

September 1, 2017

SRDC 2017 Annual Report

Southwest Regional Development Commission

SRDC Conducts New Member/Newly Elected Official Orientation



SRDC Executive Director Jay Trusty and Physical Development Director Annette Fiedler address the attendees at the Orientation

On February 4, 2017, the Southwest Regional Development Commission held a new member/newly elected official orientation at the Pizza Ranch in Slayton.

The SRDC conducts an orientation after every general election to familiarize elected officials from the region with the staff and programs of the SRDC.

While many of the attendees are first time elected officials, many Commission Members also attend, to meet the newly elected, and to solidify their knowledge of the SRDC. Given the broad range of issues that the SRDC is involved in, many Commissioners feel that attending the orientation a second time

after being on the Commission for a couple of years is very valuable as all the pieces of the various programs and projects fall into place.

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Special points of interest:

- **Sioux Falls Mayor Mike Huether addresses the SRDC Annual Meeting**
- **Worthington Mayor Mike Kuhle elected as new SRDC Chair**
- **SRDC Physical Development Director Annette Fiedler recognized for 30 years of service**

2016 Human Services-Public Transportation Coordination Plan Finalized

In 2016, the SRDC developed a Public Transit and Human Services Transportation Coordination Plan, in conjunction with the Minnesota Department of Transportation, local providers and stakeholders. The purpose of human services public transit coordination is to improve transportation services for persons with disabilities, older adults, and individuals with low incomes, by ensuring that communities maximize use of transportation resources funded through public and private sources.

This planning process fulfills federal requirements by engaging transportation providers, social services agencies, and members of the public in identifying strategies for regional transportation coordination. Beyond fulfilling federal requirements, this planning process encouraged representatives of diverse backgrounds to join together in articulating specific projects that could advance coordination strategies in the Region. Through public outreach activities, stakeholders brainstormed project ideas and

refined these ideas in a collaborative setting. The final project list reflects input of a broad range of regional stakeholders and provides a 5-year blueprint for future coordination efforts in the Region.

Providing transit, especially in less populated, rural areas, is not always cost-effective. Furthermore, as state and federal dollars become more difficult to access, it will continue to become increasingly more challenging to provide services in Greater Minnesota. Since the last Plan in 2011, providers have made successful and difficult changes to expand and coordinate services. Additional coordination and changes will need to be made to achieve the 2020 State goals.

Finally, some of the current policies and regulations have made transit coordination difficult. Finding ways to work around insurance challenges, crossing county boundaries, and hefty driver and volunteer requirements (insurance certification, drug and alcohol



testing, training, etc...) have placed an undue burden on transit coordination. A copy of the 2016 Plan can be found on the SRDC website under the transportation tab.

“...some of the current policies and regulations have made transit coordination difficult.”

Safe Routes to School

This year the SRDC worked with six school districts encompassing 19 buildings in the region to complete the Safe Routes to School planning process through a grant provided by MnDOT. Planning committees were convened at Lincoln Elementary (Ivanhoe), Marshall, Redwood Falls, Pipestone, Murray County Central (Slayton), and Hills-Beaver Creek. Basing their decisions on local data, the teams discussed ways to increase walking and biking to

school and how to increase safety for students who choose to do so. In order to ensure a holistic approach, the teams' efforts revolved around the “6 Es” of Safe Routes to School Planning: Education, Encouragement, Enforcement, Engineering, Evaluation, and Equity.



SRDC Completes Active Living Plans

In partnership with the A Healthier Southwest SHIP (Statewide Health Improvement Partnership), the SRDC completed Active Living Plans for the cities of Minneota and Tracy. Active Living Plans are written with the goal of identifying ways to make walking, biking, and other active lifestyle choices an integral part of daily life. Because every community is different, the plans incorporate unique goals such as viewing active living through an economic development lens in Minneota while the City of Tracy's approach incorporated more

infrastructure development. Our work continued after the planning process with these cities to assist with the implementation of the plans. The SRDC also worked with the City of Mountain Lake and Community Wellness

Partners SHIP to update their plan and continue working toward implementation.



Property Assessed Clean Energy (PACE)

PACE is a financing tool used to assist commercial, industrial

businesses (including agri-business) and non-profits with improvements

that substantially increase energy efficiency. PACE allows businesses to make these fixture improvements without the up-front capital outlay. Costs for the improvements are paid back through a special assessment on their taxes. The increase in property taxes is offset by the decrease in energy costs so that the business sees no change in the bottom line. PACE has financed 17 projects thus far totaling \$612,158.77. Projects are located in Blue Earth, Cottonwood, Jackson, Lincoln (2),



"PACE has financed 17 projects thus far totaling \$612,158.77."

Lyon, Murray, Nobles (7), Pipestone, Redwood and Renville counties. Projects are located in a variety of locations including gas stations, multi-unit housing, restaurants, grocery stores, motel, car wash, rural welding shop and several main street retail businesses.

The latest brochure and application, along with our application that assists with energy audit costs, can be found on the Rural MN Energy Board website at <http://www.rmeb.org/pace.htm>. The SRDC administers the Rural MN Energy Board PACE program that covers 18 counties in southwest and south central MN. For more information, please contact Robin Weis at 507-836-1638 or robin@swrdc.org.

SRDC Completes Five-Year Assessment

The Minnesota Regional Development Act (MN Stat. Sections 462.381 to 462.398) requires, “In 2001 and every five years thereafter the commission shall review its activities and issue a report assessing its performance in fulfilling the purposes of the Regional Development Act. The report shall address whether the existence of the commission is in the public welfare and interest.”

In accordance with this requirement, the SRDC developed an assessment tool based on a tool

used by the Upper Minnesota Valley Regional Development Commission, located in Appleton, Minnesota. The assessment tool was given to the Commission’s local elected officials, consisting of County Board members, City Council members, Township officials and staff. The responses to the survey were very positive, with 65% saying that the SRDC was very responsive and 35% saying they were responsive.

During the last five years the SRDC operations have brought in

approximately \$16.27 for every \$1.00 of local tax money assessed through the General Purpose Tax. If the RLF is included in the calculation, the return on investment for the region is nearly \$28. Having local taxing authority allows the SRDC to use these funds to leverage other dollars for the continued betterment of the region.

Revolving Loan Fund

During the last year, the SRDC’s Revolving Loan Fund, (RLF), closed three loans totaling \$139,000. These loans assisted businesses in Pipestone, Redwood, and Rock Counties.

The SRDC RLF is a financing tool for businesses that is used to make up any gap in financing from the primary lender, which in most cases is a local bank. SRDC staff works closely with banks to partner

on projects of value to the region, whether it be startup capital, an expansion of an existing business or a business succession plan to keep a small business in the region.

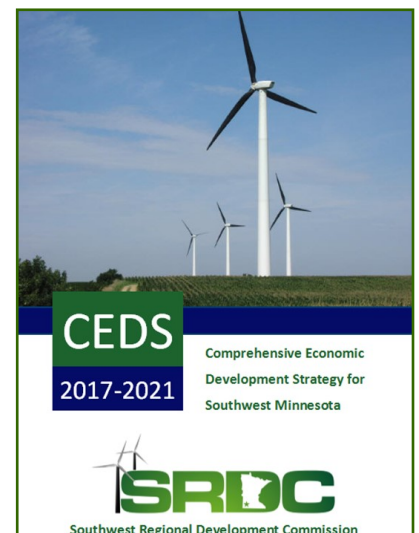
Since its inception, the SRDC RLF has issued 154 loans totaling just over \$8 million. The total funds leveraged by the program in that time are over \$52 million. The total jobs created/retained are 1,666.

“During the last year, the SRDC’s Revolving Loan Fund, (RLF), closed three loans totaling \$139,000.”

SRDC Completes New CEDS

In conjunction with the DevelopmentMN statewide plan, all of the Economic Development Districts in Minnesota submitted a new Comprehensive Economic Development Strategy, (CEDS) to the US Department of Commerce, Economic Development Administration in December of 2016. A CEDS is a five year plan to promote economic development

within the region. The strategies developed by the SRDC were devised with local input from throughout the region and with the assistance of the CEDS Committee, made up of economic developers and officials from the region. A copy of the CEDS can be found on the SRDC’s website at www.swrdc.org.



FISCAL YEAR 2017 SOUTHWEST REGIONAL DEVELOPMENT COMMISSION MEMBERS

Vacant ----- Cottonwood County Municipalities
 Larry Anderson Cottonwood County Town Boards
 Donna Gravley ** -- Cottonwood Co Commissioners
 Carol Wagner ----- Jackson County Municipalities
 Richard Peterson * --- Jackson County Town Boards
 Don Wachal ----- Jackson County Commissioners
 Dennis Klingbile ---- Lincoln County Municipalities
 Eloise Hauschild * --- Lincoln County Town Boards
 Mic VanDeVere ---- Lincoln County Commissioners
 Pam Cooreman ----- Lyon County Municipalities
 Lori Grant ----- Lyon County Town Boards
 Rick Anderson * ----- Lyon Co Commissioners
 Miron Carney** ---- Murray County Municipalities
 William Crowley ----- Murray County Town Boards
 Gerald Magnus** - Murray County Commissioners
 Stacie Golombiecki -- Nobles County Municipalities
 Paul Langseth* ----- Nobles County Town Boards
 Matt Widboom ----- Nobles County Commissioners
 Myron Koets * ---- Pipestone County Municipalities
 Daryl Hanenburg - Pipestone County Town Boards
 Bruce Kooiman - Pipestone County Commissioners
 Paul DeBlieck ----- Redwood County Municipalities
 Hartwin Kreft **---- Redwood County Town Boards
 Bob VanHee ----- Redwood Co Commissioners
 Keith Elbers * ----- Rock County Municipalities
 Mike Davis ----- Rock County Town Boards
 Sherri Thompson ---- Rock County Commissioners
 Bob Byrnes* ----- City of Marshall
 Michael Kuhle** ----- City of Worthington

Eric Hartman * ----- Region Eight School Boards
 Maydra Maas ----- Region Eight School Boards
 Vacant ----- Region Eight Cultural Diversity
 Vicky Baumann - SW Center for Independent Living
 Tim Jones ----- SW MN Private Industry Council
 Roxanne Hayenga Southwest MN Higher Education
 Ann Orren ----- Health & Human Services
 Vacant ----- Lower Sioux Indian Community

** Indicates Current & FY2017 Executive Comm. Members

*Indicates Current SRDC Board Members

Thank You to the following SRDC Commissioners whose terms expired in FY2017: Brian Cooley, Cottonwood County Municipalities; Dave Henkels, Jackson County Commissioners; Sharon Hollatz, Redwood County Commissioners; Laurie Ness, Pipestone County Municipalities; Ryan Paul, Redwood County Municipalities; Dr. Michael Rich, Southwest Minnesota Higher Education; Tammara Schons, Lyon County Municipalities; Chris Sorensen, Health & Human Services.

FY2017 PROJECT REVIEWS

During Fiscal Year 2017 the Southwest Regional Development Commission reviewed 10 projects from within the Region to avoid duplication and ensure wise use of public funds. If you are interested in receiving a complete listing of the project reviews for FY17, please contact the SRDC office.

2017 Annual Meeting Begins with Bus Tour of SRDC Projects



Economic Development Director Robin Weis introduces Menning Enterprises owners Ron and Kim Menning to SRDC Commissioners and staff.



Menning Enterprises is a family operated state of the art kennel, located in Edgerton in Pipestone County. In the last 40 years, there have been many improvements made to the business. In 1994 they expanded to a brand new facility. They now have a grooming program, dental program, and in-house veterinarians. The SRDC Revolving Loan Fund (RLF) became involved in 2014 when they began

transitioning to larger breeds to serve the hunting market. In addition to a first class kennel facility, Menning's has also now expanded to include the sale of hunting supplies and firearms. First State Bank Southwest in Edgerton is the primary lender.

"Menning's has also now expanded to include the sale of hunting supplies and firearms."



Kelly's Koffee (left) is another RLF client, and is located in the City of Pipestone. Here, owners Rhonda and Keith Yochem tell us about their business.

The last stop on the tour was at the **Casey Jones State Trail** head in Pipestone. The Casey Jones State Trail was one of the first legislatively designated state trails in Minnesota in the late 1960s.

At right SRDC Physical Development Director Annette Fiedler and Pipestone City Clerk Deb Nelson present information on the trail to the tour members.



Menning Enterprises Expansion Selected as 2017 Project of the Year



Pictured above are Ron and Kim Menning, owners of Menning Enterprises, Brad Bruxvoort from First State Bank Southwest and SRDC Chair Miron Carney. The expansion project at their facility in Edgerton was selected by the SRDC Awards Committee as this year's recipient of the annual Project of the Year Award.

Sioux Falls Mayor Mike Huether is Guest Speaker at 2017 Annual Meeting

The Honorable Mike Huether, Mayor of the City of Sioux Falls, South Dakota was this year's guest speaker at the SRDC Annual Meeting. Mayor Huether gave a very well received presentation on what it takes to be a successful community and what it takes to position a community for the future.

1. Keep your fiscal house in order.
2. Your City's infrastructure must be rock solid.
3. Quality of life investments are critical.
4. Public/private partnerships are key; government cannot do it alone.
5. Stay on the offensive with the special interest groups and the critics/naysayers.
6. Is your business community "leading the charge" or "protecting their turf."?



This Mayor's Plan for Your City/Town

- ✓ Public safety is key. Families must feel safe.
- ✓ Run government like a business.
- ✓ Quality of life needs to go from good to great!
- ✓ The time to invest is now!
- ✓ Strengthening infrastructure always a priority.
- ✓ Debt position remains prudent.
- ✓ **Challenge status quo at all times.**



SRDC Staff Recognized for Years of Service

Two SRDC staff were recognized at the Annual Meeting for their years of service to the SRDC. At left, Physical Development Director Annette Fiedler is recognized with a clock for her 30 years of service to the agency.

At right, Chair Carney presents a plaque to Executive Director Jay Trusty in recognition of his 15 years of service.



Worthington Mayor Mike Kuhle Elected as New SRDC Chair



*"Our region is really sitting in a good place and we need to work together to make it an even better place."
—Mike Kuhle*

Worthington Mayor and SRDC Vice-Chair Mike Kuhle was elected to the Chair position at the SRDC Annual Meeting. Chair Kuhle succeeds Slayton Mayor Miron Carney, who served in the position beginning in January of 2013.

Pictured above, Chair Kuhle presents outgoing Chair Carney with a token of appreciation from the SRDC for all of his hard work as the Commission Chair.

Fiscal Year 2017 Financials and Fiscal Year 2018 Budget

Revenues	FY2017 YEAR END	FY2018 BUDGET
Tax Levy	359,586	361,600
Economic Development Administration	54,628	70,000
MN Department of Transportation	75,000	75,000
MnDOT-Safe Routes to School	89,533	16,000
MnDOT-Transit Coordination Planning	26,000	0
CERTS Funds	71,235	50,029
Contracts for Services	213,775	289,784
REAP Funds	16,407	20,292
PACE Administration	22,532	23,729
Transfers In	14,547	132,064
Interest Earned & Miscellaneous	9,221	4,822
Total Revenues	952,464	1,043,320
Expenditures	FY2017 YEAR END	FY2018 BUDGET
Committee Expense	32,400	31,900
Salaries & Fringe	709,835	798,742
Travel	38,525	43,078
Office Space	38,438	37,064
Postage	3,809	5,112
Communications	5,944	6,112
Print/Publication	6,305	7,550
Supplies-Mtg/Wkshp Expenses	10,842	12,620
Insurance	3,817	5,074
Computer	16,030	15,120
Other	5,088	4,675
Professional Services	7,837	28,650
CERTS seed grants	13,120	15,000
Building Updates	2,047	2,000
PACE Loan Interest	3,424	3,206
Debt Service-Principal & Interest	11,670	11,664
Office Building Principal Payment	14,910	15,753
Total Expenditures	924,041	1,043,320
Overall Balance	28,423	0

Audited Governmental Activities for the Year Ended June 30, 2016

Revenues

Program Revenues

Charges for Services & Other 192,676

Operating Grants 687,180

General Revenues

Property Taxes—General 350,772

Other Revenues 33,743

General Interest Revenues 4,596

RLF Interest Revenues 79,191

Total Revenues 1,348,158

Expenses

Government Activities 1,357,887

Total Expenses 1,357,887

Change in Net Position (9,729)

Prior Net Position, June 30, 2015 2,363,309

Net position, June 30, 2016 2,353,580

2016 Audit

The FY 2016 Audit was conducted by Richard W. Holmberg, LTD, Certified Public Accountant, Marshall, Minnesota.

The auditor's report expresses an unqualified opinion on the General Purpose Financial Statements of the Southwest Regional Development Commission.

SRDC Welcomes New Staff

In January of 2017, the SRDC welcomed Judy Elling Przybilla to the staff as a Development Planner. Judy came to the SRDC from the Southwest Minnesota Housing Partnership where she was a Community Coordinator. Judy has ten years of experience working in the non-profit sector as well as experience in the private sector. Judy hold a Masters Degree in Social Work and a Bachelors in Business Management, both from Augsburg College. Judy lives with her family on an acreage near Balaton.

Judy will be working on Hazard Mitigation Planning, Transit Planning and will be providing staff support to the Southwest Solid Waste Commission.

Welcome Judy!



Southwest Regional Development Commission



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swrdc.org

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”. The Mission of the SRDC is to “Provide Professional Expertise and Leadership to Enhance Regional Opportunities”

Current Staff

Name	Title	Email	Phone No.
Jay Trusty	Executive Director	execdir@swrdc.org	836-1636
Annette Fiedler	Physical Development Director	phydev@swrdc.org	836-1631
Robin Weis	Economic Development Director	robin@swrdc.org	836-1638
Dianne Crowley	Finance Director	dcrowley@swrdc.org	836-1634
Max Kaufman	Development Planner	MaxK@swrdc.org	836-1633
Judy Elling Przybilla	Development Planner	JudyP@swrdc.org	836-1642
Rhonda Wynia	Administrative Specialist	rwynia@swrdc.org	836-1644
Rose Oakland	Accounting Specialist	roseo@swrdc.org	836-1646
Kathy Schreiber	Administrative Assistant II	srdc@swrdc.org	836-1640
Doreen Veenhuis	Administrative Assistant I	doreenv@swrdc.org	836-1645

