

Northwest Regional Development Commission

**Annual Report
Calendar Year 2007**

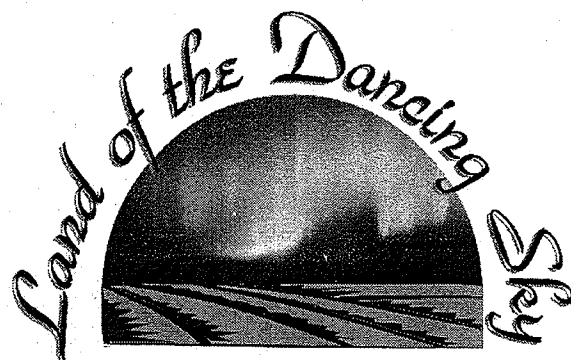


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Working for Local Units of Government in Kittson, Marshall, Norman,
Pennington, Polk, Red Lake and Roseau Counties

NWRDC • 115 South Main, Suite 1 •

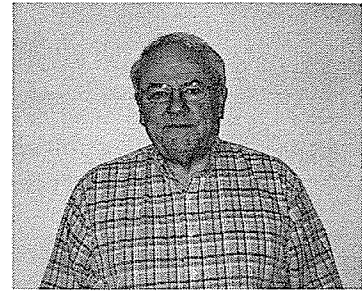
Warren, MN 56762 • 218-745-6733

Agency Web Site Address: www.nwrdc.org

Land of the Dancing Sky Web Site: www.VisitNWMinnesota.com

Letter from the Chairman

Dr. Joe Bouvette



"We Can Compete"

Northwest Minnesota is a unique place. We have major international companies and businesses pursuing the most modern ideas and products, all located in small rural communities. We have an abundance of natural resources, lots of space, and strong family based lifestyles, existing alongside the finest digital communication services and a premier system of schools and universities. Really, the best of both worlds. We joke that the cold weather helps us maintain our hardy stock, but there is a certain degree of pride in our ability to adapt and prosper.

Conversations about how Minnesota can compete in world markets, maintain our ability to innovate, and

encourage young entrepreneurs brings a response from our local business sector, which goes something along the lines of "don't worry about competitive spirit and the ability to innovate, just make sure we have workers, roads, housing, and capital needed to do business, so we don't get distracted." Northwest Minnesota can compete.

As we continue into the new century, it seems likely the realization will grow that there is a dynamic in rural Minnesota which thrives under clear skies and open horizons. A dynamic which compliments innovation based in the bright lights and bustle of the city.

NADO Award Presented to RDC Transportation Advisory Committee

The Transportation Advisory Committee received an excellence regional transportation award from the National Association of Development Organization for completing the Grygla-Gully 10-ton shipping corridor. A complex project involving three county boards, the department of transportation, state environmental agencies, and federal appropriations through Congressman Peterson and Senator Coleman.

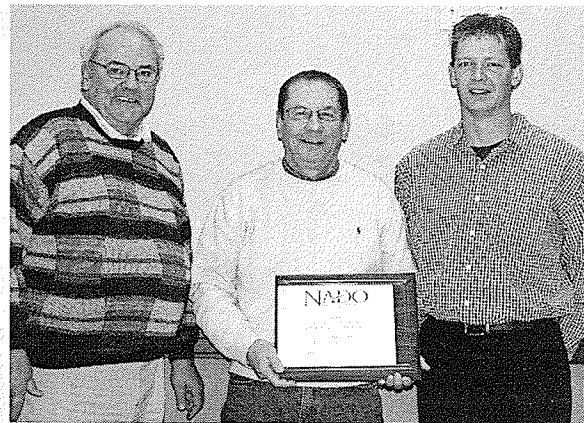
The last leg of the project was County State Aid Highway 54 in Marshall County. The bituminous paving was completed and the heavy commercial corridor opened to traffic in early November 2007. The road will be painted in the spring of 2008. The last 8.5-miles in Marshall County completed the 36-mile stretch of county road that was reconstructed for this project.

Mn/DOT resurfaced, constructed passing lanes, and bypasses on MNTH 89 from Wannaska to MNTH 11 in Roseau in 2007 to provide for the continuous 10-ton roadway from Roseau to Bagley. The timing to complete the entire corridor in 2007 was orchestrated by the Area Transportation Partnership, RDC, counties, and Mn/DOT.

The planning process of a North-South shipping corridor started in 2000. Manufacturers from the region had concerns about the rising cost of shipping product from Northern Minnesota to the south. The only 10-ton corridors at the time were MNTH 32, MNTH 89, and MNTH

72 east of Baudette. The Grygla to Gully corridor opened up the county system to provide a direct north-south shipping corridor.

The counties put together a plan for presentation to the Area Transportation Partnership (ATP) in 2001. The plan was to rebuild the county state aid highways (CSAH) in Polk, Pennington, and Marshall Counties from 7 to 10-ton capacity. The new road design would allow for heavy commercial vehicles to travel the corridor loaded with an axle weight limit of 10-tons.



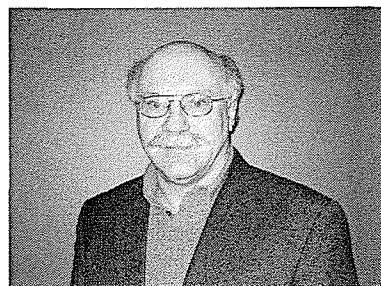
Above: Dr. Joe Bouvette, NWRDC Chairman, Warren Strandell, NWRDC Transportation Vice Chairman and Troy Schroeder, NWRDC Transportation Planner.



What The NWRDC is All About . . .

Regional Development Commissions were created by the State Legislature through the Regional Development Act of 1969. The intent of the Act was to create an option for rural units of government to supplement existing public services and coordinate specific activities of mutual concern. Although created by the State, Regional Development Commissions were left in the hands of local representatives to insure that the final design would reflect area needs and preferences.

The Northwest Regional Development Commission was created on February 2, 1973 by the joint actions of local units of government. Programs were set up to reflect priority work items of the time; and relationships were established with the state and federal agencies that could provide assistance with local projects. Programs and work priorities have changed in response to



Above: Leon Heath, Executive Director/Economic Development

economic and social trends; but the central mission of supporting efforts by cities, counties, townships, businesses and individuals to improve living, working and natural resource conditions in Northwest Minnesota has remained the same.

The Commission has worked to establish a manner of operation which reflects and compliments the independent, progressive style of Northwest Minnesota. Technical assistance, specialized program delivery, public participation, direct funding, access to information and formalized planning services are the basic materials which we can contribute to the construction of your project.

Please look over our Annual Report and stop by or call if you have any questions, comments or suggestions.

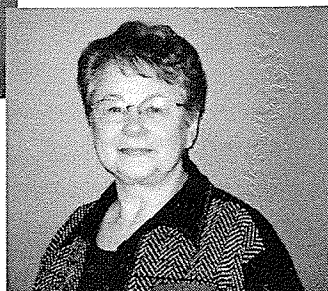
*Right: Carol Sorensen,
Financial Officer*



*Left: Brenda Solberg,
Front Office Manager/
Financial Assistant/
Loan Fund Contract Manager*



*Right: Betty Safranski,
Front Office*



Staff Listing

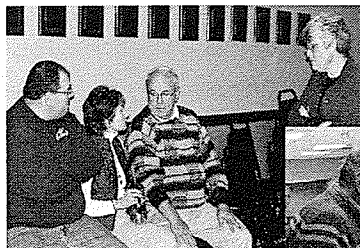
NWRDC Staff

Darla Bergquist, Region 2 Aging Program Developer
 Carol Bye, Senior LinkAge Specialist
 Cameron Fanfuk, Loan Fund Manager/Economic Dev.
 Leon Heath, Executive Director/Economic Dev.
 Jennifer Olson, Hazard Mitigation/Community Dev/
 Lois Pagnac, Senior LinkAge/Outreach Specialist
 Rose Reed, Senior LinkAge Specialist
 Danica Robson, Aging Program Director
 Betty Safranski, Front Office
 Troy Schroeder, Transportation Planner
 Brenda Solberg, Front Office/Financial/Loan Fund
 Carol Sorensen, Financial Officer
 Mara Wittman, Arts Council Director

Northwest Regional Development Commission



Above: The Annual Commission meeting in East Grand Forks



Above and Right: Kittson and Pennington County Commission members.



Polk County

Eugene Dufault	Crookston	Townships
Martha Hurtado	Crookston	Minorities
Gerald Jacobson	Fertile	Labor
Keith Mykleseth	Crookston	Municipalities
Bill Montague	Crookston	Financial Institute
*Warren Strandell	EGF	County
Tracey Sundeen	Crookston	Seniors
Arlene Tucker	Crookston	Women
Kathleen Twite	EGF	Business

Red Lake County

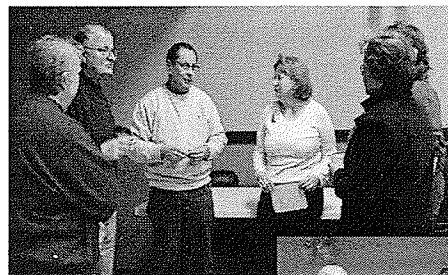
Anne Jaeger	Plummer	Municipalities
Genevieve Knott	RLF	Townships
Donna Linder	Oklee	School Board
Robert Melby	Oklee	Low Income
*Velma Oakland	RLF	County
Vaughn Thorfinnson	RLF	Vocational Schools
Ronald Weiss	RLF	Watershed Dist.

Roseau County

Selvin Erickson	Badger	Townships
*Orris Rasmussen	Roseau	County
Gerry Schiltz	Roseau	Municipalities

*Board Members

**Chairperson



Left: Polk county commission members.

COMMISSION MEMBERSHIP

Kittson County

**Dr. Joe Bouvette	Hallock	County
*Kimberley Johnson	Kennedy	Townships
Pete Kautzman III	Karlstad	Municipalities
Charles Lindberg	Kennedy	Industry
Gregory Peterson	Lancaster	Municipalities
Betty Younggren	Hallock	SWCD

Marshall County

*Gary Kiesow	Goodridge	County
Bob Kliner	Warren	Municipalities
Ruth Magnusson	Argyle	Townships
Gail Yutzenka	Argyle	School Board

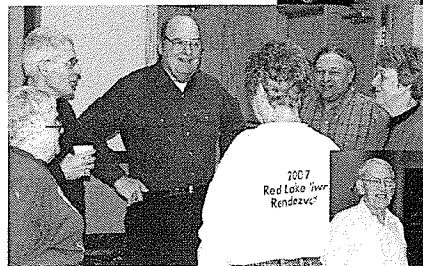
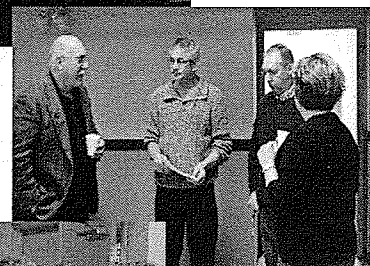
Norman County

Glen Brookshire	Halstad	Municipalities
Fred Jamison	Ada	Townships
*Warren Olson	Halstad	County

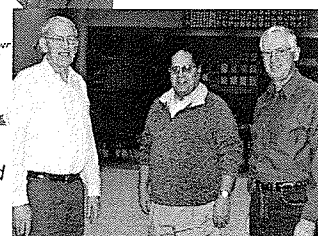
Pennington County

Elvera Cullen	TRF	Municipalities
*John Erickson	RLF	Townships
Oliver Swanson	TRF	County

Right: Leon Heath, Executive Director speaking with Marshall county members.



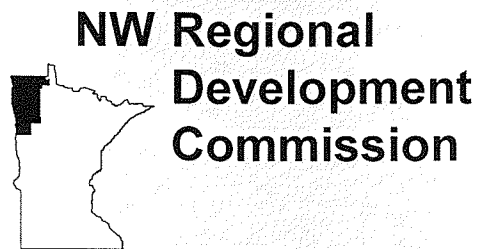
Above and Right: Red Lake and Norman county members.



COMMISSION BUDGET

<u>REVENUES</u>	ACTUAL	PROJECTED
	REVENUES <u>CY'2007</u>	<u>CY'2008</u>
FEDERAL		
ECONOMIC DEVELOPMENT ADMIN.	\$52,628	\$52,628
		\$0
	\$52,628	\$52,628
STATE		
MN/DOT	\$52,297	\$50,000
STATE ARTS BOARD	\$87,841	\$105,863
MINNESOTA BOARD ON AGING	\$2,829,891	\$2,943,370
MINNESOTA DEPARTMENT OF HUMAN SERVICES	\$46,541	\$46,100
MINNESOTA SESQUICENTENNIAL	\$2,800	\$5,000
MINNESOTA HOUSING FINANCE AGENCY	\$977	
	\$3,020,348	\$3,150,333
PRIVATE FOUNDATIONS		
MCKNIGHT FOUNDATION - ARTS	\$45,518	\$40,000
NW MN FOUNDATION	\$7,053	\$17,847
	\$52,571	\$57,847
LOCAL GOVERNMENTAL		
LOCAL LEVY	\$201,074	\$209,060
KITTSON COUNTY	\$4,000	\$12,000
CITY OF ADA	\$5,840	\$10,708
OTTER TAIL COUNTY	\$13,688	
LOCAL PROJECTS	\$4,467	
	\$229,069	\$231,768
MISCELLANEOUS		
NORTHWEST ENTERPRISE FUND	\$496,391	\$628,883
INTEREST	\$25,672	\$10,250
CONFERENCE REGIST./MISC.	\$7,738	\$2,090
IN-KIND	\$0	\$900
RESERVED		\$27,391
	\$529,801	\$669,514
TOTAL REVENUES	<u><u>\$3,884,418</u></u>	<u><u>\$4,162,090</u></u>
<u>EXPENDITURES</u>	ACTUAL	PROJECTED
	EXPENDITURES <u>CY'2006</u>	<u>CY'2008</u>
SALARY/FRINGE	\$662,875	\$696,073
STAFF TRAVEL & REGISTRATIONS	\$52,077	\$57,540
COMMISSION/COMMITTEE TRAVEL/PER DIEM	\$33,664	\$44,032
PROFESSIONAL FEES	\$22,320	\$26,000
PRINTING & POSTAGE	\$15,283	\$27,083
RENT & MAINTENANCE	\$16,480	\$15,100
TELEPHONE & INTERNET COSTS	\$9,984	\$15,100
SUPPLIES	\$15,050	\$10,500
EQUIPMENT PURCHASED BY PROGRAMS	\$3,843	\$0
SBDC MATCH	\$1,000	\$0
IN-KIND EXPENSE	\$0	\$900
OTHER OFFICE EXPENSES	\$27,378	\$40,271
TOTAL ADMINISTRATIVE	\$859,952	\$932,599
REGRANTED-ARTS	\$70,360	\$68,791
REGRANTED-AGING	\$1,046,521	\$1,171,097
REGION 4 AGING PROGRAM	\$1,462,666	\$1,439,603
BUSINESS LOANS	\$417,000	\$550,000
HOUSING PASS THROUGH FUNDS	\$977	\$0
FIXED ASSETS/RESTRICTED FUND	\$18,224	\$5,000
DEPRECIATION	(\$4,258)	(\$7,000)
	\$13,967	(\$2,000)
TOTAL EXPENDITURES	<u><u>\$3,871,442</u></u>	<u><u>\$4,160,090</u></u>
INCREASE (DECREASE) TO FUND BALANCE	<u><u>\$12,975</u></u>	<u><u>\$0</u></u>

Program Highlights



Program Highlights Calendar Year 2007

Serving
*Kittson, Marshall, Norman, Pennington
Polk, Red Lake, Roseau*

Aging

AREA AGENCY ON AGING

Purpose: To build a proactive, comprehensive and coordinated system of advocacy and services that ensures the rights and benefits of all older people.

Program Funding Sources: Older Americans Act through the Minnesota Board on Aging - \$317,959.31; Minnesota Board on Aging EDP - \$46,541; RDC Tax Levy - \$54,992.

Regrant Funding Sources: Older Americans Act - \$710,303; U.S. Department of Agriculture Nutrition Program - \$197,770; State Nutrition Program - \$138,448; Region 4 AAA Pass Through - \$1,462,666.

Service Priorities: Regrant priorities are: nutrition, congregate and home delivered meals, legal service, transportation, chore/home repair, housekeeping, visiting and medical forms assistance. Support priorities are advocacy, education, support of county committees on aging and senior centers, inter-agency linkages, and information/referral.

Aging Highlights

Larger Planning and Service Area . . .

In our third year of the partnership in our larger planning and service area we continue to work closely with the West Central office to examine our operational procedures. This year we conducted a single request for proposal process for awarding contracts to service providers.

2010 Forums - Communities for a Lifetime . . .

In partnership with the Department of Human Services, we assisted with the coordination of 2010 Forums in three locations across our planning and service area during 2007. These forums were focused on increasing the awareness of the changing demographics across our state and to identify community partners interested in beginning to plan for these changes. As a follow up, we are assisting Red Lake County Social Services with planning for the need and growth of senior services.

Falls Prevention Initiative . . .

Working with the Minnesota Chapter of the American Physical Therapy Association, we coordinated five train-the-trainer sessions using the "Stand Up and Be Strong" model. Over 80 people received this training across five communities in our planning and service area, and are now ready to implement this program in their local communities.



Above: Seated (left to right) Carol Bye, Senior LinkAge Specialist and Danica Robson, Aging Program Director. Standing (left to right) Rose Reed, Senior LinkAge Specialist, Darla Bergquist, Region 2 Aging Program Developer and Lois Pagnac, Senior LinkAge Specialist/Volunteer Coordinator.

Making the Link . . .

Physicians and health care professionals are key to helping identify individuals who are serving in a caregiver capacity. As part of our "Making the Link" initiative, presentations were provided in nine clinic and hospital facilities, reaching over 100 physicians and health care professionals.

ElderCare Development Partnership . . .

Our work with the ElderCare Development Partnership continues during our third year of our project. The primary focus of ElderCare Development Partnerships is to increase the availability of community based options for seniors, and to improve the capacity of communities to meet the needs of seniors and elders within their population. Our efforts continue to focus around increasing the availability of Parish Nurse Programs and Health Ministries, and to increase the availability of residential options including: adult foster care, assisted living, and other less restrictive options for seniors.

Adult Foster Care Development . . .

We have provided technical assistance to 13 Adult Foster Care providers, including one on the Red Lake reservation. Our assistance included issues ranging from marketing, referral sources and developing service packages. Many providers report an increase in referrals and occupancy.

Aging continued

Parish Nurse Partnership Development • • •

This program continues to grow by leaps and bounds! We provided scholarships to nine individuals who completed the Parish Nurse Preparatory Course and will use the knowledge to develop a Parish Nurse and Health Ministry Program within their church. In addition, we provided technical assistance to 27 churches interested in developing a Parish Nurse or Health Ministry Program.



Above: Recent graduates of the Parish Nurse Preparation Course (left to right): Patti Anderson, Bethlehem Lutheran Church, Newfolden; Rebecca Lisell, Pine Grove Lutheran Church, Malung; Audrey Hanson, Evangelical Free Church, Thief River Falls; Marlene Johnson, Our Saviors Lutheran Church, Thief River Falls; Colleen Klamar, LifeCare Medical Center, Roseau; Janelle Espe, Evangelical Free Church, Thief River Falls; and Carla Szklarski, First Lutheran Church, Karlstad.

Senior LinkAge Line® Highlights

Presentations • • •

Over 20 presentations were given in this year to provide information to seniors, family members, service providers and caregivers. The focus of these presentations was on Medicare Prescription Drug Plans, Falls Prevention, and Medicare Preventative Benefits. The Senior LinkAge Line staff also worked with senior centers and other agencies around the region to facilitate the setting up of Medication Management Sessions for one-on-one consultations with a pharmacist to review prescriptions seniors were taking.

Senior LinkAge® Calls Received • • •

Senior LinkAge Line® Specialists provided assistance to over 4,500 callers on the Senior LinkAge Line® during 2007. Over 5,000 additional contacts were made on behalf of these callers to provide assistance with their issues by calling prescription plans, contacting other agencies for services and resolving issues with insurance companies. A breakout of calls by county is listed to the right.

Community Based Parish Nursing • • •

Technical assistance was provided to Community Based Parish Nurse Programs in Clearbrook and Osage. In this model of service, a Parish Nurse is shared by a number of churches, or groups within a community. The program in Osage has identified their focus as a healing mission to help support people in crisis or with day to day struggles in the Osage and Ponsford area of the White Earth Reservation.

Community Service/Service Dev. Grantees • • •

Twelve agencies received technical assistance to help with development of grant proposals to the Department of Human Services. Many of these applications were for the renovation of facilities or new construction of Assisted Living facilities and services in our planning and service area.



Above: Lois Pagnac, Senior LinkAge Specialist is pictured with a walk-in.

Specialists and SHIP volunteers provided one-on-one assistance to over 300 persons around the region. A breakout of where assistance was provided is below.

One to One Assistance

Place Assisted	# Persons Assisted
Clinic Setting	24
Home	7
Non-government setting	2
Senior Center	111
Walk-Ins	195

Senior LinkAge Line® Calls

County	# Callers Assisted
Beltrami	734
Clearwater	224
Hubbard	322
Kittson	161
Lake of the Woods	72
Mahnomen	71
Marshall	614
Norman	246
Pennington	324
Polk	955
Red Lake	103
Roseau	243
Out of Region	496

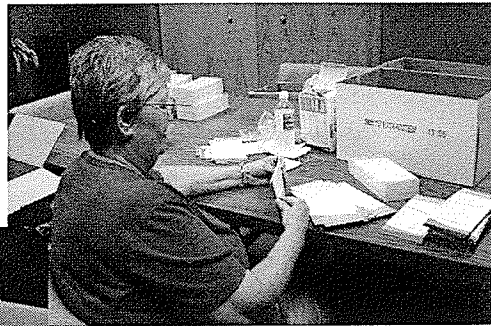
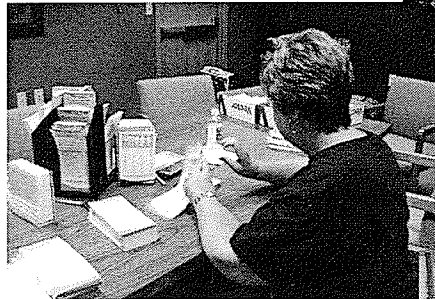
Senior LinkAge Line® continued

Volunteers • • •

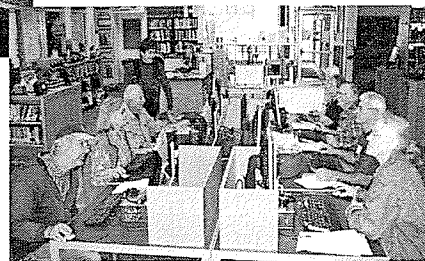
Each year our SHIP volunteers continue to play a larger role in assisting us with a wide variety of activities. In 2007, they volunteered over 236 hours providing assistance with Medicare Part D prescription drug benefit enrollment, individual counseling, computer education (Senior Surf Events) and assisting in the office on many projects. The volunteers also attended many training sessions on current issues relevant to Health Insurance Counseling provided by the Area Agency on Aging.

Two more volunteers were trained to provide the Senior Surf computer education classes and have established regular Senior Surf Events at the Park Rapids and Bemidji Public Libraries. We now have 3 fully trained "Surfers" who are available to go out and train other seniors on how to use the computer.

Our sincere thanks go out to all of our dedicated volunteers.



Above and Left: Volunteers, Marilyn Carlson and Judy Yutzenka.



Above: Park Rapids Senior Surf Event.

2007 Aging Grantees

Kittson County Senior Medical Travel - Provided 382 one-way trips to 41 persons.

Northwest Sentencing to Service Chore Program - Provided 2,084 hours of chore service to 158 persons.

Roseau County Senior Medical Travel - Provided 984 one-way trips to 86 persons.

Roseau County Sentencing to Service Chore Program - Provided 1,434 hours of chore services to 21 persons.

Tri-County Community Corrections Sentencing to Service Chore Program - Provided 4,662 hours of chore service to 157 persons.

Valley Housekeeping Program - Provided 7,571 hours of homemaker services to 142 persons.

LSS Caregiver/Respite Program - Provided 3,120 hours of Caregiver Counseling services to 311 persons and 16,066 hours of Respite services to 125 persons in Regions 1, 2 & 4.

Medication Management - Provided 326 in-depth medication management sessions to 322 persons in Regions 1, 2 & 4.

Legal Services - Provided 1,621 hours of legal services to 276 persons and provided 20 educational sessions to 733 persons in Region 1, 2 & 4.

Lakewood Home Health Aide Program - Provided 791 hours of home health aide services to 11 persons.

Red Lake Homemaker Program - Provided 666 hours of homemaker services to 10 persons.

Clearwater Senior Transportation - Provided 368 one-way trips to 90 persons.

Beltrami County Frail/Elderly Home Modification - Provided 253 hours of home modification services to 19 persons.

LSS Senior Nutrition Program - Provided 355,397 Congregate and 78,329 Home Delivered Meals to 11,160 persons.

Community Resource Connections, Inc. - Provided 3698 Information & Referral contacts to 893 persons in Beltrami & Hubbard counties.

Arts

NORTHWEST MINNESOTA ARTS COUNCIL

Purpose: To promote, develop and encourage artistic growth and excellence of arts organizations and individual artists in northwestern Minnesota by conducting programs, awarding grants, and providing services.

Program Funding Sources: MN State Arts Board - \$52,861 and Interest - \$551; McKnight Foundation - \$10,138; RDC Tax Levy - \$4,364; Miscellaneous - \$3,246.

Re-Grant Funding Sources: MN State Arts Board - \$34,980; McKnight Foundation - \$35,380.

Re-Grant Programs: *State Funds:* Arts Project; Artist in the Schools. *McKnight Funds:* Adult Fellowship; Student Artist Grants; Small Capital; Hispanic Arts Initiative.

Service Priorities: Direction setting, Northwest Minnesota Art Exhibit, information including website, newsletter, training/workshops, directory.

Right: Mara Wittman,
Arts Council Director



artistic equipment. Items purchased included art paint brushes, display cases, kilns, microphones, and percussion instruments.

McKnight Artist Grants • • •

Four adult artists and nine student artists received awards this calendar year. In the Individual Artist category \$7,600 was granted. In the Student Artist category \$4,500 was granted. Most awards were for technical training. Only 40% of the applicants in the adult category received funding.

Services and Technical Assistance

Increasing Visibility for the Arts • • •

In 2007, the Arts Council officially changed their name to Northwest Minnesota Arts Council. This change brought about new letterhead for the arts program. Staff also continually updated the 65 web pages for the arts located at www.nwrdc.org/arts.htm. Three editions of our Northwest Arts newsletter were printed and distributed to 950+ arts constituents. Staff traveled to seven school districts to talk with students and teachers about our programs and services.

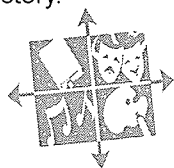
Artist of Northwest Minnesota Booklet • • •

Collaborated with Region 2 Arts Council to conduct a call for entries for a marketing booklet for our visual artists. 34 artists applied and went through the jury process. The booklet will be formatted and printed in 2008.

Sesquicentennial Art Exhibit • • •

The Arts Council applied to the Sesquicentennial Commission and they were awarded \$5,000.00 to plan and implement an art exhibit in 2008 that will involve school students creating 150 pieces of new artwork on the 150 years of statehood for Minnesota theme. All the art will be created within 5" acrylic cubes. The artwork will be displayed from May - December 2008 and beyond. Galleries hosting the exhibit for two month intervals will include Northland CTC Gallery in Thief River Falls; Fosston Library Arts Center Gallery; Roseau Library Gallery; and East Grand Forks Library Gallery.

Arts Highlights



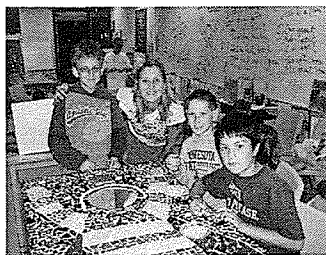
Grant Program Summaries

Arts Project Grant Program • • •

From January 1, 2007 - December 31, 2007, we re-granted \$25,190 to 5 different productions and 10 sponsorship projects throughout the region. Five of the projects were specifically aimed at children. An estimated 4,150 adults attended and over 2,400 youth participated.

Artists in the Schools Grant Program • • •

In 2007, \$7,175 was re-granted to area schools. Six projects were awarded serving 2,000 students. One outstanding project involved bringing in a mosaic artist to the elementary school in Thief River Falls. Four large mosaic pieces are permanently on display in their school as a result of this wonderful experience.



Small Capital Grants • • •

\$4,260 was granted to arts organizations to purchase various artistic equipment including a digital piano and lighting equipment. Three organizations received awards. Eight school districts received \$1,000 each to purchase

Arts continued

Artists Count Economic Impact Study •••

Partnered with Minnesota Citizens for the Arts to survey artists in terms of their economic impact in Minnesota and their overall ability to afford insurance, etc. The results showed an alarming amount of artists who are not able to afford health insurance. Very few artists in our region are able to exclusively practice their artform as their career.

Northwest Minnesota Art Exhibition •••

Coordinated 2007 exhibit in Stephen at the Stephen Arts Center from April 9 - 15, 2007. This included the jury process, registration, hanging, and artist reception. 130 pieces were on display for almost a week. \$1,700.00 of awards were given to artists based on the recommendations of juror Luther Pokrant of Winnipeg.

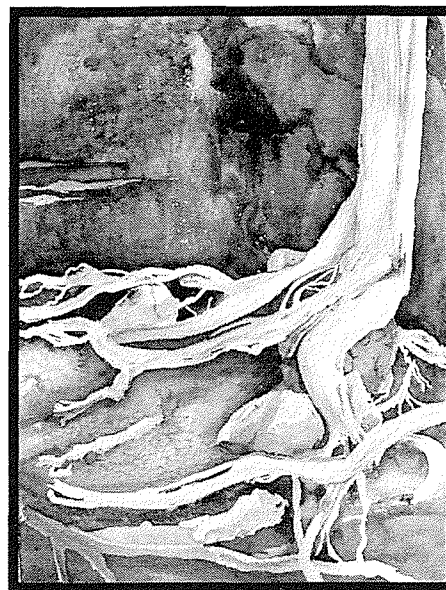
Northwest Minnesota Art Exhibition Awards:

Adult Award Winners

1st Prize: \$500.00 Ivy Bailie, Fosston: (painting)
2nd Prize: \$250.00 Rock Bakken, Hallock: (painting)
3rd Prize: \$100.00 Jerome Fuglseth, Fertile: (carving)
Merit - Drawing: \$50.00 Nick Reitzel, Karlstad
Merit - Painting: \$50.00 Viola Kvasager, Oklee
Merit - Photography: \$50.00 Pamela Altepeter, Crookston
Merit - Sculpture: \$50.00 Carol Kankel, Red Lake Falls
Merit - Ceramic: \$50.00 Robin Foster, Red Lake Falls
People's Choice: \$100.00 Rock Bakken, Hallock

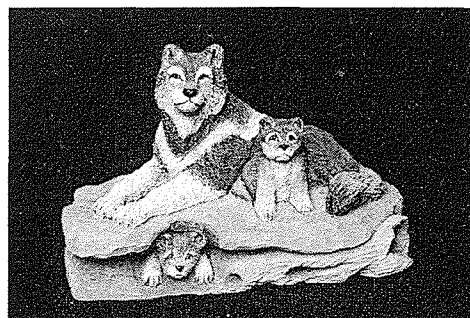
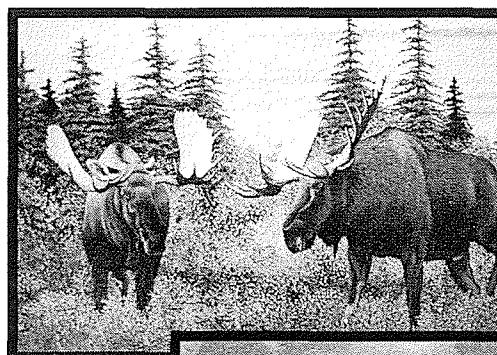
High School Student Award Winners

1st Prize: \$150.00 Brittany Greenwood, EGF: (painting)
2nd Prize: \$75.00 Alexy Johnston, Warren: (photo)
3rd Prize: \$50.00 Christian Boe, Greenbush: (mixed)
Merit - Drawing: \$25.00 Kaia Korynta, Fisher
Merit - Painting: \$25.00 Angie Franks, Thief River Falls
Merit - Sculpture: \$25.00 Daphne George, Warroad
Merit - Mixed: \$25.00 Joshua Mercil, Crookston
Merit - Digital: \$25.00 Melanie Dziengel, Kennedy
People's Choice (tie): \$50.00 Brittany Czapiewski, Oslo
People's Choice (tie): \$50.00 Brittany Ryba, Warroad



Ivy Bailie of Fosston won first place for her painting above.

Below top to bottom; Rock Bakken's second place and adult people's choice painting. Viola Kvasager's merit award painting. Jerome Fuglseth's third place woodcarving. Congratulations to all the participants in the exhibit.



Arts Grants Listing for Calendar Year 2007. . .

ARTS PROJECT GRANTS

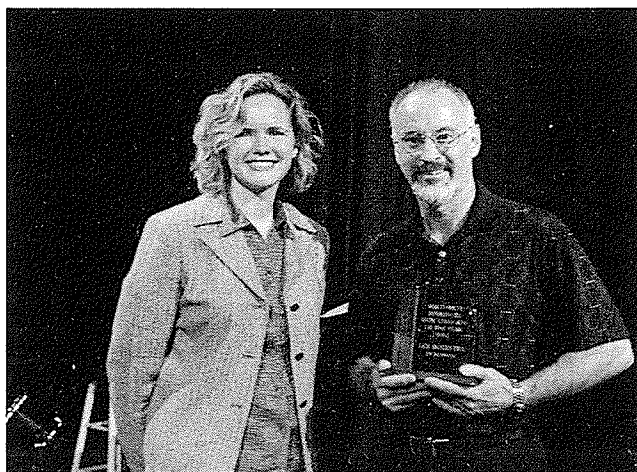
Middle River Community Theater	\$2,000.00
Roseau Friends of the Library	\$1,930.00
Artists Unlimited, Lake Bronson	\$975.00
City of Roseau	\$700.00
Polk County Fair, Fertile	\$1,000.00
Association of the French of the North, RLF	\$2,000.00
Sandhill Settlement Historical Society, Climax	\$1,020.00
Fertile Area Arts Association	\$1,000.00
Campbell Library, East Grand Forks	\$1,100.00
Oak Crest Senior Housing, Roseau	\$1,675.00
Middle River Community Theater	\$2,000.00
Summer Arts Stages, East Grand Forks	\$3,000.00
Crookston Library	\$2,270.00
Fosston Library Arts Center	\$2,600.00
Thief River Falls Community Theater	\$1,920.00

ARTIST IN THE SCHOOLS GRANTS

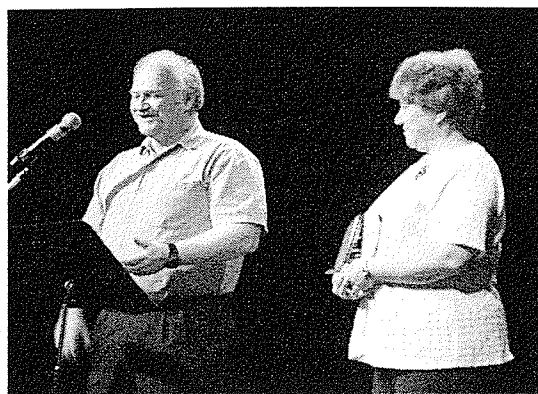
Fosston School	\$600.00
Warren Alvarado Oslo School	\$1,075.00
Thief River Falls School	\$2,000.00
Crookston School	\$1,050.00
Roseau School	\$1,350.00
Roseau School	\$1,100.00

SMALL CAPITAL GRANTS

Crookston Community Theater	\$1,520.00
Norman County West School District	\$1,000.00
Win-E-Mac School District	\$1,000.00
Warren/Alvarado/Oslo School District	\$1,000.00
Stephen/Argyle School District	\$1,000.00
Fisher School District	\$1,000.00
Greenbush-Middle River School District	\$1,000.00
Warroad School District	\$1,000.00
Fosston Library Arts Association	\$1,475.00
Thief River Falls Community Theater	\$1,265.00



Mara Wittman, Arts Council Director presents Lee Hoekstra with the Arts Advocate of the Year award for his past service in performing arts.



Robin and Lorrie Foster accept the Artists of the Year award for their outstanding skills at creating pottery; and their dedication to improving local pottery and teaching others.

HISPANIC ARTS INITIATIVE GRANTS

East Grand Forks Library	\$1,200.00
Stephen Arts Council	\$1,200.00
Warren/Alvarado/Oslo School	\$750.00
Crookston School	\$750.00

ADULT ARTIST FELLOWSHIP GRANTS

Mary Jane Doak, Crookston	\$4,000.00
LaVonne Forsberg, Thief River Falls	\$1,200.00
Jerome Fuglseth, Fertile	\$1,200.00
Mary Ann Pewlowski, Roseau	\$1,200.00

STUDENT ARTIST TRAINING MENTORSHIP GRANTS

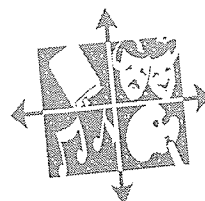
Tena Patterson, Alvarado	\$500.00
Emilie Olson, Alvarado	\$500.00
Julia Liebl, Ada	\$500.00
Alyssa Langaas, Greenbush	\$500.00
Sadie Hart, Hallock	\$500.00
Steven Douglas, Stephen	\$500.00
Travis Miller, Stephen	\$500.00
John Ahles, Winger	\$500.00
Katie Loe, Hendrum	\$500.00

2007 ARTIST OF THE YEAR AWARD

Robin and Lorrie Foster, Red Lake Falls	\$500.00
for outstanding skill and research in pottery	

2007 ARTS ADVOCATE OF THE YEAR AWARD

Lee Hoekstra, Kennedy	\$500.00
for exceptional volunteer service in performing arts	



Economic Development

Purpose: To assist business and industry in the creation and retention of jobs.

Program Funding Sources: United States Economic Development Administration (EDA) - \$52,628; RDC Tax Levy - \$54,407.

Service Priorities: Business development with an emphasis on agricultural value-added and manufacturing, labor force development and promoting Northwest Minnesota.

Economic Development Highlights

"Energy development projects continued as an emerging part of the local economy, while labor force shortages, and local investment groups became the focus of economic development efforts in different parts of the region"

Business Assistance • • •

Staff provided approximately 950 hours of technical assistance to businesses on issues such as financial packaging, business plan development, tax incentive program, marketing, and finding state and federal program resources.

Worked more intensely with new businesses in Hallock, Brooks, East Grand Forks, Warren, Crookston, Halstad, Ada, Greenbush, Grygla, Kennedy, Thief River Falls, and Red Lake Falls.

Community Related Business Assistance • • •

Staff provided approximately 925 hours of technical assistance to communities on issues related to their direct support of business expansion projects. This included assistance on issues such as: infrastructure development, grant writing, labor force development, business loan programs, and community organization.

Northstar Agri-Industries, Hallock, MN • • •

Continued providing staff assistance on tax incentives, permitting, infrastructure development and other issues related to company's start-up. Assisted with grant requests to federal EDA and to the Department of Employment and Economic Development, and assisted with JOBZ applications to DEED. Groundbreaking for the new canola oil crushing plant took place in late 2007 with construction slated to continue in 2008.

Homark Homes • • •

Continued working with the business and community on funding options and other incentives for the possible construction of a new plant facility.



Economic/Community Development Staff

Economic Development: Cam Fanfuluk (seated right), Standing (left to right) Jennifer Olson and Leon Heath.

Community Development: Troy Schroeder (seated left), Standing (left to right) Jennifer Olson, Leon Heath and Mara Wittman.

Agassiz Energy, LLC, Erskine, MN • • •

Continued assistance with funding options, incentives, and infrastructure funding. Assisted city and business with federal EDA grant information, JOBZ application, and infrastructure funding applications to DEED. Business planning still in progress including examination of market trends and the timing of opening a new plant.

North Star Water • • •

Provided assistance on expansion plans, including work with the City of Ada, the Ada EDA, and Ada Area Promoting on financing options and business plan development.

Community Summits • • •

Participated in a series of meetings between employers, schools, local communities, and economic development organizations to identify strategies for addressing housing and work force shortages in the Thief River Falls labor market area.

Isane's North 40 Market, Badger, MN • • •

Provided new business owners with technical assistance, business advice and loan funds for business operation. Loan fund participation leveraged private funds and owner equity that kept a long-standing grocery business operating within a small community.

Economic Development Continued

Melody's Café, Warren, MN • • •

Provided new owner with business advice and technical assistance, as well as loan funds towards the operation of the business. The loan participation leveraged private investment that preserves an essential community asset, retains and creates jobs, and keeps a young family living and working within the community.

TRF Welding and Repair, Thief River Falls, MN • • •

Provided technical assistance, business advice and loan funds that helped launch a needed truck repair and metal fabrication business. The business provides essential services to large local trucking firms, area businesses, and farmers.

FIRST • • •

Submitted an application for funding from the Minnesota Department of Employment and Economic Development to complete a labor force and economic development strategy identification process in the seven counties of Region One. The Community Partnership, the Northwest Private Industry Council, and Inter County Community Council are partners in the application.

Highway 59/Manitoba • • •

Participated in a series of meetings with Minnesota and Manitoba representatives government, businesses, and economic development groups to move forward with the creation of a Highway 59 based development and trucking corridor and joint promotion of tourism, recreation, and culture.

Small Business Development Center • • •

Assisted in the re-organization of the SBDC, including an expansion of the educational partners to include the University of Minnesota Crookston.

Erskine Redevelopment Project, Erskine, MN • • •

Assisting city with Redevelopment Grant Application to Department of Employment and Economic Development (DEED) for demolition and redevelopment of school complex site.

East Grand Forks Mall Redevelopment Business Assistance • • •

Assisted city and local business with the structuring of Riverwalk Center Mall to include a 12-plex theater and entertainment center in the downtown entertainment district of East Grand Forks. Project will provide an anchor tenant for mall.

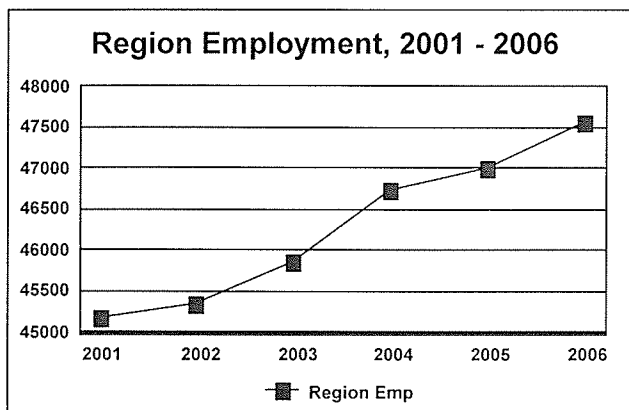
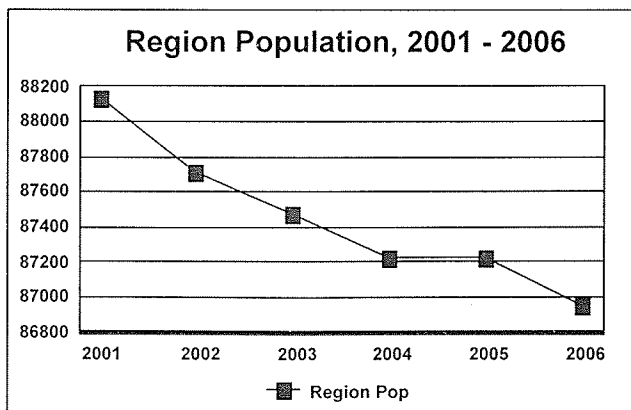


CEDS • • •

Updated the Comprehensive Economic Development Strategy including an examination of statistical trends, input from the Enterprise Fund Jobs and Careers Committee, and community input on development needs. This examination resulted in an identified need to intensify the effort to craft development approaches geared to the varying economic conditions in the region.

Labor Force Development • • •

Complete grant application to the Blandin Foundation for funding to develop local training programs for local job openings.



"Population loss has been the primary development issue in the Region for many decades. Employment gains are projected to help stabilize our population levels in the future."

Community Development

NORTHWEST REGIONAL DEVELOPMENT COMMISSION AND BOARD OF DIRECTORS

Purpose: To assist communities in maintaining and improving our quality of life including infrastructure, recreation, culture and community services.

Funding Source: Local Tax Levy - \$45,001; and interest \$25,121; Misc. - \$4,362. Some projects also involve U.S. EDA Funding.

Service Priorities: Comprehensive planning and zoning ordinances, tourism and recreation promotion, mapping and GIS services, housing development, infrastructure financing, and local issues such as web sites, flood mitigation and emergency services planning.

Local Issues Highlights

"Communities are making strong efforts everywhere to promote and enhance all the attractions and advantages of our area. This fits perfectly with efforts by businesses to attract and maintain a high quality workforce."

Technical Assistance • • •

Staff provided approximately 1,050 hours of technical assistance to local communities, including the projects listed below.

MN Historic Northwest • • •

Our staff assisted this group in several of their projects including the writing and submission of a sesquicentennial legacy grant application. The application was funded for \$5,000.00 and will involve the creation of a postcard book of photographs from the past 150 years in Northwest Minnesota and a traveling exhibit. Another focus this year was the development and printing of a new brochure for the group. The consortium is made up of members of eleven counties with assistance by the NWRDC, Explore Minnesota Tourism, and Pembina RC&D.

City Web Site Creation • • •

Our staff formed a collaboration with the People Connection in Fosston to assist five cities in creating new or improving web sites and training them in web site updating and new page creation. Twenty five+ page sites were created by our staff for the cities of Erskine, McIntosh, Fertile, and Winger. A basic site was also created for the city of Mentor if they choose to publish it. Each city is at different levels of training and publishing their sites. Staff also assisted the city of Warren in creating a new version of their website.

Web Site Promotion of NW Minnesota • • •

Sections of the Visit Northwest Minnesota website VisitNWMMinnesota.com were continually updated in 2007. These included the county pages, the tourism directory, and the Arts/Historical Sites listings.



Tourism Directory • • •

Updated the 2007 version of the Northwest Minnesota Visitor and Recreation Guide. Published the guide to our visitnwmminnesota.com web site. Printed 800 copies of the 48 page guide for distribution. More effort was made by staff to collect e-mail and web site addresses and to feature our area's National wildlife recreation.

Land of the Dancing Sky • • •

Worked with the Enterprise Fund Promotions Committee to update the Northwest Minnesota Tourism and Recreation Guide and the Land of the Dancing Sky Web site (www.visitnwmminnesota.com) Started the process of reorganizing tourism promotion effort to stress the local tourism groups and consider region wide promotions.

Tourism Group Support • • •

Assisted Riverland, Waters of the Dancing Sky, Highway 75, Norman County, Marshall County Historical Society, and Agassiz Trails in promotional efforts and/or the development of new attractions.

Outdoors Under the Dancing Sky • • •

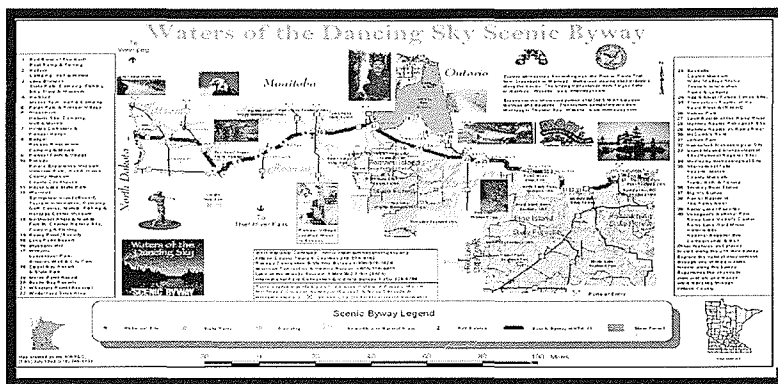
Completed an application in partnership with US Fish and Wildlife for funding to develop programs to provide area youth more opportunities to engage in school and family outdoor activities.

Art and Culture • • •

Initiated an extra effort to market the Arts Program and assist arts and culture related businesses to find new market opportunities such as our on-line web directory or local retail outlets.

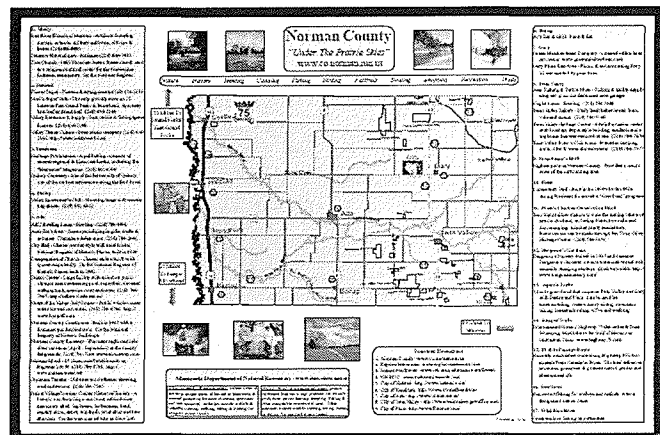


Community Development Continued

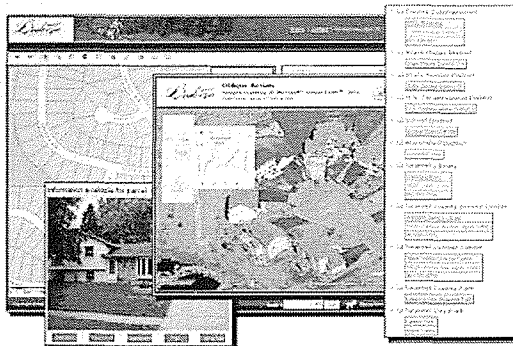


Left: The Waters of the Dancing Sky Scenic Byway is conducting a promotional campaign to tour the byway and golf at the eight courses along the byway. The MN Department of Tourism is assisting the byway with a promotional package. Prizes will be awarded at the end of the season for the entries received.

Right: Norman County created a new tourism brochure, updated the County Web site with additional visitors information, and established program for distribution. Community representatives put together the materials, NWRDC staff formatted the brochure/map, and the County provided funding for the printing.



Introduction to GeoMoose (free GIS mapping) • • •



Integrating existing information services. A tool requests the user to click in the map and then pops up another browser window to another website providing the location information to access property information, bird's eye imagery, or features in the neighborhood.

GeoMoose was written in JavaScript so it runs directly in a web browser and has no special web server requirements. It also uses standards like cascading style sheets (CSS) and extended markup language (XML) so it can be easily configured and customized. MapServer can run in multiple operating systems and supports all common vector and raster data formats. It also provides commonly expected cartographic capabilities like sophisticated annotation and symbolization. Contact Troy at the RDC for more information about GeoMoose.

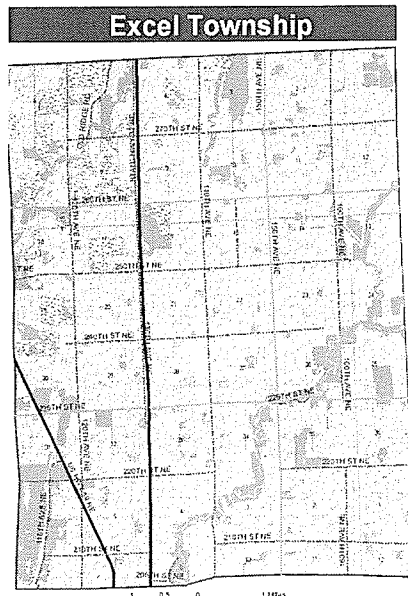
The RDC attended a GeoMoose course on free GIS mapping. GeoMoose is a making open-source web mapping software available to everyone at no cost. Any city, county, or other governmental unit can create interactive mapping applications for their website, or simply put basic GIS capabilities on the desktop of anyone in their organization.

Applications can be created without any programming by simply changing options in three configuration files. They can be configured to link directly to other websites based on identified features, locations, or graphics drawn in the map display. Tools can be defined to capture the coordinates of the cursor in the map and send them to a URL. This allows external services to be integrated with GeoMoose, like accessing data associated with a feature on the map or displaying bird's eye imagery from Microsoft's Virtual Earth. In this way, existing web-based applications and databases can be accessed directly without the need to copy data or duplicate their capabilities in a mapping application.

Additional Community & Economic Development Projects

Excel Township Planning and Zoning . . .

Completed a comprehensive plan and designed a new zoning ordinance to avoid conflicts between residential and agricultural related development.



Winger Planning . . .

Assisted a community improvements group in creating a set of strategies and implementation steps to upgrade community appearance and encourage new business growth.

Rocksbury Township Planning and Zoning . . .

Started the process of upgrading the Township plan and zoning ordinances to address new housing growth related to business development in Thief River Falls.

Badger . . .

Assisted the Economic Development Authority in reorganizing and setting new priorities.

Newfolden Planning and Zoning . . .

Established a process for the development of a city plan and related zoning ordinances to improve the communities attractiveness to new residents or businesses.

St. Vincent Dike . . .

Continued providing staff support for the implementation of a grant to complete repairs to the existing dike and study the possibility of dike upgrades to remove the city from the flood plain.

Roseau County Flood Recovery . . .

Provided staff support to the Roseau County Flood Mitigation Task Force. The Task Force continued work of the Roseau River Diversion project in Roseau and additional water impoundment projects in the Roseau River Watershed District.

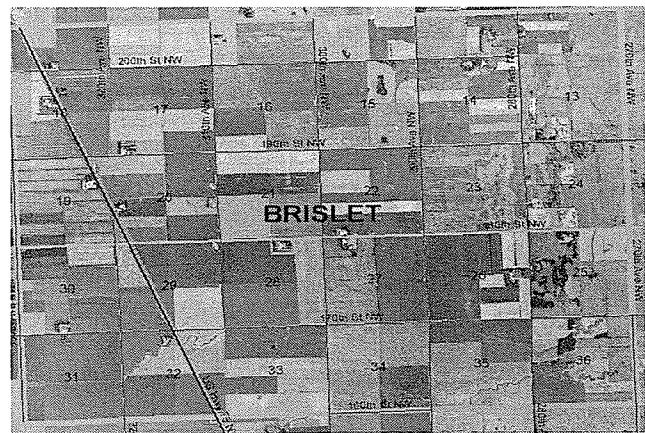
Roseau County Ford . . .



Above: Cam Fanfulik, NWRDC, Paul Blomquist, owner of Roseau County Ford, Inc. and Dave West, NMF. NWRDC and NMF teamed to provide gap financing for the re-establishment of a Ford dealership in the City of Roseau.

Mapping and GIS . . .

Provided mapping assistance to the Lake Bronson Trail Study, Sandhills Recreational Area, Florian Park, Grygla School District, Goose Festival, Snowmobile Clubs, and Agassiz Trail Grant.



The RDC GIS department continues to map township roads for recording purposes or planning objectives at the township level. Above is the map for Brislet Township in Polk County. Contact Troy if you've got a mapping request.

Enterprise Loan Fund

Purpose: To strengthen and diversify the economy by providing a source of low interest financing to businesses, when credit is not otherwise available from other sources, to ensure the successful completion of activities to be financed.

Program Funding Sources: Loan Interest and Loan Fees - \$75,160.

Loan Funding Sources: Loan Repayments and Loan Interest - \$421,231.

Service Priorities: Financing for-profit businesses which create or retain jobs, especially for the long term underemployed or unemployed.

Loan Fund activities have played an integral role in financing several business start-ups and expansions over the past twelve months. As the region and businesses continue to recover from past floods and agricultural disasters, there has been an increase of loans, loan requests, and technical assistance provided to clients throughout the area.

2007 Loan Activity

Loans made by the Enterprise Fund Loan Committee included funding for new start-ups and business expansions in a wide variety of sectors:

- Restaurant
- Welding/Repair
- Hardware
- Manufactured Housing
- Marine Sales and Service
- Movie Theater/Entertainment
- Grocery

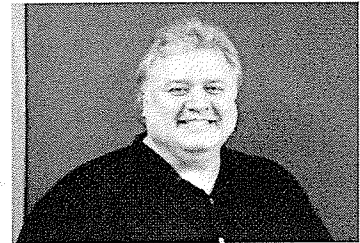
Loans totaling \$417,000 were made to:

Roseau County Ford, Inc. - Roseau
 Caribou Grill, Inc. - Hallock
 TRF Welding, Inc. - Thief River Falls
 Valley Hardware and Supply - Halstad
 Homark, Inc. - Red Lake Falls
 Harlan's Boats-R-Us - Mentor

Loans approved, but not yet funded:

Melody's Cafe - Warren
 River Cinema, Inc. - East Grand Forks
 Isane's North 40 Market - Badger

Right: Cam Fanfulik,
 Loan Fund Manager/
 Economic Dev.



Loan activity assisted in creating 17 full-time equivalent jobs, more than 30 part-time equivalents, and retaining 8 FTE jobs in essential community businesses and services.

- **More than 70 businesses and individuals received personal technical assistance.**

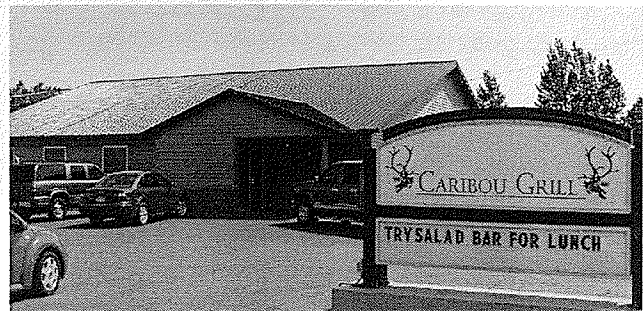
Historical Loan Activity (period ending 9/30/07)

The following is a brief summary of total Loan Fund activity:

Total Loans Made	151
Active Loans	50
Total Amount of Loans	\$9,718,324
Other Financing Leveraged	\$47,759,585
Jobs Created/Retained	1,422

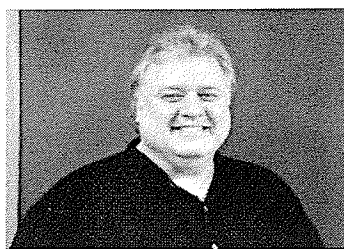
Historical Loan Activity by County (period ending 9/30/07)

<u>County</u>	<u># of Loans</u>	<u>Amount</u>
Kittson	18	\$1,024,621.00
Marshall	33	\$2,021,204.00
Norman	13	\$545,933.00
Pennington	8	\$609,850.00
Polk	44	\$3,138,725.00
Red Lake	9	\$533,115.00
Roseau	24	\$1,844,876.00





Job Opportunity Building Zone (JOBZ) Administration



Above: Cam Fanfulik, Loan Fund Manager/Economic Dev.

Job Opportunity Building Zones (JOBZ) is a state initiative designed to stimulate business activity in rural, economically distressed areas of Minnesota. Eligible JOBZone businesses operate in an environment nearly free of local and state taxes for a maximum duration of twelve years, until December 31, 2015. The tax incentives will help new and expanding companies lower their overall costs, facilitate their growth, and create new jobs.

The NWRDC administers a seven county multi-jurisdictional JOBZone that includes 24 participating communities and 9 townships. JOBZ business expansions in 2005 resulted in over 50 new jobs and more than \$16 million in capital investment. 2006 has seen further expansion and capital investment from existing JOBZ businesses, and four new deals are pending. Since the inception of the program in 2004, results have totaled more than \$24,000,000 of capital investment, over 270,000 sq. ft. of new building expansion, and more than 167 new jobs created.

2004 JOBZone Qualified Businesses:

- 1) 1st Mechanical, LLC. - Crookston
- 2) Hanson Mfg., Inc. - Lancaster
- 3) PoDCo, LLC. - Lancaster
- 4) QC Techniques, Inc. - Roseau
- 5) Central Boiler, Inc. - Greenbush (Deer Township)
- 6) Prac's Institute, Ltd. - East Grand Forks

2006 JOBZone Qualified Businesses:

- 1) Homark Co., Inc. - Red Lake Falls
- 2) NW Manufacturing, Inc. - Red Lake Falls
- 3) Northern Valley Machine, Inc. - EGF

2005 JOBZone Qualified Businesses:

- 1) Polaris Industries, Inc. - Roseau
- 2) BMI Mfg., Inc. - Oslo
- 3) Specialty Products & Tech., Inc. - Fosston
- 4) B.I.L. Mfg., Inc. - Argyle
- 5) Northland Machine, Inc. - McIntosh
- 6) FCS Ag Country - Ada
- 7) Borderline Tire Industries, Inc. - Oslo

2007 JOBZ Projects:

No JOBZ projects were finalized during 2007 as businesses adapted a "wait and see" attitude until legal and legislative challenges to the JOBZ program were addressed. With the program since re-affirmed by both the Legislature and the Courts, recent requests for information about JOBZ eligibility have come from businesses in four different counties.

Grygla JOBZ

Assisted community with zone modification for potential expansion of a local manufacturing business. JOBZone acreage sites are specifically designated in order for a business to qualify for JOBZ tax benefits.

Land of the Dancing Sky JOBZ Communities

Ada, Angus Township, Argyle, Badger, Badger Township, Barnett Township, Crookston, Deer Township, East Grand Forks, Emardville Township, Erskine, Fertile, Fosston, Greenbush, Hallock, Hendrum, Higdem Township, Karlstad, Kennedy, Lake Bronson, Lancaster, Mayfield Township, McIntosh, Middle River Township, Oslo, Red Lake Falls, Roseau, Soler Township, Stephen, Strand Township, Thief River Falls, Twin Valley, and Warren.

Hazard Mitigation

Purpose: To get people, property, jobs, natural resources, and crops out of harm's way.

Program Funding Sources: MN Dept. of Public Safety - \$13,688; NWRDC Tax Levy - \$386.

Service Priorities: Compose and adopt hazard mitigation plans for ten counties in Minnesota.



Above: Jennifer Olson, Hazard Mitigation/Community Dev.

Hazard Mitigation Highlights

The Northwest Regional Development Commission is composing hazard mitigation plans for ten counties in Minnesota: Becker, Clay, Kittson, Marshall, Norman, Otter Tail, Pennington, Polk, Red Lake and Roseau. When completed, plans will have multiple functions including maintaining eligibility for funding, increased preparedness, continual mitigation strategies and lessened risk.

Mitigation plans are in varied stages of development, ranging from completed to awaiting adoption. Three are still waiting for the official documentation of approval to begin the adoption process: Kittson, Becker and Otter Tail Counties.

It was a quiet year for serious hazards for Northwest Minnesota, but there were a few in the surrounding area. This cements the importance of both forecasting and mitigation as methods to help avoid or lessen the chances of death and massive damage.

-On August 26, 2007, a tornado with a top wind speed near 170 mph and a 0.8 mile width struck the city of Northwood, ND. One fatality occurred, as well as many damaged properties. Tornadoes from this band of storms also affected portions of Marshall and Polk Counties. This was the latest an EF-4 ranked tornado has ever struck in North Dakota.

-An Enbridge pipeline carrying crude oil from Canada into the United States failed during a repair, causing a massive fire and minimal environmental damage. According to the sheriff, the blaze covered an area 100 feet wide, half a city block long and could be seen from miles away. Two pipeline workers died. Local Clearbrook response personnel trained with Enbridge employees a month before the incident on how to handle this type of emergency.



Right: Aftermath of the Northwood Tornado

Special Projects

COMMUNITY PARTNERSHIP

Funding Sources: Local Communities - \$4,467; NW MN Foundation - \$7,053.

Staff: Leon Heath, Jennifer Olson and Mike Moore, TRF Community Development Director

Provided staff support for the creation of a nine community partnership to address housing and labor force issues related to employment growth in the Thief River Falls area. Communities include Grygla, Middle River, Newfolden, Oklee, Plummer, Red Lake Falls, St. Hilaire, Thief River Falls, and Warren. The group completed a formal partnership agreement, established membership dues, and secured funding from the Northwest Minnesota Foundation. Staff and members also completed a number of housing development projects, community planning sessions, and initial work on a housing web site at www.housingnwminnesota.org to assist the Community Partnership efforts to support local employers locate housing for new employees.

KITTSON COUNTY PANDEMIC PLAN

Funding Sources: Kittson County - \$5,840; Local Levy - \$156.

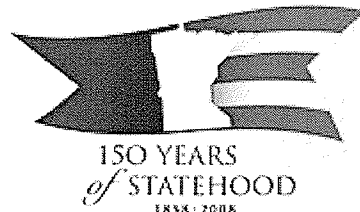
Staff: Jennifer Olson

The Northwest Regional Development Commission contracted with Kittson County Emergency Management to update the Kittson County Emergency Operation Plan with information relating to Pandemic Influenza and continuity of government.

SESQUICENTENNIAL PLAN FOR OUR FUTURE

Funding Sources: State of Minnesota - \$2,800; Local Levy - \$132.

Staff: Mara Wittman



Our staff conducted seven county conversations on the Plan for Our Future survey created by the Sesquicentennial Commission. These conversations were attended by just a few people in each county location. The people attending enjoyed the lively discussion around Minnesota's potential for growth, change, and renewal. The popular topics included rising health care and education costs, environmental concerns, continued safety concerns, road and bridge repair, and preserving our quality of life and place in the region. The survey is available at the www.mn150years.com web site. The results will provide a blueprint for the state and our region for the future. What do we want the future to be like for the next generations? What are the "got-to-deal" with issues? Your voice is important.

ADA ADVANCES

Funding Sources: Northwest Minnesota Foundation and Ada Area Promotions - \$5,840

Staff: Leon Heath and Neil Doty & Associates, Fargo

Provided staff support for a project of Ada Area Promotions, the Ada Economic Development Authority, and the City of Ada to establish a new joint economic development process and identify a vision for the future of the Community.

The project identified roles and responsibilities for each organization, completed a draft vision statement for the Community, and formed an Investors Group to help provide equity capital for new or expanding businesses.

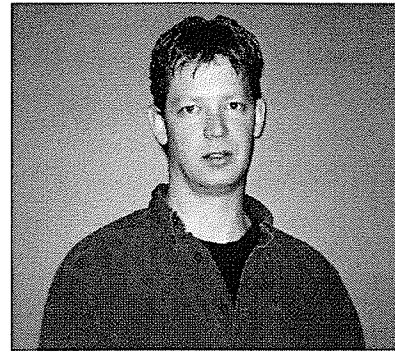


Transportation

Purpose: To insure safe efficient movement of people and commodities in the region. Provide an ongoing forum for important transportation issues in the region. Assist Mn/DOT and provide input with it's planning efforts and programs.

Funding Sources: MN Department of Transportation \$52,297; RDC Tax Levy - \$12,526.

Service Priorities: Direction setting, comprehensive regional planning, legislative advocacy, MN/DOT project coordination.



Above: Troy Schroeder, Transportation Planner

Transportation Highlights

History of the Grygla-Gully 10-Ton Corridor

Total project cost was estimated at \$11.2 million. The Mn/DOT District 2 ATP could not afford to fund the project without federal assistance. Members of the Northwest Regional Development Commissions (NWRDC) Transportation Advisory Committee (TAC) attended the Transportation Alliance Washington D.C. Fly-In to discuss the project with Congressman Peterson.

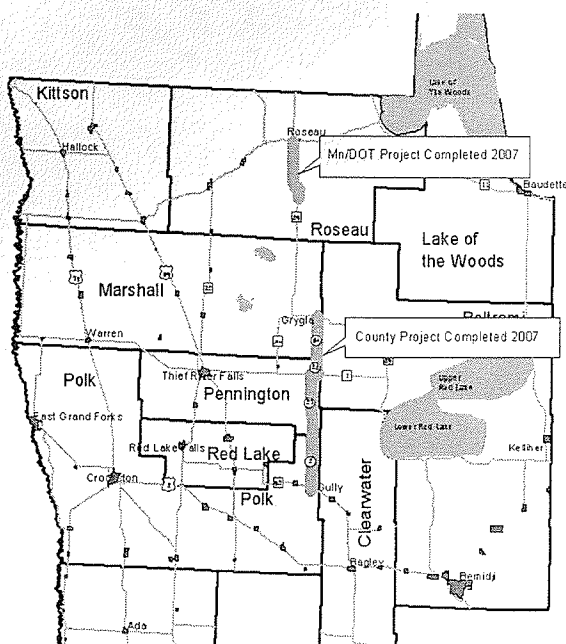
Congressman Peterson was able to secure \$6.4 million in high priority project funds through the new federal transportation bill that passed congress in August of 2005. The ATP contributed to the project and the counties matched the funding with at least 20% of the project cost.

The corridor was constructed to provide a 10-ton shipping route from MNTH 11 in Roseau to USTH 2 in Bagley saving millions of dollars to industries in Northwestern Minnesota annually. The corridor connects county roads previously built to 7 and 9-ton standards to the MNTH system that allows 10-ton per axel weight limits.

The Grygla to Gully corridor starts in Gully on Polk County 2 and traverses north to Pennington County 27. The corridor takes a short turn on MNTH 1 using a slow right turn lane to reduce starting and stopping, then travels north on Pennington County 28 which turns into Marshall County 54 at the county line. Marshall County 54 meets MNTH 89 in Grygla, MNTH 89 travels north to MNTH 11 in Roseau.

The corridor is constructed for efficient movement of tractor-trailer rigs with a reduction of stop signs by constructing slow right turn lanes, thus reducing the operating costs of the vehicles and providing faster delivery of products.

Grygla-Gully 10-Ton Corridor



The Grygla-Gully corridor received the excellence in Region 1 Transportation Award in 2007, pictured above are Don Jensen, Pennington Co. Commissioner; Lon Aune, Marshall Co. Engineer; Warren Strandell, Polk Co. Commissioner and Jim Bittmann, Mn/Dot Planning Engineer. Not Pictured: Brian Ketring, Roseau Co. Engineer.

Transportation Continued

Economic Impact of the Red River Bridges . . .

The Transportation Advisory Bridge Committee is very active since the I-35 bridge collapse in Minneapolis. RDC Transportation staff joined Mn/DOT's bridge inspection crew on the Drayton Bridge inspection where a crack in a beam was discovered resulting in the closure of the bridge for 4-days. A new beam was inserted to carry the load on the bridge if the cracked beam failed. Mn/DOT's quick response to this repair saved area residents in travel time and gas expenses, the sugar beet industry was also relieved that the bridge opened before the start of the beet campaign. Weight restrictions are now in place on the Drayton Bridge-which is scheduled for replacement in 2009-2010.

Red River Bridge construction needs continue to build throughout the region. The Pembina Bridge on MNTH 171 was found to be deficient due to movement in the substructure unit. Repairs will be made in the 2008 construction season. Painting and redecking the Kennedy Bridge is required. The Sorlie and Oslo bridges need to be painted. Norman County closed the Shelly bridge because of the failing slope. Construction of a new bridge at Shelly is scheduled for 2008. The Perley Bridge is being reconstructed in 2007-2008 at an estimated cost of \$4 million.



Above: The Drayton Bridge closed in late Sept. after Mn/DOT bridge inspection crews found a cracked beam. Repairs were made and the bridge re-opened four days later.

The Thompson Bridge needs replacement, a failing slope similar to the demise of the Norman County bridges is the cause for this failure. A repair attempt lasted until the riverbank slumped towards the river, about 1-year.

The local communities depend on these bridges for emergency services and the delivery of product across the river. The economic stability of these businesses is contingent on the operation of the local Red River Bridges.

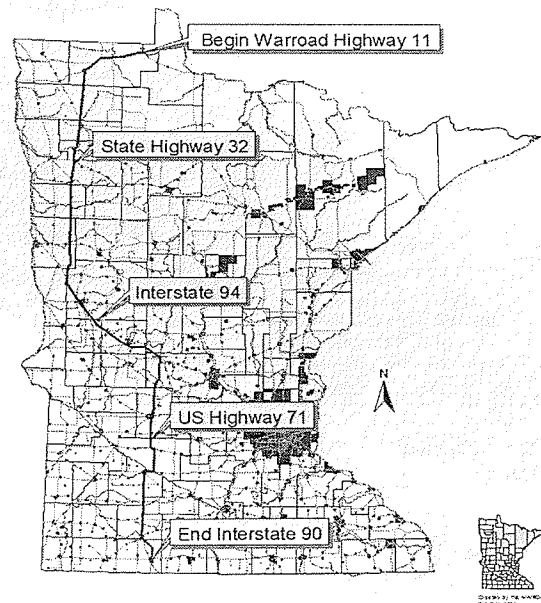
NWRDC Transportation Advisory Committee Selects Western Truck Route to I-94

The Transportation Advisory Committee has appointed members to serve on the Western MN Trucking Coalition to study and select the designation of a heavy commercial shipping corridor through Northwestern Minnesota. (The map to the right illustrates the selected route to interstate 94) The trucking coalition met with Mn/DOT District 4 planners, members of the West Central Initiative Transportation Advisory Committee, and engineers from Wilkin and Clay Counties to select the route through RDC Region 4. The proposed route connects to the inter-modal rail hub in Dilworth and to Interstate 94. Future plans include a connection to Interstate 90 in Southern Minnesota. The goals of the trucking corridor are to provide the safest and most efficient route to destination centers. Goals include construction of bypasses, eight foot paved shoulders, slow right turns and passing lanes with an increase in the speed limit to 60 MPH.

The Western MN Trucking Coalition has partnered with Eastman Regional Development Inc. from Manitoba to discuss the operation of the Lancaster/Tolstoi Port of Entries. Industry representatives would like to have the ports open to commercial business for 24 hour periods with a brokerage on site. Manitoba officials are seeking to improve the highway conditions on their highway 59

from the border to Winnipeg. These improvements will increase economic development for both Northwestern Minnesota and Southeastern Manitoba.

Proposed Western
Minnesota Truck Route



Plans, Studies and Publications

Prepared by NWRDC

Plans

2007 Area Plan on Aging - The Area Plan on Aging examines senior input and demographic data to establish priorities for the use of Title III Older Americans Act funds. Includes information on the unique characteristics of our region, demographics, accomplishments, program outcomes and budget information.

CY 2008 Work Program - Details the goals and objectives of the Commission in each of the programs and planning areas.

2008 Comprehensive Economic Development Strategy (CEDs) - This document examines economic, social, and physical information about the seven counties in Northwest Minnesota and makes recommendations on activities to enhance and improve the economy. The recommendations concentrate on job creation, promotion, agriculture, and housing which can help address population loss.

FY 2008 Regional Arts Plans - Goals, strategies and work activities for State Arts Funds and McKnight Arts Funds are included in these plans.

Revolving Loan Fund Plan - Describes the program elements and guidelines for the loan fund.

Hazard Mitigation Plans - Portrayal of information about hazards and actions being taken to decrease or eliminate existing risks. Comprehensive plans are being composed for the following counties: Becker, Clay, Kittson, Marshall, Norman, Otter Tail, Pennington, Polk, Red Lake and Roseau.

Greenbush Comprehensive Plan & Zoning Ordinance - The City of Greenbush has finalized their new comprehensive plan and zoning ordinance. The plan and ordinance are orientated towards encouraging new housing development.

Excel Township Comprehensive Plan & Zoning Ordinance - The Township has completed a draft of a new comprehensive plan and zoning ordinance which will help address issues related to feedlots and intermixing farm and residential development.

Kittson County Pandemic Plan - Aided in the update of the Kittson County Emergency Operations plan with information related to a pandemic outbreak.

Studies

Red River Bridge Study - The Transportation Advisory Committee has formed a subcommittee to study the economic impacts and importance the Red River bridge crossings have on the region. Results of the study will be presented to Mn/DOT for future planning.

Transit Study - The NWRDC completed a localized transit plan focusing on elderly, disabled, and low income residents of Northwestern Minnesota. A steering committee was organized to provide input into the planning document. The committee will continue meeting to address the organization and coordination efforts within the individual service areas.

Publications

Directory of Artists and Arts Organizations - The directory contains listings of regional artists, arts organizations, school district offices and public libraries. Published online at www.nwrdc.org/arts.htm.

Directory of Government Units of Service Agencies - The directory contains listings of service agencies and governmental offices from the township level through the legislative level.

CY 2007 Annual Report - Information on the funding and work activities of the Commission over the past year. Published and distributed to local officials and legislators.

Northwest Arts - Newsletter developed for the artists, arts organizations and schools in northwest Minnesota.

Senior News - Newsletter developed for the Senior Citizens and service providers of Region One, Two and Four.

www.nwrdc.org - Published updates of program information changes to our agency website.

www.visitnwminnesota.com - Web site devoted to the services, resources and recreational opportunities of our seven counties. Includes an on-line version of the Northwest Minnesota Visitor & Recreation Guide. Shopping, Land of the Dancing Sky Info. and JOB'Z Info.

Northwest Minnesota Visitor and Recreation Guide - A comprehensive listing of attractions and facilities which offer opportunities and services to local and outside visitors to area communities.

www.housingnwminnesota.org - Housing related information that is documented for the following communities: Grygla, Middle River, Newfolden, Oklee, Plummer, Red Lake Falls, St. Hilaire, Thief River Falls and Warren.

Committee Membership List

Region 1 Aging Advisory Committee

Terence Blacklance	Thief River Falls
Bob Carlson	Thief River Falls
Allen Ducharme	Red Lake Falls
* Matthew Edman	Alvarado
Jamie Hennen	Ada
Gerald Jacobson	Fertile
Charles Lindberg	Kennedy
Keith Mykleseth	Crookston
Warren Olson	Halstad
Julie Pahlen	Roseau
Orris Rasmussen	Roseau
LeRoy Vonasek	Warren
Ronald Weiss	Red Lake Falls
Betty Younggren	Hallock

Region 2 Aging Advisory Committee

Karen Ahmann	Mahnomen
Ann Daley	Bemidji
* Dick Devine	Park Rapids
Raymer Hoyum	Kelliher
W. Patrick Johnson	Clearbrook
Kathy Judkins	Bemidji
Ken Moorman	Baudette
Lucille Muller	Laporte
John Nelson	Clearbrook
Gerald Protector	Park Rapids
Jean Radtke	Mahnomen
Joe Vene	Bemidji
Nancy Wendler	Baudette

Regional Arts Council

Jane Anderson	Thief River Falls
Paulette Christianson	Badger
Betty Halvorson	Plummer
Alice Hofstad	Plummer
* Kimberley Johnson	Kennedy
Gen Knott	Red Lake Falls
Honey Olson	Ada
Betty Pikop	Stephen
Cindy Tsukichi	Thief River Falls

Transportation Advisory Committee

Milton Alm	Norman County
John Anderson	Kittson County
Lon Aune	Marshall County
Kelly Bengtson	Kittson County
Sharon Bring	Marshall County
Mike Flaagan	Pennington County
Marvin Gunderson	Norman County
* Donald Jensen	Pennington County
Alan Johnston	Roseau County
Brian Ketring	Roseau County
Courtney Kleven	Red Lake County
Rich Sanders	Polk County
Warren Strandell	Polk County
Ronald Weiss	Red Lake County

Bridge Subcommittee

Milton Alm	Norman County
Kelly Bengtson	Kittson County
Sharon Bring	Marshall County
Curtis Carlson	Marshall County
Warren Strandell	Polk County

Enterprise Fund

Loan Fund Committee

* Randall Aarestad	Halstad
Reed Engelstad	Red Lake Falls
James Herdliska	Erskine
Shannon Mortenson	Kennedy
Todd Peterson	Roseau
Gary Rice	Hallock
Doug Safar	Warren
James Snyder	Thief River Falls
Carol Turnow	Roseau

Job & Career Committee

* Eugene Dufault	Crookston
Al Leiran	Ada
Duane Lyberg	Hallock
Bill Montague	Crookston
Mike Moore	Thief River Falls
Velma Oakland	Red Lake Falls
Jim Richter	East Grand Forks

Promotions Committee

Delores Adkins	Ada
Pam Heeten	Roseau
Keith Mykleseth	Crookston
Ann Piersol	Red Lake Falls
Jim Thomasson	Mentor
Ethel Thorlacious	Stephen
Liz Valdez	Crookston

*Chair

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Telephone (218) 281-3789
FAX (218) 281-5245

INDEPENDENT AUDITORS' REPORT

Board of Directors
Northwest Regional Development Commission
Warren, Minnesota 56762

We have audited the accompanying financial statements of the governmental activities and general fund of the Northwest Regional Development Commission as of and for the year ended December 31, 2006, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Northwest Regional Development Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Northwest Regional Development Commission as of December 31, 2006 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued reports dated April 14, 2007 on our consideration of Northwest Regional Development Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not provide an opinion on the internal control over financial reporting or on compliance. These reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 5 through 10 and page 24, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northwest Regional Development Commission's basic financial statements. The other supplementary information presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Northwest Regional Development Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

April 14, 2007
Crookston, Minnesota

DREES, RISKEY & VALLAGER, LTD.

Drees, Risky & Vallager, Ltd.
Certified Public Accountants

Members of Minnesota and North Dakota Society of CPA's
Members of American Institute of Certified Public Accountants

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