacki

Demonstration projects will present project updates for the MIRC Steering Committee on May 19th at the UMRDC from 1-4pm. The list of project presenters is listed below:
Dawson/Boyd Schools Project – Mini geek squad concept and online classes
Ortonville EDA/Schools Project – Connect students, business and social media
Johnson Memorial Health Services Project – Home health experiment
UMVRDC Project – Rural websites
Big Stone County Project – E-government GIS Services
Lac qui Parle EDA Project – Expanding computer commuter services

Hazard Mitigation – Jacki

Final edits are being completed as a result of the 3rd task force meeting held on May 25th. A fourth task force meeting will be planned for August 2011 to review chapters 5 and 8 which will wrap up the plan review. The plan will be submitted to HSEM in September 2011.

Clara City Comprehensive Planning – Kristi

The city survey is almost complete and will be sent out in early July.

Prairie Waters Regional Tourism – Kristi, Jenifer

Several newspapers in the region have printed our press release regarding the SWIF award. We have also posted a story about it on our website and on the Prairie Waters Facebook page. We will do some brainstorming on what to do with the \$1,000 prize.

We continue to update our Facebook page with current events and are looking for ways to freshen up the Prairie Waters website.

Staff and the Prairie Waters Board are currently planning the Prairie Waters annual meeting. Mark your calendar for August 31st from 5 – 7pm. More details on the event will be available in July.

Minnesota River Valley National Scenic Byway (MRVSB) – Kristi, Jenifer

Kristi met with the state byway commissioners on June 14th in Mankato. The commission consists of state representatives from Explore Minnesota Tourism, DNR, Minnesota Historical Society and MNDOT. The commission recognizes that changes have occurred for the byway programs in Minnesota. They wanted to get ideas on how to move forward as the federal transportation bill will likely drastically change future byway funding opportunities. The result of the meeting was that everyone was committed to the state byway program and we would continue to find ways to move the program forward.

Meander – Kristi, Jenifer

The Meander brochures are completed and available at our office! A large bulk mailing of the brochures will be sent in July.

City of Echo website - Kristi

Kristi will meet with the city council on June 21st to discuss their city website plans.

Granite Falls – Arlene, Barb

H & H Construction was awarded the contract for the demolition of three remaining residential structures that were not picked up at auction in association with the Prentice Street Flood Protection Project.

2011 Transit Service Coordination Plan – Dawn

The public meeting for transit was held on June 8 to discuss gaps and potential project ideas for transit service for the region. The steering committee will be meeting in late June or July to finalize suggestion. These ideas will be the basis for the transit plan the RDC will be asked to adopt later this fall.

USC Energy Plan – Jacki

USC is working with Prairie Five to complete energy audits that will contribute to baseline data that will be used in the energy plan. A task force meeting will be planned for July 2011 to review baseline data and a rough draft of the plan.

Regional Recruitment – Jacki, Dawn

The group met on June 2nd and identified the need for a quick-fact worksheet to information the region about the value of newcomers. The group will work on the developing this information between now and their next meeting.

Meetings and Conferences

5/16-17/11	Transportation Planners Mtg. in St. Cloud	Dawn
5/19/11	MIRC Steering Committee Presentations	Dawn, Jacki, Kristi
5/20/11	SWIF Annual Mtg	Dawn, Kristi, Jenifer
5/25/11	Swift Co HM Task Force Mtg	Jacki
6/15/11	Prairie Waters Board Meeting	Kristi, Jenifer
6/16/11	Byway Alliance Meeting	Kristi

6/16-6/17	League of MN Cities	Jacki
6/21/11	Echo city council meeting	Kristi
6/22/11	DEED SCDP Training	Arlene, Barb, Jacki
6/24/11	Byway Commission meeting – Mankato	Kristi

INFORMATIONAL ONLY- No Action requested

INFORMATION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Jen Remboldt, Administrative Assistant
DATE: June 28, 2011
RE: Acronym List

Attached is an updated list of acronyms that our office uses on a regular basis. If you find that we missed any please let us know and we will add them to the list. Thanks!

INFORMATIONAL ONLY- No Action requested

Enclosure

AAA	Area Agency on Aging
ADA	Americans Disabilities Act
AMC	Association of Minnesota Counties
ATP	Area Transportation Partnerships
ATIP	Area Transportation Improvement Program
AURI	Agricultural Utilization Research Institute
BWSR	Board of Water and Soil Resource
CDC	Community Development Corporation
CEDS	Comprehensive Economic Development Strategy
CERTS	Clean Energy Resource Teams
CMP	Corridor Management Plan
CPHS	Countryside Public Health Service
CTS	Center for Transportation Studies - U of M
DAC	Developmental Achievement Center
DEED	Department of Employment & Economic Development
DHS	Department of Human Services
DNR	Department of Natural Resources
DOE	Department of Energy
DOQ	Digital Orthophoto Quadrangle
EDA	Economic Development Administration (Dept. of Commerce)
EDA	Economic Development Authority (Local)
EDD	Economic Development District
EMT	Explore MN Tourism
EPA	Environmental Protection Agency

FEMA	Federal Emergency Management Agency
FHWA	Federal Highway Administration
FSA	Farm Service Agency (formerly ASCS)
FTA	Federal Transit Administration
GIS	Geographic Information Systems
GPS	Global Positioning System
HRA	Housing and Redevelopment Authority
HUD	Housing and Urban Development
LCCMR	Legislative Citizens Commission on Natural Resources
LMC	League of Minnesota Cities
LUG	Local Unit of Government
MAT	Minnesota Association of Townships
MDH	Minnesota Department of Health
MHHA	Minnesota Health and Housing Alliance
MHS	Minnesota Historical Society
MnDOT	Minnesota Department of Transportation
MPCA	Minnesota Pollution Control Agency
MRDO	Minnesota Regional Development Organizations
MRVSBA	Minnesota River Valley Scenic Byway Alliance
NADO	National Association of Development Organizations
NARC	National Association of Regional Councils
NHS	National Highway System
NRCS	Natural Resources Conservation Service (formerly Soil Conservation Service SCS)
OEA	Office of Environmental Assistance
OWM	Minnesota Office of Waste Management
P-5 CAC	Prairie Five Community Action Council

PIC	Private Industry Council
PIN	Property Identification Number
PW or WMPW	Western Minnesota Prairie Waters
RC&D	Resource Conservation and Development District (Prairie Country RC&D - is the RC&D that serves our area)
RDA	Rural Development Authority
RDC	Regional Development Commission
RECD	Rural Economic & Community Development (previously Farmers Home Administration - FmHA)
Region 6W	Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine Counties
RFP	Request for Payment or Request for Proposal
RIDES	Prairie Five Senior Volunteer Driver Program
RLF	Revolving Loan Fund
ROW	Right of Way
RUS	Rural Utilities Service
SBA	Small Business Administration
SBDC	Small Business Development Center
SCDP	Small Cities Development Program
SMAHC	Southwest Minnesota Arts and Humanities Council
SMTA	Southern MN Tourism Association
SOB	State Office Building
STIP	State Transportation Improvement Program
SWCD	Soil and Water Conservation Districts
SWIF	Southwest Initiative Foundation
SWMHP	Southwest Minnesota Housing Partnership
TA	Technical Assistance

TAC	Transportation Advisory Committee
TIF	Tax Increment Financing
TIP	Transportation Improvement Program
UMVRDC	Upper Minnesota Valley Regional Development Commission
USDA	United States Department of Agriculture
USGS	United States Geological Survey
UMVRDC RLF	Upper Minnesota Valley Regional Development Commission Revolving Loan Fund

INFORMATION MEMO

TO: Upper Minnesota Valley RDC Commissioners

FROM: Jenifer Fadness, Communications

DATE: June 28, 2011

RE: Marketing Packets

There will be marketing packets available for board members to take with them. These are the packets that the planners give out when they go to a city council, county board meeting, etc. to share information about the RDC. Packets are customized depending on who is being visited.

If you have any questions or comments about the packets, please talk to any RDC staff.

INFORMATIONAL ONLY- No Action requested

INFORMATIONAL MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Dawn Hegland, Executive Director
DATE: June 28, 2011
RE: Board of Directors & Officers Election

Members from **each** county should caucus prior to the July annual meeting for the purpose of selecting a board of director's member and an alternate for each county. The names of these individuals should be presented to the Commission following the election of the chairperson at the July annual meeting.

From among the members of the board of directors, nominations will be received for the position of vice chairperson and secretary/treasurer. Please remember, our bylaws do not allow a public interest group representative to serve on the board of directors or as an officer.

I have enclosed the section of the Bylaws that pertains to the board of directors and list the current board members and their respective terms below. Please note that both Gary Johnson and Warren have served four years so those counties will need a new board of directors' representative.

UMVRDC Chair & Board of Directors

Chairperson: Jim Dahlvang 2011

Big Stone County:
Rusty Dimburg 2009, 2010, 2011
Brent Olson – Alternate

Chippewa County:
Mike Thein 2011
No Alternate

Lac qui Parle County:
Brett Buer - Secretary/Treasurer 2011
Harold Solem – Alternate

Swift County:
Warren Rau 2008, 2009, 2010, 2011
No Alternate

Yellow Medicine County:
Gary Johnson –Secretary/Treasurer 2010, Vice
Chair 2008, 2009, 2011
Scott Peterson – Alternate

INFORMATIONAL ONLY: No action required.

Enc

ARTICLE V: BOARD OF DIRECTORS

Section 1. General Powers and Duties: The business and affairs of the Commission shall be managed and governed by the Board of Directors whose actions and policies are subject to the approval of the Commission. The Board of Directors is authorized to act for the Commission, provided such action shall in no manner be contrary to the provisions of Minnesota Statutes or go beyond the scope of authority granted to the Board by these Bylaws. Actions undertaken by the Board of Directors on behalf of the Commission must be approved by a 2/3 vote of the quorum of Board of Directors. The Board of Directors shall report its actions on all matters to the Commission at the next meeting of the Commission.

The Board of Directors shall function as the Personnel Committee for the UMVRDC and be empowered to meet on an emergency basis to handle issues that need immediate attention.

The duties and responsibilities of the Board of Directors may be modified from time to time by the Commission.

Section 2. Membership: The Board of Directors of the Commission shall consist of one commissioner from each county, plus the chairperson of the Commission. The regional commissioners from each county shall nominate a commissioner to serve on the Board of Directors. Commissioners representing public interest groups may not serve on the Board of Directors.

Section 3. Term of Office: The term for a member of the Board of Directors shall be for one year. A commissioner shall be elected to the Board of Directors at the July meeting and may be selected to succeed himself/herself. In no instance shall a commissioner be selected to serve more than four consecutive one-year terms. If it is determined by the entire Commission that a member of the Board of Directors is not fulfilling his/her responsibilities, the entire Commission by majority vote may remove said commissioner from the Board of Directors.

Section 4. Vacancies: Vacancies on the Board of Directors shall be filled by the Commission in the same manner as commissioners are elected to the Board of Directors. If a commissioner on the Board of Directors was not re-elected to his/her local elected office, a vacancy would occur.

Section 5. Meetings: Meetings of the Board of Directors shall take place at such time, and place as deemed necessary by the Board of Directors. Notice of Board meetings shall be posted and sent to Commission members and those persons filing a written request for notification, at least three (3) days prior to the meeting. Notice of emergency meetings shall be posted with an attempt made to contact by phone, Commission members and those persons filing a written request for notification of special meetings.

Section 6. Quorum: A quorum of all meetings of the Board of Directors shall consist of a majority of the Board of Directors.

Section 7. Salary: No salary shall be paid to directors for their service; provided, however, that a director may receive a per diem as allowed by law and expenses for each meeting of the Board

of Directors attended. The payment of the per diem and allowable expenses shall be made according to a schedule established by the Commission.

Section 8. Minutes: The minutes of each Board of Director's meeting shall be prepared and distributed to all members of the Commission.

Section 9. Alternate: The commissioners from each county may nominate commissioners from their county to serve as first and second alternates for their Board of Director's representative. If a member of the Board of Directors is unable to attend a meeting due to circumstances beyond control, he/she may request his/her alternate to serve for him/her during that meeting. During that meeting, the alternate may serve as a member of the Board of Directors and have all the authority granted to the same.

ARTICLE VI: OFFICERS

Section 1. Number of Officers: The officers of the Commission shall be a chairperson, a vice-chairperson, and a secretary-treasurer. The Commission may establish additional offices from time to time. The officers shall serve for a term of one (1) year and may be re-elected to succeed themselves. In no instance shall a commissioner be selected to serve an office more than four consecutive one-year terms. No two offices may be held by the same person at the same time.

Section 2. Chairperson: The chairperson shall be an elected official member of the Commission. For selecting a chairperson, a nominating committee (to consist of three persons) shall be selected one month prior to the annual meeting and this committee shall be appointed by the Commission's chairperson. The nominating committee would then be charged with soliciting the Commission members who are eligible to become chairperson to determine a list of candidates or a single candidate which would be recommended to the Commission membership at the annual meeting. At that point, the chairperson would also receive nominations from the floor for any additional candidates to be considered as chairperson for the Commission for the upcoming fiscal year. A member of the nominating committee may also be a candidate for chairperson. The chairperson shall be elected at the annual meeting of the Commission. The chairperson shall be responsible for carrying out the policy decisions of the Commission and shall have the powers and duties vested in him/her under and pursuant to the Regional Development Act of 1969, and any amendments thereto. Payment of per diem and expenses shall be made in accordance with the schedule established by the Commission.

The chairperson shall preside at all meetings of the Commission and the Board of Directors and shall be allowed to serve as a non-voting member of any committee of this Commission unless authorized otherwise by the Commission membership.

Section 3. Vice-Chairperson: The vice-chairperson shall be elected by the Commission from the membership of the Board of Directors at the annual meeting of the Commission. The vice-chairperson of the Commission shall assist the chairperson in carrying out his/her duties and shall perform such additional duties as may be established by the Commission from time to time. In the absence of the chairperson at any meeting of the Commission or the Board of Director, the

vice-chairperson shall preside. In the case of disability preventing the chairperson from carrying out his/her duties, the vice-chairperson shall temporarily take over those duties.

Section 4. Secretary-Treasurer: The secretary-treasurer shall be elected from among the members of the Board of Directors in the same manner as the vice-chairperson.

The secretary-treasurer shall issue notices of all meetings, and shall keep minutes of all meetings and maintain a record for that purpose. The secretary-treasurer shall have custody of and provide for the safekeeping of all documents of the Commission. The secretary-treasurer shall disburse the funds of the Commission as authorized by the Commission and approved by the Board of Directors and shall render to the Commission and the Board of Directors an account of transactions and of the financial condition of the Commission as required from time to time, by the Commission or the Board of Directors. The obligations of the secretary-treasurer may be delegated to the executive director.

Section 5. Bonding: All officers and employees of the Commission who handle funds of the Commission or who are custodians of property shall be bonded in the amount to be determined by the Commission. The cost of such bond or bonds shall be paid from the funds of the Commission.

Section 6. Vacancies: If a vacancy occurs in the office of the chairperson, a new chairperson shall be elected at the next meeting of the full Commission according to procedures established by these Bylaws. Such a chairperson shall serve until the succeeding annual meeting.

If a vacancy occurs in the office of vice-chairperson or secretary-treasurer, the Board of Directors shall select a successor from among its membership to serve out the existing term of such office.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Jacki Anderson, Senior Planner
DATE: June 28th, 2011
RE: Loan Advisory Board Recommendations

The Loan Advisory Board reviewed a new loan request to help with the purchase of the Granite Falls Dairy Queen returning it to local ownership.

Jim Aus, Granite Falls – Dairy Queen Grill & Chill

The loan request is for \$100,000 to assist with the purchase of the Dairy Queen. The project is in collaboration with a local bank and other investors.

Recommendation: The Loan Advisory Board recommended approval of the loan for \$100,000 at 4% over 10 years contingent on a letter of understanding from the investors acknowledging the lenders will be paid off prior to the investors and that all parties in the application participate at the rate and terms identified in the application.

ACTION REQUESTED:

Approve, modify or deny the recommendations of the Loan Advisory Board.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 28, 2011

RE: FY12 Levy Recommendations

Below is the levy breakout for the current fiscal year and also a proposed levy for FY12 which includes a three percent increase (the maximum we can increase per year as stated in MN Statute). The total proposed increase for the region is \$7,699. The state sends out a distribution percentage breakdown usually towards the end of July and at that time I will provide you with the actual breakout as well as certify that amount with each county auditor.

		FY11 Allocation	FY12 Estimate	3% Proposed Increase
		\$ 256,638	\$ 264,337	
Big Stone County	11.17%	28,661	29,521	
Chippewa County	24.15%	61,989	63,848	
Lac Qui Parle County	17.88%	45,885	47,262	
Swift County	24.75%	63,522	65,428	
Yellow Medicine County	22.05%	56,581	58,279	
Total	100.00%	\$ 256,638	\$ 264,337	\$ 7,699

RDC's are authorized to impose a levy on all taxable property in the Region to pay staffing and operation costs. The levy amount is a combination of a State Planning Grant when appropriated and taxes to equate to a statutory maximum limitation of \$206,107 in 1998. For taxes levied in 1998 and thereafter, the maximum amount that may be levied by each commission shall be the maximum for 1998 (206,107) or 103% of the amount levied in the previous year, whichever is greater. For 2012, the levy has been estimated at \$264,337. The amount paid by each county is based on the county's share of the Region's net tax capacity. It is anticipated that we will not receive our total levy because the counties are not able to collect 100% of the taxes due.

FY12 Levy Recommendations Action Memo Continued on next page.

The following table shows where the levy dollars are expensed.

Expense	Description	Cost
COMMISSIONER'S EXPENSE	Per diem, travel, meeting costs, training, insurance	\$39,000
SALARIESFRINGE/INDIRECT	Executive Director, Financial Officer, Admin Asst.	\$56,000
STAFF DEVELOPMENT TRAINING		\$13,500
DIRECT EXPENSES	Direct Expenses (i.e; dues,)	\$10,000
MATCH	EDA Planning Grant	\$64,628
	MnDOT Planning Grant	\$8,824
	Prairie Waters	\$20,000
	Byway Grant	\$15,000
	Potential Match Opportunities	\$ 16,720
MISC & OVERRUNS		\$ 5,665
HEDGEHOG GRANTS		\$15,000
TOTAL		\$264,337

ACTION REQUESTED:

For the Commission to recommend the inclusion of a 3% levy increase (for a total of \$264,337) in the budget for FY12 for the July UMVRDC public meeting.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 28, 2011

RE: FY12 Statement of Indirect Costs & Direct Expenses

Attached for your review is our working draft of the FY12 statement of indirect costs and a worksheet showing the breakdown between direct and indirect expense. The RDC has used the indirect cost process as a fair and equitable way of distributing expenses across agency program areas. All costs that can be identified specifically to a program area are charged directly. Expenses that are not easily identifiable with a specific program are charged to the indirect cost pool. These expenses are shared among programs that benefit by dividing the total of expenses charged to the indirect pool by the number of direct hours to establish an hourly rate. For each hour charged to a program the hourly indirect rate is also charged to that program.

Staff will continue to refine these documents and will present the revised document at the July annual meeting for approval.

ACTION REQUESTED

To recommend the draft FY12 statement of indirect costs be presented at the annual public meeting of the RDC in July.

Enclosures

	FY12 Proposed Direct/Indirect Allocation				06/21/11
			TOTAL	DIRECT	INDIRECT
			-----	-----	-----
	DISBURSEMENTS		338,533	232,262	106,271
	Salaries		169,532	116,314	53,218
	Fringe Benefits		500	500	0
	Data Acquisition				
	Commissioner's Expense				
	Per Diem		13,000	13,000	0
	FICA		1,000	1,000	0
	Public Officials Ins.		5,000	5,000	0
	Meeting Expense		3,000	3,000	0
	Travel C&C		9,000	9,000	0
	Training		7,000	7,000	0
	Audit		13,000	1,000	12,000
	Certificate of Indebtedness Loan		0	0	0
	Hedgehog Grants		15,000	15,000	0
	Intern		0	0	0
	Copy Charge/xerox lease		10,000	0	10,000
	Computer Technical Assistance		18,000	0	18,000
	Contract for Services/Comm Dev		5,000	5,000	0
	Dues		3,000	3,000	0
	Depreciation		10,000	0	10,000
	Insurance		3,500	0	3,500
	GMS Lease/Service Agreement		5,000	0	5,000
	Legal Fees		5,000	4,500	500
	Miscellaneous/Employee Morale		4,000	2,800	1,200
	Office Rent		12,210	0	12,210
	Postage		10,500	1,000	9,500
	Printing/Advertising		5,000	3,000	2,000
	Registration/Training		13,000	10,000	3,000
	Repairs/Maintenance		1,500	1,000	500
	RDC Marketing Item		10,000	9,000	1,000
	Sub./Publications		2,000	1,000	1,000
	Supplies		7,000	0	7,000
	Telephone		7,000	0	7,000
	Travel/Staff		25,000	22,500	2,500
	Software		3,000	1,000	2,000
	Software/Maint GIS ARC Info		3,000	3,000	0
	Art Crawl		25,920	25,920	0
	Tourism Trade Shows/Ads/Byway		16,000	16,000	0
		TOTAL	779,195	511,796	267,399

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 28, 2011

RE: Hedgehog Fund Recommendations

In the last two years the UMVRDC set aside funds from our levy or general fund for an account that we allocate as "Hedgehog Grants". The fund is designated for projects within the region that complement goals set forth by the RDC. A project can request funds to cover a portion of the total cost of the project if the project contract is with the RDC. I have again targeted \$15,000 in our FY 2012 budget to be used for this purpose. These funds will have a separate line item in our agency budget and tracked in-house.

In FY2011 we subsidized the following work:

- \$750 for LqP Co. Geothermal Energy Grant Writing (\$1,500)
- \$4,000 for Dawson EDA/DEED Grant Writing (\$8,000)
- \$2,000 for Granite Falls Riverfront Revitalization Strategic Planning (\$4,000)
- \$4,000 for Swift County Zoning Update (\$12,000)
- \$4,250 for Clara City Comp Plan Development (\$19,000)

Cumulatively we used our \$15,000 to gain an additional \$29,500 in new revenue.

Staff discussed what types of projects to fund. We realize there may be some political pressure to fund certain types of projects or projects in certain communities. In the end we need to consider how can we use this money to benefit the region and the RDC's sustainability. This money is coming directly from the agencies operating budget- so we need to ensure that it will generate *additional* funds to the agency in order to justify its use. Below are some concerns/comments we are still struggling with regarding the funds use and requirements.

1. Our emphasis should be on getting contracts with governments we have not worked with recently BUT does this penalize governments that work with us regularly?
2. We should use this fund to work on projects that have a potential to generate additional projects for the RDC. Example: if we subsidize the writing of a SCDP grant and it is successful, we will receive additional funds for the administration of the grant. If the funds can be used for any grant writing services there may be many grants we do that do not have any follow up role for our office.

3. Comprehensive and strategic plans allow our staff to be involved with the priority issues for governments. There would be lots of insight we could gain and follow-up on for future projects. These projects tend to be much larger and longer term projects (\$20,000-40,000 for a full blown plan). During the current budget crisis how many governments are spending money on these types of projects?
4. Should the fund be available on a first come first serve basis or should we rank projects according to determined priority areas and goals?
5. We previously targeted our small towns for a larger share (\$10k of the \$15k available) of the funds. They have not been actively using the funds and the RDC board reallocated those funds to counties or our larger cities in FY 2011. Should we keep those funds allocated the same way as prior years or change it?

ACTION REQUESTED:

Discussion and guidance on the eligibility and use of the Hedgehog Fund and a recommendation to include it again in the FY 2012 budget.

DH

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 28, 2011

RE: Staffing Recommendations

Upon reviewing the current workload and staffing options after the departure of Kate Meyer and Michelle Bouta it is my recommendation that:

- we transition Jenifer Fadness to Planner between July 1 and January 1 with more responsibilities in the tourism program areas (Prairie Waters, byway and Meander);
- we reassign some community/economic development responsibilities to Kristi Fernholz starting July 1 and start her at full time (she is between 60-80% now) September 1 ;
- we advertise and hire a new planner to manage transportation duties and some community/economic development duties.

In addition Barb Jordahl has shared her intent to retire in July 2012. We would plan to bring an additional new grants administration person on next May & June to have several months to transition her workload.

The FY 12 budget that you are reviewing takes into account these proposed staff changes.

ACTION REQUESTED:

Authorize the Executive Director to begin transitioning Jenifer Fadness to Planner starting July 1; reassigning responsibilities to Kristi Fernholz starting July 1 and adding her full time September 1 ; advertise for a new planner to manage transportation duties and some community/economic development duties.; advertise for new grants administration planner later this year to transition into Barb's position.

DH

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 28, 2011

RE: FY2012 Budget Recommendations

Attached is the Fiscal Year (FY)12 budget. It looks pretty good for the beginning of the year. The amounts that are bolded (under Contracts and Reserves, Technical Assistance Potential Contracts, Grant writing Potential Contracts and SCDP Apps) totals \$44,000 and is the amount we do not have committed contracts to cover right now at the beginning of the year. This is normal for the RDC as we develop our contracts for projects throughout the year and rarely would start a year without a shortfall. We always start out by listing that we will add funds from the reserves to balance the shortfall and this amount gets reduced throughout the year as project contracts come in.

In FY 10-11 we had a very minimal beginning of the year shortfall because of the large hazard mitigation grants which helped fill that gap. Below is a little history on how our budget looked at the beginning of past years and how we ended up.

	Beginning shortfall	Ending balance
FY 08	-105,000	+12,991
FY09	-124,000	+21,281
FY10	-25,000	+81,065
FY11	-30,000	We have not closed out the year yet -- as of the May RDC meeting we were +84,074
FY12	-44,000	

Each year we prepare the draft budget and ask the RDC in June to recommend it for presentation at the public meeting as part of our RDC annual meeting in July. The RDC has the public meeting as part of the annual meeting and based on comments received (usually none) adopts it in July. It is not unusual that between now and July we might have an additional contract to add (reducing the shortfall) if that is the case staff will point that addition out either in June or July prior to the adoption process.

ACTION REQUESTED:

To approve using the attached draft FY 2012 UMVRDC budget for the public hearing at the July 26, 2011 RDC annual meeting.

DH

Encl.

UMVRDC REVENUE & EXPENSE REPORT

FY11 - FY12 BUDGET COMPARISON

	FY11 Current	DRAFT FY12	Projected
Agency Revenues	Budget Rev #2	Budget	Change
INTEREST	4,000	4,000	-
LEVY	249,000	257,000	8,000
MISCELLANEOUS	200	1,000	800
CONTRACTS & RESERVES	-	24,000	24,000
HEDGE HOG (HH) GRANTS - FY11 AMOUNT IN BOLD BEHIND SUCCESSFUL APPLICANTS	-	15,000	15,000
RESERVES FOR NEW GRANTS ADMIN STAFF	-	8,000	8,000
ECONOMIC DEVELOPMENT/EDA			-
EDA PLANNING GRANT	64,628	64,628	-
WESMN RLF ADMIN	32,000	32,000	-
HAZARD MITIGATION			-
4-County Hazard Mitigation Updates	55,491	31,492	(23,999)
Upper Sioux Hazard Mitigation Updates	21,607	5,000	(16,607)
LqP Hazard Mitigation Updates	35,000	-	(35,000)
TECHNICAL ASSISTANCE			-
Technical Assistance Potential Contracts	-	10,000	10,000
Clara City Comp Plan (\$4,250 HH)	3,000	11,750	8,750
Swift Park Ordinance	-	-	-
Ortonville EDA Planning	450	-	(450)
Upper Sioux Energy Plan	20,000	9,453	(10,547)
Graceville Web Site	1,600	-	(1,600)
Granite Falls Strategic Planning (\$2,000 HH)	4,000	-	(4,000)
Appleton CCS	2,945	-	(2,945)
GIS Repair	6,348	-	(6,348)
Benson Shared Services	3,890	-	(3,890)
Blandin Extension Project	4,875	2,500	(2,375)
Swift Zoning(\$4,000 HH)	12,000	-	(12,000)
Swift County Emergency Operations Plan	-	1,000	1,000
Blandin Marketing	12,500	7,100	(5,400)
Blandin Website Projects		4,000	4,000
Blandin Demo Community	5,000	5,000	-
GRANT WRITING			-
Potential Grant Writing Contracts	-	4,000	4,000
Potential SCDP Grants	-	6,000	6,000
Dawson DEED BDIP Grant	3,000	-	(3,000)
Dawson EDA Grant Application (\$4,000 HH)	8,000	4,000	(4,000)
Granite Falls Strategic Planning	4,000	-	(4,000)
Granite Falls Bridge	4,000	-	(4,000)
LqP Legacy Park Grant	-	-	-
Benson SCDP Short Form Grant	1,500	-	(1,500)

	FY11 Current	DRAFT FY12	Projected
Agency Revenues	Budget Rev #2	Budget	Change
Benson DEED Redevelopment Grant	1,000	-	(1,000)
LqP Geothermal Energy Grant (\$750 HH)	1,500	-	(1,500)
GRANTS ADMINISTRATION/MANAGEMENT			-
Browns Valley HUD	55,000	30,000	(25,000)
Granite Falls Overall Admin	37,500	30,000	(7,500)
SCDP Appleton	10,000	20,000	10,000
SCDP Benson	15,000	10,329	(4,671)
SCDP Benson #2	-	2,000	2,000
SCDP Granite Falls/Clarkfield	19,000	11,503	(7,497)
SCDP Maynard/Clara City	12,589	-	(12,589)
TRANSPORTATION/MN DOT			-
Planning Grant	50,000	50,000	-
Transit Study	4,650	-	(4,650)
Transit Coordination Study Update	5,000	5,000	-
PRAIRIE WATERS	56,500	65,690	9,190
FORECAST PUBLIC ARTS GRANT		1,500	1,500
ART CRAWL	29,700	39,700	10,000
LEGACY GRANT - MN HISTORICAL SOCIETY	1,321	-	(1,321)
BYWAY INTERPRETATION - SCHMIDT FOUNDATION	-	10,000	10,000
BYWAY LEGACY INTERPRETATIVE PANELS	37,390	-	(37,390)
SUBTOTAL REVENUE	895,184	782,645	(112,539)

	FY11 Current	DRAFT FY12	Projected
DISBURSEMENTS	Budget Rev #2	Budget	Change
Salaries/Fringe	511,200	508,065	(3,135)
Data Acquisition	500	500	-
Commissioner's Expense			-
Per Diem/FICA	14,000	14,000	-
Meeting Expense	3,000	3,000	-
Public Officials Ins.	6,000	5,000	(1,000)
Travel C&C	9,000	9,000	-
Training	7,000	7,000	-
Audit	12,000	13,000	1,000
Hedge Hog Grants	-	15,000	15,000
LqP OES Grant	750	0	(750)
Dawson EDA Grant	4,000	0	(4,000)
Swift Zoning	4,000	0	(4,000)
Granite Falls Strategic Planning	2,000	0	(2,000)
Clara City Comp Plan	4,250	0	(4,250)
Computer Technical Assistance	25,000	18,000	(7,000)
Contract for Services/Comm Dev	17,000	5,000	(12,000)
Copy Charge/Xerox Lease	10,000	10,000	-
Depreciation	10,000	10,000	-
Dues	3,000	3,000	-
Equipment	2,000	0	(2,000)
Insurance	3,500	3,500	-
Lease/Service Agreement	5,000	5,000	-
Legal Fees	10,000	5,000	(5,000)
Miscellaneous/Employee Morale	4,000	4,000	-
Office Rent	12,210	12,210	-
Postage	15,000	10,500	(4,500)
Printing/Advertising	11,000	5,000	(6,000)
RDC Marketing/handouts	10,000	10,000	-
Registration/Training	13,500	13,000	(500)
Repairs/Maintenance	1,000	1,500	500
Software	3,000	3,000	-
Software/Maint GIS	3,000	3,000	-
Sub./Publications	2,000	2,000	-
Supplies	8,500	7,000	(1,500)
Telephone	8,000	7,000	(1,000)
Travel/Staff	25,000	25,000	-
Art Crawl	16,700	25,920	9,220
Tourism Trade Shows/Ads/Byway	15,000	16,000	1,000
SUBTOTAL EXPENSES	811,110	779,195	(31,915)
REVENUE OVER (UNDER) EXPENSE	84,074	3,450	(80,624)

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 28, 2011

RE: Governmental Accounting Standards Board (GASB) 54 Policy; Resolution;
FY11 Fund Balance Designation Schedule

The Governmental Accounting Standards Board (GASB) has implemented GASB Statement #54 to establish a new fund balance classification system. This is not a change in the way we track or manage the RDC finances. We have already been doing this but are now required to have a policy in place regarding how we will classify and designate funds. If approved, the proposed GASB 54 policy will be added to our Accounting Policies and Procedures Manual. This policy needs to be adopted in June since it will affect our FY 2011 budget and audit. If it is not adopted in June our FY 11 audit will be out of compliance for not having this policy in place.

Attached is a policy that defines the fund balance categories; establishes an order for use; and delegates the power to assign fund balances within the “assigned fund balance category” to the executive director and finance director.

Another GASB 54 requirement is that the UMRDC adopt a resolution stating it has implemented a new fund balance classification system according to the GASB 54 standards that will provide a reserve enabling the UMRDC to deal with unforeseen budget expenditure and revenue shortfalls.

The third and final requirement of the GASB 54 regulation requires the board to approve a schedule of UMRDC funds that are classified according to the definitions in the GASB 54 policy. Attached is the FY 11 Fund Balance Designation Schedule that lists the fund balance categories the RDC currently has in place. In July, we will need to review and approve a fund balance designation schedule for FY12. Each year at the annual meeting a new schedule will be reviewed by the Board to determine the sufficiency of the funds as designated.

ACTION REQUESTED:

- 1) For the Commission to approve the Governmental Accounting Standards Board (GASB 54) policy that defines the fund balance categories; establishes an order for use; and delegates the power to assign fund balances within the “assigned fund balance category” to the executive director and/or finance director; and
- 2) to adopt the GASB54 resolution implementing a new fund balance classification system according to the GASB 54 standards that will provide a reserve enabling the UMRDC to deal with unforeseen budget expenditure and revenue shortfalls; and
- 3) For the Commission to approve the attached UMRDC FY11 Fund Balance Designation Schedule.

Enclosures



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

Accounting Policies & Procedures Manual

Adopted: 6/16/08

Revised: 5/26/09

5/25/10

2/22/11

6/28/11

Year End Report/Audit:

At fiscal year end, a year end audit report should be prepared summarizing the total income and expense activity for the year. A balance sheet should be prepared as of June 30 and will be included in the audit report. This audit report will be initially reviewed by the Executive Director, prior to distribution at the Commission meeting.

The auditing process will begin as soon as possible following June 30 year end.

GASB 54 Fund Designation

PURPOSE

The purpose of this policy is to establish new fund balance classifications to allow for more useful fund balance reporting in compliance with the reporting guidelines specified in Statement No. 54 of the Governmental Accounting Standards Board (GASB), to ensure the financial stability of the Upper Minnesota Valley Regional Development Commission (UMVRDC), and to provide a reserve enabling the UMVRDC to deal with unforeseen budget expenditures and revenue shortfalls.

GENERAL STATEMENT OF POLICY

The policy of the UMVRDC is to classify its fund balances based on the nature of the particular net resources reported by the UMVRDC. Fund Balance categories will be identified according to the guidelines in Governmental Accounting Standards Board (GASB) Statement No. 54. Fund Balance categories will include Nonspendable, Restricted, Committed, Assigned and Unassigned.

DEFINITIONS

- A. **Nonspendable Fund Balance** – represents amounts that are not in a spendable form - such as Inventory, Postage, Prepaid Expenses, Accrued Interest Receivable, Taxes Receivable, and Fixed Assets.
- B. **Restricted Fund Balance** – represents amounts that can be spent for only the specific purposes stipulated by constitution, external resource providers, or through enabling legislation- such as grants, pass-through funds etc. Restrictions may be changed or lifted only with the consent of the resource provider.
- C. **Committed Fund Balance** – represents amounts that can only be used for the specific purposes determined by the UMVRDC Board. It requires formal action by the UMVRDC Board to remove or change the constraints placed on these resources - such as amounts committed for vacation, unemployment claims, and the medical reimbursement plan.
- D. **Assigned Fund Balance** – represents amounts intended for a specific purpose. The UMVRDC may delegate the authority to assign amounts in this classification to the Executive Director and/or the Finance Director - such as between tax settlement.
- E. **Unassigned Fund Balance** – represents resources available to meet current and future years' expenditures - such as the general fund balance.

ORDER OF RESOURCE USE

UMVRDC hereby establishes the following order for resource use: Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Journal entries at the end of the fiscal year may be used to accomplish this.

COMMITTING FUND BALANCE

A majority vote of the Commission is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board.

ASSIGNING FUND BALANCE

UMVRDC Board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The board also delegates the power to assign fund balances to the following: Executive Director and Finance Director. Any change to the designation of an assignment shall be reported to the Commission at the UMVRDC board meeting immediately following a change.

The Commission will endeavor to assign at least 25% of the UMVRDC's General Fund operating budget, excluding those accounts associated within the restricted category. Amounts reported as assigned should not result in a deficit in the unassigned fund balance.

Use of an existing fund balance to eliminate a budgetary deficit in the subsequent year's budget satisfies the criteria to be classified as an assignment of fund balance. The amount assigned cannot be greater than the budget deficit.

REVIEW

Upon completion of the audit, Commission will conduct an annual review of the sufficiency of the minimum unassigned general fund balance level to determine if further action is required.

Grant Compliance

1. When a new grant is received or renewed, a copy of the executed grant must be forwarded to the Fiscal Staff.
2. Fiscal Staff should set up a permanent file for the grant and maintain the contract along with any other financial correspondence regarding the grant.
3. It is the responsibility of the Fiscal Staff to review the grant contract and extract any fiscal items which must be complied with/by the RDC. Typically, for government grants, reference will be made to various publications put out by the Office of Management and Budget (OMB) and the Comptroller General's Office to which the RDC is responsible for adhering.

Currently, the publications include:

OMB Circular A-110 "Grants and Agreements with Institutions of Higher Learning, Hospitals and Other Non-Profit Organizations"

OMB Circular A-133 "Audits of Institutions of Higher Learning & Other Non-Profit Organizations"

OMB Circular A-87 "Cost Principals for State, Local, and Indian Tribal Governments"

Governmental Generally Accepted Accounting Principles:

1. It is a policy of the RDC to adhere to any restrictions imposed by its funders, both governmental and private. Therefore, the RDC employees are expected to bring to the attention of management, any instances of non-compliance.
2. When the RDC is expending federal funds, prior written approval from the funder agency is required for the purchase of:
 - a. Capital expenditures for land or buildings.
 - b. Insurance and indemnification expenses.
 - c. Pre-award costs.
 - d. Public information service costs.
 - e. Publication and printing costs.
 - f. Rearrangement and alteration costs.

RESOLUTION
for
Governmental Accounting Standards Board (GASB) 54 Regulations

WHEREAS, the Governmental Accounting Standards Board (GASB) has implemented GASB 54 to establish a new fund balance classification system; and

WHEREAS, the Upper Minnesota Valley Regional Development Commission (UMVRDC) needs to provide a reserve enabling the UMVRDC to deal with unforeseen budget expenditures and revenue shortfalls; and

WHEREAS, the UMVRDC needs to establish a process for designating funds; and

WHEREAS, the following categories will be used in classifying funds according to the definitions;

- A. **Non-spendable Fund Balance** – including but not limited to: Prepaid Expenses, Postage, Accrued Interest Receivable, Taxes Receivable, Inventory, Fixed Assets; and
- B. **Restricted Fund Balance** – represents amounts that can be spent for only the specific purposes stipulated by constitution, external resource providers, or through enabling legislation such as Revolving Loan Fund (RLF) amount for relending; Browns Valley Savings Account; Blandin Savings; Byway Savings. Any change in use requires formal action by the resource provider; and
- C. **Committed Fund Balance** – represents amounts committed for specific purposes determined by the UMVRDC Board. It requires formal action by the UMVRDC Board to remove or change the constraints placed on these resources. Including but not limited to: Designation for vacation; unemployment; medical reimbursement plan; health reimbursement account; flex account; and
- D. **Assigned Fund Balance** – represents amounts assigned by the UMVRDC for a specific purpose. The UMVRDC Board has delegated the authority to reassign amounts as deemed necessary to the Executive Director and Financial Officer. Changes to assigned amounts will be presented to the Commission for review at the board meeting immediately following the change. Including but not limited to: between tax settlement; agency auto fund; equipment replacement fund; and
- E. **Unassigned Fund Balance** – represents resources available to meet current and future years' expenditures – general fund balance; and

BE IT RESOLVED, that the UMVRDC Board authorizes the Executive Director and the Financial Officer to assign fund balances as needed. Changes in assignments must be reported at the next UMVRDC Board meeting following the change in the designation of funds; and

ALSO, BE IT RESOLVED, that the following order for resource use will be followed: restricted funds, committed funds, assigned funds and unassigned funds; and

ALSO, BE IT RESOLVED, that the UMVRDC Board will conduct an annual review of the sufficiency of the above listed designations.

Chairman (UMVRDC)

Date

ATTEST: _____
Executive Director (UMVRDC)

Date

**Upper MN Valley Regional Development Commission
FY11
FUND BALANCE DESIGNATION SCHEDULE
6/28/2011**

Non-Spendable

Fixed Assets
Inventory
Prepays
Interest Receivable
Taxes Receivable
Due from Governments

Restricted

Revolving Loan Fund - (for relending)
Browns Valley Savings
Scenic Byway Savings
Blandin Accounts
Medical Reimbursement Allocation
Flex Account

Committed

* Sick Leave Designation
** Vacation Designation
Unemployment Designation (\$10,000)

Assigned

Agency Auto Fund
Equipment Replacement Fund
Between Tax Settlements (\$100,000)

Unassigned

Fund Balance

Jim Dalvang
UMVRDC Chairman - Date

Dawn Hegland
UMVRDC Executive Director - Date

* The sick leave fund will be adjusted at the end of the year by taking the applicable rate of the year end accrual listed in the year to date cost allocation report.

** The annual leave fund will be adjusted at the end of the year by the amount listed in the year to date cost allocation report.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 28th, 2011

RE: Nominating Committee

Each year the chair needs to appoint a nominating committee which has the responsibility of nominating someone to serve as chair of the UMRDC. If anyone has an interest in being on this committee, please give me a call, otherwise I will choose two or three members at the meeting.

You may reference ARTICLE VI: OFFICERS, Section 2. Chairperson, from the bylaws section I attached under Informational Memo 2d.

ACTION REQUESTED:

To form a committee to nominate a chairperson for FY 2012.

DISCUSSION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Jen Remboldt, Administrative Assistant

DATE: June 28, 2011

RE: BHAG Committee Reports

All three BHAG Committees will be meeting prior to the Commission meeting. Committee members and staff will provide an oral report on their committee meeting at the full Commission meeting.