Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

BOARD MEETING AGENDA
June 23, 2015 - 6:30 PM

Introductions
Approve Agenda/Additions

1. **Consent Agenda Items**
   a. Minutes from May 2015
   b. May 2015 Treasurer's Report and List of Bills
   c. RLF Treasurer's Report
   d. Fund Balance Schedules/Policy/Resolution
   e. FY16 Levy Recommendations
   f. FY16 Draft Budget
   g. FY16 Draft Statement of Indirect Cost
   h. FY16 Fiscal Agent Contract – City of Granite Falls
   i. Appleton Small Cities Development Project Contract
   j. Granite Falls Memorial Park Master Plan Amendment #2
   k. FY16 Hedgehog Funds
   l. MnDOT Transportation Planning Contract
   m. NADO Board
   n. May 26 Board of Directors Minutes

NOTE: All items listed under consent agenda will be enacted by one motion. Upon request Commission members can remove items from the consent agenda list and have them considered separately under Action Items.

Staff Presentation: Melissa Carruth
Citizen Comments:
Round Robin: Please share any recent actions, discussions or issues from your council or board

2. **Information Items**
   a. Planner Update
   b. Executive Director Update
   c. Asst. Finance Director Job Offer

3. **Action Items**
   a. Loan Advisory Board
   b. ***Revised*** Granite Falls Hedgehog Application- **ADDITION**

4. **Discussion Items**
   a. BHAGs Update
   b. Annual Bus Tour
   c. Nominating Committee

Adjourn
Next Meeting Date: ***Tuesday, July 28, 2015 - ½ day tour & Annual Meeting***

UMVRDC Mission Statement
"Enable the region to thrive through assisting local governments."

RDC BOARD MINUTES

Upper Minnesota Valley Regional Development Commission
Appleton Civic Center - Appleton, MN – May 26, 2015

Board Members Present:	Bruce Swigerd, Rusty Dimberg, Gary Hendrickx, Warren Rau, Gary Johnson, Scott Peterson, Debra Lee Fader, Graylen Carlson, Juanita Lauritsen, Jim Schmaedeka, Brett Buer, Mike Fugleberg, Mark Bourne, Kathi Thymian
Board Members Absent:	Brent Olson, Gene Stengel, Vicki Oakes, Jeff Olson, Justin Bentaas, Jim Dahlvang, Scott Rixe
Staff Present:	Dawn Hegland, Arlene Tilbury, Randy Larson 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 – Kathi Thymian, Debra Fader made motion to approve the agenda with the addition of 3b. Appleton Technical Assistance Contract; 3c. Appleton Hedgehog Application; and 4b. Annual Meeting Tour.

1. Consent Agenda Items

a. Minutes from April 2015
b. April 2015 Treasurer's Report and List of Bills
c. RLF Treasurer's Report
d. Volstead House
e. Economic Development Conference
f. Montevideo Arts Project Technical Assistance Contract
g. Granite Falls Memorial Park Amendment

M/S/P – Debra Fader, Mark Bourne made motion to accept and approve the Consent Agenda Items as follows: approval of minutes from the April meeting; approval of the April Treasurer's Report showing current expenses $63,040 & current revenue $76,093 along with the check listings 18603-18643 as presented; approval of the lending balances on the RLF Treasurer's Report $296,755.28-original/$57,013.63-disaster; authorization with the City of Granite Falls for prevailing wage monitoring services for the Volstead House project; authorize out of state travel for Jacki Anderson to attend the Rooting Opportunity-Doing Economic Development Differently Conference in Washington DC May 31st – June 2nd; approval of signature on the Technical Assistance agreement with the City of Montevideo for the Arts Project Technical Assistance Contract; authorization to sign the Granite Falls Memorial Park Master Plan Amendment to include an additional $780 for a total of $8,250.

ROUND ROBIN DISCUSSION:

- *Gary Hendrickx, Swift County*: Applied for a Regional Park designation for the OHV park; need to update the heating & cooling system in courthouse; 911 Center & jail need renovations; looking at trying something new with tax forfeitures; evaluating the needs/usage of county building.
- *Brent, Big Stone County*: absent.

- *Gary Johnson, Yellow Medicine County*: Justice Center bids in-ranging from $5.8 to $6.4 million. Encourage attendance at the air show. Sale of tax forfeited property on auction. Tax questions on homestead vs. non-homestead and state vs. county.
- *Rusty, Big Stone County Townships*: Dirt work has begun on the Assistant Living Complex. Attended a BSAG meeting on May 11th.
- *Brett, Dawson/Boyd Schools*: Looking into a robotics program and a Trap Shooting team for next year. Had 2 resignations & 2 retirements. Have acquired 2 properties – moving one and tearing the other down.
- *James, Chippewa County Townships*: Contractor's been hired to replace road signs.
- *Jim, Chippewa County*: absent.
- *Bruce, Prairie Five CAC, Inc*.: passed.
- *Mark, LqP County Townships*: passed.
- *Jeff, LqP County Municipalities*: absent.
- *Scott P., YM County Municipalities*: Air show at Fagen's Museum is June 20th.
- *Juanita, Workforce Council:* Continue to follow the Avian flu situation. Waiting to see what the Legislature does with state funding.
- *Warren, Swift County Townships*: passed.
- *Debra Lee, Chippewa County Municipalities:* Fishing tournament on LqP Lake. New mural has been started.
- *Justin, Granite Falls EDA:* absent.
- *Graylen, LqP County:* passed.
- *Vicki, Ortonville EDA:* absent.
- *Scott R., Big Stone County Municipalities:* absent.
- *Kathi, Ortonville Schools:* passed.
- *Mike, Swift County Municipalities:* Referendum failed. Preliminary stages of a possible assisted living project.
- *Gene, Yellow Medicine County Townships:* absent.
- *Dawn, UMVRDC:* passed.

2. <u>Information Items</u>

a. Planner Update – a brief summary of current projects being worked on.
b. Executive Director Update – a brief summary of activities/projects Dawn Hegland worked on this month.

3. <u>Action Items</u>

a. Loan Advisory Board Recommendations

Several items were discussed. Improvements to the Policy & Procedure; looking for an at-large board member for Swift County to sit on the LAB; Allen's Country Bakery has gone through some changes and will be discussed further at next month's meeting; discussion made on Kay's Processing latest loan that was made last fall.

Appleton Meat Center

The Appleton Meat Center is currently closed and all payments have stopped since April. There have been a series of personal and business financial mismanagement issues for the business. No business financials or taxes have been paid and made available on the business for the past 2 years. The original loan was for $30,000 and the current balance is $17,066.There has been a proposal from a potential buyer to purchase the business for $60,000. The owner owes the primary lender, the Co-Op Credit Union, at least $160,000. We are in a shared second position with the Appleton Project and the Swift County RDA.

M/S/P – Bruce Swigerd, Kathi Thymian made motion to approve the release of the liens on the business assets and the real estate, with understanding that the remaining outstanding balance will become completely unsecured and backed by a personal guaranty that is now unsecured due to the release of the lien on the property. Furthermore, Todd Erickson would still be liable for the debt but we could try and work out a payment plan. We could also end up having to decide whether or not to force Todd Erickson into bankruptcy. The release of these liens is contingent on all other lenders in the shared second position releasing their liens. All voted in favor with Gary Johnson voting nay.

Northern Geo
F & M Bank has submitted a subordination request to a potential $800,000 SBA loan for Northern Geo. This additional financing is needed to cover the losses that were projected when the business started last year. The losses are higher than the original losses projected for this year and next year. They're working to improve their margin on their products. Discussion was held as to how we can secure our loan to some extent. The balance is approximately $138,000.

M/S/P – Bruce Swigerd, Warren Rau made motion to approve the subordination to the $800,000 SBA loan that will be lent through F&M Bank in Appleton with the contingency that the UMVRDC secures the personal guaranty for the Northern Geo loan with personal assets as collateral up to the outstanding dollar amount, a percentage of the outstanding balance, or at the very least a personal guaranty signed by Susie Overholser, Del's wife.

SEWearables
SEWearables is looking to purchase a screen printing machine. This piece of equipment is approximately $22,750. The down payment on the purchase will be completed by them selling their 2010 Dodge Caravan. The van is being sold for approximately $14,000. Proceeds from the sale of the van will equal approximately $6,000. They've decided to sell the van being they don't use it all that often. The need for a screen printer arises as a result of over 50% of their business coming from screen printing. Currently they outsource the screen printing process of their products to Pennock. They would like to do the screen printing in-house and this would allow them to do it.

M/S/P – Gary Johnson, Mark Bourne made motion to approve the release of the lien on the 2010 Dodge Caravan contingent upon all gap lenders approving the release of their liens in order for SEWearables to use the proceeds to put a down payment on a screen printer on a Lease to Own Agreement

b. Appleton Technical Assistance Contract
The City of Appleton has requested Technical Assistance from us to help with community and economic development projects.

M/S/P – James Schmaedeka, Rusty Dimberg made motion to authorize the signature on the contract with the City of Appleton for technical assistance.

c. Appleton Hedgehog Application
Appleton has applied for a Hedgehog Grant to assist with the technical assistance contract. To date, $12,748 has been allocated in Hedgehog Grants.

M/S/P – Brett Buer, Debra Fader made motion to approve the $5000 Hedgehog application from the city of Appleton.

4. Discussion Items

a. Board of Director's Budget Meeting Recap

A budget meeting was held earlier tonight. Some of the items on the agenda were: GASB 54; Proposed FY16 Levy; Proposed FY16 Budget; Hedgehog grants; Staffing; Technical Assistance Rate proposal increase. The agency will be starting the FY16 with a deficit of $287,000. Several contracts are being worked on but are not signed. Recommendations will be presented at the June board meeting.

b. Annual Meeting

A poll was taken to see if the annual meeting day tour would be a full day or half day. The consensus was for a ½ day. Staff is developing ideas for the tour to possibly take place in Clara City. More information will follow.

Adjournment

A motion by Mark Bourne, Graylen Carlson for adjournment was made at approximately 7:45pm. Meeting ended.

APPROVED BY:

_____

Gary Hendrickx
RDC Chairman

PREPARED BY:

_____

Jackie Sigdahl
RDC Administrative Assistant

#1b

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 23, 2015

RE: April 2015 Treasurer's Report (Correction)
May 2015 Treasurer's Report
May 2015 Check Listing

There was an error on a timesheet posting date causing the salaries and fringe reported on the April 2015 treasurer's report to be incorrect. The April 2015 salaries and fringe should have been $45,806/$14,234 (highlighted on report) rather than the $22,869/$14,230 that was reported last month.

The next item attached is the treasurer's report for May 2015. On the bottom of the revenue report (page 2) is 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 bank balances as well as a chart showing the current years hedgehog grants.

Also enclosed is the check listing that lists all checks cut for the month of May 2015.

ACTION REQUESTED:
For the Commission to approve:
April 2015 Treasurer's Report Correction;
May 2015 Treasurer's Report;
Check Listing (check # 18644 through 18692) as presented.

Encl.

May 2015 CHECK LISTING
Checks 18644 To 18692

Check#	Check Date	Vendor Name	Check Amount	Description
18644	05/07/2015	Advocate Tribune	0.00	VOID
18645	05/07/2015	CANBY NEWS	53.12	Assist Fin Direcotr - Ad
18646	05/07/2015	CHIPPEWA COUNTY AUDITOR/TREASURER	674.87	Dental Ins. - May '15
18647	05/07/2015	CITY OF APPLETON	1,016.67	Rent - May'15
18648	05/07/2015	DAWSON SENTINEL	83.25	Assis Fin Director - Ad
18649	05/07/2015	DONS FOOD PRIDE	32.84	RDC Meeting Exp. - Supplies
18650	05/07/2015	Federated Telephone, Inc	313.50	April '15 - Spam FIlter/Tech Assistance
18651	05/07/2015	Ortonville Independent	256.00	Assist Fin Director
18652	05/07/2015	Swift County Monitor-News	163.60	Assist Fin Director - Ad
18653	05/07/2015	The Appleton Press	82.28	Supplies, Assist FIn Director - Ad
18654	05/07/2015	WESTERN GUARD	94.50	Assist Fin Director
18655	05/07/2015	Xerox Corporation	381.24	April '15 - Copy Charge
18656	05/07/2015	Advocate Tribune	123.40	Assist Fin Director Ad
18657	05/07/2015	South Dakota Magazine	875.00	Prairie Waters Ad
18658	05/13/2015	Aasen Construction	11,673.00	Benson SCDP - Req. 27
18659	05/13/2015	Affordable Floor Covering, Inc.	1,802.00	Benson SCDP - Req. 27
18660	05/13/2015	Dana F. Cole & Company LLP	33.88	May '15 - Flex Fee
18661	05/13/2015	Evenson's Contracting, LLC	6,682.00	Benson SCDP - Req. 27
18662	05/13/2015	Franz Allbert Richter	250.00	Creative Work for Meander Brochure
18663	05/13/2015	Joe Fox	11.50	RLF Bard Travel Reimburse - May '15
18664	05/13/2015	Josh Falness	24.15	RLF Board Travel Reimburse - May '15
18665	05/13/2015	KERKHOVEN BANNER	383.00	Assist. Fin. Director - Ad
18666	05/13/2015	Louis Sherlin	59.80	RLF Board Travel Reimburse - May '15
18667	05/13/2015	Mediacom LLC	226.69	Agency and PW Telephone - May '15
18668	05/13/2015	Mitch McKay	29.90	RLF Board Travel Reimburse - May '15
18669	05/13/2015	Montevideo Publishing	108.40	Asst. Fin. Director - Ad
18670	05/13/2015	Olson/Tolifson Construction	18,300.00	Benson SCDP - Req. 27
18671	05/13/2015	Terry Overlander	24.15	RLF Board Travel Reimburse - May '15
18672	05/20/2015	Dahlvang, Jim	372.32	May 2015 Commissioner Payroll
18673	05/20/2015	Johnson, Gary L.	165.95	May 2015 Commissioner Payroll
18674	05/20/2015	Rau, Warren	61.12	May 2015 Commissioner Payroll
18675	05/20/2015	Swigerd, Bruce	72.05	May 2015 Commissioner Payroll
18676	05/18/2015	First Bank & Trust	125.00	May 2015 - Employer HSA Contribution
18677	05/18/2015	Minnwest Bank Montevideo	1,000.00	May 2015 - Employer HSA Contribution
18678	05/27/2015	Bangsund Construction Inc.	18,300.00	Benson SCDP - Req. #28
			10,936.00	Ortonville SCDP - Req. #19
18679	05/27/2015	Chase Card Services	235.84	Agency Auto Gas - on CC

			106.52	Dawn's CC - Registration/Training & Staff Travel
			538.24	Arlene's CC - RDC Marketing, Supplies, Prepaid RDC Marketing Exp.
			796.45	Melissa's CC - PW Postage & PW Ads
			67.26	Randy's CC - UCC Filings (3x) & Staff Travel
			57.09	Jacki's CC - Staff Travel
			21.49	Kristi's CC - Staff Travel
			17.98	Barrett's CC - Staff Travel
18680	05/27/2015	Grants Management Systems, Inc.	25.00	RLSS Software Maintenance
18681	05/27/2015	Home & Away, Inc	280.50	PW Ads
18682	05/27/2015	Jeff Liebel Construction	11,070.00	Ortonville SCDP - Req. #19
18683	05/27/2015	Kontz Construction	14,300.00	Clara City SCDP - Req. 7
18684	05/27/2015	Larry's Refrigeration & Heating	6,980.00	Ortonville SCDP - Req. #19
18685	05/27/2015	Mediacom LLC	229.89	June '15 - Agency Phone and PW Phone
18686	05/27/2015	MSPN - Midwest Sports Publishing Network	2,078.50	PW Ads
18687	05/27/2015	Pemberton, Sorlie, Rufer & Kershner, PLLP	74.00	Legal - Pollicy Review
18688	05/27/2015	PRAIRIE FIVE CAC	3,247.23	Ortonville SCDP Req. #19 & Clara City SCDP Req. #7
18689	05/27/2015	Regents of the University of MN	84.03	Intern - Travel
18690	05/27/2015	SWIFT COUNTY HRA	3,543.00	Benson SCDP - Req #28
18691	05/27/2015	Swift County Monitor-News	39.00	Prepaid Subscription Expense
18692	05/27/2015	USAble Life	30.80	June '15 Life Insurance - KK COBRA (16 of 18)
		Total	118,614.00	

Jim Schmedeka, UMVRDC Secretary/Treasurer
Date:

Dawn Hegland, Executive Director
Date:

Gray highlights are pass-thru expenses

May-15				#1b
UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION				
REVENUE & EXPENSE REPORT				
				Page 2
	FY15	**Current**	**YR-To-DT**	
	Budget	**May**	**July-May**	
Agency Revenues	**Revision #1**			
Interest	3,500	100	3,349	
Levy	282,500	16,916	145,123	
- Less HH			-	
Dawson Sidewalk Project	(4,358)		-	
Upper Sioux Hazard Mitigation	(5,000)		-	
Granite Falls Memorial Park Plan	(3,390)		-	
Miscellaneous	-	85	2,642	
Economic Development/EDA			-	
EDA Planning Grant	64,628		64,628	
Revolving Loan Fund Admin	40,000	2,373	39,247	
Technical Assistance			-	
Appleton Technical Assistance ($5,000 HH FY14 included)	28,787	1,154	13,312	
Bellingham Website	500		-	
Canby Zoning Update	4,130	3,397	4,897	
CERTS	28,400		16,872	
Dawson Sidewalk Project ($4,357.50 FY15 HH included)	8,715	48	4,406	
Granite Falls Memorial Park Plan (FY15 HH $3,390 included)	6,779		-	
Greater MN Development Strategy	6,250		-	
Hazard Mitigation Updates (15,000 FY13 HH included)	87,000		57,137	
Milan Housing	325		358	
Montevideo Arts Project	4,770		4,770	
Montevideo Arts Project Implementation	1,950		-	
Ortonville Zoning	5,000		-	
Safe Routes Coordinator	51,000	7639	28,094	
Safe Routes for Schools Plans	19,366	6315	17,379	
Safe Routes Mini Grant	1,950		-	
SMAHC Public Arts	535		-	
Upper Sioux Hazard Mitigation ($5,000 HH FY14 included)	42,500		2,438	
Grant Writing			-	
2 County HM App	1,000		500	
Blandin Regional Feasibility Study	2,500		500	
Broadband Application - Federated	10,000		11,675	
Federated USDA App	3,000		5,095	
Granite Falls Memorial Park Grant Application	2,500		2,500	
Grants Admin/Management			-	
Appleton Potential SCDP Grant	***2,000***		-	
Benson SCDP	18,000	3,884	7,029	
Clara City SCDP New	12,000	297	6,586	
Dawson EDA Closeout	1,365		1,365	
Granite Falls Bridge (labor standards)	6,000		4,949	
Granite Falls Bridge (reporting/requests)	4,000		1,788	
Granite Falls EDA Grant	35,000		10,719	
Granite Falls Overall Admin	15,000		11,310	
Granite Falls Volestad House	***5,000***		-	
Ortonville SCDP	15,000	1,088	7,974	
Transportation			-	
Planning Grant	75,000		73,715	
Scenic Byway (Transp) Planning Grant FY15	15,080		23,088	
Prairie Waters	95,000	300	102,763	
Byway Corridor Management Plan	45,000		18,866	
Art Crawl	46,000	2,100	52,140	
Total Revenue	**1,084,283**	**45,695**	747,214	
Pass-Thru Revenue (not included above)		133,298	1,147,770	

Expenses	FY15 Budget	Current May	YR-To-DT July-May
Salaries	456,137	46,044	487,637
Fringe Benefits	257,328	14,361	137,194
Commissioner's Expense			-
Per Diem	10,000	1,038	8,902
FICA	1,000	83	751
Public Officials Ins.	4,000		4,364
Meeting Expense	2,000	31	1,539
Travel C&C	6,000	709	6,098
Training	5,000		530
Audit	13,000		12,196
Computer Technical Assistance	12,000	263	7,293
Copy Charge/xerox lease	8,500	372	3,497
Consultant/Contract for Services	10,000	334	6,477
Depreciation	11,000	977	10,928
Dues	5,000		1,290
Insurance	1,200		398
Legal Fees	2,000	134	1,588
Miscellaneous/Employee Morale	3,000		1,047
Office Rent	12,210	1,017	11,184
Postage	7,000	31	5,131
Printing/Advertising	8,000	1,331	7,147
RDC Marketing Item	2,000	60	711
Registration/Training	10,000	100	7,813
Repairs/Maintenance	2,000		641
Software GMS/GIS/General	6,000	76	2,305
Sub./Publications	2,000		818
Supplies	6,000	228	3,390
Telephone/Internet	4,000	602	4,410
Travel/Staff	34,000	1,468	25,173
Web Hosting/Maintenance	3,500		609
Pass Thru Activity			-
GIS for Hazard Mitigation Chippewa	4,100		4,010
GIS for Hazard Mitigation YM	4,100		4,260
GIS for Hazard Mitigation Big Stone	4,100		4,010
GIS for Hazard Mitigation Upper Sioux	4,100		-
County Reimbursement for Hazard Mitigation	6,000		-
SRTS - Products	15,000		6,924
Byway	16,000		6,273
Meander	31,500		15,327
Prairie Waters	40,000	3,999	30,110
Total Expenses	**1,028,775**	**73,256**	831,973.76
EXCESS REV. OVER EXP.	**55,508**	**(27,561)**	**(84,760)**

General Checking	$ 172,508	**FY 15 Hedgehog Grants**	20,000
Money Market	$ 309,996	Dawson Sidewalk Project	(4,358)
Certificate of Deposit	$ 250,000	Upper Sioux Hazard Mitigation	(5,000)
RLF Savings	$ 337,486	Granite Falls Memorial Park Plan	(3,390)
Agency Auto	$ 23,661	Appleton TA	(5,000)
Equipment Fund	$ 21,201	Balance	2,253

UMVRDC Secretary/Treasurer — **UMVRDC Executive Director**

Date: — **Date:**

April-15				#1b
UPPER MN VALLEY REGIONAL DEVELOPMENT COMMISSION				
REVENUE & EXPENSE REPORT - Correction				
				Page 2
	FY15	**Current**	**YR-To-DT**	
	Budget	**April**	**July-April**	
Agency Revenues	**Revision #1**			
Interest	3,500	97	3,249	93%
Levy	282,500		128,207	45%
- Less HH			-	
Dawson Sidewalk Project	(4,358)		-	
Upper Sioux Hazard Mitigation	(5,000)		-	
Granite Falls Memorial Park Plan	(3,390)		-	
Miscellaneous	-	9	2,557	
Economic Development/EDA			-	
EDA Planning Grant	64,628	16,157	64,628	100%
Revolving Loan Fund Admin	40,000		36,875	92%
Technical Assistance			-	
Appleton Technical Assistance ($5,000 HH FY14 included)	28,787	648	12,158	42%
Bellingham Website	500		-	0%
Canby Zoning Update	4,130	1,500	1,500	36%
CERTS	28,400	1,212	16,872	59%
Dawson Sidewalk Project ($4,357.50 FY15 HH included)	8,715	2,179	4,358	50%
Granite Falls Memorial Park Plan (FY15 HH $3,390 included)	6,779		-	0%
Greater MN Development Strategy	6,250		-	0%
Hazard Mitigation Updates (15,000 FY13 HH included)	87,000	8,455	57,137	66%
Milan Housing	325	358	358	110%
Montevideo Arts Project	4,770		4,770	100%
Montevideo Arts Project Implementation	1,950		-	0%
Ortonville Zoning	5,000		-	0%
Safe Routes Coordinator	51,000		20,455	40%
Safe Routes for Schools Plans	19,366		11,064	57%
Safe Routes Mini Grant	1,950		-	0%
SMAHC Public Arts	535		-	0%
Upper Sioux Hazard Mitigation ($5,000 HH FY14 included)	42,500		2,438	6%
Grant Writing			-	
2 County HM App	1,000	500	500	50%
Blandin Regional Feasibility Study	2,500		500	20%
Broadband Application - Federated	10,000		11,675	117%
Federated USDA App	3,000		5,095	170%
Granite Falls Memorial Park Grant Application	2,500		2,500	100%
Grants Admin/Management			-	
Appleton Potential SCDP Grant	***2,000***		-	0%
Benson SCDP	18,000		3,145	17%
Clara City SCDP New	12,000	1	6,289	52%
Dawson EDA Closeout	1,365		1,365	100%
Granite Falls Bridge (labor standards)	6,000	4,949	4,949	82%
Granite Falls Bridge (reporting/requests)	4,000	1,788	1,788	45%
Granite Falls EDA Grant	35,000		10,719	31%
Granite Falls Overall Admin	15,000	11,310	11,310	75%
Granite Falls Volestad House	***5,000***		-	0%
Ortonville SCDP	15,000	0	6,886	46%
Transportation			-	
Planning Grant	75,000	34	73,715	98%
Scenic Byway (Transp) Planning Grant FY15	15,080		23,088	153%
Prairie Waters	95,000	3,596	102,463	108%
Byway Corridor Management Plan	45,000	13,831	18,866	42%
Art Crawl	46,000	9,470	50,040	109%
Total Revenue	**1,084,283**	**76,093**	701,519	65%
Pass-Thru Revenue (not included above)		113,989	1,014,472	

Expenses	FY15 Budget	Current April	YR-To-DT July-April	
Salaries	456,137	45,806	441,593	97%
Fringe Benefits	257,328	14,234	122,833	
Commissioner's Expense			-	
Per Diem	10,000	1,208	7,864	79%
FICA	1,000	96	668	67%
Public Officials Ins.	4,000		4,364	109%
Meeting Expense	2,000	38	1,508	75%
Travel C&C	6,000	1,783	5,389	90%
Training	5,000		530	11%
Audit	13,000		12,196	94%
Computer Technical Assistance	12,000	1,238	7,031	59%
Copy Charge/xerox lease	8,500	342	3,126	37%
Consultant/Contract for Services	10,000	5,963	6,143	61%
Depreciation	11,000	1,005	9,951	90%
Dues	5,000	1,000	1,290	26%
Insurance	1,200		398	33%
Legal Fees	2,000		1,454	73%
Miscellaneous/Employee Morale	3,000		1,047	35%
Office Rent	12,210	1,017	10,167	83%
Postage	7,000	413	5,099	73%
Printing/Advertising	8,000		5,816	73%
RDC Marketing Item	2,000		651	33%
Registration/Training	10,000	(628)	7,713	77%
Repairs/Maintenance	2,000	120	641	32%
Software GMS/GIS/General	6,000	134	2,229	37%
Sub./Publications	2,000	42	818	41%
Supplies	6,000	509	3,163	53%
Telephone/Internet	4,000	419	3,808	95%
Travel/Staff	34,000	2,994	23,705	70%
Web Hosting/Maintenance	3,500		609	17%
Pass Thru Activity			-	
GIS for Hazard Mitigation Chippewa	4,100	2,000	4,010	98%
GIS for Hazard Mitigation YM	4,100	2,000	4,260	104%
GIS for Hazard Mitigation Big Stone	4,100	2,000	4,010	98%
GIS for Hazard Mitigation Upper Sioux	4,100		-	0%
County Reimbursement for Hazard Mitigation	6,000		-	0%
SRTS - Products	15,000	744	6,924	46%
Byway	16,000		6,273	39%
Meander	31,500	1,500	15,327	49%
Prairie Waters	40,000		26,111	65%
Total Expenses	**1,028,775**	**85,977**	758,718	74%
EXCESS REV. OVER EXP.	**55,508**	**(9,884)**	**(57,199)**	

General Checking	$ 177,660	FY 15 Hedgehog Grants	20000
Money Market	$ 310,159		
Certificate of Deposit	$ 250,000	Dawson Sidewalk Project	(4,358)
RLF Savings	$ 363,769	Upper Sioux Hazard Mitigation	(5,000)
Agency Auto	$ 25,321	Granite Falls Memorial Park Plan	(3,390)
Equipment Fund	$ 23,310	Balance	7252.5

UMVRDC Secretary/Treasurer — **UMVRDC Executive Director**

Date: — **Date:**

#1c

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Randy Larson Jr., Loan Officer

DATE: June 23, 2015

RE: May 2015 RLF Treasurer's Reports and Program Impact Summary

Financial information presented in this report is separated into the two RLF loan fund pools the UMVRDC 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.

May 2015 Transaction Notes:

- Madison Meats Loan – Delinquent/Default Status
- Appleton Meat Center – Delinquent/Default Status

The next enclosed document is the Program Impact Summary. This summary presents the RLF's performance and accomplishments since its inception.

ACTION REQUESTED:
To approve the UMVRDC's May 2015 RLF Treasurer's Reports with the following available for lending balances – meaning fund balances less the funds already committed to loans that have yet to close: *$312,160.50 (Original RLF) and $62,676.46 (Disaster RLF).*
Encl.

May 2015 RLF TREASURER'S REPORT

#1c

		Terms					Reporting Transactions		
	Borrower	**Original RLF Loan Amount**	**Disaster RLF Loan Amount**	**Interest Rate**	**Term (years)**	**Notes**	**May Payments**	**Oringinal RLF Balance at 05/31/2015**	**Disaster RLF Balance at 05/31/2015**
1	Al's Mercantile	50,000		5%	10		$ 531.33	$ 31,328.38	
2	Appleton Hardware Inc	50,000		4%	12		$ 684.44	$ 9,460.01	
3	Appleton Meat Center	30,000		4%	10	Default	$ -	$ 17,066.19	
4	Appleton Power Equipment	25,000		4%	10		$ 253.11	$ 13,977.81	
5	Barr's/Conroy Electric, Inc.	46,000		4%	10		$ 466.73	$ 33,242.56	
6	Bluegrass Proteins, Inc.	100,000	100,000	4%	5		$ 2,111.78	$ 97,077.13	$ 97,077.13
7	Books by Kelly	20,000		5%	5		$ 121.69	$ 11,334.99	
8	C&L Loan #2	57,500		2.90%	10		$ 553.57	$ 50,296.36	
9	C.C. Diamond Products, LLC	100,000		4%	10		$ 1,013.45	$ 74,323.12	
10	Clarkfield Family Foods	28,000		4%	10		$ 284.49	$ 13,870.55	
11	Friendship Cafe	10,000		4%	10		$ 102.50	$ 4,933.41	
12	Granite Falls Dairy Queen, Inc	100,000		4%	10		$ 1,013.45	$ 74,150.63	
13	Handeland Chriopractic, LLC	33,000		5%	10		$ 350.02	$ 21,175.78	
14	Jack Anderson (GoldLeaf Fin.)	100,000		2.90%	5		$ 1,793.43	$ 58,438.27	
15	Jager building Supply, LLC	62,000		4%	10		$ 628.72	$ 46,056.99	
16	J C & Sons Hardware Inc	70,000		4%	10		$ 709.72	$ 37,336.10	
17	Kaercher Publications, Inc.	65,520		4.50%	10		$ 680.04	$ 49,564.84	
18	Kay's Processing, LLC	100,000		2.90%	5		$ 1,793.43	$ 58,706.89	
19	Kay's Processing/Naturals Loan 2		100,000	5.00%	5		$ 1,888.12		$ 91,121.96
20	Lamecker's General Store	25,000		4.00%	5		$ 461.41	$ 20,491.54	
21	Madison Meats	37,200		4%	5	Default		$ 8,160.21	
22	Merritt Construction, Inc.	10,000		4.50%	12		$ 104.64	$ 7,681.16	
23	Northern Geo, LLC	50,000	100,000	4%	10		$ 1,518.68	$ 45,762.35	$ 91,524.71
24	Northern Grain		100,000	2.90%	5		$ 1,793.43		$ 65,324.71
25	Ortonville Hardware Hank	66,000		4%	7		$ 905.12	$ 1,794.76	
26	Porter Elevator	75,000		4%	12		$ 760.34	$ 50,387.46	
27	Private Industry Council	50,000		4%	9.6		$ 396.39	$ 20,666.70	
28	R&R Outdoors	11,000		4%	10		$ 112.37	$ 9,485.89	
29	SEWearables	33,000		4.50%	7		$ 361.04	$ 17,881.33	
30	SpecSys Inc.	50,000		4%	10		$ 507.23	$ 24,676.85	
31	Swift Falls Bar & Grill	22,500		4%	10		$ 228.80	$ 11,090.20	
32	The Corner Stop	30,000		5%	10		$ 318.19	$ 3,966.53	
33	The Sawmill	50,000		4%	10		$ 203.81	$ 29,780.87	
34	West Central Powder Coating, Inc.		100000	4%	15		$ 740.69		$ 97,714.80
		1,556,720	500,000				$ 23,392.16	$ 954,165.86	$ 442,763.30

Balance of Bank Accounts

Total Original RLF Funds:	***1,276,326.36***		***Total Disaster RLF Funds:***	***505,439.76***
Previous month's bank balance	306,755.28		Previous month's Bank Balance	57,013.63
Loan Repayment	16,901.58		Loan Repayment	6,490.58
Loan Disbursement	-		Loan Disbursement	-
May '15 - Bank Interest	40.76		May '15 Bank Interest	7.77
Admin Transfer -	(1,542.12)		Admin Transfer - March '15	(830.52)
Origination or Loan Payoff Fees	5.00		Origination Fee or Loan Payoff Fees -	(5.00)
Bank Account Balance at 05/31/2015	**322,160.50**		***Bank Account Balance 05/31/2015***	**62,676.46**
Committed -	(10,000.00)		Committed -	-
Balance available for lending	**$ 312,160.50**		**Balance available for lending**	**$ 62,676.46**

UMVRDC Secretary/Treasurer

Date

UMVRDC Executive Director

Date

Program Impact Summary

Since the RLF was incorporated in 1988, the program has made a significant imapact on the economic growth and employment opportunities in Region 6w. The RLF has completed the following loan activities:

Economic Impact Summary *as of May 31st, 2015*

Number of Loans Closed:	**113**
Loan Amounts:	$ 5,947,160.00
Private Dollars Leveraged:	$ 96,154,842.00
Public Dollars Leveraged:	$ 18,101,869.00
Owner Equity:	$ 31,937,490.00
Jobs Created:	1141.5
Jobs Retained:	1584.5
Business Type:	
Start-Up	40
Expansion	46
Retention	27
Total	**113**
Classification:	
Industrial	54
Commercial	26
Service	33
Total	**113**

#1d

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 23, 2015

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. At this time we do not see a need for any changes to the policy. Also for your review is a copy of the draft FY16 Fund Balance Schedule as a comparison to the FY15 schedule and the FY16 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 as approved on 2/24/2015 with no changes;

3) For the Commission to approve the UMVRDC FY16 Fund Balance Schedule;

4) For the Commission to approve the FY16 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
FY16
FUND BALANCE DESIGNATION SCHEDULE
6/23/2015

FY15 Schedule	FY16 Schedule
Non-Spendable	**Non-Spendable**
Inventory	Inventory
Prepaids	Prepaids
Restricted	**Restricted**
Revolving Loan Fund - (for relending)	Revolving Loan Fund - (for relending)
Scenic Byway Savings	Scenic Byway Savings
Committed	**Committed**
* Sick Leave Designation	* Sick Leave Designation
** Vacation Designation	** Vacation Designation
Unemployment Designation ($10,000)	Unemployment Designation ($10,000)
*** Medical Reimbursement Allocation ($15,000)	*** Medical Reimbursement Allocation ($16,500)
Flex Account	Flex Account
Assigned	**Assigned**
**** Agency Auto Fund ($31,961) - FY14 Balance	Agency Auto Fund
***** Equipment Replacement Fund ($16,079) FY14 Balance	Equipment Replacement Fund
Between Tax Settlements ($100,000)	Between Tax Settlements ($100,000)
Matching Requirements	Matching Requirements
Unassigned	**Unassigned**
Fund Balance	Fund Balance

Gary Hendrickx	Dawn Hegland
UMVRDC Chairman - Date	UMVRDC Executive Director - Date

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

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

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

**** Agency Auto Fund is adjusted after close of fiscal year

***** Equipment Replacement Fund is adjusted after close of fiscal year

Upper MN Valley Regional Development Commission
FY15
FUND BALANCE DESIGNATION SCHEDULE
02/24/2015

FY15 Schedule

Non-Spendable

Inventory
Prepaids

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 ($31,961)
Equipment Replacement Fund ($16,079)
Between Tax Settlements ($100,000)
Matching Requirements

Unassigned

Fund Balance

Gary Hendrickx
UMVRDC Chairman - Date

Dawn Hegland
UMVRDC Executive Director - Date

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

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

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

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

RESOLUTION
#16-01
FY15 Fund Balance
Governmental Accounting Standards Board (GASB) 54 Regulations
June 23, 2015

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: Arlene Tilbury, Financial Officer

DATE: June 23, 2015

RE: FY16 Levy Recommendations

Below is the levy breakout for the current fiscal year and also a proposed levy for FY16 which includes a three percent increase (the maximum we can increase per year as stated in MN Statute). For 2016, the levy has been estimated at $297,513 which is an increase of $8,665. The amount paid per county is based on each county's share of the Region's net tax capacity. The state sends out a distribution breakdown usually towards the end of July and at that time I will provide you with the actual percentage breakout as well as certify that amount with each county auditor. Until I receive the actual percentage breakout from the state I use the percentages provided the previous fiscal year.

							Proposed Increase
FY15 Levy Division		**288,848**	**FY16 Levy Division**		**297,513**		**8,665**
Big Stone County	10.68%	30,858	Big Stone County	10.68%	31,783		926
Chippewa County	22.16%	64,013	Chippewa County	22.16%	65,933		1,920
Lac Qui Parle County	18.26%	52,753	Lac Qui Parle County	18.26%	54,335		1,583
Swift County	22.80%	65,849	Swift County	22.80%	67,825		1,975
Yellow Medicine County	26.10%	75,375	Yellow Medicine County	26.10%	77,637		2,261
Total	100.00%	$288,848	Total	100.00%	$297,513	$	8,665

Continued on the next page is a table that shows where the levy dollars are allocated.

Proposed FY16 Levy

RDC's are authorized to impose a levy on all taxable property in the Region to pay staffing and operation costs. The amount paid by each county is based on the county's share of the Region's net tax capacity. It is anticipated that we will not receive our total levy because the counties are not able to collect 100% of the taxes due. Below is a table showing where we plan to allocated the FY16 levy as well as information on previous years.

	Proposed Levy Allocation	FY 16 estimate	FY15	FY15	FY14
Total Levy with 3% increase		$ 297,513	$ 288,848	Through	$ 275,413
Expense	**Description**	**Budget**	**Budget**	**05/31/2015**	**Final**
Commissioner's Expense	Per diem, travel, meeting costs, training, insurance	27,000	27,000	$20,049	$21,184
Salaries/Fringe/Indirect	Staff unbillable/contract development/Planners	40,000	35,000	$22,116	$34,032
Salaries/Fringe/Indirect	Executive Director, Financial Officer, Admin Assistant	80,000	65,000	$59,427	$91,467
Direct Expense	Expenses not allowed in indirect pool, ie. Dues, some travel & ad's ect.	15,000	10,000	$14,244	$22,122
Staff Development & Training		11,000	10,000	$9,891	$1,829
Hedge Hog Grants		20,000	20,000	$17,748	$24,000
Match					
EDA Planning Grant	50%	-	0	$0	$1,664
RLF	~20%	10,000	10,000	$10,000	$0
Transportation	15%	13,235	13,235	$13,235	$13,236
Prairie Waters	~20%	20,000	20,000	$25,000	$23,849
Byway Corridor Management	20%	4,028	0	$11,820	$8,815
Safe Routes for Schools	14%	-	0	$0	$0
Statewide CEDS	50%	6,250	6,250	$7,230	$0
SMAHC				$0	$497
CERTS	50%	23,000	23,000	$23,000	$161
Potential Grant Match Reserve		18,000	30,613	$0	$0
Miscellaneous & Overrun		10,000	10,000	$10,000	$13,599
Projected Total Levy Allocation		$297,513	$280,098	$243,760	$256,455
Balance		**-**	**$8,750**		**$18,958.17**

I only included $291,000 in the budget as we typically do not receive all of the levy dollars certified due to unpaid taxes.

ACTION REQUESTED:
For the Commission to recommend the inclusion of a 3% levy increase (for a total of $297,513) in the FY16 budget for the July 2015 UMVRDC public meeting.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: FY16 Budget Recommendations

Attached is the Fiscal Year 2016 budget. The bolded project revenues in the budget consist of some high potential projects as well as some in various stages of contract development. The total for the bolded project revenues is $105,000 as well as a $142,000 shortfall in technical assistance contracts. Since our first draft of the budget we have reduced the shortfall by $35,600. The $65,000 from the general fund is to cover part of the new finance assistant position. This budget has a large increase in salaries and fringe due to finally being fully staffed. We were short staffed in FY15 with approximately three months without a transportation planner; Jacki Anderson did not start until the end of July and we had budgeted for a finance assistant position which was not filled in FY15. Staff is working hard to secure the contracts needed to balance the FY16 budget.

	Beginning shortfall	**Ending balance**
FY09	-124,000	+21,281
FY10	-25,000	+81,065
FY11	-30,000	+166,744
FY12	-43,000	+61,021
FY13	-97,000	+21,459
FY14	-61,000	*+30,802*
FY15	+13,856	Still Open
FY16	-247,000	

Please note that this budget includes a 3% levy increase AND the cost for the finance assistant position.

Each year we prepare the draft budget and ask the RDC in June to recommend it for presentation at the public meeting as part of our RDC annual meeting in July. The RDC has the public meeting as part of the annual meeting and based on comments received adopts it in July. It is not unusual that between now and July we might have an additional contract to add (reducing the shortfall) if that is the case staff will point that addition out in July prior to the adoption process.

ACTION REQUESTED:
To approve using the attached draft FY2016 UMVRDC budget for the public hearing at the July 23, 2015 RDC annual meeting.

Upper MN Valley RDC

FY15-16 Budget Comparison

REVENUES	FY15 Budget Budget Rev #1	FY15 Actuals/Year to date 7/1/14-5/31/15	FY16 Draft Budget
Agency Revenues			
Interest	3,500	3,349	3,500
Levy	282,500	145,123	291,000
- Less HH			
Dawson Sidewalk Project	(4,358)		
Upper Sioux Hazard Mitigation	(5,000)		
Granite Falls Memorial Park Plan	(3,390)		
Miscellaneous	-	2,642	1,500
Reserves			65,000
Economic Development/EDA			
EDA Planning Grant	64,628	64,628	54,628
Revolving Loan Fund Admin	40,000	39,247	40,000
Technical Assistance			
TA Contracts Needed			**142,000**
Appleton Technical Assistance ($5,000 HH FY14 included)	28,787	13,312	25,000
Appleton Capital Improvement Plan	-		**5,000**
Appleton SHIP			4,000
Bellingham Website	500		
Blandin Broadband Feasibility Study			5,000
Broadband Blandin Coordination			**15,000**
Canby Zoning Update	4,130	4,897	
CERTS	28,400	16,872	26,000
Dawson Sidewalk Project ($4,357.50 FY15 HH included)	8,715	4,406	1,600
Granite Falls Memorial Park Plan (FY15 HH $3,390 included)	6,779		
Greater MN Development Strategy	6,250		6,250
Hazard Mitigation Updates (15,000 FY13 HH included)	87,000	57,137	7,635
Hazard Mitigation 2 County			**46,500**
Milan Housing	325	358	
Montevideo Arts Project	4,770	4,770	
Montevideo Public Arts Proj Dev			2,850
Montevideo Arts Project Implementation	1,950		
Ortonville Zoning	5,000		10,245
Safe Routes Coordinator	51,000	28,094	17,225
Safe Routes for Schools Plans	19,366	17,379	
Safe Routes Mini Grant	1,950		
SMAHC Public Arts	535		
Upper Sioux Hazard Mitigation ($5,000 HH FY14 included)	42,500	2,438	2,600
Grant Writing			
2 County HM App	1,000	500	
SDCP Grant App's	-		**12,000**
Appleton healthcare Grant Writing			**6,500**
Blandin Regional Feasibility Study	2,500	500	
Broadband Application - Federated	10,000	11,675	
Federated USDA App	3,000	5,095	
Granite Falls Memorial Park Grant Application	2,500	2,500	
Grants Admin/Management			
Appleton SCDP Grant	2,000		25,000
Benson SCDP	18,000	7,029	9,846
Clara City SCDP New	12,000	6,586	15,000
Dawson EDA Closeout	1,365	1,365	-
Granite Falls Bridge (labor standards)	6,000	4,949	-
Granite Falls Bridge (reporting/requests)	4,000	1,788	-
Granite Falls EDA Grant	35,000	10,719	12,646
Granite Falls Overall Admin	15,000	11,310	6,250
Granite Falls Volestad House	5,000		-
Ortonville SCDP	15,000	7,974	6,326
Transportation			
Planning Grant	75,000	73,715	75,000
Scenic Byway (Transp) Planning Grant FY15	15,080	23,088	-
Prairie Waters	95,000	102,763	91,820
Byway Corridor Management Plan	45,000	18,866	22,790
MN Byway Oral History Tour Marketing	-	-	**20,000**
Art Crawl	46,000	52,140	46,000
Total Revenue	**1,084,283**	**747,214**	**1,121,711**
BOLDED PROJECT REVENUES = PROJECTS THAT ARE IN PROCESS			
TOTAL CONTRACTS IN PROCESS	**116,000**		

						FY16
		FY15				**Draft**
		Budget Rev #1		**7/1/14-5/31/15**		**Budget**
Expenses		**Budget**				
Salaries/Fringe		713,465		624,831		829,956
Commissioner's Expense						
Per Diem		10,000		8,902		10,000
FICA		1,000		751		1,000
Public Officials Ins.		4,000		4,364		4,500
Meeting Expense		2,000		1,539		2,000
Travel C&C		6,000		6,098		7,500
Training		5,000		530		5,000
Audit		13,000		12,196		13,500
Contract for Services		10,000		6,477		
Intern						2,000
Strategic Planning		-				10,000
Computer Technical Assistance		12,000		7,293		10,000
Email						1,560
Virtual Server						2,760
Copy Charge/xerox lease		8,500		3,497		5,000
Depreciation		11,000		10,928		10,000
Dues		5,000		1,290		5,000
Insurance		1,200		398		1,200
Legal Fees		2,000		1,588		2,000
Miscellaneous		3,000		1,047		1,000
Office Rent		12,210		11,184		12,210
Postage		7,000		5,131		7,000
Printing/Advertising		8,000		7,147		8,000
RDC Marketing Item		2,000		711		2,000
Registration/Program Specific		10,000		7,813		11,000
Repairs/Maintenance		2,000		641		2,000
Software GMS/GIS/General		6,000		2,305		6,000
Sub./Publications		2,000		818		2,000
Supplies		6,000		3,390		6,000
Telephone/Internet		4,000		4,410		6,500
Travel/Staff						
Travel		34,000		25,173		30,000
Training		-				12,000
Morale						2,000
Wellness		-				2,000
Web Hosting/Maintenance		3,500		609		3,500
Pass Thru Activity						
GIS for Hazard Mitigation Chippewa		4,100		4,010		0
GIS for Hazard Mitigation YM		4,100		4,260		0
GIS for Hazard Mitigation Big Stone		4,100		4,010		0
GIS for Hazard Mitigation Upper Sioux		4,100		-		0
County Reimbursement for Hazard Mitigation		6,000		-		0
SRTS - Products		15,000		6,924		0
Byway		16,000		6,273		15,000
Meander		31,500		15,327		30,000
Prairie Waters		40,000		30,110		40,000
Total Expenses		**1,028,775**		**831,975**		**1,121,186**
EXCESS REV. OVER EXP.		**55,508**		**(84,761)**		**525**

#1g

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Financial Officer

DATE: June 23, 2015

RE: FY16 Draft Statement of Indirect Costs & Direct Expenses

Attached for your review is our working draft of the FY16 statement of indirect costs and a worksheet showing the breakdown between direct and indirect expense. The RDC has used the indirect cost process as a fair and equitable way of distributing expenses across agency program areas. All costs that can be identified specifically to a program area are charged directly. Expenses that are not easily identifiable with a specific program are charged to the indirect cost pool. These expenses are shared among programs that benefit by dividing the total of expenses charged to the indirect pool by the number of direct hours to establish an hourly rate. For each hour charged to a program the hourly indirect rate is also charged to that program.

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

ACTION REQUESTED

To recommend the draft FY16 statement of indirect costs be presented at the annual RDC public meeting in July.

Enclosures

Projected Expenses FY16	TOTAL Expenses	DIRECT Expenses	INDIRECT Expenses
Salaries	525,070	389,522	135,548
Fringe Benefits	304,887	226,180	78,707
Commissioner's Expense		0	
Per Diem	10,000	10,000	0
FICA	1,000	1,000	0
Public Officials Ins.	4,500	4,500	0
Meeting Expense	2,000	2,000	0
Travel C&C	7,500	7,500	0
Training	5,000	5,000	0
Audit	13,500	0	13,500
Contract for Services		0	0
Intern	2,000	2,000	0
Strategic Planning	10,000	10,000	0
Computer Technical Assistance	10,000	0	10,000
Email	1,560	0	1,560
Virtual Server	2,760	0	2,760
Copy Charge/xerox lease	5,000	500	4,500
Depreciation	10,000	0	10,000
Dues	5,000	4,000	1,000
Insurance - Liability	1,200	0	1,200
Legal Fees	2,000	1,000	1,000
Miscellaneous	1,000	0	1,000
Office Rent	12,210	0	12,210
Postage	7,000	1,500	5,500
Printing/Advertising	8,000	2,000	6,000
RDC Marketing	2,000	2,000	0
Registration - Conference	11,000	6,000	5,000
Repairs/Maintenance	2,000	1,000	1,000
Software GMS/GIS/General	6,000	0	6,000
Sub./Publications	2,000	500	1,500
Supplies	6,000	0	6,000
Staff Costs			
Travel	30,000	26,500	3,500
Training	12,000	5,500	6,500
Morale	2,000	1,000	1,000
Wellness	2,000	0	2,000
Telephone/Internet	6,500	0	6,500
Web Hosting/Maintenance	3,500	0	3,500
Pass Thru Activity			
SRTS - Products			
Byway	15,000	15,000	0
Meander	30,000	30,000	0
Prairie Waters	40,000	40,000	0
TOTAL	1,121,186	794,201	326,985

							58.07%				
							Release/Fringe Rate				
FY16 - JULY 1, 2015 THRU JUNE 30, 2016						**Exhibit H**					
STATEMENT OF INDIRECT COSTS											
		General			**Communications**						
Salaries	122,135	**Pool**	13,413		**Pool**	135,548					
Release Time/Fringe	70,919		7,788			78,707					
	----------	193,054			21,201						
Audit		13,500			0	13,500					
Contract for Services					0	0					
Intern		0			0	0					
Strategic Planning		0			0	0					
Computer Technical Assistance		10,000			0	10,000					
Email		1,560			0	1,560					
Virtual Server		2,760			0	2,760					
Copy Charge/xerox lease		2,000			2,500	4,500					
Depreciation		10,000			0	10,000					
Dues		1,000			0	1,000					
Insurance - Liability		1,200			0	1,200					
Legal Fees		1,000			0	1,000					
Miscellaneous		1,000			0	1,000					
Office Rent		12,210			0	12,210					
Postage		5,000			500	5,500					
Printing/Advertising		5,000			1,000	6,000					
RDC Marketing Item		0			0	0					
Registration - Conference		5,000			0	5,000					
Repairs/Maintenance		1,000			0	1,000					
Software GMS/GIS/General		6,000			0	6,000					
Sub./Publications		1,500			0	1,500					
Supplies		5,000			1,000	6,000					
Staff Costs											
Travel		3,000			500	3,500					
Training		6,000			500	6,500					
Morale		1,000				1,000					
Wellness		2,000			0	2,000					
Telephone/Internet		6,500			0	6,500					
Web Hosting/Maintenance		1,500			2,000	3,500					
TOTAL		297,784			29,201	326,985					
		==========									
Total Indirect Costs		326,985									
----------	=	----------		$ 21.81	per hour						
Total Direct Hours		14,990									

#1h

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Finance Officer

DATE: June 23, 2015

RE: Contract for Fiscal Agent Services – City of Granite Falls

A contract for fiscal agent services between the City of Granite Falls and the Upper Minnesota Valley Regional Development Commission for its disaster recovery activities has been submitted for approval. The contract term is from July 1, 2015 through June 30, 2016.

ACTION REQUESTED:
For the Commission to authorized the Executive Director's signature on the contract for Fiscal Agent Services with the City of Granite Falls.

CONTRACT FOR FISCAL AGENT SERVICES

City of Granite Falls
and
Upper Minnesota Valley Regional Development Commission

FY16-01

THIS CONTRACT for Fiscal Agent Services is between the City of Granite Falls hereinafter referred to as the "City" and the Upper Minnesota Valley Regional Development Commission, hereinafter referred to as "UMVRDC".

WITNESSETH: In consideration of the mutual covenants and agreements contained herein, the City and UMVRDC agree as follows:

I. CONTRACT TERM
The term of this Agreement is from July 1, 2015 through June 30, 2016.

II. ADMINISTRATIVE TERMS
In consideration of financial reimbursement, UMVRDC agrees to act as fiscal agent on behalf of the City for its disaster recovery activities.

As Fiscal Agent for the Granite Falls disaster recovery activities, the UMVRDC agrees to perform all terms and conditions imposed upon the City by the funding agencies related to fiscal control and reporting.

The UMVRDC agrees to provide a Financial Officer to perform all fiscal activities. All of the services will be performed by UMVRDC personnel who shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.

The Financial Officer shall be responsible for establishing and maintaining a financial system that meets all applicable state and federal requirements. This includes attending meetings as requested by the City Administrator and up to 80
hours of staff time to accomplish the following: update spreadsheets; request funds; prepare reports; provide Granite Falls auditors pertinent information regarding disaster recovery related activities; track all funding per activity. If additional assistance or meetings are required, the City will be billed at $75 per hour.

III. PAYMENT TERMS
The City agrees to pay the UMVRDC $75 per hour plus mileage, copy charges and miscellaneous expenses for project related costs for a total fee not to exceed $6,250.

V. AMENDMENT

This contract may be amended upon mutual consent of both parties.

VI. TERMINATION

a. The City may terminate this Contract if the UMVRDC inexcusably fails to perform any of the provisions hereof. Such termination shall occur thirty (30) days after the receipt by the UMVRDC of written notice specifying the grounds thereof, unless prior to the date, the UMVRDC has corrected the illegal nonperformance of the provisions of this Contract.

b. In addition, this Agreement may be terminated upon mutual consent of both parties.

_____ _____

Executive Director
Upper Minnesota Valley
Regional Development Commission

Mayor, City of Granite Falls

Date_____ Date_____

ATTEST:

_____

City Manager

Date_____

#1i

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Arlene Tilbury, Finance Officer

DATE: June 23, 2015

RE: Appleton SCDP Contracts

The City of Appleton received word from the Department of Employment and Economic Development (DEED) on May 7th that a grant in the amount of $591,250 was approved for funding pending the expected funding from the Department of Housing and Urban Development. Per instructions from Jeremy LaCroix, our regional DEED rep, we have begun the environmental process and are working on the required policies and procedures. This grant is for twenty residential rehab units and 5 commercial rehab units. The RDC will contract with the City of Appleton to be the general administrator of these funds and the RDC will sub-contract with the Swift County HRA for the housing rehab field work and Prairie Five for the commercial field work. The City is still waiting for the executed grant agreement from the state.

To keep things moving I would ask that the Board approved the Executive Director's signature on a contract with the City of Appleton for the RDC to be the general administrator of these grant funds and also on the sub-contracts with Swift County HRA and Prairie Five for field administration in the following amounts:

- Contract between the City of Appleton and the UMVRDC for $86,250 for general grant administration;
- Contract between the UMVRDC and the Swift County HRA for $40,000 to do the filed administration for 20 owner occupied homes;
- Contract between the UMVRDC and Prairie Five for $10,000 to do the field administration for 5 commercial rehabilitation projects.

The UMVRDC will keep $36,250 of the amount contracted with the City to cover general administration duties of this grant. As soon as the City receives the executed grant agreement we will draw up these contracts for signatures.

ACTION REQUESTED:

Authorization for the Executive Director to sign the following three contracts:

- $86,250 Between City of Appleton and the UMVRDC for overall grants administration;
- $40,000 Between UMVRDC & Swift County HRA for housing rehab;
- $10,000 Between UMVRDC & Prairie Five for commercial rehab.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Kristi Fernholz, Senior Planner

DATE: June 23, 2015

RE: Granite Falls Memorial Park Master Plan Amendment #2

Attached is an amendment to the Granite Falls Memorial Park to add additional components to the plan and for grant research and writing.

ACTION REQUESTED:

Authorization for the Executive Director to sign the amendment to include an additional $2600 for additional components and 40 hrs for grant research and writing.

Enclosure

AMENDMENT to contract
#FY15-007- AMENDMENT 02

Between
UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION
AND THE
CITY OF GRANITE FALLS

Master Plan for Memorial Park

Changes bolded

In response to the newly adopted Greater Minnesota Regional Parks and Trails Strategic Plan, and to adhere to requirements set for Master Plans, the amendment of Section 1 E is recommended for the Memorial Park Master Plan to be more competitive for grant funding:

AMEND SECTION I. DESCRIPTION OF UMVRDC SERVICES

E. Task 6: Additional requirements of the Master Plan
In addition to the original scope of this contract, the UMVRDC agrees to add information as outlined in the Greater Minnesota Regional Parks and Trails Strategic Plan including:

- **Show phases of the project and identify local sources of funding.**
- **Identify reasoning for improvements and impact to regional users.**
- **Identify impact to regional users and public value by doing the projects,**
- **Demographics and trends**
- **Additional mapping including aerial maps, phased maps and a regional map.**

F. Task 7: Research and start grant writing
Begin research and writing of grant opportunities such as:

- **Greater Minnesota Regional Parks and Trails**
- **Conservation Partners Legacy Grant**

AMEND SECTION IV. COMPENSATION FOR SERVICES

A. The UMVRDC shall be compensated a total of $8,250 for services provided in Section I of this Contract.
B. The UMVRDC shall be compensated an additional $2,600 for services provided in Section 1 E of this contract.
C. The UMVRDC shall be compensated $65/hr for up to 40 hours for services provided in Section 1 F of this contract.

_____ _____
Executive Director Authorized Representative
Upper MN Valley R.D.C.

_____
Authorized Representative's Title

DATE: _____ DATE: _____

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: FY16 Hedgehog Funds

In the last several years the UMVRDC set aside funds from our levy or general fund for an account that we allocate as "Hedgehog Grants". The fund is designated for projects within the region that complement goals set forth by the RDC. A project can request funds to cover a portion of the total cost of the project if the project contract is with the RDC. The budget committee recommended $20,000 in our FY 2015 budget to be used for this purpose. These funds will have a separate line item in our agency budget and tracked in-house and are shown on the monthly treasurer's report.

In 2011 we allocated 15,000. In 2012-2014 we allocated 20,000.

In FY2011 we subsidized the following work:

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

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

In FY 2012 we have subsidized the following work:

- $4,000 for Dawson EDA Grant ($8,000) ($60,000)
- $4,000 Granite Falls EDA Grant ($8,000) ($60,000)
- $3,500 Swift County Solid Waste Plan ($7,000)
- $ $4,850 Milan Comp Plan ($9,700)

We have the potential to use $16,350 to leverage an additional $152,700 in new revenue.

In FY 2013 we have subsidized the following work:

- $3,000 for Ortonville SCDP Grant ($6,000) (31,500)
- $650 for Dawson Strategic Planning ($1,300)
- $5,000 for Big Stone Hazard Mitigation Plans ($40,217)
- $5,000 for Chippewa Hazard Mitigation Plans ($40,217)
- $5,000 for Yellow Medicine Hazard Mitigation Plans ($40,217)

We have used $18,650 to leverage an additional $143,801 in new revenue.

In FY 2014 we have subsidized the following work:

- $4,000 for Clara City SCDP Grant ($8,000) (SCDP admin $35,400)
- $5,000 for Appleton Technical Assistance Contract ($30,000)

We have used $9,000 to leverage an additional $ 64,400 in new revenue.

In FY2015 we have subsidized the following work:

- $4,358 for the Dawson Sidewalk Plan ($8,715)
- $5,000 for the Upper Sioux Community Hazard Mitigation Plan ($42,500)
- $3,750 for a Granite Falls Memorial Park Plan ($7,500)
- $5,000 for an Appleton Technical Assistance Contract ($30,000) SCDP admin $36,250)

We have used $18,108 to leverage an additional $ 106,857 in new revenue.

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

1. Our emphasis should be on getting contracts with governments we have not worked with and some of our smaller towns but it does this penalize governments that work with us regularly. We will continue to earmark $10,000 for small towns (under 500 in population) but if we use up the other portion of the funds we will dip into the small town allocation.
2. We should use this fund to work on projects that have a potential to generate additional projects for the RDC. Example: if we subsidize the writing of a SCDP grant and it is successful, we will receive additional funds for the administration of the grant. There are many grants we may be asked to write that do not have any follow up role for our office.
3. Comprehensive and strategic plans allow our staff to be involved with the priority issues for governments. There would be lots of insight we could gain and follow-up on for future projects. These projects tend to be much larger and longer term projects ($20,000-40,000 for a full blown plan).
4. Funds are available on a first come first serve basis.

ACTION REQUESTED:

Recommendation to allocate $20,000 from the levy for the 2016 Hedgehog Fund.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Barrett Voigt, Planner

DATE: June 23, 2015

RE: MnDOT Transportation Planning Contract

The Grant Agreement from MnDOT for planning funds to the UMVRDC for FY 2016 was received May 1st. The agreement is to provide local transportation planning assistance. The agreement provides for $75,000 in state money and a 15 percent local match of $13,235.00 to be provided by the UMVRDC.

ACTION REQUESTED:
Authorization to commit $13,235.00 for match for the MnDOT Planning Grant and to authorize the chairman and executive director's signatures on the agreement and the secretary's signature on resolution that outlines the MnDOT Planning Grant.

STATE OF MINNESOTA

GRANT AGREEMENT WITH

UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION

(FISCAL YEAR 2016)

This Grant Agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State") and the Upper Minnesota Valley Regional Development Commission (hereinafter "Grantee").

WHEREAS, Minnesota Statutes § 174.01 designates the Minnesota Department of Transportation ("MnDOT") as the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs; and

WHEREAS, Minnesota Statutes § 462.383, subdivision 2, and 462.39, subdivision 3, authorize Regional Development Commissions ("RDCs") to work with and on behalf of local units of government to develop plans or implement programs to address economic, social, physical, and governmental concerns and to develop comprehensive plans for local units of government; and

WHEREAS, Minnesota Statutes § 174.03, subdivision 5, requires RDCs to develop regional long-range transportation policy plans in cooperation with MnDOT and local governments; and

WHEREAS, pursuant to Minnesota Statutes § 174.03, subdivision b, MnDOT may provide financial assistance to RDCs for transportation planning; and

WHEREAS, the Grantee is an RDC eligible to receive MnDOT funds.

NOW, THEREFORE, the parties to this Agreement mutually agree as follows:

1. **Term of Grant Agreement**
   1.1. ***Effective date:*** July 1, 2015 or the date the State obtains all required signatures under Minnesota Statutes § 16C.05, subdivision 2, whichever is later.
   1.2. **The Grantee must not begin work under this grant agreement until this agreement is fully executed and the Grantee has been notified by the State's Authorized Representative to begin work.**
   1.3. This Agreement will remain in effect until June 30, 2016, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
   1.4. ***Survival of Terms:*** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this Agreement including, without limitation, the following clauses: 8. Indemnification; 9. State Audits; 10. Government Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.
2. **Duties**
   2.1. ***Grantee's Duties.*** The Grantee, who is not a state employee, will:

a) Perform the work activities defined in the July 1, 2015, through June 30, 2016, (hereinafter "F.Y. 2016") of the RDC Transportation Planning Grant Agreement Workplan as approved by the State and which is on file at Grantee's office and incorporated herein by reference. The RDC Transportation Planning Grant Agreement Workplan defines the scope of work and particular tasks to be completed by the Grantee. All work must be performed in a satisfactory and timely manner.

b) Provide 15% local matching funds, which is equal to $13,235.00.

2.2. ***State's Duties.*** The State will:

a) Review and monitor progress of work activities defined in the Grantee's F.Y. 2016 RDC Transportation Planning Grant Agreement Workplan.

b) Furnish the Grantee, at its request, all data that is in the State's possession that is considered pertinent by the State to the work to be performed.

c) Advise the Grantee of the anticipated availability of funds and assist in the development of the Grantee's F.Y. 2016 RDC Transportation Planning Grant Agreement Workplan.

3. **Time**

The Grantee must comply with all the time requirements described in this Grant Agreement. In the performance of this Grant Agreement, time is of the essence.

4. **Consideration and Payment**

4.1. ***Consideration.*** The State will pay for all services performed by the Grantee under this Grant Agreement as follows:

a) ***Compensation.*** The Grantee will be paid on a Lump Sum basis as follows upon receipt of invoice:

- 50% upon execution of this Agreement and approval of the F.Y. 2016 RDC Transportation Planning Grant Agreement Workplan;
- 40% after January 1, 2016; and
- 10% upon acceptance by State's Authorized Representative of Grantee's annual report documenting tasks completed under the work program.

b) ***Total Obligation.*** The total obligation of the State for all compensation and reimbursement to the Grantee under this Grant Agreement will not exceed $75,000.

4.2. ***Payment***

a) ***Invoices.*** The State will promptly pay the Grantee after the Grantee presents an invoice and the State's Authorized Representative accepts the invoice. Invoices must be submitted according to the following schedule:

- 50% upon execution of this Agreement and approval of the F.Y. 2016 RDC Transportation Planning Grant Agreement Workplan;
- 40% after January 1, 2016; and

- 10% upon acceptance by State's Authorized Representative of Grantee's annual report documenting tasks completed under the work program.

4.2.1. ***Federal Funds.*** If Federal funds are used for this Grant Agreement, the Grantee is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Grantee's failure to comply with federal requirements.

5. **Conditions of Payment**

All services provided by the Grantee under this Grant Agreement must be performed to the State's satisfaction, as determined at the discretion of the State's Authorized Representative and District Planner and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. **Authorized Representatives**

6.1. ***State's Authorized Representative.*** The State's Authorized Representative is Katie Caskey, Principal Transportation Planner, 395 John Ireland Blvd MS 440, St. Paul, MN 55155, 651-366-3901, or her successor, and has the responsibility to monitor the Grantee's performance and the authority to accept the services provided under this grant agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2. ***Grantee's Authorized Representative.*** The Grantee's Authorized Representative is Dawn Hegland, Executive Director, 323 W Schlieman Ave., Appleton, MN 56208, 320-289-1981. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

7. **Assignment, Amendments, Waiver, and Grant Agreement Complete**

7.1. ***Assignment.*** The Grantee may neither assign nor transfer any rights or obligations under this Grant Agreement without the prior consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Grant Agreement, or their successors in office.

7.2. ***Amendments.*** Any amendment to this Grant Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Grant Agreement, or their successors in office.

7.3. ***Waiver.*** If the State fails to enforce any provision of this Grant Agreement, that failure does not waive the provision or its right to subsequently enforce it.

7.4. ***Grant Agreement Complete.*** This Grant Agreement contains all prior negotiations and agreements between the State and the Grantee. No other understanding regarding this Grant Agreement, whether written or oral, may be used to bind either party.

8. **Indemnification**

In the performance of this Grant Agreement by Grantee, or Grantee's agents or employees, the Grantee must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the state, to the extent caused by Grantee's:

1. Intentional, willful, or negligent acts or omissions; or
2. Actions that give rise to strict liability; or
3. Breach of contract or warranty

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this Grant Agreement.

9. **State Audits**

Under Minnesota Statutes § 16C.05, subdivision 5, the Grantee's books, records, documents, and accounting procedures and practices relevant to this Grant Agreement are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Grant Agreement.

10. **Government Data Practices and Intellectual Property**

10.1. ***Government Data Practices.*** The Grantee and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the State under this Grant Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this Grant Agreement. The civil remedies of Minnesota Statutes § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State.

10.2. ***Intellectual Property Rights***

10.2.1. *Intellectual Property Rights.* The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Words and Documents ***created and paid for under this agreement.*** Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this agreement. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this agreement. The Documents will be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee upon completion or cancellation of this agreement. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and Documents to the State. The Grantee must,

at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

10.2.2. *Obligations*

a) ***Notification.*** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Grantee, including its employees and subcontractors, in the performance of this agreement, the Grantee will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure thereon.

b) ***Representation.*** The Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works and Documents infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

11. **Workers' Compensation**

The Grantee certifies that it complies with Minnesota Statutes § 176.181, subdivision 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the States' obligation or responsibility.

12. **Publicity and Endorsement**

12.1. ***Publicity.*** Any publicity regarding the subject matter of this Grant Agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative or District Planner. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement.

12.2. ***Endorsement.*** The Grantee must not claim that the State endorses its products or services.

13. **Governing Law, Jurisdiction, and Venue**

Minnesota law, without regard to its choice-of-law provisions, governs the validity, interpretation, and enforcement of this Grant Agreement. Venue for all legal proceedings arising out of this Grant Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. **Termination; Suspension**

14.1. ***Termination by the State.*** The State may cancel this Grant Agreement at any time, with or without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2. ***Termination for Insufficient Funding.*** The State may immediately terminate this agreement if it does not obtain funding from the Minnesota Legislature, or other funding sources; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

14.3. ***Suspension.*** The State may immediately suspend this Grant Agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

15. **Data Disclosure**

Under Minnesota Statutes § 270C.65, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

(THE BALANCE OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK)

STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes § 16A.15 and 16C.05.

Signed: _____

Date: _____

SWIFT Contract # _____

SWIFT Purchase Order # _____

GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, by laws, resolutions, or ordinances.

By: _____

Title: Chairman

Date: _____

By: _____

Title: Executive Director

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____
(With delegated authority)

Title: _____

Date: _____

MnDOT CONTRACT MANAGEMENT

By: _____

Date: _____

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

RESOLUTION #15-08
Transportation Planning Grant Agreement

WHEREAS, Minnesota Statutes 174.01 designates the Minnesota Department of Transportation (MnDOT) as the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs; and

WHEREAS, Minnesota Statutes 462.383, subdivision 2, and 462.39, subdivision 3, authorize Regional Development Commissions (RDC's) to work with and on behalf of local units of government to develop plans or implement programs to address economic, social, physical, and governmental concerns and to develop comprehensive plans for local units of government; and

WHEREAS, Minnesota Statutes 174.03, subdivision 5, requires RDCs to develop regional long-range transportation policy plans in cooperation with MnDOT and local governments; and

WHEREAS, the Grantee is an RDC eligible to receive MnDOT funds.

THEREFORE, BE IT RESOLVED, that the Upper Minnesota Valley Regional Development Commission enter into an Agreement for Distribution of MnDOT Planning Funds Agreement Number 1000633, with the State of Minnesota, Department of Transportation.

BE IT FURTHER RESOLVED, that the Chairman and Executive Director of the Upper Minnesota Valley Regional Development Commission are hereby authorized to execute such Agreement and any amendments.

Adopted this _____ day of _____(month and year)

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by the Upper Minnesota Valley Regional Development Commission at a duly authorized meeting thereof held and adopted this 23 day of June 2015, as shown by the minutes of said meeting in my possession.

ATTEST:

_____
Chairperson, UMVRDC

ATTEST:

_____
Secretary/Treasurer, UMVRDC

_____
Notary

#1m

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: NADO Board

I have again been nominated by my peer executive directors in MN to run for the NADO Board as one of 10 Midwest Region Representatives. Elections will be in July. 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.

I have been active on a NADO committee in rewriting the bylaws which include adjusting terms to 2 year terms. This option will be considered at the annual meeting this October in New Orleans. If it passes the full board, the term starting next year will be a 2 year term.

ACTION REQUESTED:
Authorization to run for the Midwest NADO Board of Directors and authorization to attend three out of state NADO Board meetings a year.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: Approval of the May 26, 2015 Board of Directors Minutes

RDC BOARD of DIRECTORS MINUTES
Upper Minnesota Valley Regional Development Commission
Appleton Civic Center - Appleton, MN
5:30-6:30pm, May 26th, 2015

Board Members Present: Jim Schmaedeka, Warren Rau, Gary Hendrickx, Scott Peterson, Brett Buer & Kathi Thymian

Staff Present: Dawn Hegland, Arlene Tilbury

Call to Order
Chairman Hendrickx called the meeting to order at 5:35 p.m.

Approve Agenda/Additions

The agenda was reviewed and no additions were made.

GASB 54 Fund Balance Schedule & Resolution

The Governmental Accounting Standards Board (GASB) has implemented the GASB Statement #54 to establish uniform fund balance classifications. The RDC has already been designating funds for specific purposes for several years. We need to review and approve the fund balance schedule each year at the annual meeting affirming our process for designating funds.

Action: Recommended the GASB 54 Fund Balance Schedule and Resolution and its adoption and implementation at the June RDC meeting.

Proposed FY 2016 Levy

RDC's are authorized to impose a levy on all taxable property in the Region to pay staffing and operation costs. The amount paid by each county is based on the county's share of the Region's net tax capacity. It is anticipated that we will not

receive our total levy because the counties are not able to collect 100% of the taxes due. Below is a table showing where we plan to allocate the 2016 levy.

Proposed Levy Allocation		FY16 estimate	FY15	FY15	FY14	FY13
Total Levy with 3% increase		$297,513	$288,848		$275,413	$272,267
Expense	**Description**	**Budget**	**Budget**	**Thru 4/15**	**Final**	**Final**
Commissioner's Expense	Per diem, travel, meeting costs, training, insurance	27,000	27,000	$16,605	$21,184	$21,060
Salaries/Fringe/Indirect	Staff unbillable/contract development/Planners	40,000	35,000	$18,634	$34,032	$23,729
Salaries/Fringe/Indirect	Executive Director, Financial Officer, Admin Assistant	80,000	65,000	$54,662	$91,467	$61,000
Direct Expense	Expenses not allowed in indirect pool, ie. Dues, some travel & ad's etc.	15,000	10,000	$14,615	$22,122	$10,933
Staff Development & Training		11,000	10,000	$5,157	$1,829	$2,909
Hedge Hog Grants		20,000	20,000	$9,000	$24,000	$15,350
Match						
EDA Planning Grant	50%	-	0	$0	$1,664	$64,628
RLF	~20%	10,000	10,000	$10,000	$0	
Transportation	15%	13,235	13,235	$13,235	$13,236	$8,824
Prairie Waters	~20%	20,000	20,000	$25,000	$23,849	$16,454
Byway Corridor Management	20%	4,028	0	$6,721	$8,815	$1,091
Safe Routes for Schools	14%	-	0	$11,820	$0	$0
Statewide CEDS	50%	6,250	15,000	$6,250	$0	$0
SMAHC				$0	$497	$0
CERTS	50%	23,000	23,000	$23,000	$161	$0
Potential Grant Match Reserve		18,000	30,613	$0	$0	$0
Miscellaneous & Overrun		10,000	10,000	$10,000	$13,599	$27,034
Projected Total Levy Allocation		$297,513	$288,848	$224,699	$256,455	$253,011
Balance		**-**	**$0**		**$18,958.17**	**$19,255.52**

Action: – Recommended the a 3% levy increase for FY 16 be approved at the June RDC to present at the public meeting portion of the RDC annual meeting in July.

Proposed FY16 Budget AND Indirect Costs

We have a much bigger gap to fill this year. This is the amount we do not have committed contracts to cover and is normal for the RDC as we develop our contracts for projects throughout the year and rarely would start a year without a shortfall. We start each fiscal year using funds from reserves to balance the shortfall and as project contracts are secured throughout the year, this amount gets reduced accordingly.

Below is a little history on how our budget looked at the beginning of past years and how we ended up. Please note that the large carryover in FY10 & FY11 was largely due to the Hazard Mitigation Grants and working short staffed.

Of the $287,600 shortfall, we have a proposal or strong lead on $136,600. The remaining is a gap that planners will have to fill. We have an ongoing list of projects that need time to develop further and we are working diligently to fill that gap.

	Beginning shortfall	**Ending balance**
FY09	-124,000	+21,281
FY10	-25,000	+81,065
FY11	-30,000	+166,744
FY12	-43,000	+61,021
FY13	-97,000	+21,459
FY14	-61,000	*+30,802*
FY15	+13,856	Still Open
FY16	~~-282,600~~ -278,600	

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

The indirect cost allocation worksheet for FY16 was shared and discussed. It shows what expenses are charged to the indirect pool and added to the hourly staff charges as the cost of doing business. You will note that we have a General Pool that includes most of our overhead costs that are of benefit to all program areas and a Communications Pool that was set up a few years ago related to the Marketing BHAG to cover the costs for marketing the RDC services throughout the region. This indirect cost allocation plan is also adopted at the July RDC annual meeting.

Action: Recommended the draft FY16 Budget and indirect cost plan be approved at the June RDC as the budget to present at the public meeting portion of the RDC annual meeting in July.

Hedgehog Grants

The committee reviewed the amount of levy we should set aside for Hedgehog Grants in the 2016 fiscal year. In 2011 we allocated $15,000. In 2012-2015 we allocated $20,000.

> **Action: Recommended that $20,000 be included in the budget in FY 2016 for Hedgehog Grants from the 2016 levy.**

Staffing

Dawn shared that she will be interviewing six candidates on May 29 and June 1 for the Asst. Finance Director position. Many of the candidates were highly qualified and had ties to the region.

Technical Assistance Rate

In our practices we determined it was prudent to review our technical assistance rate each year during budget discussions. I did some research with other RDCs to see what they are charging and I reviewed our costs. My recommendation would be for the board to consider increasing our technical assistance rate.

(Rates as of May 2015)

Region 1	$70-75/hr (subsidizes with free hours)
Region 2	$55-100/hr based on actual staff assigned
Region 3	$55-90/hr (uses actual wages + fringe + indirect)
WCI	$75 (Don't really do much hourly contract work)
Region 5	$75/hr
Region 6E	$75/hr (may choose to subsidize hourly cost when bidding on projects)
Region 6W	$65/hr
Region 7E	$75/hr
Region 8	$32 for admin, $60 for finance, $80 for planner, $120 for Director
Region 9	$25 -45 for admin, $45 for newer planner, $65/ hour for majority of contract work

Notes:

- Most of the RDCs' indicated that they base their hourly rate on salaries, fringe benefits and indirect costs for staff.
- RDC 6W is currently at $65/hr. for technical assistance within the 5 country region and $75/hour for projects outside of the region.
- This rate has been in effect since July 2012.

- Our FY15 average cost for planners who do our contract work (Kristi, Jacki, Erin, Barrett, Emily, Arlene, Dawn) is about $ 67/hr. (salary, benefits, indirect costs).

- This amount should be reviewed annually by staff and the Commission Budget Committee and adjusted as needed.

Action: Recommend an increase in the technical assistance rate to $75/hour for units of government in our region and $85/hour for all other customers in or outside our region.

Meeting Adjourned at 6:30p.m.

ACTION REQUESTED:
Approval of the May 26, 2015 Board of Directors Minutes as presented.

INFORMATION MEMO

TO: UMVRDC Commissioners

FROM: Kristi Fernholz, Arlene Tilbury, Melissa Carruth, Randy Larson, Emily Zandt, Erin Smith, Jacki Anderson and Barrett Voigt

DATE: June 23, 2015

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 – Erin

All updates from previous meetings have been incorporated into Canby's updated zoning document. Meeting three was held to review remaining chapters and Erin is editing the document to reflect the decisions of the planning committee.

Appleton Technical Assistance – Jacki and Erin

Erin is working on a draft land use map for Appleton as well as creating a sample chapter of what the city's zoning ordinance could look like. At the next meeting, the format will be finalized and the new document will begin to take shape. Staff will be working on the update through the next year pending a new technical assistance contract expected reviewed in May and if approved would begin in July 2015. The USDA RLF application will be submitted in June.

Ortonville Zoning Ordinance Update – Emily and Jacki

Emily held the second Ortonville Zoning meeting on Monday, June 15th. During this meeting, residential districts within the city were discussed as well as the new format for the code was reviewed. Research is being completed on fee structures, renewable energy model ordinances, and infill development.

Memorial Park Master Plan – Erin and Kristi

An open house was held May 21st. Comments will be incorporated into the plan and the plan will be completed. The Greater Mn Parks and Trails Commission will be having their June 25th monthly meeting in Granite Falls which will give the Commission members the opportunity to tour the park itself. The UMVRDC will be assisting for that tour.

Montevideo Arts Project - Kristi

The first MAP project is complete! A dedication will take place June 18th.

Regional Public Arts Projects – Kristi

Kristi attended the Rural Arts and Culture Summit June 3-4th in Morris. She presented on the Montevideo project and how to get a project started in rural cities.

Appleton SCDP – Arlen, Erin, & Randy

The environmental review is underway for the Appleton SCDP grant. We are waiting to receive an executed grant contract from DEED.

Program Updates:

Meander – Kristi
The brochure is complete and is currently being distributed.

Revolving Loan Fund – Randy
As of May 31st, there is $374,837 is available for lending. I have visited with some of our current borrowers and financial institutions in Swift County this past month. I have been notified that there may be a couple projects the RLF may be able to take part in. We have yet to take any action in regards to the Appleton Meat Center loan. SEWearables has sold their van and received their screen printer. They will be taking educational courses for operating the new screen printer.

MN River Valley National Scenic Byway - Kristi
The byway will be working on a proposal to the Minnesota Historical Society on a project that will promote the MN River Valley Oral History Tour. The byway was not successful in getting the MnHS Partnership Grant and is encouraged to submit again next year.

Prairie Waters Regional Tourism – Melissa and Kristi
The 2015-2016 Prairie Waters Visitor's Guides were delivered on June 2nd. The guides will be distributed to all local chambers, city offices, hotels/motels, museums, hospitals, MN West Technical Colleges, and other local businesses. Plus, the Visitor Bureau at the Mall of America and other large travel information centers throughout Minnesota.

We will shortly begin the updates on the Antiques, Local shops, Dining, and Lodging guide.

Safe Routes to School –Emily and Barrett
Mini grant project/event reports have been submitted. Emily is working on compiling them before sending the final report to MnDOT.

Hazard Mitigation (Chippewa, Big Stone and Yellow Medicine) – Emily
The Chippewa and Big Stone plans are in their final stages and will be submitted to the state for review shortly. The Yellow Medicine plan is currently being reviewed by FEMA. Plan adoptions will take place in August and September. Emily is also in the process of applying for funding for the Lac qui Parle and Swift County plan updates.

Hazard Mitigation (Upper Sioux Community) – Kristi and Barrett
A task force was held May 24th at the Upper Sioux Community. The draft plan will be completed in June.

Transportation - Barrett
Barrett organized a meeting on June 8th with the highway engineers of all 5 counties and staff members, Jacki Anderson and Emily Zandt, to discuss ADA Transition Plans and how Sidewalk Plans can be incorporated to make ADA curb improvement project proposals more competitive for TAP federal transportation funds.

Clean Energy Resource Teams (CERTs) – Erin
The community solar event will be held on July 9th in Pelican Rapids. The event will have both peer learning for power providers as well as an information session for the general public about what a community solar garden is and how it works. Erin has also been working on a large project that is beginning to take shape in Morris. They are working with the private consulting firm called Eutectics who will serve as their "green bank" for the project.

Blandin Broadband – Erin, Jacki, Melissa
The RFP for the Regional Fiber Ring Feasibility Study project is finished and will be send to technical consultants soon. From there, the IT group will hold interviews with potential consultants to find the correct fit for the project.

Staff is preparing to submit two additional broadband applications this spring to Blandin:

1) To coordinate the public IT staff in the region to identify areas that could be improved with efficiency and shared resources.
2) To coordinate economic development/chamber staff to discuss opportunities to improve regional branding and maximize the online presence of our five counties.

Contracts active in FY14/15	**Anticipated Completion**
Appleton Technical Assistance	May 2015
Appleton SCDP	December 2017
Benson SCDP	December 2015
Big Stone HM	April 2016
Canby Zoning Ordinance Update	December 2014
Chippewa HM	April 2016
Clara City SCDP	December 2016
Dawson Sidewalk Plan	April 2015
Granite Falls Bridge	December 2015
Granite Falls EDA Grant	March 2016
Granite Falls Fiscal Agent	June 30th, 2015
Granite Falls Volestad House	November 30, 2015
Granite Falls Memorial Park Master Plan	August 2015
MnDOT Byway Planning Grant	June 2015
Montevideo Arts Project	December 2015
Ortonville SCDP	December 2015
SRTS Implementation (MnDOT)	October 2015
University of MN, Extension (CERTs)	June 2015/Ongoing
Upper Sioux HM	July 2015
Yellow Medicine HM	April 2016

INFORMATIONAL ONLY- No Action requested

INFORMATION MEMO

TO: UMVRDC Commissioners

FROM: Dawn Hegland

DATE: June 23, 2015

RE: Director's Report

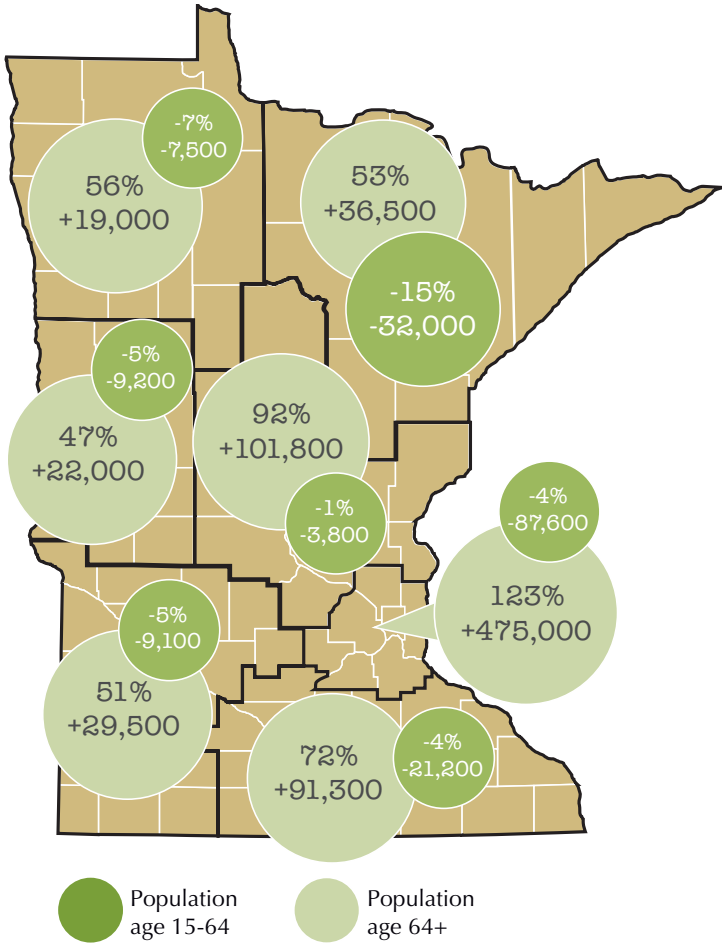
In an effort to update the Commission on my activities, I prepared the following brief summary of actions that I am working on.

- Worked on FY 2016 budget with Arlene and staff.
- Reviewed potential FY 16 contracts and ideas for following up with planners.
- Met with USDA staff to discuss and develop opportunities to work together. Jacki is following up on a proposal to look at housing with USDA.
- Attended MCIT human resources training with Kristi and Jacki.
- Participated via conference call with the NADO subcommittee on bylaw revisions for the organization. I chose not to attend the summer conference since my daughter was participating in the state track meet over the same weekend so I participated via conference call on the committee I am a member of, to keep abreast of the recommendations they were presenting during the conference.
- Reviewed new research (see attached factsheet on workforce) and tentative research calendar for FY 2016. Attended the summer planning meeting for the Center to review the organizations funding, discuss thought leaders survey, research calendar, and upcoming strategic planning for FY 2016.
- Preparing for annual performance reviews for Erin, Emily, Jacki, and Kristi.
- Following up on several other proposals with staff:
    - OHV Park Event organizing
    - USDA Housing
    - Food Hub Feasibility Study
    - Granite Falls Technical Assistance Contract
    - Greater MN Parks and Trails Funding & Designation for Swift County OHV Park
- **Staffing:**
    - Interviewed 6 applicants for the Asst. Finance Position. Made a job offer and am currently completing background check.

INFORMATIONAL ONLY- No Action requested

center for rural policy and development
Seeking Solutions for Greater Minnesota's Future

P.O. Box 3185
Mankato, MN 56002-3185
(507) 934-7700
www.ruralmn.org



The projected percent change and change in number of seniors and workforce-age population between 2015 and 2035, by Minnesota Initiative Foundation regions.

Data source: MN State Demographic Center

The coming workforce squeeze

What's happening?

- As the Baby Boomers leave their jobs for retirement, the generations immediately following are smaller in comparison. In-migration is what's expected to keep the state's population growing.
- Fewer workers will be supporting a tax base that is being pressured by a growing number of seniors.
- Young people are leaving for college and not coming back, a situation rural communities understand well. These people may be looking for jobs that don't exist here, for higher pay, better weather, or just a change of scenery.

Impacts, short term and long term.

- Higher wages. A labor shortage will only put upward pressure on pay as employers compete for workers. Higher skilled workers will have even more negotiating power.
- Productivity. For the state's economy to continue growing, it needs to continue increasing its output. If industries can't increase the number of workers producing, they will have to increase the productivity of each worker, either through longer hours or technology.
- Labor participation rates. The percentage of potential workers age 25-54 is expected to go from 88% in 2010 to 89.3% in 2045, about as tight as it can go.

© Center for Rural Policy and Development

center for rural policy and development
Seeking Solutions for Greater Minnesota's Future

P.O. Box 3185
Mankato, MN 56002-3185
(507) 934-7700

The coming workforce squeeze

Workforce projections are painting a future worrisome to many policy makers. They show that the workforce will not necessarily shrink over the next three decades, but it won't grow either, slowing to about 0.1% during the 2020s, according to the Minnesota State Demographic Center.

We're not alone. Minnesota and the United States are looking at a workforce landscape very different from the past 100 years. While having a shortage of workers is a familiar situation for rural communities, even the Twin Cities are expected to feel the pinch soon.

Potential answers.

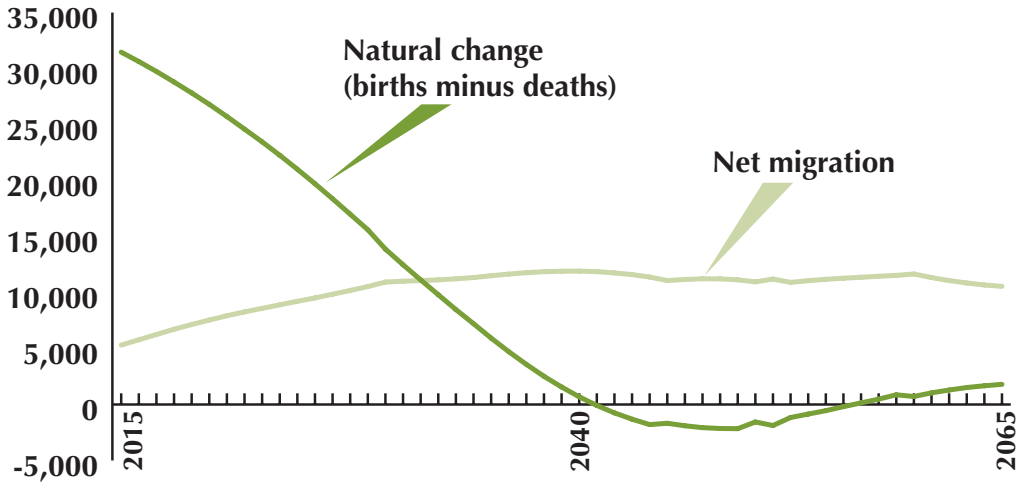
➤ Recruit people instead of jobs. Individuals these days could bring their own job with them, and they may end up being a community's next employer.

➤ Advertise jobs farther afield. Young people are more mobile than ever: one person may want to leave a community while another person may want to move there.

➤ Education is still crucial. According to the State Demographic Center, people with a bachelor's degree are more likely to be employed than someone with only a high school diploma and will earn much more over a lifetime.

➤ Minorities and immigrants. They're the only population group still growing, but their education and employment levels are still suffering. Help make sure they are ready for success in this new employment environment.

➤ Over the next 50 years, a **positive net migration** *is expected to help keep Minnesota's population from shrinking even though deaths are projected to outnumber births during the 2040s and 2050s.*



Data source: MN State Demographic Center

www.ruralmn.org

INFORMATION MEMO

TO: UMVRDC Commissioners

FROM: Dawn Hegland

DATE: June 23, 2015

RE: Assistant Finance Director Job Offer

When the Commission revised the personnel policies at the beginning of the year you made the Executive Director the hiring authority. This allows me to make the job without board approval. In an effort to keep the board up to date with any hiring I will include job search info in my Executive Director report and when I have selected a candidate, I will include a separate informational memo in the board packet so that you will be fully up to date on the hiring status.

I have extended, and she has accepted, a conditional job offer to Amy Bjornjeld for the Asst. Finance Director contingent upon completion of an acceptable pre-employment background check (civil, criminal, driver's record, and credit check); and completion of acceptable reference checks and verification of past employment and educational history.

Her starting date of employment will be part time starting July 13 (in order for her to complete a few work obligations at her current employer) and will begin full time in August with the RDC. She will be classified as an exempt employee at the Senior Planner Level III- Step 10 . Salary will be $63,692 per year, and she will start with 40 hours of both annual and sick leave banked.

Amy lives in the Milan area already and is a CPA and audit manager for Dana F. Cole and Co. in Montevideo. She has been an auditor there for more than 20 years and has been an auditor for our agency throughout her employment there. She also has supervisory experience and a wealth of knowledge regarding implementing federal and state policies and programs in the public sector.

I am currently waiting for the results of her formal background and credit check. Upon receiving satisfactory results we will be able to confirm her job offer.

INFORMATIONAL ONLY- No Action requested

ACTION MEMO

TO: UMVRDC Board of Commissioners

FROM: Randy Larson, Loan Officer

DATE: June 23, 2015

RE: Loan Advisory Board Recommendations

C & L Powder Coat, Inc.
The owners have submitted a request for four months (June-September 2015) of interest only payments. This request comes as a result of two main factors. First, the business lost a large customer when going through the financing and construction of their expansion project. The business also experienced a slow start to 2015; however they have begun to see an increase in business activity. The Southwest Initiative Foundation, a shared gap lender, has already approved the same request. The advisory board recommended approval of the request for four months of interest only payments (06/01/15 – 09/30/15).

ACTION REQUESTED
Approve the request, by C&L Powder Coat, Inc., for four months (June-September 2015) of interest only payments.

Northern Geo
Last month, I submitted an action item for Northern Geo in regards to a subordination request to allow for a potential $800,000 SBA loan to receive priority of our loan. Last month the RDC board approved the action of securing collateral for our current guaranty and have another guaranty signed by Del's wife Susie or at the minimum have Del's wise Susie sign a guaranty. Since our last board meeting, the SBA loan application was submitted and was denied for two reasons.

- The debt coverage ratio in 2016 is not sufficient.
- The lack of sufficient collateral for the financing.

Jim Massee from F&M Bank has been working on solutions to these two issues. Jim has submitted a request to all of the gap lenders (Swift County RDA, SWIF/JPAC, and The Appleton Project) to approve of interest only payments for the 2016 calendar year. If the gap lenders approve interest only payments for 2016, the debt coverage ratio issue will be corrected. Jim is still working on the solution to the collateral issue. The loan advisory board recommended approval of the request for interest only payments for calendar year 2016 (Jan. – Dec.).

ACTION REQUESTED
Approve the request, by Northern Geo, for twelve months of interest (January 2016 – December 2016) only payments.

Allen's Country Bakery
Since this loan request was approved back in March, there has been some new developments and changes to the business model and financing. The need for an exhaust has called for seeking on different scenarios and process changes. The loan also reached it's 90 day window for lapse in commitment. The modified request included a request for an increase to the loan amount by $3,888.24 up to $13,888.24. After reviewing the information presented, the loan advisory discussed the loan and their concerns that have risen since the March meeting and the concerns some

members had at the March meeting. As a result, the loan advisory recommended denying the loan modification request and formally withdrawing their commitment of the original $10,000 loan at this time.

ACTION REQUESTED
Deny the loan modification request, by Allen Tonak (Allen's Country Bakery), for the increase in the loan amount he has applied for and formally with draw the RDC's commitment of the original loan amount of $10,000.

Southwest Minnesota Private Industry Council
The Private Industry Council has requested an extension on their loan. The loan balloons on August 1st, 2015. The loan extension will have the same terms as the current loan. The terms are the following:

- 5 year term (balloon)
- 4% interest rate.
- Same monthly payment of $396.39 (includes $1 ACH fee)
- Maturity Date of July 1st, 2020 (no penalty for early repayment)

The loan advisory board recommended the approval of the Private Industry Council's loan extension request.

ACTION REQUESTED
Approve the loan extension request, by the Southwest Minnesota Private Industry Council, with the terms as stated above.

Books by Kelly
Kelly Nokelby, owner of Book by Kelly, has requested an extension on her loan she has with the RDC for her business. The loan balloons on August 15th, 2015. The loan extension will have the same terms as the current loan. The terms are the following:

- 5 year term (balloon)
- 5% interest rate.
- Same monthly payment of $121.69 (includes $1 ACH fee)
- Maturity Date of July 15th, 2020 (no penalty for early repayment)

The loan advisory board recommended the approval of the Kelly Nokelby's (Books by Kelly) loan extension request.

ACTION REQUESTED
Approve the loan extension request, by Books by Kelly, with the terms as stated above.

#3b- ADDITION

ACTION MEMO

TO: UMVRDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: ***Revised*** Granite Falls Hedgehog Application

Granite Falls has amended our contract to include some additional work under our existing contract where they received Hedgehog funds. The additional services will be adding further components to the plan that make it eligible for the Regional Park and Trail grant funding which they have also asked us to complete some grant writing dollars for.

They have asked for an additional $1250 in Hedgehog funds which brings them up to a maximum amount they are eligible for ($5,000).When they originally applied for a Hedgehog Grant to complete a park master plan I ranked the application according to our criteria and have enclosed the application and ranking for your review. I believe those scores still apply to this additional amount.

In FY2015 we have subsidized the following work:

- $4,358 for the Dawson Sidewalk Plan ($8,715)
- $5,000 for the Upper Sioux Community Hazard Mitigation Plan ($42,500)
- $3,750 for a Granite Falls Memorial Park Plan ($7,500)
- $5,000 for an Appleton Technical Assistance Contract ($30,000) SCDP admin $36,250)

We have used $18,108 to leverage an additional $ 106,857 in new revenue.

The Commission has the following options:

a) approve the application;
b) approve partial funding to the application; or
c) deny the application

ACTION REQUESTED

Review the Hedgehog Grant Application from Granite Falls and recommend action.

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

The purpose of this fund is to act as a catalyst and financial resource for units of government to address priority issues through contracts with the UMVRDC.

Hedgehog Grant Review Criteria

Date:
June 23, 2015 (revised September 2014 request)

City/County/Township/Tribal/School District Name:

Granite Falls

Project Name:

Memorial Park Master Plan

Cost:

$__13,450_____ Total Estimated Project Cost

$ __8,450_____Total local share

$___5,000_____ **Requested Amount from Hedgehog Grant** *(50% of the total project cost up to $5,000.)*

$___642_____Amount left for cities under 500 if this project is funded

$__0_____Amount left for other units of government

Criteria	
Yes/No	City under 500 population
Yes/No	Received a Hedgehog Grant this RDC fiscal year (July-June)
Yes/No	UMVRDC proposal accepted and contract in place
Comprehensive Planning Strategic Planning Grant Writing	Eligible project area:
2015	Year of last contract with RDC
Yes	Potential for follow up contract administration
$13,450	Total contract amount
Yes/No	**RDC Recommended for funding DATE:_____**

#4a

DISCUSSION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: RDC Staff

DATE: June 23, 2015

RE: BHAG Meetings

The BHAG Committee's will be meeting prior to the Commission meeting. A member of each committee will provide an oral report on their committee meeting at the full Commission meeting.

- Community Development
- Marketing
- Board Stewardship

INFORMATIONAL ONLY- No Action requested

#4b

DISCUSSION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: Tour on July 28th

Based on successful feedback from last year's ½ day tour and taking a poll at last month's commission meeting it was determined that the Commission would take a ½ day tour (starting after lunch sometime between 12:30 and 1:30) on the day of our annual meeting as our board retreat this year. Our draft agenda for the day is still being worked out and will be sent out once it's been completed. We are planning to visit Clara City and visit with the city manager about their redevelopment downtown, the comprehensive planning we have done with them, the current Small Cities Development Grant and visit Kay's Natural, a recent RLF loan.

Our annual business meeting will begin between 5-6pm with a dinner to follow.

ACTION REQUESTED:
Confirm attendance at the July 28 RDC tour.

ACTION MEMO

TO: Upper MN Valley RDC Commissioners

FROM: Dawn Hegland, Executive Director

DATE: June 23, 2015

RE: Nominating Committee

Elected officials from each county should caucus to nominate a member and alternate for the Board of Directors at the June meeting. From this slate of Board of Directors must come a nominee for Vice Chairperson and Secretary/Treasurer who will be elected at the annual meeting.

At this month's meeting the chair needs to appoint a nominating committee which has the responsibility of nominating someone to serve as chair, vice chair and secretary/treasurer of the UMVRDC. Your committee may wish to reference the attached excerpt from the UMVRDC Bylaws.

Current Officers/Board of Directors:

CHAIRPERSON

Gary Hendrickx – Chairperson FY 2013, 2014, 2015

VICE - CHAIRPERSON

Kathi Thymian – FY 2014, 2015

SECRETARY/TREASURER

Jim Schmaedeka – FY 2014, 2015

Big Stone County:

Kathi Thymian- 2013, 2014, 2015
Brent Olson - Alternate

Chippewa County:

Jim Schmaedeka -2014, 2015
Jim Dahlvang- Alternate

Lac qui Parle County:

Brett Buer – FY2011, 2012, 2013, 2014
Mark Bourne-Alternate

Swift County:

Warren Rau – 2014, 2015
Mike Fugleberg- Alternate

Yellow Medicine County:
Scott Peterson- 2014, 2015
Gary Johnson - Alternate

Chairperson and board members may serve four (4) consecutive years - see Bylaws, Article V, Section 3 (effective June, 1987). Out of our current Board of Directors, this only affects Brett Buer who has completed his fourth year and will be ineligible to be nominated again in 2016.

ACTION REQUESTED:
To caucus and develop a list of nominations for the FY 2016 Board of Directors.

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 Budget and 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.

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper

Community Development BHAG Committee Meeting
Tuesday, June 23rd, 2015
5:00 pm – 6:30pm
Light supper provided

Community Development Members:
Scott Rixe, Mike Fugleberg, Mark Bourne, Justin Bentaas, Gary Hendrickx, Bruce Swigerd, Debra Lee Fader

RDC Staff:
Jacki Anderson, Kristi Fernholz, Emily Zandt, Randy Larson, Erin Smith, Barrett Voigt

BHAG Goal: Be the premier agency for Community Development in Region 6W.

Agenda

1. Choose a person(s) to recap our discussion.

2. Review Proposed FY16 BHAGs

3. Questions to consider:
   What information is most helpful to the Commission?
   Are there goals and strategies that are unclear?

2016 Community Development BHAGs

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

Base Camps:	**Timeline**	**Measurement**	**Outcomes**	Other considerations to base camps:
5-year (2007 - 2012): Have contracts with 50% of our LUGs (at least 29 out of 58 LUGs) 10-year (2013 - 2018): Have contracts with 60% of our LUGs (at least 34 out of 58 LUGs) 15-year (2019 - 2024): Have contracts with 75% of our LUGs (at least 43 out of 58 LUGs)	5-year time period 5-year time period 5-year time period	24 of 58 LUGS = 41% for 2007 - 2012 ? of 58 LUGS = XX% for 2013 - 2018		- Repeat customers - Budget met - Number of new contracts - Post participant survey results - 5-year assessment survey results

	Tactics	Timeline	Measurement(s)	Outcome(s)	Accomplishments			Fits CEDS Goal
					Last Year	This Year	Next Year	
Strategy A: Increase relationships with LUGs to better serve their needs.	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)	Fiscal Year	Was the survey sent out? What were the response rates? **Typically send out in the spring.**					
	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.	Fiscal Year	Was follow-up completed?					
	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?					
	4. Developing relationships / partnerships with new organizations that can help fulfill the needs of our local units of government or leverage talents, skills and resources to better the region	Fiscal Year	Who have we identified to reach out to?					
	5. Strategic efforts to meet with all cities over 1,000 in population both staff and councils	Fiscal Year	Has at least one planner met with council, has at least one planner met with city staff?					
	6. Strategic efforts to meet with all counties both commissioners and county staff	Fiscal Year	Has at least one planner met with commissioners, has at least one planner met with county staff?					

	Tactics	Timeline	Measurement		Accomplishments			Fits CEDS Goal
					Last Year	This Year	Next Year	
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.	1. Seek out 24 (2 per month) grant/loan opportunities throughout the year from state, federal or local entities for which communities could apply for. (Corresponds with Marketing BHAG)	Fiscal Year	How many opportunities were sent out?					
	2. Develop enough contracts to successfully fulfill the agency budget while serving the needs or our region and communities.	Fiscal Year	Did we meet the budget?					
	3. 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?					
	4. 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:					

	Tactics	Timeline	Measurement		Accomplishments			Fits CEDS Goal
					Last Year	This Year	Next Year	
Strategy C: Provide a regional format and platform for education.	1. Host or coordinate at least **six** trainings or workshops. Topics: Census Data, Transportation, Regional Recruitment, Chamber/Tourism, Housing, Empty Buildings	Fiscal Year	How many training events occurred?					
	2. Collaborate with regional partners to offer impactful initiatives and learning opportunities (CERTs, Workforce, etc)	Fiscal Year	# of new connections?					

	Tactics	Timeline	Measurement		Accomplishments			Fits CEDS Goal
					Last Year	This Year	Next Year	
Strategy D: Continue to be a driver in developing regional programming, planning and platforms.	1. Identify potential seed funding for the Regional Recruitment (RR) 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?					
	2. Expand regional art programming (more art-based projects, complimentary events, etc.). Identify communities that would be interested in collaborating on a public art project and what funding sources can connect various projects together.	Fiscal Year	How many events/projects?					
	3. Respond to requests to coordinate regional programs or topics such as:	Ongoing	Did we respond to regional needs/requests?					
	Food Hub							
	Aquatic Invasive Species							
	Health Impact Assessment							
	USDA programs							
	Google Street View							
	Regional newcomers meetings (RR)							
	Libraries - what are the regional needs?							
	Climate Change study							
	Community Healthcare							
	EDA Staff / RLF Management							
	HM Implementation							
	Housing Topics / Projects							

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

Marketing BHAG Committee Meeting
Tuesday, June 23rd, 2015
5:00-6:30 p.m.
Light supper provided

Marketing BHAG Committee:
Scott Peterson, Jeff Olson, Rusty Dimberg, Juanita Lauristen, Vicki Oaks, Warren Rau, Gary Johnson, Gene Stengel

Marketing BHAG Staff:
Melissa Carruth, Kristi Fernholz

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

1. Choose a person to recap our discussion.

2. Review FY16 Marketing BHAG

3. Recommendation for approval.

4. Discussion:
   - Regional Recruitment/Branding
   - Emerging Issues/opportunities for our region

5. Recap discussion

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

FY16: Year 8 of BHAG

Strategy A.		Tactics	Timeline	Measurement	Accomplishments since 7/01/15	
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. Marketing pieces we currently utilize: - **website** - **annual report** - **newsletter** - **commissioner cards** - **note pads & pens** - **business cards** - **brochure** - **facebook**						
	1	**RDC Website:**				
		Staff will have an annual review and make updates to the website in FY16	12 months	Annual review - meeting		
		Each staff member will go through their section of the website and make updates	12 months	Sections updated		
		Place blog posts on website at least 1 x every other week.	12 months	at least 26 times		
	2	**Email Blasts:**				
		Monthly planner update e-blast for every RDC meeting.	Monthly	at least 11		
		Monthly planner update to County Commissioners & City Administrators/Managers after every RDC meeting	Monthly	at least 11		
		Email blasts (Constant Contact) - Other e-blasts as determined by planners (per Community Development BHAG)	Ongoing	at least 24		
	3	**Press Releases:**				
		For events, opprtunities, grants received/awarded, exciting projects and newsworthy items.	Ongoing	at least 12		
	4	**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		
		LUG success stories	12 months	2 different cities/counties		
	5	**Misc Marketing:**				
		Highlight different commissioners & staff members in newsletter & on website.	12 months	4 newsletters + website		
		Check each city's and county's website to make sure they are linked with the UMVRDC website.	12 months	Annually		
		Explore having aerial photos taken of our region and the downtowns of each of our cities. Airplane/Drone	12 months	Get price quote & discuss with		

		Tactics	Timeline	Measurement		
Strategy B.						
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.	**1**	**Reach out to all 5 counties:**				
		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 UMVRDC, PW staff will also present.	12 months	5 board visits		
		Once updated, connect with each county regarding their county profile.	2 years			
	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.						
Evaluate effectiveness of marketing campaign with goal of measuring 70% basecamp in 2015. (70% = 41 contacts out of 58 possible)	**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		
	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		

Upper Minnesota Valley
REGIONAL DEVELOPMENT COMMISSION
Helping Communities Prosper
323 W. Schlieman Ave. Appleton, MN 56208 320.289.1981 www.umvrdc.org

Agenda

UMVRDC Board Stewardship Committee
5:00 p.m., Tuesday, June 23, 2015

BHAG: The RDC Commission will have 100% of the Board Members engaged in stewardship for the UMVRDC.

Members: Brett, Brent, Jim S., Jim D., Kathi, Graylen

Light Dinner Provided

5:00-6:30

1. Review 2016 Goals (attached)
2. Brainstorm Plans and Ideas for 2016
3. Discuss Strategic Planning Proposal

Mission Statement: "Enable the region to thrive through assisting local governments."

Goals
Take a leadership role in fostering regional cooperation and coordination among local units of government and other area entities.
Aid local units of government in obtaining, retaining and sustaining programs necessary for rural survival.
Promote ongoing share planning among all local units of government.
Develop the UMVRDC's reputation as the region's central point of access for information and assistance.
Fully develop the knowledge and expertise of commissioners and staff.

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**
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.
	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 and conflict of interest form.	~~July~~ August 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**

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.
	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 encorporate in this BHAG
Strategy D.	**Tactics**	**Timeline**	**Measurement**
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