

# FY 2008 ANNUAL REPORT

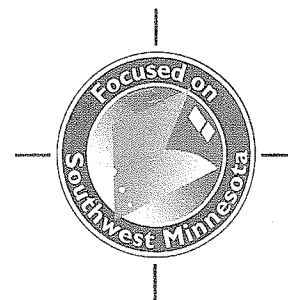
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Damage to a road caused by flood water. The road collapsed around a drainage pipe that ran under the road.

### Special points of interest:

- RLF has busiest year yet
- Monogram Meat Snacks in Chandler wins Project of the Year Award
- Maddy Forsberg retires
- Transform 2010 underway



## Southeast Minnesota Flooding Emphasizes the Importance of Hazard Mitigation Planning

Natural and man-made disasters can strike any place and at any time. Flooding or tornados, terrorism or pandemic flu, local units of government must be ready to react. In the 21<sup>st</sup> century, it has become apparent that reaction is not enough. We have to plan ahead and take action before disaster strikes.

In an article published in the *Minneapolis Star Tribune* on December 17, 2007, the necessity for anticipating problems is highlighted. "Some business owners in southeastern Minnesota who saw their livelihood washed away in last summer's floods are now facing delays of up to a year...The counties where the businesses were located had never prepared what are called local hazard mitigation plans, which the federal

government requires before it will distribute money to buy out individual properties in flood-prone areas."

"That's not a coincidence," Kristen Sailer, spokeswoman for Minnesota Homeland Security and Emergency Management (HSEM) was quoted as saying. "Other regions of the state have regional development commissions that provided staffing and expertise in preparing the plans. But the regional development commission in southeastern Minnesota dissolved some time ago."

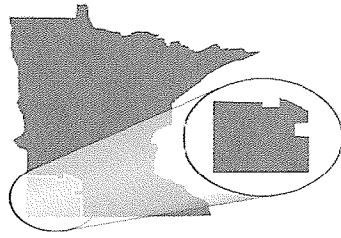
The Southwest Regional Development Commission, (SRDC) is working with counties and cities in our region to mitigate hazards—a process to reduce loss of life and property in the

event of problems. For example, the Federal Emergency Management Agency (FEMA) and Minnesota HSEM approved the *Rock County All Hazard Mitigation Plan* this year. This qualifies Rock County to apply for federal pre-disaster funding programs.

SRDC and Nobles, Murray and Redwood counties completed the first round of all-hazard mitigation plans in 2003-2005, and will be required to update plans in the coming year. Jackson County's mitigation plan was submitted to HSEM and FEMA this year. SRDC Development Planner John Shepard, AICP, is currently working with Pipestone, Lyon, Cottonwood and Lincoln counties to complete their plans.

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*Southwest Minnesota*  
**ECONOMIC • DEVELOPMENT**  
**PROFESSIONALS**

SRDC Deputy Director Nan Larson serves in the capacity of Coordinator and Secretary for the Southwest Economic Development Professionals (SW ED Pros) Group. SW ED Pros is a group of professionals in Region 8 who either work full-time in economic development (members) or support economic development through their work (sponsors).

The group meets quarterly in various locations throughout the region, with a current contact list of over fifty. Agenda topics include opportunities for joint marketing, presentations on resources available, legislative updates, training, and networking

about how we can work together to accomplish joint economic goals for the area.

If you have an interest in learning more, presenting information, or being added to the contact list, please contact Nan Larson for further information.

*“SW CERT assisted in the development and funding of the Community Wind Handbook and awarded 3 mini grants, totaling \$15,000.”*

**Clean Energy Resource Teams (CERTs)**

The Clean Energy Resource Teams (CERTs) project, launched in 2003, connects people with the technical resources needed to identify and implement community-scale energy efficiency and clean energy projects. The Teams are diverse: individuals; small business owners; farmers; members of environmental groups; local utility

representatives; academics; local, state and federal government staff and elected leaders – and all share common goals and values: strong communities, local jobs, and secure, clean, reliable energy.

SW CERT assisted in the development and funding of the Community Wind Handbook and awarded 3 mini grants, totaling

\$15,000. Funding for this project is provided by: Office of Energy Security-MN Dept. of Commerce, The Blandin Foundation, Minnesota Pollution Control Agency, University of Minnesota Institute for Renewable Energy and the Environment and Regional Sustainable Development Partnerships and the U.S. Department of Energy.

**Minnesota Congressional Members Awarded NADO Congressional Partnership Awards**

Seventh District Congressman Collin Peterson, Eight District Congressman James Oberstar and Senator Amy Klobuchar were recipients of Congressional

Partnership Awards by the National Association of Development Organizations, (NADO). This biennial program honors members of



Congress who have demonstrated outstanding leadership in promoting regional community and economic development.



### FY 2008 Direct Services

The Aging Program at the SRDC, an office of the Minnesota River Area Agency on Aging, continues to provide direct services to clients through the Senior LinkAge Line® and the Client Service Center.

The Senior LinkAge Line is an information and assistance service designed to aid older

adults and their families to find community based services and to assist with Medicare and insurance issues. In the last year, the Slayton office had 23,188 contacts serving 12,431 people in the 27 county MNRAAA planning and service area.

In 2006 the SRDC added the statewide Client Service Center (CSC) to

the services it provides to seniors. The CSC provides in-depth follow up and assistance for particularly difficult Medicare Part D problems and served 1,628 seniors during FY 2007.

### Big Year for SRDC Revolving Loan Fund

It has been a very active year for the SRDC's revolving loan fund (RLF) program. A total of 20 loan applications were submitted and reviewed by staff and the loan committee; with 12 moving ahead and closed, 3 pending closure, 4 withdrawn, and one denied. The loan commitments for FY '08 totaled \$765,050. In addition, staff worked with many more potential

applicants who did not move forward with submitting an application to SRDC.

We currently have 52 active loans, which is the largest in the history of the loan pool. As these are higher-risk loans by their nature and coupled with the current economic downturn, an above-normal level of servicing issues were also handled this year.

Since its inception, the RLF has done 104 loans totaling \$5.6 million, with total project costs of \$41 million. They include manufacturing, service, and retail businesses. The average size loan is \$53,000. Over 1378 jobs have been created or retained.

Applications are accepted on an on-going basis. Please contact Nan Larson for further information.

*"We currently have 52 active loans, which is the largest in the history of the loan pool."*

### Forsberg Retires

After serving the SRDC and the region's seniors with distinction for 29 years, Aging Director Maddy Forsberg retired from the SRDC at the end of 2007. Maddy was instrumental in the development of the Southwest Area Agency on Aging and later led the aging program through

the transition to the 27 county Minnesota River Area Agency on Aging.

Maddy leaves the Aging Program in the capable hands of new Aging Program Director Robin Weis.



SRDC Chair Gary Sorenson presents Maddy Forsberg with a token of the agency's appreciation for her 29 years of service.

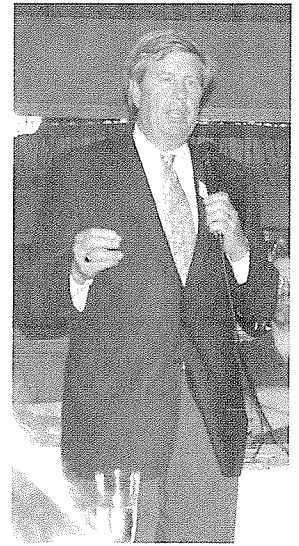
## Monogram Expansion Wins Project of the Year Award

In mid 2007, SRDC was asked to be a co-financer in a collaboration of lenders to make business expansion possible in Chandler: Monogram Meat Snacks.

Monogram Food Solutions, a start-up company in 2004, acquired the former Sara Lee Corporation facility in Chandler in 2007, saving many jobs in Murray County and changing the

name to Monogram Meat Snacks. A significant expansion occurred in 2007 when Monogram added jerky production to the facility. Monogram had set a goal of 53 NEW jobs with this project and has already surpassed that at over 100 jobs created. The economic impact of this business in the region beyond employment has been remarkable.

In order to make this deal possible many lenders/agencies worked together, including the City of Chandler, Murray County EDA, MN Dept. of Employment and Economic Development, the Southwest Initiative Foundation, AgStar Financial services and the SRDC. The award was presented at the SRDC's Annual Meeting on July 10th at Key Largo.



*Karl Schledwitz, Executive Chairman of Monogram Food Solutions addresses attendees at the SRDC Annual Meeting*

*"In the next 50 years, most of the growth in Minnesota's population will occur in persons over 50."*

## Transform 2010 Prepares Minnesota for Aging Population

In the next 50 years, most of the growth in Minnesota's population will occur in persons over 50. In order to prepare Minnesota for the demographic realities represented by the aging of the baby boom generation, the MN Dept. of Human Services (DHS),

in partnership with the MN Board on Aging and the MN Dept. of Health launched Transform 2010.

Five themes were identified during this process: 1. Redefining Work and Retirement. 2. Supporting Caregivers of all Ages. 3. Fostering

Communities for a Lifetime, Improving Health and Long-Term Care. 5. Maximizing Use of Technology. For more information on this program, contact

Transform.2010 @state.mn.us or visit the DHS website [www.dhs.state.mn.us/2010](http://www.dhs.state.mn.us/2010)

## Long Time Employees Recognized

Finance Director Dianne Crowley and Administrative Specialist Rhonda Wynia were recognized at the SRDC Annual Meeting for thirty years of outstanding service to the SRDC.

Also recognized at the

meeting were Account Specialist Helen Brinks, 20 years; Administrative Assistant II Kathy Schreiber, 15 years; and Aging Program Director Robin Weis, 10 years. The Commission congratulates them all on their service!



*Rhonda Wynia, (left) and Dianne Crowley celebrate thirty years with the SRDC.*

## FY 08 Budget and Year End Projections

|   | FY08 Final<br>Budget | Year End<br>Projections |
|---|----------------------|-------------------------|
| <b>Revenues</b>                           |                      |                         |
| Taxes                                     | 266,000.00           | 275,796.26              |
| Contract for Services                     | 221,994.00           | 244,984.47              |
| MN/DOT                                    | 50,000.00            | 50,000.00               |
| Economic Development Administration       | 54,628.00            | 54,628.00               |
| MNRAAA-Federal-Admin/Pdc                  | 60,744.00            | 56,239.00               |
| MNRAAA-Federal-I&A                        | 222,150.00           | 213,369.00              |
| MNRAAA-State-I&A                          | 141,213.00           | 140,868.00              |
| Eldercare Dev. Partnership                | 27,185.00            | 32,603.00               |
| CERTS Funds                               | 54,561.00            | 36,573.62               |
| Department of Public Safety-Hazard        | 29,465.00            | 23,293.75               |
| Commission Vehicle Receipts               | 21,000.00            | 20,922.47               |
| Interest & Miscellaneous                  | 31,165.00            | 29,111.68               |
| Reserves-Capital Equipment                | 29,820.00            | 27,328.29               |
| <b>Total Revenues</b>                     | 1,209,925.00         | 1,205,717.54            |
| <b>Expenditures</b>                       |                      |                         |
| Committee Expenses                        | 44,600.00            | 44,857.01               |
| Salaries & Fringe                         | 875,432.00           | 874,926.63              |
| Travel                                    | 82,448.00            | 80,162.39               |
| Office Space Costs                        | 47,700.00            | 47,182.63               |
| Postage                                   | 10,800.00            | 10,133.66               |
| Communications                            | 12,390.00            | 9,787.67                |
| Printing/Publication                      | 14,742.00            | 9,376.69                |
| Supplies                                  | 15,956.00            | 10,191.82               |
| Insurance                                 | 2,500.00             | 3,180.52                |
| Depreciation-Equipment                    | 12,924.00            | 11,408.57               |
| Computer Expenses                         | 12,365.00            | 9,754.37                |
| Professional Services                     | 10,750.00            | 9,478.16                |
| Program Match                             | 0.00                 | 6,452.50                |
| Other                                     | 9,060.00             | 7,804.58                |
| CERTS Mini-grants                         | 15,000.00            | 1,774.14                |
| Equipment                                 | 31,400.00            | 27,328.29               |
| Debt Service-Principal & Interest         | 11,800.00            | 11,800.00               |
| Building Lease Payment                    | 9,118.00             | 9,118.07                |
| <b>Total Expenditures</b>                 | 1,218,985.00         | 1,184,717.70            |
| <b>Revenues Over (Under) Expenditures</b> | -9,060.00            | 20,999.84               |

Southwest Regional Development Commission FY09 Budget

July 1, 2008 - June 30, 2009

Revenues

|   |                  |
|---|------------------|
| Tax Levy  | 275,000          |
| MNRAAA-Adm/Pdc Funds-CY2008                     | 39,683           |
| MNRAAA-Adm/Pdc Funds-CY2009                     | 35,254           |
| MNRAAA-Information & Assistance Funds-CY2008    | 121,500          |
| MNRAAA-Information & Assistance Funds-CY2009    | 117,201          |
| State CSC Funds                                 | 133,407          |
| MNRAAA-Eldercare Development Partnership        | 27,185           |
| Economic Development Administration             | 54,628           |
| MN Department of Transportation                 | 50,000           |
| Current Contracts                               | 183,880          |
| Dept. Public Safety-Hazard Mitigation           | 45,690           |
| CERTS Funds-MN Project-Blandin, DOC-Xcel & MPCA | 80,199           |
| Interest Earned & Miscellaneous                 | 47,775           |
| Inkind Match for Programs                       | 32,911           |
| Reserves used for Equipment/Building Purchases  | 20,000           |
| <b>Total Revenues</b>                           | <u>1,264,313</u> |

Expenditures

|                                      |                  |
|--------------------------------------|------------------|
| Committee Expense                    | 50,550           |
| Salaries & Fringe                    | 929,341          |
| Staff Travel                         | 91,835           |
| Office Space                         | 48,200           |
| Postage                              | 10,900           |
| Communications                       | 12,609           |
| Print/Publication                    | 13,110           |
| Supplies-Mtg/Wkshp Expenses          | 16,591           |
| Insurance                            | 3,200            |
| Depreciation (Non-building)          | 16,225           |
| Audits                               | 7,200            |
| Computer                             | 10,020           |
| Equipment                            | 20,000           |
| Other                                | 10,087           |
| Consultant/Contracted Services/Legal | 3,750            |
| MNRAAA, Inc. match                   | 12,905           |
| Regional Projects                    | 40,000           |
| Program Inkind Match                 | 32,911           |
| Debt Service-Principal & Interest    | 11,800           |
| Office Building Principal Payment    | 9,628            |
| <b>Total Expenditures</b>            | <u>1,350,862</u> |
| <b>Balance</b>                       | <u>-86,549</u>   |

*"The SRDC typically develops it's budget with a gap in revenues to account for grants and contracts that are acquired over the course of the year."*

|  |                 |
|--|-----------------|
| Reserve for FY08/FY09 bond payments 6/30/07-08 | 101,124         |
| Tax Revenue (Bond) - 1 year                    | 232,080         |
| Allowance for delinquencies (5%)-2.5%PY        | -5,802          |
| Bond Payment -August, 2007, 2008               | -14,922         |
| Bond Payment-February, 2008, 2009              | <u>-204,922</u> |
| Reserve for Future Bond Payments 6/30/08-09    | <u>107,558</u>  |



*The SRDC remembers long-time Commissioner and Board Member Jack Keers who passed away on April 1, 2008*

**FISCAL YEAR 2008 SOUTHWEST REGIONAL DEVELOPMENT COMMISSION MEMBERS**

- Rocky Kolar\* --- Cottonwood County Municipalities
- Darrell Holmberg Cottonwood County Town Boards
- Gary Sorenson\*\* --- Cottonwood Co Commissioners
- Darrel Hage ----- Jackson County Municipalities
- Richard Peterson ---- Jackson County Town Boards
- Craig Rubis\* ----- Jackson County Commissioners
- Mary Meneely ----- Lincoln County Municipalities
- Eloise Hauschild ---- Lincoln County Town Boards
- Larry Hansen\*\* ---- Lincoln County Commissioners
- Joanne Myrvik ----- Lyon County Municipalities
- Lori Grant ----- Lyon County Town Boards
- Bob Fenske\* ----- Lyon Co Commissioners
- Miron Carney ----- Murray County Municipalities
- Charles V. Swan ---- Murray County Town Boards
- Bill Sauer\* ----- Murray County Commissioners
- John Faber ----- Nobles County Municipalities
- Tim Blume ----- Nobles County Town Boards
- David Benson\*\* ---- Nobles County Commissioners
- Harry L. Hansen - Pipestone County Municipalities
- Wally Bucher ----- Pipestone County Town Boards
- Marv Tinklenberg\* Pipestone County Commissioners
- Marlo Sander ----- Redwood County Municipalities
- Werner Fischer ---- Redwood County Town Boards
- Gene Short\*\*----- Redwood Co Commissioners
- Fabian Deutsch ----- Rock County Municipalities
- Vern Vander Pol ----- Rock County Town Boards
- Robert Jarchow\* ----- Rock County Commissioners
- Bob Byrnes\*\* ----- City of Marshall
- Lyle TenHaken\* ----- City of Worthington
- Dan Zimansky\* ----- Region Eight School Boards
- Dick Gewerth ----- Region Eight School Boards
- Adolfo Avila ----- Region Eight Cultural Diversity
- Steve Thovson - SW Center for Independent Living
- Sandy Demuth --- SW MN Private Industry Council
- Liz Struve ----- Southwest MN State University
- Craig Myers ----- Health & Human Services

\*\*Indicates Current & FY2007 Executive Committee Members  
\*Indicates Current SRDC Board Members

**Audited Governmental Activities for the Year Ended June 30, 2007**

**Revenues**

|                              |                  |
|------------------------------|------------------|
| Program Revenues             |                  |
| Charges for Services & Other | 323,440          |
| Operating Grants             | 575,334          |
| General Revenues             |                  |
| Property Taxes—General       | 268,805          |
| Property Taxes—Debt Service  | 232,150          |
| Interest Revenues            | 36,391           |
| <b>Total Revenues</b>        | <b>1,436,120</b> |

**Expenses**

|                             |                  |
|-----------------------------|------------------|
| Government Activities       | 1,217,482        |
| <b>Total Expenses</b>       | <b>1,217,482</b> |
| <b>Change in Net Assets</b> | 218,638          |
| <b>Beginning Net Assets</b> | <b>1,361,699</b> |
| <b>Ending Net Assets</b>    | <b>1,580,337</b> |

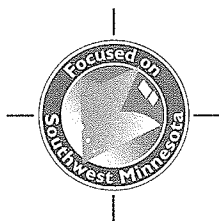
The FY 2007 Audit was conducted by Minehart, McKee & Associates, Certified Public Accountants, Marshall, Minnesota. The auditor's report expresses an unqualified opinion on the General Purpose Financial Statements of the Southwest Regional Development Commission.

Thank You to the following SRDC Commissioners whose terms expired in FY2008: Paul Langseth and Eric Lemm.

# Southwest Regional Development Commission

2401 Broadway Avenue  
Slayton, MN 56172

Phone: 507-836-8547  
Fax: 507-836-8866  
E-mail: [srdc@swrdc.org](mailto:srdc@swrdc.org)




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**[www.swrdc.org](http://www.swrdc.org)**

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*The Southwest Regional Development Commission (SRDC) is a nine county regional development commission made up of representatives from local units of government and public interest groups in Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood and Rock Counties. The purpose of the SRDC is 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".*

## CURRENT SRDC STAFF MEMBERS

| <u>Name</u>              | <u>Title</u>                          | <u>Email</u>   | <u>Extension</u> |
|--------------------------|---------------------------------------|--|------------------|
| Jay Trusty -----         | Executive Director                    | <a href="mailto:execdir@swrdc.org">execdir@swrdc.org</a>     | 106              |
| Nan Larson -----         | Deputy Director                       | <a href="mailto:nanlarson@swrdc.org">nanlarson@swrdc.org</a> | 108              |
| Dianne Crowley -----     | Finance Director                      | <a href="mailto:dcrowley@swrdc.org">dcrowley@swrdc.org</a>   | 104              |
| Annette Bair -----       | Physical Development Director         | <a href="mailto:phydev@swrdc.org">phydev@swrdc.org</a>       | 101              |
| Robin Weis -----         | Aging Program Director                | <a href="mailto:srlinkage@swrdc.org">srlinkage@swrdc.org</a> | 112              |
| John Shepard, AICP ----- | Development Planner                   | <a href="mailto:jshepard@swrdc.org">jshepard@swrdc.org</a>   | 103              |
| Corrine Knochenmus-----  | Senior Outreach Specialist            | <a href="mailto:corrinek@swrdc.org">corrinek@swrdc.org</a>   | 205              |
| Rhonda Wynia -----       | Administrative Specialist             | <a href="mailto:rwynia@swrdc.org">rwynia@swrdc.org</a>       | 114              |
| Helen Brinks -----       | Account Specialist                    | <a href="mailto:hbrinks@swrdc.org">hbrinks@swrdc.org</a>     | 116              |
| Linda Tobias --          | Information & Referral Specialist III | <a href="mailto:lindat@swrdc.org">lindat@swrdc.org</a>       | 109              |
| Gail Radke -----         | Information & Referral Specialist III | <a href="mailto:gailr@swrdc.org">gailr@swrdc.org</a>         | 202              |
| Julie Stewart ---        | Information & Referral Specialist II  | <a href="mailto:julies@swrdc.org">julies@swrdc.org</a>       | 203              |
| Darcey Doeden            | Information & Referral Specialist II  | <a href="mailto:darceyd@swrdc.org">darceyd@swrdc.org</a>     | 113              |
| Lila Anderson ---        | Information & Referral Specialist I   | <a href="mailto:lila@swrdc.org">lila@swrdc.org</a>           | 204              |
| Kathy Schreiber -----    | Administrative Assistant II           | <a href="mailto:srdc@swrdc.org">srdc@swrdc.org</a>           | 110              |
| Doreen Veenhuis -----    | Administrative Assistant I            | <a href="mailto:doreenv@swrdc.org">doreenv@swrdc.org</a>     | 115              |