



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

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

Annual Board Tour & Meeting **Tuesday, July 22nd, 2014**

1-5:00pm Dawson Area Tour- Meet at City Hall-675 Chestnut

5-6:30 pm Social, Dinner and Musical Entertainment By Ross Anderson Jazz Duo at Dawson Swimming Pool Picnic Shelter - off US Hwy 212 and 1st Street

While growing up in Chicago, IL saxophonist [Ross Anderson](#) began his musical studies at the University of Chicago High School. There he studied clarinet with George Weber, principal bass clarinetist/ clarinetist with the Chicago Symphony as well as Dr. Frank Tirro, now Professor of Music at Yale University. During the early 1970's Ross moved to the Twin Cities performing professionally in a wide variety of musical settings. He and his family have resided in Marshall, MN since 1998 where he has become an integral part of the Southwest Minnesota Orchestra, area Big Bands, Community Bands, local musicals, and show bands

He currently is the leader of the popular jazz duo "[Jazz with Ross and Pete.](#)"
<http://rossandersonjazz.com/>

6:30-7:30 pm Annual Board Meeting Dawson Swimming Pool Picnic Shelter - off US Hwy 212 and 1st Street

PLEASE NOTE:

1. We will be asking board members to carpool/caravan on our tour of Dawson to avoid renting a bus. If you are willing to volunteer to share your vehicle with others that would be great!
2. There are a few special notes regarding our tour at Noah's Ark- please take note of them on the tour agenda.
3. Spouse and/or guest are welcome to attend dinner and meeting. Please RSVP by calling our office or emailing Jackie Sigdahl 320-289-1981 x100 or Jackie.sigdahl@umvrdc.org
4. County, city, township, school district (i.e., elected officials) representatives within each county need to select a board representative (and alternate) for their county **prior** to the meeting and let the nominating committee know who your representative is.
 - a. From the list of Board of Directors, the Vice Chair and Secretary/Treasurer must be selected.
 - b. Nominating committee (Brent and Graylen) will need to nominate a Chairperson (the chairperson serves in addition to the board of director member from that county.)
5. You may wish to bring a lawn chair for the social and/or meeting portion. Picnic tables will be available for dinner.

UMVRDC Tour –Tuesday, July 22, 2014

Meet at Dawson City Hall: 675 Chestnut, Dawson, MN 56232

1:00-1:20 Welcome from City Officials & Discussion about Dawson Sidewalk Plan by Crystal Hanson! – *The City of Dawson has been grappling with sidewalk issues for years—some residents want to remove sidewalk sections and others want the City to make improvements to the sidewalk network. They didn't know which way to go. Ultimately, the City determined that they needed more information before making any major decisions. They decided to go ahead with both a survey and a sidewalk plan to make the most informed and well supported decisions on when and where to invest, or not invest, in sidewalk infrastructure. The City of Dawson has contracted with the UMVRDC to complete a sidewalk plan that will inventory existing conditions, gather community input, develop priority improvement areas and identify ways to fund priority projects. The plan will allow the City of Dawson to take action on the sidewalk issue that residents have brought to the City Council. Crystal will talk to us about some of the sidewalk issues the City is facing.*



1:20—1:45 RLF Presentation: Bluegrass Proteins Inc. with Kerry Williams

About the business: *Bluegrass Proteins, Inc. (BPI) is a new loan that closed at the beginning of this month. BPI will be producing whey protein products in the former AMPI Dairy facility. An approximate 56 jobs will be created as result of BPI acquiring the facility. BPI is a subsidiary of Bluegrass Dairy located in Kentucky. The financing structure for this project is listed as the following:*

	Private Bank of Chicago	Equity	UMVRDC	SWIF & Other in Participation Agreement	MIF LqP EDA	Equipment Lease	Sub Debt	Total
Real Estate	10 million	1 million						11 million
Machinery & Equipment		2 million	200,000	800,000	1 million	1.5 million	1.5 million	5.5 million
Working Capital		200,000						1.7 million
Total	10 million	3.2 million	200,000	800,000	1 million	1.5 million	1.5 million	18.2 million

Walk to Al's Mercantile

2-2:15 RLF Tour: Al's Mercantile

About the business: *Al's Mercantile is a Hardware Hank store that provides the community with everyday necessities and supplies for projects. The store employs 1 full time and 2-4 part time positions. When the loan to Al's Mercantile was approved in 2010, the financing package was as follows:*

	Bank	Equity	UMVRDC	SWIF	Total
Real Estate			15,000	15,000	30,000
Working Capital	10,000	26,000			36,000
Inventory	144,000		35,000	35,000	214,000
Total	154,000	26,000	50,000	50,000	280,000

Carpool to Noah's Ark

2:30–3:15 RLF Tour: Noah's Ark

- Closed toe shoes only.
- Hairnets will be required and provided for tour.
- You will need to walk through disinfectant, so be selective on what shoes you wear.
- Plant owners/managers are of traditional Jewish Orthodox faith and may not shake hands with members of the opposite gender as part of their cultural beliefs.

About the business: Noah's Ark is a loan that was paid off near the end of 2012. *Noah's Ark has gone through changes in regards to what products it produces. Initially the business produced kosher meats, like bison, goat, & lamb. Currently, the business packages food products. When the loan was first approved an anticipated 77 news jobs were going to be created and 23 were going to be retained. The financing for Noahs Ark was listed as the following:*

	UMVRDC	SWIF	Klein Bank (SBA)	Equity	DEED/EDA	Total
Real Estate			2,781,000	309,000		3,090,00
Building Renovation			234,000	26,000		260,000
Machinery & Equipment					450,000	450,000
Working Capital & Inventory	100,000	200,000	350,000	150,000		800,000
Total	100,000	200,000	3,365,000	485,000	450,000	4,600,000

Carpool to T&D Barnwood

3:30-4 Meander Artist Stop: T&D Barnwoods/Tokheim Stoneware/Jean Menden

Carpool to Dawson Boyd School

4:15-4:45 Dawson Boyd School

- Dawson Boyd Schools Safe Routes to School Project – *Steven's Elementary went through a Safe Routes to School planning process in 2012 to identify programs, projects and policies that would ultimately result in more students walking and biking to school. This past school year, they began implementing those programs, projects and policies to increase and support walking and biking to school. Teachers have been trained in the State's walking and biking safety curriculum, Walk! Bike! Fun! and have started incorporating the curriculum in the classroom, the community has hosted bike rodeos to teach bike safety, the school has participated walk and bike to school day events and gives out incentive prizes to students for walking and biking to school. Elementary school principal, Amy Hiedeman and other school staff will talk about their exciting SRTS program!*



- Dawson Boyd Arts Association Meander Collaboration- LuAnn Fondel

Carpool to Dawson Swimming Pool Park Picnic Shelter- East HWY 212 (In the event of inclement weather we will have our meeting at Dawson City Hall)

5-6:30 Social and Dinner and Musical Entertainment by Ross Anderson Jazz

6:30-7:30pm Annual Business Meeting

Tour Confirmations:

Yes: Rusty, Graylen, Warren, Kathi, James, Vicki, Debra, Brett, Gary H,

No: Bruce, Jim D, Juanita, Gary J, Mike,



BOARD MEETING AGENDA
July 22, 2014 – Annual Meeting
6:30pm Dawson, MN

Call to Order
Introductions
Approve Agenda/Additions

1. **Consent Agenda Items**
 - a. Minutes from June 2014
 - b. June 2014 Treasurer's Report and List of Bills
 - c. FY15 Fund Balance Schedule
 - d. RLF Annual Report
 - e. NADO Board
 - f. RLF Treasurer's Report

2. **Open Public Hearing FY15 Work Plan, Budget and Levy**

3. **Annual Report**

4. **Appointments**
 - a. Public Interest Group Representatives
 - b. Depository

5. **Report from Nominating Committee – Elect Chairperson**

6. **Certification – Board of Director/Election of Officers**

7. **Close Public Hearing – FY15 Work Plan, Budget and Levy**

8. **Other Action Items**
 - a. Committee Assignments
 - b. RLF Loan Advisory Board

9. **Information Items**
 - a. Planner Update
 - b. Executive Director's Report

10. **Discussion Items**

Adjourn:

Next Meeting Date: Tuesday, August 26, 2014

RDC BOARD MINUTES

Upper Minnesota Valley Regional Development Commission

Appleton Civic Center - Appleton, MN

June 24, 2014

Board Members Present: Bruce Swigerd, Juanita Lauritsen, Jim Dahlvang, Scott Peterson, Kathi Thymian, Brent Olson, Rusty Dimberg, Mark Bourne, Debra Lee Fader, Jim Schmaedeka, Scott Rixe, Gary Hendrickx, Mike Fugleberg, Vicki Oakes, Warren Rau, Graylen Carlson

Board Members Absent: Jeff Olson, Gary Johnson, Brett Buer

Staff Present: Dawn Hegland, Randy Larson, Arlene Tilbury, Kristi Fernholz, Melissa Carruth, Emily Zeug-Robertson, Lindsey Knutson, Erin Smith and Jackie Sigdahl

Guests: none

Call to Order

Chairman Hendrickx called the meeting to order at 6:30 p.m.

Approve Agenda/Additions

M/S/P – Bruce Swigerd, Mike Fugleberg made motion to approve the agenda with the following additions: 3d. Chippewa County Hazard Mitigation GIS Contract, 3e. Economic/Community Development Job Offer and 3f. Nominating Committee.

1. Consent Agenda Items

- a. Minutes from April 2014
- b. Minutes from May 27, 2014 Board of Directors Meeting
- c. April & May 2014 Treasurer's Report and List of Bills
- d. March Treasurer's Report Correction
- e. RLF Treasurer's Report
- f. FY14 Fund Balance & Resolution
- g. FY15 Fund Balance & Resolution
- h. FY15 Levy Recommendations
- i. FY15 Draft Budget
- j. 2015 Hedgehog Funds
- k. FY15 Draft Statement of Indirect Cost
- l. FY15 Audit Proposals
- m. NADO Conference
- n. FY CERTS Contract
- o. 15 Fiscal Agent Contract – City of Granite Falls
- p. FY15 Granite Falls Bridge Rehab/Labor Standards Contract
- q. FY14 Prairie Five Community Action Council – SCDP Contract
- r. FY14 City of Clara City – SCDP Contract
- s. FY15 Montevideo Arts Project Contract
- t. FY15 Upper Sioux Community Hazard Mitigation Contract
- u. FY15 Dawson Sidewalk Plan Contract
- v. Staffing

M/S/P – Juanita Lauritsen, Mark Bourne made motion to accept and approve the Consent Agenda Items as follows: approval of minutes from the April meeting; approval of the minutes from the May 27th board of director meeting; approval of April & May Treasurer’s Report showing current expenses and current revenue along with the check listings as presented; approval of the March treasurer’s report correction; approval of the RLF treasurer’s report; approval of the RLF Treasurer’s Report; approve the existing GASB 54 policy; approval of the existing GASB 54 policy with no changes; approval of the FY15 Fund balance schedule approval of the FY15 fund balance resolution; recommend the inclusion of a 3% levy increase (total of \$288,848) in the FY15 budget for the July 2014 public meeting; approve the use of the draft FY15 budget for the public hearing in July 2014; approval to allocate \$20,000 from the levy for the 2015 Hedgehog Fund; approval to present the draft Fy15 statement of indirect costs at July meeting; approval contracting with Dana F. Cole & Co to conduct FY14 & FY15 audit; authorize out of state travel for the Executive Director to attend NADO conference in August 2014; authorize entering into a contract for services with the University of MN for the Clean Energy Resource Team Coordinator position and authorize up to \$24,000 in match toward this position; approve contract for fiscal agent services with the City of Granite Falls; approve the contract for labor standards monitoring services between the City of Granite Falls and the UMRDC; approve the contract for the administration of the Clara City SCDP grant for the Prairie Five Community Action Council; approve contract with the City of Clara City SCDP; authorization for the Executive Director to sign the Technical Assistance agreement with the City of Montevideo for group facilitation and grant writing for their arts project; authorization to contract with the Upper Sioux Community for their all-hazard mitigation plan update; approval of the contract with the City of Dawson for \$8,715.00 for a sidewalk plan; authorization to hire Erin Smith as community development planner and authorize to advertise for one financial staff.

ROUND ROBIN DISCUSSION:

- *Gary Hendrickx, Swift County:* Appleton will become home for a truck wash for Christianson Farms. They will employ 3-4 FT staff for each shift. Springsted conducted a study for the county.
- *Brent, Big Stone County:* Ditch meeting was held – water issues discussed. Broadband access (12mg wireless) to everyone within one mile of Hwy 75.
- *Gary Johnson, Yellow Medicine County:* absent.
- *Rusty, Big Stone County Townships:* passed.
- *Brett, Dawson/Boyd Schools:* absent.
- *James, Chippewa County Townships:* Water is the main issue. Looking at having to make repairs when the water goes down on some of the roads.
- *Jim, Chippewa County:* Three candidates will be interviewed for the family service coordinator position.
- *Bruce, Prairie Five CAC, Inc.:* P5 is busy with restructuring/rehiring staff. The head start program is doing very well.
- *Mark, LqP County Townships:* A few county roads under water.
- *Jeff, LqP County Municipalities:* absent.
- *Scott P., YM County Municipalities:* Dam/bridge bids coming in. Update made on status of retirement home. Wind turbines may be a possible power supply for city.

- *Juanita, Workforce Council:* Received additional funding for training in “Universal Healthcare” and “Welding”. Meeting in St. Paul tomorrow to see if DEED has qualified for a National Emergency Grant for 14 counties they applied for.
- *Warren, Swift County Townships:* The township has water issues which as caused an “issue” with a land owner.
- *Debra Lee, Chippewa County Municipalities:* Governor Dayton paid a visit to Montevideo and made a disaster declaration in certain areas.
- *Graylen, LqP County:* City funding being reconsidered for EDA program continuation.
- *Vicki, Ortonville EDA:* Researching senior housing for expansion options.
- *Scott R., Big Stone County Municipalities:* Water tower bids are starting to come in.
- *Kathi, Ortonville Schools:* passed.
- *Mike, Swift County Municipalities:* Railroad crossing study will be done to see the impact in the City of Benson and Swift County.
- *Dawn, RDC Staff:* Discussed the criteria for cancelling a meeting. Also explained why the consent agenda is so lengthy this month.

Staff presentation:

Erin Smith introduced herself and gave a brief background of her education and what she’s working on in the office.

2. Information Items

- a. Planner Update - no questions/comments
- b. Executive Director Update – no questions/comments
- c. May 27th Budget and Personnel Meeting Minutes – no questions/comments

3. Action Items

- a. Loan Advisory Board Recommendations

M/S/P - Rusty Dimberg, Vicki Oakes made motion to approve the three-month extension of the \$100,000 commitment to West Central Powder Coat, Inc. This extension will lapse at the September 23rd RDC meeting.

M/S/P – Rusty Dimberg, Vicki Oakes made motion to approve a three-month extension of the \$200,000 commitment to Bluegrass Proteins, Inc. This extension will lapse at the September 23rd RDC meeting.

- b. Dawson Hedgehog Grant Application

M/S/P - Graylen Carlson, Mark Bourne made motion to approve the Hedgehog application for the City of Dawson for \$4,357.50.

- c. Salary Structure

M/S/P - Bruce Swigerd, Scott Rixe made motion to approve of “Scenario 1” for the salary structure change with a 2.5% step increase. This scenario entails adjusting employees to their next highest step starting July 1, 2014. Pending the annual performance review in the next 12 months, employees would then be eligible for a step increase from the chosen salary structure.

d. Chippewa County Hazard Mitigation GIS Contract

M/S/P – Brent Olson, Kathi Thymian made motion to authorize the forthcoming contract with UMD Geospatial Analysis Center for their assistance in completing necessary mapping and analysis for Chippewa County's 2015 All-Hazard Mitigation Plan update.

e. Economic/Community Development Job Offer

M/S/P – Vicki Oakes, Rusty Dimberg made motion to authorize the job offer to Jacki Anderson as Sr. Planner at Level III – Step 7 at \$57,985 per year. 40 hours of annual leave will be granted. Annual leave will be accumulated at 5.33 hours per pay period (at the rate that was being earned upon leaving employment on 10/2013). A sick balance of 59.12 hours will be reinstated (the amount remaining after severance pay out in 10/2013).

f. Nominating Committee

M/S/P – Brent Olson, Graylen Carlson will caucus and develop a list of nomination for the Fy2015 Board of Directors.

4. Discussion Items

a. BHAG Updates:

Marketing – Jim Dahlvang gave report. A review of the agency website will take place during the next BHAG meeting. The number of press releases is going well. Communication with the cities and counties as well as the Upper Sioux Community continues to happen through email blasts and planner eblasts. Many of the cities have set the RDC up as a link on their website with the exception of four. There was discussion on exploring the use of Facebook for the UMRDC.

Community Development – Warren Rau gave report. One of the goals is to visit ½ of the local units of government in the region annually and the community development staff wanted to hear from board members what communities they would suggest for staff to strategically visit this year. Board members suggested the following communities for specific project ideas: Ortonville, Big Stone County, Benson, Madison, Graceville, Maynard, Louisburg and Correll. Board members thought these communities would be good to target for promotion of strategic planning services this year as well. Another goal the community development staff wanted input from board members was regarding the three regional forums planned for FY15. Staff and board members agreed that the topics of transportation, chambers and tourism, housing and empty buildings were high priorities and topics staff should pursue this year.

Stewardship – James Schmaedeka gave update. A goal is to have 100% of board members promoting agency. Discussion made on annual bus tour. Discussion made on a possible board retreat in the future for some strategic planning/team building. The committee reviewed the self-assessment survey results. The committee discussed the idea of adding more board members such as a HRA representative or another EDA representative.

M/S/P – Debra Lee Fader, Mike Fugleberg made motion for the approval of Dawn to look at finding an additional EDA representative that would be a good fit for the board and bring a recommendation back at the July meeting.

b. Bus Tour

M/S/P – Debra Lee Fader, Rusty Dimberg made motion to approve a ½ day tour beginning at 1pm for the annual meeting bus tour on July 22nd. The communities visiting this year will be Canby and Dawson. Bruce Swigerd voted against.

Adjournment

A motion by Scott Peterson, Debra Lee Fader for adjournment was made at 8:15pm.

APPROVED BY:

PREPARED BY:

Gary Hendrickx
RDC Chairman

Jackie Sigdahl
RDC Administrative Assistant

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury
Financial Officer

DATE: June 22nd, 2014

RE: June 2014 Check Listing & Treasurer's Report

Attached is the treasurer's report for June 2014. 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 of 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 June 2014.

ACTION REQUESTED:

For the Commission to approve the attached June 2014 Treasurer's Report and the June (check # 18166 through 18205) as presented.

Encl.

June 2014 CHECK LISTING**Checks 18166 To 18205**

Check#	Check Date	Vendor Name	Check Amount	Description
18166	06/06/2014	Appleton Oil Company	38.70	Oil Change - Chevy Uplander
18167	06/06/2014	Association of MN Counties	375.00	Regional Leadership Training - Emily, Melissa, & Lindsey Attended
18168	06/06/2014	Brook Pederson	180.63	Meander Event
18169	06/06/2014	CHIPPEWA COUNTY AUDITOR/TREASURER	546.62	Dental Insurance - June 2014
18170	06/06/2014	CITY OF APPLETON	1,016.67	June 2014 - Rent
18171	06/06/2014	CULLIGAN WATER CONDITIONING	251.75	Jan- June 2014 - Water & Cooler Rental
18172	06/06/2014	DAWSON SENTINEL	37.00	Prepaid Subscription
18173	06/06/2014	DONS FOOD PRIDE	41.63	General Supplies
18174	06/06/2014	Federated Telephone, Inc	1,467.00	Spam Filter and Computer Maintenance
18175	06/06/2014	Grants Management Systems, Inc.	102.00	RLSS Maintenance, Webinar Session, and GMS Supplement
18176	06/06/2014	Minnesota Council on Foundations	275.00	MN Grant Makers Subscription Renewal
18177	06/06/2014	NCPERS Minnesota	16.00	Life Insurance - June 2014
18178	06/06/2014	Pamela Ellison	25.00	Southern MN Tourism Assoc Registration - reimbursement to Pamela Ellison being she paid for Melissa.
18179	06/06/2014	Ruth Keller	75.00	May 2014 - Office Cleaning
18180	06/06/2014	Swift County Recorder	46.00	Mortgage satisfaction for Appleton Building Center
18181	06/06/2014	The Appleton Press	3,822.78	P.W. Envelopes and Meander Brochures
18182	06/06/2014	Xerox Corporation	405.16	May 2014 - Copy Charge
18183	06/12/2014	Associated Bank	125.00	June 2014 HSA Employer Contribution
18184	06/12/2014	First Bank & Trust	125.00	June 2014 Employer HSA Contribution
18185	06/12/2014	Minnwest Bank Montevideo	125.00	June 2014 Employer HSA Contribution
			125.00	June 2014 Employer HSA Contribution
			125.00	June 2014 Employer HSA Contribution
			125.00	June 2014 Employer HSA Contribution
			125.00	June 2014 Employer HSA Contribution
18186	06/27/2014	Bourne, Mark L	78.09	Commissioner Payroll
18187	06/27/2014	Buer, Brett T.	82.57	Commisioner Payroll
18188	06/27/2014	Dahlvang, Jim	78.65	Commisioner Payroll
18189	06/27/2014	Rau, Warren	121.47	Commisioner Payroll
18190	06/27/2014	Swigerd, Bruce	71.37	Commisioner Payroll
18191	06/27/2014	Bangsund Construction Inc.	1,525.00	1935 Wisconsin Avenue, Benson, MN 56215
				Dawn's CC - Delta, Hotwirw, Mi Mexico, Benson Bowler, U of M
18192	06/27/2014	Chase Card Services	1,112.04	Ticket, Hotwire, Delta, Delta, Adobe Systems, Gallup Inc., MSP La Brea
			138.00	Arlene's CC - Shotters, Ed Davis, Strabuck DQ, & Dawson DQ
			125.00	Kristi's CC - U of M Symposium
			905.75	Lindsey's CC - 4Imprint, U of M Symposium, Wooden Nickel, Pizza Ranch

			1,927.80	Melissa's CC - MN Field Trip, Microtel, Facebook, Facebook, Zella's, Duffy's. USPS. Facebook, Tommy's Central Street, BP Amoco
			168.00	Randy's CC - USPS - prepaid 21 cent stamps
			275.00	Emily's CC - Dairy Queen SSRTS, U of M Symposium
			308.11	Agency Auto gas - Achemans x5, Cenex, Casey's x2
18193	06/27/2014	Dana F. Cole & Company LLP	84.40	June 2014 Felx Fee & 2014 Enrollment Fee
18194	06/27/2014	Drew Aslesen	360.00	Updates to logo and site style
18195	06/27/2014	DZ Carpentry Inc.	5,054.00	1820 Kansas Avenue. Benson, MN 56215
18196	06/27/2014	Frogs on the Footbridge	352.00	PW-new project for FY 15
18197	06/27/2014	GRANITE FALLS TRIBUNE	57.00	Prepaid Annual Subscription
18198	06/27/2014	Jim's Clothing & Sporting Goods	120.85	Shirt and Jacket for new hire Erin
18199	06/27/2014	Mediacom LLC	222.86	Agencnt Telephone prpd July - FY15 -- & -- Agency Telephone current expense for June FY14
18200	06/27/2014	Minnwest Bank Montevideo	250.00	May & June 2014 Employer HSA Contribution for Emily -catch up
18201	06/27/2014	NCPERS Minnesota	16.00	Life Insurance - July - FY15
18202	06/27/2014	PRAIRIE FIVE CAC	3,262.00	Field Admine for May 2014
18203	06/27/2014	South Dakota Magazine	875.00	Advertisement
18204	06/27/2014	SWIFT COUNTY HRA	3,963.00	April and May 2014 Admin
18205	06/27/2014	USAbLe Life	27.50	Life Insurance - July 2014 FY15
			<u>31,158.40</u>	

Jim Schmedeka, UMRDC Secretary/Treasurer

Dawn Hegland, Executive Director

Gray highlights are pass-thru expenses

June					#1b
UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION					
REVENUE & EXPENSE REPORT					
					Page 2
		Revision #1			
		FY14	Current	YR-To-DT	
		Budget			
Agency Revenues					
Interest		3,800	85	2,895	76%
Levy		274,000	123,774	253,557	93%
Contracts/Reserve		-		-	
Economic Development/EDA					
EDA Planning Grant		64,628		64,628	100%
Revolving Loan Fund Admin		34,000	1,479	39,199	115%
				-	
Technical Assistance					
Technical Assistance Potential Contracts		-		-	
Swift Co Solid Waste (FY12 HH 3,500)		2,100		2,093	100%
Milan Comp Plan Update (FY12 HH 4,850)		250		252	101%
Safe Routes for Schools Plans		15,000		7,222	48%
Safe Routes Coordinator		27,000		10,364	38%
Canby Zoning Update		6,000		3,000	50%
Hazard Mitigation Updates (15,000 FY 13 HH)		20,000		19,387	97%
Safe Routes for Schools (FY13 contract)		7,100		7,102	100%
SMAHC Planning Grant		1,250		1,600	128%
Nature Conservancy		4,702		2,000	43%
Miscellaneous		2,500	325	2,598	104%
Appleton TA		4,000		-	0%
Grant Writing					
Grant Writing Potential Contracts		-		-	
Clara City SDCP (\$4,000 FY14 HH)		4,000		4,000	100%
Upper Sioux Hazard Mitigation Grant App		1,000		1,000	100%
SHIP Grant Application		1,300		1,105	85%
Granite Falls Outdoor Rec Grant		2,080		1,080	52%
Grants Admin/Management					
Benson SCDP (2)		453		453	100%
Dawson EDA Grant		12,000	8,310	8,310	69%
Granite Falls EDA Grant		20,000		7,957	40%
Granite Falls Overall Admin		23,000		12,112	53%
Benson SCDP - New		11,500		6,382	55%
Ortonville SCDP New		11,800	0.21	7,432	63%
Transportation/MN DOT					
Planning Grant (\$25,000 increase)		75,000		67,500	90%
Prairie Waters					
		95,000	650	109,688	115%
Byway Corridor Management Plan					
		28,200		19,109	68%
Art Crawl					
		46,000	3,676	59,441	129%
		Total Revenue			
		797,663	138,298	721,470	90%
Pass-Thru Revenue (not included above)					
			48,534	776,549	

	Revision #1			Page 3
June	FY14			
	Budget	Current	YR-To-DT	
Agency Expenses				
Salaries/Fringe	548,811	45,872	530,131	97%
Commissioner's Expense				
Per Diem	9,000	1,058	9,224	102%
FICA	1,000	81	738	74%
Public Officials Ins.	5,000		3,196	64%
Meeting Expense	3,000		886	30%
Travel C&C	7,500	559	6,813	91%
Training	7,000		-	0%
Art Crawl/Meander	32,000	4,366	18,923	59%
Audit	12,000		11,917	99%
Computer Technical Assistance	10,000	1,425	7,136	71%
Contract for Services/Comm Dev	3,000		-	0%
Copy Charge/xerox lease	8,500	129	4,347	51%
Depreciation	11,000	900	11,099	101%
Dues/Membership	4,500		5,875	131%
Insurance	1,200	(53)	1,021	85%
Intern/high school student	7,000		-	0%
Legal Fees	2,000	(20)	1,314	66%
Miscellaneous/Employee Morale	3,000	445	1,428	48%
Office Rent	12,210	1,017	13,217	108%
Postage	7,000	25	6,438	92%
Printing/Advertising	9,000	20	7,245	81%
RDC Marketing Item	2,000		589	29%
Registration/Training	10,000	915	5,538	55%
Repairs/Maintenance	2,000	75	990	50%
Software GMS/GIS/General	6,000	89	3,907	65%
Sub./Publications	2,000	275	1,668	83%
Supplies	6,000	298	4,620	77%
Telephone/Internet	4,000	92	3,625	91%
Tourism Trade Shows/Ads/Byway	33,000	2,637	28,816	87%
Travel/Staff	25,000	3,061	24,253	97%
Web Hosting/Maintenance	3,500		983	28%
RLF - ACH Fees			345	
SRTS - Pass Thru Activities		1,096	1,246	
Total Expenses	797,221	64,362	717,528	90%
	442	73,937	3,942	
General Checking	\$ 119,667	Hedge Hog Grants		20,000
Money Market	\$ 302,699	Clara City SCDP		(4,000)
Certificate of Deposit	\$ 300,744	Appleton - Technical Assistance		(5,000)
RLF Savings	\$ 327,589	Dawson Sidewalk		(4,357)
Agency Auto	\$ 39,696			
Equipment Fund	\$ 21,199			
			Balance	6,643
UMVRDC Secretary/Treasurer			UMVRDC Executive Director	

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Arlene Tilbury, Financial Officer
DATE: July 22, 2014
RE: FY15 Fund Balance Schedule/Policy/Resolution

A requirement of GASB #54 is that the attached policy and fund balance schedule be reviewed each year to ensure that there are sufficient unassigned general fund dollars. A copy of the policy is enclosed for your review. Also for your review is a copy of the draft FY15 Fund Balance Schedule and the FY15 resolution.

ACTION REQUESTED:

- 1) For the Commission to approve the existing Governmental Accounting Standards Board (GASB 54) policy with no changes;
- 2) For the Commission to approve the UMVRDC FY15 Fund Balance Schedule.
- 3) For the Commission to approve the FY15 Fund Balance Resolution.

For the Co GASB 54 Fund Designation Policy

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 Non-spendable, Restricted, Committed, Assigned and Unassigned.

DEFINITIONS

- A. **Non-spendable 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. Requested changes in assignments must be presented to the UMVRDC Board prior to any change in the designation of funds.

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.

**Upper MN Valley Regional Development Commission
FY15
FUND BALANCE DESIGNATION SCHEDULE**

FY15 Schedule

Non-Spendable

Inventory
Prepays

Restricted

Revolving Loan Fund - (for relending)
Scenic Byway Savings

Committed

*Sick Leave Designation
**Vacation Designation
Unemployment Designation (\$10,000)
***Medical Reimbursement Allocation (\$15,000)
Flex Account

Assigned

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

Matching Requirements

Unassigned

Fund Balance

Gary Hendrickx
UMVRDC Chairman - Date

Dawn Hegland
UMVRDC Executive Director - Date

* 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.

*** Medical Reimbursement Allocation is \$1,500/year per employee.

RESOLUTION
for FY15 Fund Balance
Governmental Accounting Standards Board (GASB) 54 Regulations
July 22, 2014

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; 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: Committed for vacation; sick; unemployment; medical reimbursement allocation; flex account; and
- D. **Assigned Fund Balance** – represents amounts assigned by the UMVRDC for a specific purpose determined by the UMVRDC Board. Including but not limited to: between tax settlement; agency auto fund; equipment replacement fund; matching contribution; 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 will assign fund balances as needed. Requested changes in assignments must be presented to the UMVRDC Board prior to any 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

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Randy Larson, Loan Officer
DATE: July 22, 2014
RE: FY14 Revolving Loan Fund (RLF) Annual Report

Enclosed is the FY 2014 Revolving Loan Fund (RLF) Annual Report outlining the actions, status, board, and policies of the RLF.

ACTION REQUESTED:

Approve the FY14 Revolving Loan Fund Annual Report.



FY 2014

Revolving Loan Fund Report

for

July 1, 2013 – June 30, 2014

Prepared by

Randy Larson Jr., Loan Officer

Report FY2014 | UMRDC RLF



Upper Minnesota Valley
**REGIONAL
DEVELOPMENT
COMMISSION**

Helping Communities Prosper

Annual Report FY2014

July 2013- June 2014

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EXECUTIVE SUMMARY

The UMRDC Revolving Loan Fund participated in 3 projects over the last fiscal year assisting with gap financing for business start-ups and expansions needing working capital, inventory, fixed assets and real estate. A total of \$186,000 in revolving loan funds were lent out and helped generate an additional \$1,438,000 in leveraged financing from public and private sources along with owner investments.

FY2014 LOAN ADVISORY BOARD MEMBERS

The Loan Advisory Board met on an as-needed basis to review loan applications and other requests throughout the fiscal year.

The time and dedication by all board members is greatly appreciated!

Big Stone County

Walter Wulff – County Commissioner

Vicki Oakes – Economic Development Representative

Chippewa County

Jim Dahlvang – County Commissioner

Gene Schwitters – Economic Development Representative

Lac qui Parle County

Terry Overlander – County Commissioner

Josh Falness – Economic Development Representative

Swift County

Joe Fox – County Commissioner

Laura Thomson – Economic Development Representative

Yellow Medicine County

Louis Sherlin – County Commissioner

Paul Wilson – Economic Development Representative

UMVRDC Representatives

Gary Hendrickx – RLF Chairman

Gary Johnson

Warren Rau

STATUS REPORT (as of June 30th, 2014)

Total Loans in Portfolio – 34

Current Loans – 33

Defaulted Loans – None

Delinquent Loans – None

Deferred Loans – 1

Loans Approved but Not Disbursed – 2 (listed on page 5)

Loans Paid in Full – 5

- Appleton Building Center
- Appleton Veterinary Clinic
- C & L Powder Coating, LLC
- Dawson Mini Mall
- Eric's Motorsports
- Nirvana Salon and Spa
- Swift Manufacturing

Loans Written Off – 0

TOTAL FUNDS

Total Funds in Revolving Loan Fund \$1,767,141.69

ACCOUNTS RECEIVABLE 2014 (as of June 30th)

2009 Comparison

<u>Loan Status</u>	<u># of Loans</u>	<u>Outstanding Balance</u>	<u># of Loans</u>	<u>Outstanding Balance</u>
Loans Current	33	\$1,149,328.14	18	\$786,744.82
Delinquent	0	\$0	0	\$0
Default	0	\$0	2	\$134,260.35
Deferred	1	\$50,225.01	3	\$79,662.46
Other	0	\$0	0	\$0
Total Receivables	34	\$1,199,553.15	23	\$1,000,667.63
Total RLF Funds		\$1,767,141.69		\$1,200,000.00

COMMITTED FUNDS (as of June 30th)

Total Funds Committed for Projects: (listed on page 5) **\$300,000.00**

BALANCES AVAILABLE FOR LENDING (as of June 30th)

Total Funds Available for Lending (as of June 2014): **\$267,588.54**

APPROVED LOANS

It was a steady year of inquiries for the revolving loan fund for potential loan requests. Three of the inquiries resulted in 3 new loans approvals totaling \$186,000 for new and expanding businesses in the region. Loans for the businesses listed below were approved for equipment, fixed assets, inventory, working capital and real estate. A combination 22 full and part-time position were created or retained as a result of these business expansion and retention projects. A total of \$1,438,000 was leveraged in additional public and private funds for the projects listed below. Financial partners in projects included local banks/financial institutions, The Appleton Project, Joint Power Area Cooperative (JPAC), Southwest Initiative Foundation, and the Swift County Rural Development Authority (RDA).

Swift County

Lamecker General Store, Kerkhoven - \$25,000	Working Capital – New Business
Northern Geo, Appleton - \$150,000	Fixed Asset/Working Capital – New Business
R & R Outdoors, Appleton - \$11,000	Fixed Asset/Working Capital

ALLOTTED FUNDS (as of June 30th)

In addition to the loans above, two loans have been approved and are pending closing dates. UMRDC RLF financing totals \$300,000 for these two loans. Below are the two loans that have been approved and have pending closing dates:

Lac Qui Parle County

Bluegrass Proteins, Inc, Dawson - \$200,000 Machinery & Equipment – New Business

Swift County

West Central Powder Coat, Inc., Benson - \$100,000 Real Estate – New Business

These two projects will entail an estimated total of \$19,360,580 in leveraged fund in our region.

CURRENT LOAN PORTFOLIO (as of June 30th)

Current Loan Portfolio					
	Borrower	Loan	Interest Rate	Term (years)	Balance at 06/30/2014
1	Al's Mercantile	50,000	5%	10	35,624.79
2	Appleton Hardware Inc	50,000	4%	12	16,484.66
3	Appleton Meat Center	30,000	4%	10	19,621.87
4	Appleton Power Equipment	25,000	4%	10	16,202.08
5	Barr's/Conroy Electric, Inc.	46,000	4%	10	37,075.41
6	Books by Kelly	20,000	5%	5	12,118.33
7	C&L Loan #2	57,500	2.90%	10	54,871.73
8	C.C. Diamond Products, LLC	100,000	4%	10	82,581.60
9	Clarkfield Family Foods	28,000	4%	10	16,423.67
10	Clarkfield Hardware Hank	40,000	4%	7	4,248.93
11	Friendship Cafe	10,000	4%	10	5,850.80
12	Granite Falls Dairy Queen, Inc	100,000	4%	10	82,415.30
13	Handeland Chiropractic, LLC	33,000	5%	10	23,989.23
14	I Fit	5,000	4%	7	2,442.41
15	Jack Anderson (GoldLeaf Fin.)	100,000	2.90%	5	76,340.89
16	Jager building Supply, LLC	62,000	4%	10	50,225.01
17	J C & Sons Hardware Inc	70,000	4%	10	43,647.45
18	Jimmy's Pizza	13,000	4%	10	8,532.09
19	Kaercher Publications, Inc.	65,520	4.50%	10	54,879.00
20	Kay's Processing, LLC	100,000	2.90%	5	76,609.86
21	Lamecker's General Store	25,000	4.00%	5	24,723.15
22	Madison Meats	37,200	4%	5	10,120.25
23	Merritt Construction, Inc.	10,000	4.50%	12	8,486.14
24	Northern Geo, LLC	150,000	4%	10	148,704.30
25	Northern Grain	100,000	2.90%	5	83055.24
26	Ortonville Hardware Hank	66,000	4%	7	11,476.38
27	Porter Elevator	75,000	4%	12	56,748.91
28	Private Industry Council	50,000	4%	9.6	24,179.69
29	R&R Outdoors	11,000	4%	10	10,347.45
30	SEWearables	33,000	4.50%	7	21,047.05
31	SpecSys Inc.	50,000	4%	10	29,239.31
32	Swift Falls Bar & Grill	22,500	4%	10	13,147.32
33	The Corner Stop	30,000	5%	10	7,205.56
34	The Sawmill	50,000	4%	10	30,887.29

PROGRAM IMPACT SUMMARY

Since the RLF was incorporated in August of 1988, the Fund has made a significant impact on the economic growth and employment opportunities in Region 6W. The RLF has completed the following loan activities:

<u>ECONOMIC IMPACT</u>	<u>TOTAL</u>
Number of Loans Closed	110
Loan Amounts	\$5,547,160.00
Private Dollars Leveraged	\$81,432,820.00
Public Dollars Leveraged	\$16,886,869.00
Owner Equity	\$28,526,932.00
Jobs Created	1,091.50
Jobs Retained	1,543.50
Business Type:	
Start-Up	38
Expansion	45
Retention	27
Total	110
Classification:	
Industrial	51
Commercial	26
Service	33
Total	110

LOAN FUND HISTORY

The Western Minnesota Revolving Loan Fund (RLF) was established on December 5, 1988. Big Stone, Chippewa, and Swift Counties and the U.S. Department of Commerce Economic Development Administration (EDA) originally provided capital for the RLF. In 1993, the RLF was recapitalized with EDA funds and matching funds from all five counties in Region 6W. With this recapitalization, businesses in Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine Counties were eligible to receive loans.

The RLF was again recapitalized with EDA and county funds in 2001 to create a separate disaster fund for Chippewa and Yellow Medicine Counties and after once revolved would be combined with the existing revolving loan fund for all counties to utilize. A request to combine funds in August 2006 was submitted to EDA for approval and action. In December 2010 EDA combined the UMVRDC's two funds into one.

In February 2013 the UMVRDC was awarded \$400,000 from the Department of Commerce Economic Development Administration (EDA) for an additional loan fund. Funds were matched by each of the UMVRDC's counties: Big Stone, Chippewa, Lac qui Parle, Swift & Yellow Medicine. Matching funds from the counties totaled \$100,000 bring the additional funding to a total of \$500,000. For the purposes of this report numbers for the original fund and the new fund are combined. Currently, the UMVRDC has two loan funds in which it can award loans to aid economic development in our region.

SUMMARY OF PROGRAMMATIC CHANGES

In January 2014, Randy Larson was hired to administer the RLF Program as the RLF loan officer. This position was previously held by Jacki Anderson.

MARKETING

EDA requires seventy five percent (75%) of RLF funds to be lend out at all times. In order to maintain this lending standard, the RLF has tried a variety of different marketing approaches and found the most effective marketing to be word-of-mouth. Many of the loan requests came from local lender referrals along with board member and local economic development staff promoting our program. UMVRDC staff continues to make regular contact with financial and economic development professionals throughout the region, which also serves as a valuable marketing strategy to ensure compliance with EDA's lending standards. With the newest dollars from EDA that became available in June 2013 there are ample funds available. Staff will be marketing these funds heavily over the next year and relying on existing partnerships with local EDA's and lenders to help bring forth quality loan projects for consideration.

FREQUENTLY ASKED QUESTIONS (FAQ)

Loan Size

- ∂ \$5,000 - \$100,000

Type of Assets Financed

- ∂ Equipment
- ∂ Inventory
- ∂ Working capital (with additional restrictions)
- ∂ Real Estate

Terms

- ∂ Fixed assets financed at a maximum of 10 years
- ∂ Real estate financed at a maximum of 20 years
- ∂ Working capital financed at a maximum of 5 years
- ∂ Average financing is 5 – 7 years

Interest Rates

- ∂ Not less than 4 percent below prime with a minimum of 4 percent or 75% of the prime interest rate listed in the Wall Street Journal whichever is less.
- ∂ Most loans are made at 4 – 7 percent
- ∂ Fixed Rate

Equity & Collateral

- ∂ Minimum of 10 percent borrower equity (in-kind equity allowed)
- ∂ All loans must be secured with available assets, inventory, real estate, etc. and personal guarantees

Repayment

- ∂ Monthly payments are made through electronic transfer (ACH)

Other Requirements

- ∂ Applicant must attend Loan Advisory Board meeting (2nd Monday)
- ∂ Project must demonstrate a gap financing need
- ∂ Bank participation is required

***The UMVRDC may use one or more of the following incentives to accomplish the objectives of the RLF:**

- ∂ Lower Interest Rates
- ∂ Longer Terms
- ∂ Balloon Payments
- ∂ Lower owner investments and/or sweat equity may be considered
- ∂ Subordinated positions

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: NADO Board

I have been nominated by my peer executive directors in MN to run for the NADO Board again this year as one of 11 Midwest Region Representatives. The costs to our agency to take this position would include my time and travel costs for attending 3 board meeting per year located throughout the country. Two of these board meetings are in conjunction with other NADO training events.

ACTION REQUESTED:

Authorization to serve on the NADO Board of Directors and to authorize out of state travel to 3 NADO events throughout the year.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Randy Larson Jr., Loan Officer
DATE: July 22nd, 2014
RE: June 2014 RLF Treasurer's Report

Financial information presented in this report is separated into the two RLF loan fund pools the UMRDC currently manages. The report shows the active loans in the RLF portfolios. In the RLF treasurer's report the following information regarding each loan is presented: borrower, loan amount, interest rate, term, the loan pool from which each loan is from, informational notes, and activity detail for the loan transactions.

At the bottom of the report, the balances of the bank accounts are presented. First, the amounts for each RLF loan fund pool are presented as totals. These totals show the total of the outstanding loan balance for each fund and the addition of each corresponding month-end bank balance. Each fund's monthly activity is broken down into the various activities that affect the bank balances and the balances available for lending. The payoffs that are anticipated in 2014 are also listed.

June Transaction Notes/Highlights:

- Appleton Vet Clinic loan was paid off on June 6th, 2014.

ACTION REQUESTED:

To approve the UMRDC's RLF Treasurer's Report with the following available for lending balances – meaning fund balances less the funds already committed to loans that have yet to close: *\$148,642.15 (Original RLF) and \$118,946.39 (Disaster RLF).*

Encl.

JUNE 2014 RLF TREASURER'S REPORT

#3

	Terms				Reporting Transactions				
	Original RLF Loan Amount	Disaster RLF Loan Amount	Interest Rate	Term (years)	Notes	June Payments	Original RLF Balance at 06/30/2014	Disaster RLF Balance at 06/30/2014	
1	Al's Mercantile	50,000		5%	10		531.33	35,624.79	
2	Appleton Hardware Inc	50,000		4%	12		684.44	16,484.66	
3	Appleton Meat Center	30,000		4%	10	NSF	-	19,621.87	
4	Appleton Power Equipment	25,000		4%	10	Pd. 2x in May	-	16,202.08	
5	Appleton Vet Clinic	23,000		4%	10	Pd. Off 6/6/2014	13,555.64	-	
6	Barr's/Conroy Electric, Inc.	46,000		4%	10		466.73	37,075.41	
7	Books by Kelly	20,000		5%	5		121.69	12,118.33	
8	C&L Loan #2	57,500		2.90%	10		553.57	54,871.73	
9	C.C. Diamond Products, LLC	100,000		4%	10		1,013.45	82,581.60	
10	Clarkfield Family Foods	28,000		4%	10		284.49	16,423.67	
11	Clarkfield Hardware Hank	40,000		4%	7		547.75	4,248.93	
12	Friendship Cafe	10,000		4%	10		102.25	5,850.80	
13	Granite Falls Dairy Queen, Inc	100,000		4%	10		1,013.45	82,415.30	
14	Handeland Chiropractic, LLC	33,000		5%	10		350.02	23,989.23	
15	I Fit	5,000		4%	7		68.34	2,442.41	
16	Jack Anderson (GoldLeaf Fin.)	100,000		2.90%	5		1,793.43	76,340.89	
17	Jager building Supply, LLC	62,000		4%	10		-	50,225.01	
18	J C & Sons Hardware Inc	70,000		4%	10	Deferred	709.72	43,647.45	
19	Jimmy's Pizza	13,000		4%	10	Pd 2x in May	-	8,532.09	
20	Kaercher Publications, Inc.	65,520		4.50%	10		680.04	54,879.00	
21	Kay's Processing, LLC	100,000		2.90%	5		1,793.43	76,609.86	
22	Lamecker's General Store	25,000		4.00%	5		461.41	24,723.15	
23	Madison Meats	37,200		4%	5		686.09	10,120.25	
24	Merritt Construction, Inc.	10,000		4.50%	12		104.64	8,486.14	
25	Northern Geo, LLC	50,000	100,000	4%	10		1,518.68	49,568.10	99,136.20
26	Northern Grain		100,000	2.90%	5		1,793.43		83,055.24
27	Ortonville Hardware Hank	66,000		4%	7		905.12	11,476.38	
28	Porter Elevator	75,000		4%	12		760.34	56,748.91	
29	Private Industry Council	50,000		4%	9.6		396.39	24,179.69	
30	R&R Outdoors	11,000		4%	10		112.37	10,347.45	
31	SEWearables	33,000		4.50%	7		361.04	21,047.05	
32	SpecSys Inc.	50,000		4%	10		507.23	29,239.31	
33	Swift Falls Bar & Grill	22,500		4%	10		228.80	13,147.32	
34	The Corner Stop	30,000		5%	10		318.19	7,205.56	
35	The Sawmill	50,000		4%	10		203.81	30,887.29	
		1,537,720	200,000				\$ 32,627.31	\$ 1,017,361.71	\$ 182,191.44

Balance of Bank Accounts

Total Original RLF Funds:	1,266,003.86	Total Disaster RLF Funds:	501,137.83
Previous month's bank balance	219,880.62	Previous month's Bank Balance	76,605.44
Loan Repayment	29,801.43	Loan Repayment	2,805.88
Loan Disbursement	-	Loan Disbursement	-
June '14 - Bank Interest	30.20	June '14 Bank Interest	9.62
May '14 - Admin Transfer	(1,090.10)	May '14 - Admin Transfer	(474.55)
Origination or Loan Payoff Fees	20.00	Origination Fee or Loan Payoff Fees -	-
Bank Account Balance at 6/30/2014	248,642.15	Bank Account Balance 6/30/2014	78,946.39
Committed - \$100,000 BPI	(100,000.00)	EDA Funds available for draw down	240,000.00
Balance available for lending	\$ 148,642.15	Committed -BPI & WCPCI 100,000 x 2	(200,000.00)
		Balance available for lending	\$ 118,946.39
Payoffs Anticipated in 2014			

Approval Signatures

UMVRDC Secretary/Treasurer

UMVRDC Executive Director

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: FY2010 Work Plan, Budget, Indirect Cost Plan and Levy (Open Public Hearing)

The Chairman declares the public hearing open for the FY2015 Work Plan, Budget, Indirect Cost Plan and Levy.

ACTION REQUESTED:

For the Chairman to declare the public hearing open for the FY2015 Work Plan, Indirect Cost Plan, Budget and Levy.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Dawn Hegland, Executive Director
DATE: July 22, 2014
RE: Annual Report

The Chairman will distribute the 2014 Annual Report to all commissioners and guests.

No Action Requested

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: Public Interest Group Representatives

We have three public interest positions on the Commission and per our bylaws these positions are considered and appointed every year. We have received all three re-nomination forms for these positions:

- Economic Development-
 - Vicki Oakes, Ortonville Economic Development Authority Director
 - Justin Bentaas, Granite Falls Economic Development Authority Director
- Workforce – Juanita Lauritsen, Private Industry Council/SW MN Workforce Council Director
- Community Action – Bruce Swigerd, Prairie Five Community Action Council Board Member

ACTION REQUESTED:

For the Commission to take action certifying the public interest group representatives to serve on the UMVRDC for FY2015.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Finance Officer

DATE: July 23, 2014

RE: Depository

The Commission should take action to designate official depositories for the next fiscal year. The Commission annually solicits bids from the local banks before making the decision. In recent years the difference in interest rates has been insignificant in relation to how much work and cost it is to change accounts. A proposal from our existing main bank, Prairie Sun Bank, is attached for your review as well as the proposal for the RLF account at the Farmers and Merchants Bank of Appleton.

I would recommend keeping the same accounts at their current locations.

ACTION REQUESTED:

For the Commission to designate a depository for agency funds for FY2015.

Enc.



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
 Helping Communities Prosper

323 W. Schieman Ave. Appleton, MN 56208-1299 320.289.1981 (office) 320.289.1983 (fax) www.umvrdc.org

June 25, 2014

Mark Thorsland, President
 Prairie Sun Bank
 250 N Miles Street PO Box 159
 Appleton MN 56208

Dear Mark

The Upper MN Valley Regional Development Commission will be having their annual meeting on July 22 and at that time will be designating an official depository for both the UMRDC and the UMRDC Revolving Loan Fund for the fiscal year of July 1, 2014 through June 30, 2015. Therefore, this letter is a request for your banking institution to provide a proposal clarifying the banking services your bank would provide as the depository for our organization.

Your proposal should indicate all of the following information:

- a) interest rates available for:
 - i. interest bearing checking accounts, *now acct = 1.3% yield*
 - ii. savings accounts *MMDA acct - see below*
 - iii. certificate of deposit *2.7% over 1,000 yield*
- b) charges for printing of checks: *None*
- c) if you will be offering online bill pay in the near future; *not likely*
- d) what options you have available for both short and long term investment of our general fund balance. *—*

Our agency will be seeking out a financial institution in the next year that offers health saving accounts for our employees. Please also indicate if that is a service that you will be able to offer. *not at present*

I am requesting that you respond with your proposal no later than July 7. If you have any questions concerning this request, contact my office for clarification. Thank you in advance for your response to this request.

Sincerely,

Dawn E. Hegland

Dawn Hegland
 Executive Director

MMDA
 > 40,000.00 - 4.1%
 > 20,000.00 - 2.9%
 > 2,000 - 2.1%



Serving Big Stone, Chippewa, Lac qui Pare, Swift and Yellow Medicine Counties

**FARMERS &
MERCHANTS
STATE BANK**

239 North Miles Street

Appleton, Minnesota 56208-0300

Telephone (320) 289-1454
FAX (320) 289-1743

JUL 03 2014

July 2, 2014

Upper Minnesota Valley RDC
Dawn Hegland, Exec. Director
323 W Schlieman Ave
Appleton, MN 56208

Dear Dawn:

Thank you for your letter inquiring about a proposal from our Bank for your banking needs in your fiscal year.

Our proposal would be identical to last year's proposal with the interest rates payable on your deposit accounts based on our posted rates, adjustable at any time.

The charges for printing checks would be at our normal pricing. We do not foresee offering bill pay online in the next year and unfortunately, we are not planning to offer HSA accounts at this time.

For short term and long term investments, either our money market savings accounts or Certificates of Deposit are available at the posted rates.

Thank you for the opportunity to make this proposal to you.

Sincerely,



James D. Mussee
President

JDM/msv

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: Report from the Nominating Committee - Election of Chairperson

The nominating committee members, Brent Olson and Graylen Carlson have been working on getting nominations for a chairperson for FY2015. A member of the nominating committee will report the name or names of commissioners indicating a desire to serve as chairperson.

ACTION REQUESTED:

Election of chairperson for FY2015.

DH

ACTION MEMO

TO: Upper MN Valley RDC Commissioners
FROM: Dawn Hegland, Executive Director
DATE: July 22, 2014
RE: Certification - Board of Directors/Election of Officers

Three actions need to occur with this memo:

1. Elect and certify a Board of Directors
2. Elect a Vice Chairperson from the member of the Board of Directors
3. Elect a Secretary/Treasurer from the member of the Board of Directors

Members from **each** county should caucus prior to the annual meeting for the purpose of selecting a board member representative and an alternate board member. The names of these two individuals should be presented to the Commission following the election of the chairperson. Please remember, our bylaws do not allow a public interest group representative to serve on the board or as an officer. I have enclosed the section of the Bylaws that pertains to the board of directors and a list of current board members and their respective terms is shown below for your review.

Existing 2014 UMRDC Board of Directors

Big Stone County:

Kathi Thymian- 2013, 2014
Brent Olson - Alternate

Swift County:

Warren Rau – Alternate 2013, 2014

Chippewa County:

Jim Schmaedeka– Alternate 2013, 2014

Yellow Medicine County:

Scott Peterson- 2013, 2014
Gary Johnson – Alternate

Lac qui Parle County:

Brett Buer –2013, 2014

Existing 2013 UMRDC Officers

From among the members of the board of directors, nominations will be received for the position of vice chairperson and secretary/treasurer. Chairperson and board members may serve four (4) consecutive years - see Bylaws, Article V, Section 3 (effective June, 1987)

VICE - CHAIRPERSON

Kathi Thymian – FY14

SECRETARY/TREASURER

James Schmaedeka – FY14

ACTION REQUESTED:

For the Commission to certify the FY2015 Board of Directors and from which a vice chairperson and secretary/treasurer shall be elected.

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: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: Close Public Hearing - FY2015 Work Plan, Indirect Cost Plan, Levy, and Budget

At this point, the Commission members may wish to consider closing the public hearing and take action on the work plan, indirect cost plan, levy, and budget, for FY2015.

- **Work Plan:** See attached 2015 Big Huge Audacious Goals (BHAG's)
- **Indirect Cost Plan:** See attached
- **Levy:** See attached resolution that includes the proposed 3% increase of county dollars payable. The levy is allocated according to the net tax capacity percent as determined by each county and as certified by the Minnesota Department of Revenue.

Certification of Apportioned Levies - Payable 2015			
	Payable 2015	Levy Limitation	\$ 288,848
County	Net Tax Capacity	Distribution Percentage	Apportioned Payable 2015
Big Stone	10,804,701	10.6830%	30,858
Chippewa	22,413,747	22.1614%	64,013
Lac Qui Parle	18,471,158	18.2632%	52,753
Swift	23,056,802	22.7972%	65,849
Yellow Medicine	26,392,355	26.0952%	75,375
	101,138,763	100.0000%	288,848

- **Budget:** Attached is a copy of the proposed budget for FY2015

ACTION REQUESTED:

For commissioners to accept and adopt the work plan, levy, indirect cost plan, and budget for FY2015 and authorize the signatures on the Resolution of Authorization for county tax levies payable in 2015.

DH
Enc.



Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

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

RESOLUTION OF AUTHORIZATION
For
COUNTY TAX LEVIES PAYABLE FY 2015
#15-01

WHEREAS, the Upper Minnesota Valley Regional Development Commission (UMVRDC) was duly created under the provisions of the Regional Development Act of 1969; and

WHEREAS, the Regional Development Act of 1969 provides in Section 462.396, Subd. 2 for a tax levy; and

WHEREAS, the 1998 Minnesota Legislature amended Section 462.396 by passage of Laws 1998, Chapter 389, Article 3, Section 17; and

WHEREAS, the Minnesota Department of Revenue has identified the maximum payable 2015 levy limitation for the UMVRDC to be \$288,848; and

WHEREAS, the apportionment of the UMVRDC's tax to each county within the region is based on the ratio of each county's net tax capacity to the total net tax capacity for the entire region.

NOW BE IT RESOLVED, that the UMVRDC certifies the 2015 property tax levy to the counties within the region as determined by the Minnesota Department of Revenue.

BE IT FURTHER RESOLVED, that a copy of this resolution will be provided to each county auditor within Region 6W.

Adopted this 22nd day of July 2014

ATTEST:

ATTEST:

Chairperson, UMVRDC

Secretary/Treasurer, UMVRDC

UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION		
Proposed FY 15 Budget		
Projected Revenues FY15		FY 15 Budget
Agency Revenues		
Interest		3,500
Levy	<i>Includes 3% increase</i>	282,500
Economic Development/EDA Planning Grant		
	EDA Planning Grant	64,628
	Revolving Loan Fund Admin	40,000
Technical Assistance		
	Greater MN Development Strategy	6,250
	Technical Assistance Potential Contracts	23,000
	Appleton Technical Assistance (\$5,000 HH FY14)	27,000
	Safe Routes for Schools Plans	15,000
	Safe Routes Coordinator	51,000
	Canby Zoning Update	4,130
	Hazard Mitigation Updates (15,000 FY13 HH)	87,000
	CERTS	28,400
	Upper Sioux Hazard Mitigation (includes \$5,000 HH FY14)	42,500
	Dawson Sidewalk Project	4,358
Grant Writing		
	Grant Writing Potential Contracts	5,000
	2 County HM App	1,000
Grants Admin/Management		
	Granite Falls EDA Grant	35,000
	Granite Falls Overall Admin	15,000
	Granite Falls Volstead House	5,000
	Granite Falls Bridge (labor standards)	6,000
	Benson SCDP - New	18,000
	Ortonville SCDP New	15,000
	Clara City SCDP Potential	12,000
Transportation/MN DOT Planning Grant		75,000
Prairie Waters		95,000
Scenic Byway Planning Grant FY15		15,080
Byway Corridor Management Plan		67,790
Art Crawl		46,000
TOTAL REVENUE		1,090,136

Projected Expenses FY15		
Salaries		488,517
Fringe Benefits		265,630
Commissioner's Expense		
	Per Diem	10,000
	FICA	1,000
	Public Officials Ins.	4,000
	Meeting Expense	2,000
	Travel C&C	6,000
	Training	5,000
Audit		13,000
Computer Technical Assistance		12,000
Copy Charge/xerox lease		8,500
Depreciation		11,000
Dues		5,000
Insurance		1,200
Legal Fees		2,000
Miscellaneous/Employee Morale		3,000
Office Rent		12,210
Postage		7,000
Printing/Advertising		8,000
RDC Marketing Item		2,000
Registration/Training		10,000
Repairs/Maintenance		2,000
Software GMS/GIS/General		6,000
Sub./Publications		2,000
Supplies		6,000
Telephone/Internet		4,000
Travel/Staff		34,000
Web Hosting/Maintenance		3,500
Pass Thru Activity		
GIS for Hazard Mitigation Chippewa		7,255
GIS for Hazard Mitigation YM		3,100
GIS for Hazard Mitigation Big Stone		3,100
GIS for Hazard Mitigation Upper Sioux		3,100
County Reimbursement for Hazard Mitigation		6,000
SRTS - Products		15,000
Byway		41,276
Meander		31,500
Prairie Waters		40,000
TOTAL EXPENSE		1,084,888
EXCESS REV. OVER EXP.		5,248

**UPPER MINNESOTA VALLEY
REGIONAL DEVELOPMENT COMMISSION**

INDIRECT COST ALLOCATION PLAN

FISCAL YEAR 2015

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SECTION I

INTRODUCTION

I. INTRODUCTION

This Indirect Cost Proposal is for the Upper Minnesota Valley Regional Development Commission's (UMVRDC) fiscal year 2015 begins July 1, 2014 and ends June 30, 2015. Principles for determining costs applicable to grants and contracts with state and local governments and federally recognized Indian tribal governments (OMB Circular A-87) was used to establish a uniform approach for determining allowable costs incurred by the UMVRDC.

BACKGROUND

The UMVRDC is the regional planning and coordinating agency for local units of government for the area comprised of Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine Counties in Minnesota.

In 1973 the Upper Minnesota Valley Regional Development Commission was organized by the area's local elected officials as authorized by the Minnesota Regional Development Act of 1969 (MS Sections 462.381 to 462.398). The Act defined the boundaries, membership, operating principals and the specific duties and powers of a RDC. Regional development commissions were outlined with the purpose "to insure the orderly and harmonious coordination of state, federal and local comprehensive planning and development programs for the solution of economic, social, physical and governmental problems of the state and its citizens by providing for the creation of regional development commissions."

The UMVRDC may consist of twenty-two (22) members; currently the membership has 19 (see Exhibit A), appointed to the UMVRDC by the local units of government in the five county area. The chairman and officers are elected by the UMVRDC and then serve as the UMVRDC Board of Directors. The UMVRDC currently has nine (9) permanent employees with plans to add position in FY15 (see Exhibit B) supported by the various state and federal grants and local contracts (see Exhibit D) along with the maximum base levy amount of \$288,848 or 103 percent of the amount levied the previous year assessed on all taxable property in the region. The UMVRDC developed the Cost Allocation Plan using allowable costs according to regulations in Federal Management Circular A-87.

PROCESS

This cost allocation plan is based on previous years' expenditures and was established in order to continue the equitable procedures for the distribution of costs not directly applicable or assignable to program units. Office of Management & Budget Circular A-87 Cost Principles for state, local and Indian Tribal Governments define the Upper Minnesota Valley Regional Development Commission as a "local government".

The formula for distribution of these unassignable costs will provide maximum recovery of allowable cost from revenues provided for operation of the program units in the UMVRDC.

EXHIBIT A

UMVRDC COMMISSION MEMBERSHIP

BIG STONE COUNTY:

Brent Olson, Ortonville - County Board
Scott Rixe, Graceville - Municipalities
Harold Rusty Dimberg, Ortonville - Townships

CHIPPEWA COUNTY:

Jim Dahlvang, Montevideo - County Board
Debra Lee Fader, Montevideo - Municipalities
Jim Schmaedeka, Clara City- Townships

LAC QUI PARLE COUNTY:

Graylen Carlson, Madison - County Board
Jeff Olson, Dawson - Municipalities
Mark Bourne, Dawson- Townships

SWIFT COUNTY:

Gary Hendrickx, Appleton - County Board
Mike Fugleberg, Benson - Municipalities
Warren Rau, Appleton - Townships

YELLOW MEDICINE COUNTY:

Gary L. Johnson, Montevideo - County Board
Scott Peterson, Granite Falls - Municipalities
VACANT - Townships

TRIBAL COUNCIL REPRESENTATIVE:

VACANT - Upper Sioux Community

SCHOOL BOARD REPRESENTATIVES:

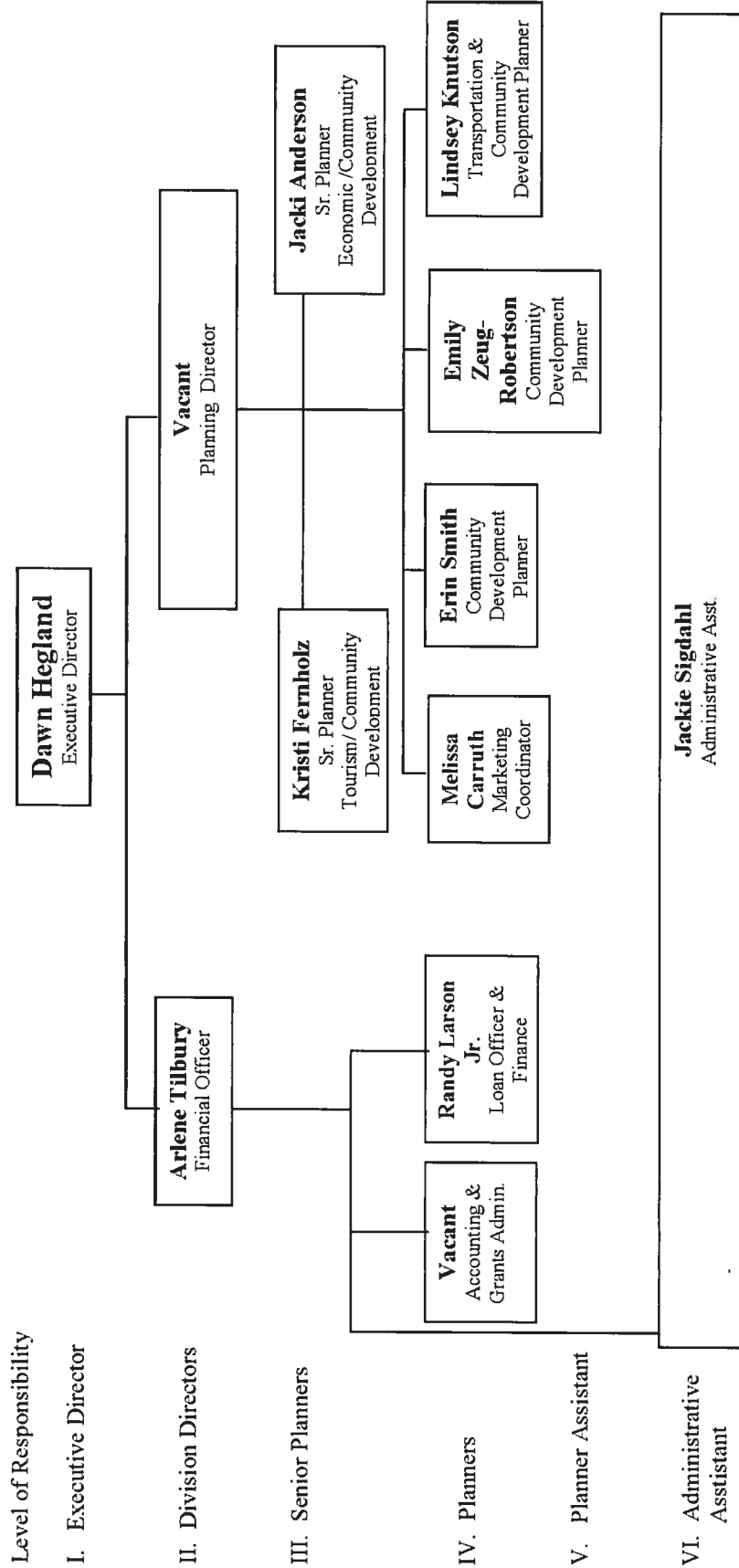
Brett Buer, Dawson - Dawson - Boyd School Board
Kathi Thymian, Ortonville - Ortonville School Board

PUBLIC INTEREST GROUP REPRESENTATIVES:

Bruce Swigerd, Ortonville - Prairie Five CAC, Inc.
Juanita Lauritsen, Montevideo - Work Force Council
Vicki Oaks, Ortonville - Big Stone County EDA



Staff Organizational Chart



UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION

LIST OF INDIRECT COST ACCOUNTS
FISCAL YEAR 2015

COST ACCOUNT

Salaries
Benefits
Audit
Computer Technical Assistance
Copy Charge
Depreciation
Insurance
Legal
Miscellaneous Expense
Office Rent
Postage
Printing/Advertising
Registration/Training
Repairs/ Maintenance
Software
Subscriptions/Publications
Supplies
Telephone/Internet
Travel
Web Hosting/Maintenance

EXHIBIT D**PROJECTED REVENUE
FISCAL YEAR 2015**

FUNDING SOURCE	AMOUNT
<u>Levy/Contracts/Miscellaneous:</u>	
Local Levy	\$282,500
Interest Earned/Misc.	3,500
Regional Tourism/Art Crawl	141,000
Grant Writing	6,000
Technical Assistance	64,738
Grants Admin/Management	106,000
<u>Federal:</u>	
Economic Development Administration	64,628
Revolving Loan Fund	40,000
Byway Corridor Management/Planning	82,870
Hazard Mitigation Grants	129,500
Safe Routes to School (SRTS)	66,000
Clean Energy Resource Team (CERT)	28,400
<u>State:</u>	
MnDOT Planning/Transit	<u>75,000</u>
 TOTAL REVENUES	 \$1,090,136

PROJECTED EXPENSES FY 15

			TOTAL
Salaries			488,517
Fringe Benefits			265,630
Commissioner's Expense			
Per Diem			10,000
FICA			1,000
Public Officials Ins.			4,000
Meeting Expense			2,000
Travel C&C			6,000
Training			5,000
Art Crawl/Meander			
Audit			13,000
Computer Technical Assistance			12,000
Copy Charge/xerox lease			8,500
Depreciation			11,000
Dues			5,000
Insurance			1,200
Legal Fees			2,000
Miscellaneous/Employee Morale			3,000
Office Rent			12,210
Postage			7,000
Printing/Advertising			8,000
RDC Marketing Item			2,000
Registration/Training			10,000
Repairs/Maintenance			2,000
Software GMS/GIS/General			6,000
Sub./Publications			2,000
Supplies			6,000
Telephone/Internet			4,000
Travel/Staff			34,000
Web Hosting/Maintenance			3,500
Pass Thru Activity			
GIS for Hazard Mitigation Chippewa			7,255
GIS for Hazard Mitigation YM			3,100
GIS for Hazard Mitigation Big Stone			3,100
GIS for Hazard Mitigation Upper Sioux			3,100
County Reimbursement for Hazard Mitigation			6,000
SRTS - Products			15,000
Byway			41,276
Meander			31,500
Prairie Waters			40,000
		TOTAL	1,084,888

SECTION II

DEFINITION AND ANALYSIS OF UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION COSTS

II. DEFINITION AND ANALYSIS OF UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION COSTS

Federal Management Circular A-87 defines composition of cost as the "total cost of a grant program comprised of the allowable direct cost incident to its performance plus its allocable portion of allowable indirect costs, less applicable credits."

Direct costs are identified as "those that can be identified specifically with a particular final cost objective" and indirect costs as "those (a) incurred for a common joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objective specifically benefited without efforts disproportionate to the results achieved."

Included in this section is a description of UMVRDC indirect costs. The UMVRDC staff uses a Grants Management Accounting (GMS) system which uses a cost allocation pool to assure grantor agencies that shared costs are charged to programs equitably, consistently and completely without arbitrary limitations.

Cost Allocation Policy - charges for the purpose of management of the agency including but not limited to the following cost accounts and not directly chargeable to one program will be accumulated in the cost pool and allocated according to the cost allocation formula.

SALARIES

Definition – Salaries are defined as wages, compensation paid for services rendered and are allocated to work elements based on semi-monthly timesheets. Administrative staff time that benefit all work elements are charged indirectly.

EMPLOYEE FRINGE BENEFITS

Definition – Employee benefits are defined as benefits in the form of employer's share of social security contributions, pension plans, health & dental insurance, life insurance, workman's compensation, flex benefit plan, health savings account and unemployment benefits. Actual fringe benefit costs are allocated to personnel charges based on the method described within this Plan

AUDIT

Definition – A consultant for audit is defined as professional persons retained or assigned to perform in accordance with the Single Audit Act as implement by Circular A-133.

COMPUTER TECHNICAL ASSISTANCE

Definition – Professional assistance in computer technology and maintenance that benefits all work elements.

COPY CHARGE

All copies identified for a particular program area are charged directly to that program. Copying costs for administrative printing and the general lease of the copy machine is charged indirectly based on staff hours worked in each program.

DEPRECIATION

A means of allocating the cost of fixed assets to periods benefiting from the asset use. Depreciation is charged indirectly according to staff hours worked in each program.

INSURANCE

Insurance is defined as those premiums paid which would provide coverage for property damage, liability, theft, bonds, etc.

LEGAL

Legal fees for functions that benefit all work areas are charged indirectly.

MISCELLANEOUS EXPENSE

Miscellaneous is defined as irregular costs including but not limited to janitorial supplies, employee morale, and accounting expenses, etc that benefit all work areas will be charged indirectly.

OFFICE RENT

Office services are defined as provision of office space, utilities, reception and common areas are charged indirectly according to staff hours worked in a program.

POSTAGE

Postage costs are defined as those costs for mailing publications, press releases, and information newsletters, etc. All charges for postage will be charged directly when program specific and postage for the benefit of all work areas will be charged indirectly.

PRINTING/ADVERTISING

Printing services, which include but are not limited to printing of annual report, letterhead, envelopes, newsletter and other printing which benefits all programs. Printing costs are direct charged to the program benefiting from the printing and printing that benefits the entire agency are charged indirectly.

Advertising media includes newspapers, magazines, radio and TV programs, direct mail, trade papers and the like. Advertising charges are mostly charged directly except for advertising that benefits all program areas is charged indirectly.

REGISTRATION/TRAINING

Definition – Registration/Training customarily provided for employee development. Staff training for administrative staff is charged indirectly.

REPAIRS/MAINTENANCE

Repairs/Maintenance is defined as janitorial services, necessary maintenance, normal repairs and alternations, which are not included in rental costs are charged indirectly.

SOFTWARE

Software is defined as costs of general software programs that benefit and are used by all program areas. (Examples – GMS; GIS; Antivirus & spam subscription)

SUBSCRIPTIONS/PUBLICATIONS

Subscriptions/Publications are defined as those periodicals in the region and to other publications, which benefit all programs.

SUPPLIES

Office Supplies are defined as consumable materials including but not limited to pencils, paper, etc. necessary for the completion of daily work. Supplies not directly chargeable to a program area are charged indirectly and allocated to program area on an hours worked basis.

TELEPHONE/INTERNET

Telephone is defined as a service provided to program units for telecommunications necessary for completion of daily work. The UMRDC pays a flat fee for telephone and internet services and those fees are charged indirectly based on hours worked in a program area.

TRAVEL

Travel expenses for transportation, lodging, subsistence and related items for administrative staff that is necessary and benefits all program areas is charged indirectly

WEB HOSTING/MAINTENANCE

This service allows the UMRDC website to be accessible, secure & up to date and is a benefit to all program areas and is charged indirectly.

SECTION III

COST ALLOCATION FORMULA

III. COST ALLOCATION FORMULA

Two areas of the budget will be allocated on the basis of a cost allocation formula. These areas are the fringe benefits pool and the overhead cost allocation pool. These costs will be allocated as follows:

FRINGE BENEFITS POOL

The employee benefits pool will be comprised of fringe benefits as indicated in Exhibit F of the FY15 budget. These costs will be allocated to the program units on the basis of a percentage obtained by dividing the fringe benefits by total gross salaries. The gross salary, which has been allocated to the program units according to the time sheets, will then be multiplied by the percentage, obtained using the formula to arrive at the employee benefit charge. The costs will be allocated to the program units monthly at the actual cumulative rate as calculated in the automated accounting system.

OVERHEAD COST ALLOCATION POOL

The overhead cost allocation pool will be comprised of those costs, which cannot be readily assigned to any one program unit (as indicated in Exhibit G of the budget) without cost being disproportionate to the results achieved. These costs will be allocated to the program units on the basis of an hourly rate obtained when the total cost pool is divided by the total number of direct hours worked. The total hours worked in each program will then be multiplied by the hourly rate as calculated above to allocate the indirect cost pool to each program unit. The costs will be allocated to the program units monthly at the actual cumulative rate as calculated in the automated accounting system.

PROJECTS NOT ALLOWING INDIRECT COSTS

Those projects that do not allow indirect costs will be direct charged the proportionate share of eligible expenses that are included in our indirect pool. Any ineligible costs will remain in the indirect cost pool and be paid with unrestricted dollars.

SECTION IV

COMPUTATION OF COST ALLOCATION FORMULA

LEAVE WORKSHEET

Leave time is established by the UMVRDC Board and is documented in the personnel policies as listed below.

Leave time is considered to be a salary cost within the accounting system in order to synchronize budgeting, accounting and financial reporting for salaries. Leave costs will be accumulated in the accounting system on an accrual basis. The accumulated pool costs are distributed to each work element through a rate that represents the ratio of leave costs to total chargeable salaries (as presented in chargeable salaries worksheet below). This consistent allocation procedure precludes the time-consuming process of calculating and distributing leave costs by individual.

CHARGEABLE SALARIES WORKSHEET

Position	Gross Salary	# of Workdays	Daily Rate	Annual Leave Taken	Sick Leave Taken	Special Leave Taken	Ten Holidays	Total Release Time	Chargeable Salaries
Executive Director	93,924	260	361	10,837	3251	723	3,612	18,423	75,501
Financial Officer	69,420	260	267	8,010	2403	534	2,670	13,617	55,803
Loan Officer/Finance	41,928	260	161	1,611	645	323	722	3,301	38,627
Community Dev Planner	48,938	260	188	3,260	1694	376	2,510	7,840	41,098
EDA Senior Planner	54,601	238	229	3,358	6883	459	420	11,120	43,481
Planner grants/finance	40,609	260	156	1,560	4686	312	312	6,870	33,739
Community Dev Planner	42,445	260	163	1,631	653	327	731	3,342	39,103
Communications Planner	41,928	260	161	805	645	323	722	2,495	39,433
Senior Planner	61,529	260	237	4,494	2130	473	2,367	9,464	52,065
Community Dev Planner	40,609	260	156	2,497	1562	312	1,562	5,933	34,676
Admin Assistant	40,254	260	155	2,011	1393	310	1,548	5,262	34,992
Total	576,184	2,838	2,236	40,074	25,945	4,472	17,176	87,667	488,517

Leave:

Holidays The Agency observes Ten (10) paid holidays per year and all regular employees are eligible for this benefit. Holiday leave is considered to be a cost in the period in which the holiday falls.

Vacation Leave Regular employees shall earn vacation with pay according to the following rate schedule and is expensed at the time it is earned.

Service Requirement

Accumulation Rate

During the first two years of continuous employment

3.33 working hours per pay period

After two years and through 4 years of continuous employment

4.33 working hours per pay period

After 4 years and through 8 years of continuous employment

5.33 working hours per pay period

After 8 years and through 12 years of continuous employment	6.33 working hours per pay period
After 12 years and through 16 years of continuous employment	7.67 working hours per pay period
After 16 years and through 20 years of continuous employment	8.67 working hours per pay period
After 20 years of continuous employment	10 working hours per pay period

Sick Leave Regular employees shall earn sick leave at the rate of 4.33 working hours per pay period up to a maximum of 100 days (800 hours). Sick leave is charged when taken and for budgeting purposes it is estimated that an average of 48 hours annually per employee will be used.

6.5 Military Leave Employees who enter into full-time active service in the U.S. Armed Forces while employed by the Commission, shall be granted a leave of absence for the period of military service in conformance with the law. Fifteen (15) days leave with pay will be granted annually for required temporary military duty to members of the Armed Forces.

6.6 Jury Duty Leave A leave of absence with pay shall be granted to an employee who is called for jury duty or subpoenaed as a witness. This leave of absence shall not exceed 15 calendar days within one fiscal year. Any reimbursements shall be retained by the employee. This policy is also utilized if an employee should be summoned to appear as a witness in a court case except when she/he appears as a witness for his/her personal benefit. The payment of such benefit shall be determined by the Commission.

6.7 Bereavement Leave In the event of death in the family of an employee (spouse, partner, mother, father, son, daughter, son-in-law, daughter-in-law, brother, sister, grandchildren, grandparents, or the spouse's mother, father, son, daughter, brother or sister or any step family member) the employee may be granted up to three (3) days paid bereavement leave plus up to three (3) days sick or other paid leave as available.

6.8 School Leave An employee of the Commission will be allowed up to sixteen (16) hours during any twelve (12) month period to attend a child's special education, pre-school or school conference or classroom activities, if those conference or activities cannot be scheduled during non-work hours.

RELEASE TIME AND FRINGE BENEFITS

Exhibit F

Fringe benefits are established by the UMRVDC Board and are documented in the personnel policies.

Actual costs for fringe benefits will be accumulated in the accounting system on an accrual basis. The accumulated pool costs are distributed to each work element through a rate that represents the ratio of fringe costs to total salaries. This consistent allocation procedure precludes the time-consuming process of calculating and distributing fringe benefit costs by individual. The table below lists the fringe benefits provided to staff according to the UMRVDC policies.

Position	Gross Salary	FRINGE BENEFITS WORKSHEET							Workers Comp.	Total Fringe Benefits	Estimate Total Personnel Costs
		FICA	est Health	est Dental	Life Ins.	MRA	PERA				
Executive Director	93,924	7,185	10,252	544	30	1,500	6,809	366	26,686	120,610	
Financial Officer	69,420	5,311	13,651	544	155	1,500	5,033	271	26,465	95,885	
Loan Officer/Finance	41,928	3,207	3,139	544	30	1,500	3,040	164	11,624	53,551	
Community Dev Planner	48,938	3,744	3,471	544	11	1,500	3,548	191	13,009	61,946	
EDA Senior Planner	54,601	4,177	3,471	544	11	1,500	3,959	213	13,875	68,476	
Planner grants/finance	40,609	3,107	3,471	544	11	1,500	2,944	158	11,735	52,344	
Community Dev Planner	42,445	3,247	3,179	544	11	1,500	3,077	166	11,724	54,169	
Communications Planner	41,928	3,207	3,139	544	11	1,500	3,040	164	11,605	53,532	
Senior Planner	61,529	4,707	8,866	544	17	1,500	4,461	240	20,335	81,864	
Community Dev Planner	40,609	3,107	3,139	544	11	1,500	2,944	158	11,403	52,012	
Admin Assistant	40,254	3,079	11,264	544	42	1,500	2,918	157	19,504	59,757	
Total	576,184	44,078	67,041	5,984	339	16,500	41,773	2,248	177,963	754,147	

The statement below illustrates how the release and fringe rate is calculated.

UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION			
FY15 - JULY 1, 2014 THRU JUNE 30, 2015			
STATEMENT OF RELEASE TIME AND FRINGE BENEFITS			
RELEASE TIME			
Annual Leave		\$40,074	
Sick Leave		25,945	
Special Leave		4,472	
Holidays		17,176	
			\$87,667 17.95%
FRINGE BENEFITS			
FICA		\$44,078	
Health Insurance		73,364	
Incentive		0	
Medical Reimb		16,500	
Workers Comp		2,248	
PERA		41,773	
			\$177,963
TOTAL RELEASE TIME & FRINGE BENEFITS			\$265,630
Total Release Time & Fringe Benefits			
			265,630
		=	54.37%
Chargeable Salaries			488,517
Total Fringe Benefits			
			177,963
		=	30.89%
Total Gross Salaries			576,184

STATEMENT OF INDIRECT COSTS

Exhibit G

		General	Communications		
		Pool		Pool	
Salaries	118,728		12,791		131,519
Release Time/Fringe	64,558		6,955		71,513
	<u> </u>	183,286		19,746	203,032
Audit		13,000		0	13,000
Copy/Xerox Lease		4,500		2,500	7,000
Depreciation		11,000		0	11,000
Insurance		1,200		0	1,200
Legal		500		0	500
Miscellaneous		1,000		0	1,000
Office Rent		12,210		0	12,210
Postage		3,300		500	3,800
Printing & Advertising		500		1,000	1,500
Registration/Training		2,500		500	3,000
Repairs/Maintenance		500		0	500
RDC Marketing Item		0		0	0
Computer Tech Assist		12,000		0	12,000
Software GMS/GIS/General		5,500		0	5,500
Subscription/Publications		1,000		0	1,000
Supplies		3,820		1,000	4,820
Telephone/Internet		3,500		0	3,500
Travel		2,000		500	2,500
Web Hosting/Maintenance		1,500		2,000	3,500
		<u> </u>			
TOTAL		262,816		27,746	290,562
		<u> </u>			
		18.08		1.91	
Total Indirect Costs		290,562			
	=	<u> </u>		19.98	/HR
Total Direct Hours		14,540			

The following chart shows the budgeted time charged as indirect for administrative staff services that benefit all program areas. The UMRDC tracks charges to the general indirect and communications indirect separately but both pools are added together to establish one hourly indirect rate.

% of Chargeable salaries	General Indirect	Estimated Hours	Communications Indirect	Estimated Hours
Executive Director	25%	424	0%	0
Financial Officer	60%	1017	0%	0
Loan Officer/Finance	42%	786	0%	0
Financial Assistant	75%	1404	0%	0
Prairie Waters/Communications Planner	0%	0	28%	524
Administrative Assist	71%	1301	5%	92

STATEMENT OF DIRECT & INDIRECT COSTS

		TOTAL	DIRECT	INDIRECT
Salaries		488,517	356,998	131,519
Fringe Benefits		265,630	194,117	71,513
Commissioner's Expense				
Per Diem		10,000	10,000	0
FICA		1,000	1,000	0
Public Officials Ins.		4,000	4,000	0
Meeting Expense		2,000	2,000	0
Travel C&C		6,000	6,000	0
Training		5,000	5,000	0
Art Crawl/Meander			0	0
Audit		13,000	0	13,000
Computer Technical Assistance		12,000	0	12,000
Copy Charge/xerox lease		8,500	1,500	7,000
Depreciation		11,000	0	11,000
Dues		5,000	5,000	0
Insurance		1,200	0	1,200
Legal Fees		2,000	1,500	500
Miscellaneous/Employee Morale		3,000	2,000	1,000
Office Rent		12,210	0	12,210
Postage		7,000	3,200	3,800
Printing/Advertising		8,000	6,500	1,500
RDC Marketing Item		2,000	2,000	0
Registration/Training		10,000	7,000	3,000
Repairs/Maintenance		2,000	1,500	500
Software GIS/General		6,000	500	5,500
Sub./Publications		2,000	1,000	1,000
Supplies		6,000	1,180	4,820
Telephone/Internet		4,000	500	3,500
Travel/Staff		34,000	31,500	2,500
Web Hosting/Maintenance		3,500	0	3,500
Pass Thru Activity				
GIS for Hazard Mitigation Chippewa		7,255	7,255	0
GIS for Hazard Mitigation YM		3,100	3,100	0
GIS for Hazard Mitigation Big Stone		3,100	3,100	0
GIS for Hazard Mitigation Upper Sioux		3,100	3,100	0
County Reimbursement for Hazard Mitigation		6,000	6,000	0
SRTS - Products		15,000	15,000	0
Byway		41,276	41,276	0
Meander		31,500	31,500	0
Prairie Waters		40,000	40,000	0
		TOTAL	1,084,888	290,562
EXCESS REV. OVER EXP.		5,248		

FY15 LINE ITEM BUDGET

REVENUES	Total	General Fund	Economic Development	Greater MN Development Strategy	RLF	Canby Zoning	Schools Plans	Safe Routes for Safe Routes Coordinator	Appleton TA	Hazard Mitigation Updates	US Hazard Mitigation Cents	Dawson Sidewalk Project	Grant Writing	Byway FY15 Grant	Grants Admin	Transportation	Prairie Waters	Art/Crawl	Byway Corridor Management Plan	
Grants/Contracts	781,136		64,628	6,250	40,000	4,130	15,000	51,000	27,000	87,000	42,500	28,400	4,358	6,000	15,080	106,000	75,000	95,000	46,000	67,790
Lewy	282,500	282,500																		
Potential TA Contracts	23,000	23,000																		
Hedge Hog	(9,358)	(9,358)																		
Interest/Miscellaneous	3,500	3,500							5,000			4,358								
Agency Match	0	(148,741)	64,628	6,250	10,000		8,000				20,000		0	0	0	13,235	20,000			6,628
Reserve/Contracts/Loans	0	0																		
Total Revenues	1,090,136	150,901	129,256	12,500	50,000	4,130	15,000	59,000	32,000	87,000	42,500	48,400	8,716	6,000	15,080	106,000	88,235	115,000	46,000	74,418
EXPENDITURES																				
Salaries	356,998	55,160	53,548	6,819	18,082	1,233	5,863	16,481	11,261	23,586	14,795	17,338	4,611	1,562	8,078	35,417	36,067	29,242	5,222	12,637
Fringe Benefits/Release	194,117	29,993	29,117	3,708	9,632	670	3,188	8,962	6,123	12,825	8,045	9,428	2,507	849	4,392	19,258	19,611	15,900	2,839	6,871
Total Personnel	551,115	85,153	82,665	10,527	27,914	1,903	9,051	25,443	17,384	36,411	22,840	26,766	7,118	2,411	12,470	54,675	55,678	45,142	8,061	19,508
Commissioner's Expense																				
Per Diem	10,000	10,000																		
FICA	1,000	1,000																		
Public Officials Ins.	4,000	4,000																		
Meeting Expense	2,000	2,000																		
Travel C&C	6,000	3,750		1,500													300			450
Training	5,000	5,000																		
Copies/Xerox	1,500	1,100																		
Dues	5,000	5,000																		150
Legal Fees	1,500	1,500																		
Miscellaneous	2,000	1,100													200		100	600		1,000
Postage	3,200	625							300	50	25									
Printing/Advertising	6,500	2,750								2,000	500									
Registration/Training	7,000	3,900	1,000																	
Repairs/Maintenance	1,500	1,500																		
RDC Marketing	2,000	2,000																		
Subscriptions/Publications	1,000	1,000																		
Supplies	1,180	500	80																	
Telephone	500	0																		400
Travel/Staff	31,500	6,700	4,000	500	50		1,500	2,500	2,500	3,000	600	4,400			1,000	3,000	600	150		1,000
Software GIS/GIS/General	500	50		250																
Total Direct Exp	92,880	53,475	5,080	0	2,250	50	1,500	2,500	2,800	5,050	1,125	4,400	0	0	1,200	4,400	4,350	200	2150	2,550
Pass Thru	150,331	0					15,000			19,455	3,100									41,276
Total Expenses	243,211	53,475	5,080	0	2,250	50	1,500	17,500	2,800	24,505	4,225	4,400	0	0	1,200	4,400	44,350	33,650	43,826	43,826
Sub-total Personnel/Expenses	794,326	138,628	87,745	10,527	30,164	1,953	10,551	42,943	20,184	60,916	27,065	31,166	7,118	2,411	12,470	55,875	60,078	89,492	41,711	63,334
TOTAL DIRECT EXPENSE	794,326	138,628	87,745	10,527	30,164	1,953	10,551	42,943	20,184	60,916	27,065	31,166	7,118	2,411	12,470	55,875	60,078	89,492	41,711	63,334
INDIRECT EXPENSE	290,562	35,740	39,079	4,313	17,567	1,108	5,576	15,663	9,597	21,148	12,029	18,705	4,456	1,070	5,739	28,213	30,059	27,533	3,992	8,966
TOTAL EXPENSE	1,084,888	174,368	126,824	14,840	47,731	3,061	16,127	58,605	29,781	82,064	39,094	49,871	11,574	3,481	18,210	84,088	90,147	117,026	45,703	72,300
Revenue over (under) Exp	5,248	(23,467)	2,432	(2,340)	2,269	1,069	(1,127)	395	2,219	4,936	3,406	(1,471)	(2,858)	2,519	(3,130)	21,912	(1,912)	(2,026)	297	2,118

CERTIFICATION

U.S. Department of Commerce
Office of Acquisition Management & Financial Assistance
1401 Constitution Ave., NW, HCHB Rm 6054
Washington, DC 20230
Attn: Philip Saputo – Indirect Cost Program Officer – psaputo@eda.gov

CERTIFICATE OF INDIRECT COSTS

This is to certify that I have reviewed the indirect cost rate proposal prepared and maintained herewith and to the best of my knowledge and belief:

(1) All costs included in this proposal on July 22, 2014 to establish budgeted (billing) indirect costs rates for July 1, 2014 through June 30, 2015 are allowable in accordance with the requirements of the Federal award(s) to which they apply and OMB Circular A 87, "Cost Principles for State, Local, and Indian Tribal Governments." Unallowable costs have been adjusted for in allocating costs as indicated in the cost allocation plan.

(2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

(3) The indirect cost rate(s) calculated within the proposal are Indirect cost rate of \$19.98 per hour and a Release time rate of 17.95% and Fringe rate of 30.89%, which were calculated using an indirect cost rate base type of hours, leave and fringe as applicable. Indirect costs will be allocated to the program units on the basis of an hourly rate obtained when the total cost pool is divided by the total number of hours worked. The total hours worked in each program will then be multiplied by the above hourly rate to allocate the cost pool to each program unit. The costs will be allocated to the program units monthly at the actual cumulative rate as calculated in the automated accounting system. The calculations were based on actual costs from fiscal year 2014, to obtain a federal indirect cost bill rate for fiscal year 2015.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 use 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct.

Governmental Unit: Upper MN Valley Regional Development Commission

Signature: _____
Name of Authorized Official: Dawn Hegland
Title: Executive Director
Date of Execution: 07/22/2014

Signature: _____
Name of Authorized Official: Gary Hendricks
Title: Chairman
Date of Executive: 07/22/2014

U.S. Department of Commerce
Office of Acquisition Management – Grants Management Division
1401 Constitution Ave., NW, HCHB Rm 6412
Washington, DC 20230, Attn: Indirect Cost Program

LOBBYING CERTIFICATE

This is to certify that I have reviewed the indirect cost rate proposal prepared and maintained herewith and to the best of my knowledge and belief:

As the official having the authority to negotiate indirect cost rates on behalf of the:

Upper MN Valley Regional Development Commission, I hereby certify that the Organization has complied with the federal requirements and standards on lobbying costs in as set forth in OMB Circular A-87 in the development of the indirect cost billing rate for the fiscal year ending 6/30/15, based on actual costs from fiscal year 2014.

Subject to the provisions of the Program Fraud Civil Remedies Act of 1986, (31 USC 3801 et seq.), the False Claims Act (18 USC 287 and 31 USC 3729); and the False Statement Act (18 USC 1001), I declare to the best of my knowledge that the foregoing is true and correct.

Organization Name: Upper MN Valley Regional Development Commission

Signature: _____

Name of Authorized Official: Gary Hendrickx

Title: Chairman

Date of Execution: 7/22/2014

Board Stewardship: The RDC Commission will have 100% of the board members engaged in stewardship for the agency.

Base Camps:

Attendance maintained at 80% or better.

80% of board surveys report that board members feel engaged with meetings and agenda.

Staff receives important information through discussions and interaction at board members that lead to projects

Strategy A.	Tactics	Timeline	Measurement	2015 Accomplishments
Develop an orientation strategy for all newly appointed Commission members to make sure all commissioners have a sufficient level of knowledge and understanding of the Commission to enable them to be strong advocates of the RDC.	1. Update orientation manual annually. Include a 1 page executive summary, revised acronym list.	Annually	Orientation manual will be updated with new board policies.	
	2. Executive Director will meet with all NEW Commission members to review orientation packet. Have new members sit in on RDC meetings for a few months before doing the orientation.	As needed	The Exec. Dir. met with all new board members. Have an existing board member there to share perspective.	
	3.RDC staff take turns with 5-minute staff report at the board meeting	Monthly	Staff reports will be included at every meeting	
	4. Annually discuss special interest group board positions and reappoint members and or solicit new members. Current positions include: Prairie 5, Workforce Council, EDA.	Jun-15	A decision will be made by the board on whether to change or add any new public interest reps.	New EDA rep added July 2014
	5. Survey newest members about what questions they have after being on the board for 1 year and modify the orientation to include the information.	As new members are brought on	Survey completed and orientation modified.	
	6. Provide orientation summary with full board each year and ask them to renew their board member commitment form.	July and as new members join	Orientation summary will be provided and all members will renew their board member commitment form.	
Strategy B.	Tactics	Timeline	Measurement	Accomplishments
To create a agenda that fully involves commissioners in policy setting and decisions and allows for the monitoring of BHAGs.	1. Set BHAG committees and meet prior to Commission meetings. BHAG committee meetings will rotate. Members will have 2- year terms- every year 1/2 of each BHAG committee rotates.	Every year	All BHAG committees will meet in Nov, March, June	
	2. Annually meet to review and discuss budget	May		
	3. Annually meet to review and discuss policies and personnel reviews and COLA	Jan		
	4. Commission members will report their committee discussion at RDC meetings. Staff will ask for a volunteer committee member to report.	Monthly	Board members will report to full board at each meeting.	Brett in Nov 13, Brent March 14, ___ in June 14
	5. Continue to implement the round robin at Commission meetings.	Monthly	Round robin will be held.	
	6. Have presentations under the discussion portion of the agenda. This could include speakers from communities, organizations or agencies.	As determined by staff	At least 4 presentations will be made.	
	7. Continue to utilize the Planner Update to inform and educate board members about the services and projects of the UMVRDC. Summarize topics better. Work with staff to determine what should be an info memo vs the planner update. Ask Commission members to share planner update with their boards/councils and share with others: city, county, school, EDA, P5 staff, county/city staff	Monthly	Add a question on survey to see if members are reading, sharing or have suggestions for the planner update. Provide a separate PDF version on web site for sharing when we post the board packets.	
	8. Monitor attendance of board members per bylaws. Ask Chair and other board members to inquire about and encourage attendance - Give an annual perfect attendance award	Monthly	Members will talk to those members absent from 3 meetings. Hand out attendance sheet at each meeting.	

Strategy C.	Tactics	Timeline	Measurement	
Create a process for ongoing leadership training and assessment of Board functioning.	1. Implement an annual board retreat. Alternate between board leadership training and agency strategic planning	Annually	During FY15 at least one agency strategic planning session will be held with the board.	
	2. Survey Commission members about board meetings. Review results with Chair.	Monthly	Send to all members	
	3. Complete NADO board self assessment help identify important areas of board operation that need improvement; measure progress toward the board's existing plans, goals, and objectives; define the criteria for an effective and successful board of directors; build trust, respect, and communication among board members; and enable individual board members to work more effectively as a team.	Annually have board and staff complete the survey	NADO board assessment will be completed and discussed for new strategies to incorporate in this BHAG	
Strategy D.	Tactics	Timeline	Measurement	Accomplishments
Board members should identify opportunities for the RDC to work with projects in the region.	1. Suggestions for potential work will be shared at the round robin or directly with staff throughout the month.	Monthly	Ideas will be shared each month for staff to follow up on.	
	2. Each year prior to RDC visit with county board, have county rep work with RDC staff to develop summary of what the RDC has been up to to report out at the meeting		Check in will occur	

2015 Community Development BHAGs

Goal: Be the premier agency for community development in Region 6W.

Base Camps:							
		Timeline	Measurement	Other considerations to base camps:			
5-year (2007 - 2012): Have contracts with 50% of our LUGs (at least 29 out of 58 LUGs)		5-year time period	24 of 58 LUGS = 41% for 2007 - 2012	- Repeat customers - Budget met - Number of new contracts - Post participant survey results - 5-year assessment survey results			
10-year (2013 - 2018): Have contracts with 60% of our LUGs (at least 34 out of 58 LUGs)		5-year time period	? of 58 LUGS = XX% for 2013 - 2018				
15-year (2019 - 2024): Have contracts with 75% of our LUGs (at least 43 out of 58 LUGs)		5-year time period					
Strategy A: Increase relationships with LUGs to better serve their needs.	Tactics	Timeline	Measurement	Accomplishments			Fits
				Last Year	This Year	Next Year	CEDS
	1. Survey LUGs to find out what their short- and long-term projects are, issues they are facing, what they are planning to do vs. what they want to do and how the RDC can better assist them. Follow up with phone call or email to encourage completion of survey. (Corresponds with Marketing BHAG)	Annually	Was the survey sent out? What were the response rates? Typically send out in the spring.	Spring			X
	2. Follow up with LUGs on community project needs as identified by the survey results via phone, email, letter and/or in-person visits. Track the community project needs throughout the year by incorporating them into monthly planner meetings. Update the Comprehensive Economic Development Strategy (CEDS) project list each year based on the projects identified from the results of the survey.	Annually	Was follow-up completed?	CEDS			X
	3. Review the goals and strategies outlined in the CEDS to track progress made in the region and to identify new ways to work toward the goals and strategies in the CEDS. Update progress made for the CEDS annual update.	Semi-annually (October and March)	Did we review projects twice a year?	Once in November			X
	4. Visit half of all LUGs each year (council/board/commission meetings or visits with LUG staff)	Fiscal Year	How many visits were made?	55%			
5. Take advantage of opportunities to build and maintain relationships with state and federal agencies as well as legislators.	Fiscal Year	How many activities have we participated in to further our relationships?	16				
Strategy B: Target LUGs with opportunities that help accomplish their goals and provide an opportunity for the RDC to secure enough contracts to balance the budget.	Tactics	Timeline	Measurement	Accomplishments			Fits
				Last Year	This Year	Next Year	CEDS
	1. Send out 24 (2 per month) grant/loan opportunities throughout the year from state, federal or local entities for communities to apply to. (Corresponds with Marketing BHAG)	Fiscal Year	How many opportunities were sent out?	22			
	2. Develop at least \$30,000 in contracts for technical assistance to balance the FY15 budget.	Fiscal Year	What was the total dollar amount for technical assistance contracts by the close of FY15?	\$103,910			
	3. Develop at least \$6,000 in contracts for grant writing services to balance the FY15 budget.	Fiscal Year	What was the total dollar amount for grant writing contracts by the close of FY15?	\$9,105			
	4. Develop a marketing campaign (including pricing and scope of services) to promote strategic planning services to LUGs.	Fiscal Year	Was a marketing campaign developed and sent out? What was the response from LUGs?	Developed, didn't implement			
5. Provide a follow-up contact for additional services for every "plan" that the RDC completes during the fiscal year. Incorporate a plan for follow-up into monthly planner meetings.	Fiscal Year	Follow-up:	6				
Strategy C: Provide a regional format and platform for education.	Tactics	Timeline	Measurement	Accomplishments			Fits
				Last Year	This Year	Next Year	CEDS
	1. Host or coordinate at least three trainings or workshops. Topics: Census Data, Transportation, Regional Recruitment, Chamber/Tourism, Housing, Empty Buildings	Fiscal Year	How many training events occurred?	2			X
2. Coordinate three professional development meetings with community staff.	Fiscal Year	How many meetings (ED Pros) were coordinated?	0			X	
Strategy D: Continue to be a driver in developing regional programming, planning and platforms.	Tactics	Timeline	Measurement	Accomplishments			Fits
				Last Year	This Year	Next Year	CEDS
	1. Identify potential seed funding for the Regional Recruitment Initiative to address CEDS strategies to develop programs to attract, retain and retrain employees as well as develop a regional brand and develop marketing and tourism opportunities.	Fiscal Year	Were seed funding opportunities identified? How many?	None pursued			
	2. Expand regional art programming (more art-based projects, complimentary events, etc.). Maybe connect with trails or routes to school? Identify communities that would be interested in collaborating on a public art project.	Fiscal Year	How many events/projects?	?			
	3. Maintain the Prairie Waters Program. Reach out to chamber directors who are Prairie Waters members to let them know about advertising opportunities and other ways Prairie Waters can help them boost their tourism efforts.	Fiscal Year	Did we coordinate a meeting?	Attended regional mtg			
	4. Regional SRTS Coordinator: provide implementation assistance to the 7 schools that have undergone the SRTS planning process and reach out to the schools within the region that have not done a SRTS plan by offering to do a walking audit in their community.	Fiscal Year	Did we help 7 schools with implementation? Did we do walking audits in communities without a SRTS plan?	Yes			
	5. Respond to requests to coordinate regional programs or topics such as:	Ongoing	Did we respond to regional needs/requests?	Yes			
	- CERTS Coordinator						
- HR prospects for counties in region							
- CEO programs in schools							
- Other topics as they arise							

Marketing BHAG: All local units of government (LUGs) in Region 6W will know who we are and what we do

Base Camps:

- 5-year: 70% of our LUGs
- 10-year: 80% of our LUGs
- 15-year: 90% of our LUGs

FY2015: Year 7 of BHAG

Strategy A.	Tactics	Timeline	Measurement	Accomplishments
<p>Continue to create marketing materials based on our brand/slogan, keeping them simple, professional and useful. Refine existing materials and digital marketing to meet our changing needs.</p> <p>Marketing pieces we currently utilize: website annual report newsletter commissioner cards note pads & pens business cards brochure</p>	1 RDC website:	Ongoing		
	Staff will have an annual review and make updates to the website in FY15	12 months	Annual review - meeting	
	Have a focus group of the marketing committee review the website at the November RDC BHAG meeting			
	2 Email blasts - Monthly planner update e-blast for every RDC meeting.	Monthly	at least 11	
	Email blasts - Other e-blasts as determined by planners (per CD BHAG), will also be posted to the website "Resource" page	Ongoing	at least 24	
	3 Feature projects or case studies: Continue to create feature projects or case studies to use in packets and on RDC website.	Ongoing	at least 6 (every 2 months)	
	4 Highlight different commissioners & staff members in newsletter & on website.	Ongoing	4 newsletters + website	
	5 Send press releases, and include photos whenever possible:			
	* for every contracted project	Ongoing	# of contracts	
	* for grant writing, when grant is submitted and \$ is awarded	Ongoing	# of grants	
	* for comp plans, when starting/ending project - if nessasary during project	Ongoing	# of comp plans	
	* for RLF Loans			
	* misc press releases, such as after Annual Board Meeting with RDC Board group photo, other general info press releases.	Ongoing	At least one each year.	
	Organize with media channels how to make it easier for them to publish/utilize our work (newsletter, website, e-blast, press release).	Ongoing	Analyze process	
	6 Take more photos of the region, relevant events, and projects.	12 months	New photos from at least 5 of our communities	
	Keep internal list of photos needed.	12 months	Updated inventory list	
	Explore having aerial photos taken of our region and the downtowns of each of our cities.	12 months	Get price quote & discuss with staff & committee	
	7 Ask cities and counties (& other identified partners such as EDAs & Chambers) to link to us on their websites.	12 months		
	8 Explore the use of Facebook and Linked In for the UMRDC. Determine what's best fit for our audience.	12 months	Ideas to share with staff & committee	
9 Update the design of the UMRDC tri-fold brochure.	12 months	Updated brochure		

		Tactics	Timeline	Measurement		
Strategy B.	1	Reach out to all 5 counties:				
Continue a distribution strategy with effective communication to our clients (LUGs) that is broad-based but with a focus on cities and counties. Continue outreach to townships, cities, counties, schools; and to a lesser degree, the general public.		Send community development survey to county staff. Follow up with phone call to encourage completion of survey. (CD BHAG)	12 months	5 surveys		
		Executive Director will visit each county board with updated information about the UMRDC, PW staff will also present.	12 months	5 board visits		
	2	Reach out to all 37 cities:				
		Send community development survey to all cities. Follow up with phone call to encourage completion of survey. (CD BHAG)	12 months	37 surveys		
		Visit at least half of our city councils each year. (CD BHAG)	12 months	18 city visits		
		Visit 5-10 city staff as strategically identified by planning staff.	12 months	at least 5 city visits		
	3	Reach out to townships:				
		Attend all 5 township association meetings.	12 months	5 meetings		
	4	Reach out to school districts in our region:				
		Send out email blast to give useful information to our schools.	12 months	5 blasts		
		Executive Director or other staff will meet with at least 3 school boards.	12 months	3 meetings		
	5	Reach out to tribal government and staff:				
		Send survey and follow up with phone call.	12 months	1 survey		
	Annually encourage a board member appointment.	12 months	1 letter invitation			
	Connect with tribal planner via email, phone calls, and personal meetings at least 3 times.	12 months	3 connections			
	6	Contact all newly elected officials. Send packet with annual report, current newsletter, and staff contact info.	12 months	# of new elected officials		
	7	Partner/host opportunity for new county commissioners to learn more about the RDC.	12 months	1 event/year		
		Tactics	Timeline	Measurement		
Strategy C.	1	Complete a spreadsheet showing meaningful staff contact and meetings with each of our LUGs: 5 counties, 37 cities, 1 tribal govt., 10 school boards, 5 township assoc. annual meetings.	12 months	per LUG		
Evaluate effectiveness of marketing campaign with goal of measuring 70% basecamp in 2014. (70% = 41 contacts out of 58 possible)	2	Use the annual community development survey to ask specific questions to each of our LUGs about whether they know who we are and what we do. 5 counties, 37 cities, 1 tribal govt., 10 school boards	12 months	per LUG		
	3	Gather website statistics to evaluate the use of our website.	12 months	Compare with past months/years		

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: July 22, 2014

RE: Committee Assignments

Following is a list of current committee assignments. The members serve at the Commission's discretion and should be re-appointed each year.

RDC Committee Assignments:

- RLF** - Three members including RLF Chairperson
- ATP-4/TAC** - One elected official from Big Stone or Swift Counties
- ATP-8/TAC** - Two county commissioners from Chippewa, Lac qui Parle, or Yellow Medicine Counties

Board Goal Committee Structure (2 year terms):

Community

Development

Bruce Swigerd
Gary Hendrickx
Scott Rixe
Mike Fugleberg
Mark Bourne
Debra Lee Fader

Marketing

Vicki Oakes
Gary Johnson
Warren Rau
Scott Peterson
Jeff Olson
Rusty Dimberg
Juanita Lauritsen

Board Stewardship

Kathi Thymian
Jim Dahlvang
Brett Buer
Brent Olson
Jim Schmaedeka
Graylen Carlson

RDC Advisory Committees:

RLF Loan Advisory Committee

The Loan Advisory Board is made up of the following representatives:

- 5 County Commissioners (one from each county)
 - 5 Economic Development (ED) Representatives (one from each county)
 - 3 UMRDC Representatives (one as the chairman and only votes when a tie occurs)
- FY14 Representatives were: Gary Hendrickx (Chairman), Gary Johnson & Warren Rau

It was requested that current members who did not wish to continue their membership on the Loan Advisory Board to inform Randy by July 14th, 2014. No resignations were received.

UMVRDC

3 Representatives

Swift County

Joe Fox – County Commissioner
Laura Thomson – ED Rep.

Yellow Medicine County

Louis Sherlin – County Commissioner
Paul Wilson – ED Rep.

Big Stone County

Walt Wulff – County Commissioner
Vicki Oakes – ED Rep.

Lac qui Parle County

Terry Overlander – County
Commissioner
Josh Falness – ED Rep.

Chippewa County

Jim Dahlvang – County
Commissioner
Gene Schwitters – ED Rep.

Western MN Prairie Waters Advisory Committee

The Prairie Waters Advisory Board is made up of the following representatives:

1 representative per all member counties appointed by the county boards.

1 representative from all member cities pledging \$3,500 or more.

The remaining members shall be at-large representing businesses and individuals who are fiscally supporting Prairie Waters.

Swift County

Gary Hendrickx (Chair) – County
Commissioner

At-Large

June Lynne (Vice Chair) – Chippewa
County Historical Society

Chippewa County

Matt Gilbertson – County
Commissioner

Yellow Medicine County

John Berends – County
Commissioner

Lac qui Parle County

PJ Ellison – Lac qui Parle EDA

Madison

Maynard Meyer – City
Rep./Chamber/Business

Benson

Mary Beth Thayer – City Rep.
/Chamber

Granite Falls

Betsy Nielsen – City Rep. /Chamber

Appleton

Susanne Rittenour – City
Rep./Business

Montevideo

Angela Steinbach – City Rep.
Emily Sumner – City Rep. /Chamber

Canby

Nick Johnson – City Rep.

Dawson

Monica Bothun – City Rep./Business

ACTION REQUESTED:

To appoint RDC representatives to the above committees and decide whether or not it wishes to pay per diem and mileage for said committee assignments.

To approve RDC Advisory Committee Members for the RLF and Prairie Waters.

ACTION MEMO

TO: UMRDC Commissioners
FROM: Randy Larson, Loan Officer
DATE: July 22nd, 2014
RE: Loan Advisory Board Recommendation

The UMRDC RLF has been asked to subordinate to \$30,000 to Prairie Sun Bank since they are re-financing Appleton Hardware's loan that is currently being financed through the Southwest Initiative Foundation (SWIF).

During July 9th – July 14th, 2014, the loan advisory board had the chance to comment (via email, phone call, or in person) and state whether they agree or agree with the subordination request from Prairie Sun Bank regarding our Appleton Hardware loan.

I recommended to the RLF Advisory Board that we agree to the subordination request and no loan board members voiced an objection. I did receive specific comments from Warren R., Walt W., Paul W., and Josh F. who were in support of my recommendation.

Action Requested:

For the board to approve the subordination request in the approximate amount of \$30,000 to Prairie Sun Bank for the Appleton Hardware loan. The subordination is contingent upon the Swift County RDA and the Appleton Project agreeing to subordinate and upon the notification that the SWIF loan has been satisfied.

INFORMATION MEMO

TO: UMRDC Commissioners

FROM: Kristi Fernholz, Arlene Tilbury, Melissa Carruth, Randy Larson, Emily Zeug-Robertson, Erin Smith & Lindsey Knutson

DATE: July 22, 2014

RE: **Planner Update**

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

Contracts:**Canby Zoning Ordinance Update – Lindsey**

Lindsey has sent Canby examples of zoning districts from several other similar cities for the zoning update steering committee to look through and start thinking about what changes they want to make to their zoning districts. The next step will be meeting with the zoning steering committee to discuss changes to the zoning districts and incorporating that input into their zoning ordinance document.

Appleton Technical Assistance – Kristi and Dawn

UMVRDC staff worked with USDA and the city to start work on their public facilities projects. Staff is also working on Broadband issues and the housing windshield survey.

Clean Energy Resource Teams (CERTs) – Erin

Erin has been working with CERTs which is a program that focuses on green energy through the University of MN Extension. At this point it has mostly been information gathering and getting to know the program and staff but her region covers 17 counties where Erin will be working with staff and volunteers throughout her region to implement green projects.

Montevideo Arts Project (MAP) – Kristi

Kristi procured a contract to work with MAP to facilitate meetings and write grants to create a public art piece in downtown Montevideo. Meetings will start July 17th.

Regional Public Art Project – Kristi

The regional public art group sent out an RFQ to get short proposals from artists interested in working on a regional public art project. The committee met at the end of June to choose three artists to develop full proposals. The artists chosen are:

1. Deborah Landry: A community book along trails
2. Michon Weeks: Drawing of objects of local significance
3. Monica Sheets: Parklets - exploring needs in vacant spaces and beautification

Full proposals are due September 1, 2014.

Dawson Sidewalk Plan – Lindsey

The Dawson City Council approved the sidewalk plan at their last City Council meeting. We will begin working with Dawson on this project in August. The first steps will be inventorying the sidewalk system and mapping it in ArcGIS.

Program Updates:

Meander – Kristi

We are getting ready to mail out the Meander brochures! The poster is also completed.

Revolving Loan Fund – Randy

As of June 30th, about \$267,588 is available for lending. Currently, a couple loan applications are being filled out. One application is awaiting a finalized financing structure. There have been multiple inquiries. I have also met with a couple different potential clients.

Minnesota River Valley National Scenic Byway (MRVSB) - Kristi

The Byway chose Vivid Image to create the new Byway website in 2014.

Prairie Waters Regional Tourism – Melissa and Kristi

Prairie Waters staff and board chose Vivid Image to create the new website in 2014. To begin the process the first meeting with Vivid Image will be held July 17th.

Prairie Waters staff and board are busy planning the 2014 Annual Gathering which will take place in Granite Falls on August 18th.

Prairie Waters City/County funding requests have been sent.

Safe Routes to School – Lindsey, Emily, & Erin

The Montevideo and Clarkfield Safe Routes to School plans are still in progress. Lindsey and Emily will be working on writing the plans over the next few months and holding the last two SRTS team meetings after school starts up again in the fall. Lindsey, Emily and Erin attended a Safe Routes to School training in St. Cloud the second week in July. This session included training on completing Walking Audits. Erin and Emily will be contacting school districts in our region that have not completed Safe Routes to School Plans to offer Walking Audits, assessing the conditions for walking and biking around their schools.

Dawson EDA Industrial Park Update - Arlene

The City of Dawson at their June 3rd council meeting voted not to proceed with the industrial park project. The city felt that bonding for the full Federal Grant match would place too high of a burden on their residents with an already high tax rate. The City is working with the RDC to complete the grant termination process.

Hazard Mitigation – Emily and Kristi

The Hazard Mitigation planning process is underway. Emily and Kristi will hold Big Stone and Yellow Medicine's first task force meetings during the last two weeks of July. The first task force meetings are focused on introducing Hazard Mitigation Planning and updating the hazard inventory. Emily is working with the Chippewa County cities to obtain community specific information for further analysis within the plan.

Clara City – SCDP - Randy

Environmental review was submitted to DEED on July 3rd. Awaiting approval/clearance. Currently working with Prairie Five and Clara City to get policies and procedures in place.

Transportation – Lindsey

Lindsey has started conversations with communities regarding the next round of Transportation Alternatives Program funding for local projects. She talked to the City of Montevideo about a potential bicycle and pedestrian project to improve mobility over the

railroad tracks on the south end of 1st Street. She also talked to some bicycle advocates about extending a trail from Montevideo west to Camp Release along Highway 212. Additionally, she met with Steve Kubista, Chippewa County Engineer, to assist him with a Scenic Byways application to reconstruct the trail that runs from Montevideo south along County Highway 15 to Wegdahl. That application was successful and will provide nearly \$400,000 in federal funds to reconstruct the trail.

Lindsey has also been working with MnDOT and several other RDCs to put together presentations on the partnership and collaboration between the RDCs and MnDOT in rolling out the new Transportation Alternatives Program for NADO's Rural Transportation Conference this winter. Minnesota went above and beyond to gather local input before implementing the new Transportation Alternatives Program (formerly the Transportation Enhancements, Scenic Byways and Safe Routes to School Programs), as required in the new federal transportation bill, MAP-21. The RDCs were crucial to the smooth transition from the old programs to the new consolidated program for both local units of government (who are the applicants) and MnDOT's programming staff.

Lastly, the State is going through a functional classification update in response to the new federal guidelines. So Lindsey has been working with all of the counties and state aid cities to update their functional classification systems for roadways.

Greater Minnesota Regional Parks and Trails Commission – Lindsey

Lindsey has recently been selected to serve on the Greater Minnesota Regional Parks and Trails Commission's (GMRPTC) District 3 Planning Committee. This committee is responsible for identifying, gathering and accepting information about current and future parks and trail from within district 3 that have potential statewide or regional significance and then recommending those projects to be included in the district wide master plan. As a reminder, the definition of statewide or regional significance was set by the legislature and must meet the following:

1. A park must provide a natural resource-based setting and should provide outdoor recreation facilities and multiple activities that are primarily natural resource-based;
2. A trail must serve more than a local population and where feasible connect to existing or planned state or regional parks or trails;
3. A part or trail must be utilized by a regional population that may encompass multiple jurisdictions; and
4. A park may include or a trail may pass unique natural, historic, or cultural features or characteristics.

Contract development/Proposals:

The following is a list of potential contract and proposals that staff is working on.

- US DOT TIGER Grant in collaboration with MDH and MnDOT – Lindsey
- Clarkfield and Granite Falls – Kristi met with both cities to discuss if they are interested in a SCDP grant in 2015.
- Volstead House (Davis Bacon) – Arlene
- Granite Falls Bridge (Davis Bacon) – Arlene & Lindsey
- Granite Falls Memorial Park Master Plan – Lindsey

Contracts active in FY14/15

Dawson EDA Grant
Granite Falls EDA Grant
Big Stone HM

Anticipated Completion

February 2016
March 2016
April 2016

Chippewa HM	April 2016
Yellow Medicine HM	April 2016
Canby Zoning Ordinance Update	August 2014
Safe Routes to School Plans 2 (MnDOT)	October 2014
SRTS Implementation (MnDOT)	October 2015
Appleton Technical Assistance	May 2015
Dawson Sidewalk Plan	April 2015
MnDOT Byway Planning Grant	June 2015

INFORMATIONAL ONLY- No Action requested

INFORMATION MEMO

TO: UMRDC Commissioners
FROM: Dawn Hegland
DATE: July 22, 2014
RE: Director's Report

In an effort to update the Commission on my activities, I prepared the following brief summary of actions that I am working on.

- Finalized paperwork for new Economic Development Planner (Jacki Anderson).
- Working with Arlene to develop job posting for new finance staff.
- Working with RDC 6E and 8 on a SW MN Regional Competiveness meeting for DEED on July 18. Was in charge of sending our invitations to business leaders in the region, setting up location, food and general arrangements. Will be part of a regional panel sharing regional issues related to innovation, trade and talent.
- Worked with Erin, Emily and Kristi to look at the housing issues in Appleton and Swift County.
- Was asked to be the FY 15 chair for the Research Committee for the Center for Rural Policy and Development Board. Had several calls with staff and existing board members about the role and future for the research and for the Center in general.
- Worked with BS County HR Director to survey counties about the HR sharing opportunities in the region. We will be meeting with counties to review the results on July 16.
- Worked on the annual report, annual meeting and tour of Dawson.

INFORMATIONAL ONLY- No Action requested