Board of Directors Meeting

Wednesday, September 10, 2025 4:30 pm

3 Civic Center Plaza, Suite 310, Mankato, Minnesota

BOARD OF DIRECTORS MEETING
September 10, 2025 at 4:30 p.m. | RNDC

CONSENT AGENDA

		Time	Page	Action
1.	**Call To Order**	4:30		
2.	**Roll Call** - Secretary Branstad			
3.	**Approval Of Agenda**		2	Action
4.	**Approval Consent Agenda**	4:35	3	Action
	a. Approval Of August 13, 2025 Minutes			
	b. Financials			
5.	**Action Items**	4:40	9	Action
	a. Resolution 2025-05: EDA 2025 Disaster Grant Application			
	b. Out-Of-State Travel: MCAP - Jessica Beyer			
	c. Out-Of-State Travel: MCAP - Sam Sharp			
	d. Out-Of-State Travel: NADO ATC - Sabri Fair			
6.	**MSU,M South Campus** - *Amy Cooney, VP for University Advancement*	4:45		
7.	**Budget And Personnel Committee Re-Cap & Updates** - *Jessica Beyer*			
8.	**Executive Director Review Process** - *Shanon Nowell, B&P Committee Chair*		14	
9.	**Employee Satisfaction Survey** - *Shanon Nowell, B&P Committee Chair*	5:30	16	
10.	**Information/Discussion Items**	5:40	18	
	a. Finance Director's Report - *Stephanie Hilpipre*			
	b. Chair's Report - *Chair Laven*			
	c. Executive Director's Report - *Nicole Griensewic (Virtual)*			
11.	**Other Business**	5:50		
	a. Commissioner Updates			
	b. Meeting Evaluation			Handout
12.	**Adjournment**	6:00		ACTION

BOARD OF DIRECTORS MEETING
UNAPPROVED Meeting Minutes
August 13, 2025

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1. CALL TO ORDER

Chair Laven called the meeting to order at 4:30 p.m.

2. ROLL CALL

MEMBERS PRESENT: Andrea Boettger, Jim Branstad, Marie Dranttel, Mike Laven, Tom Loveall (virtual), Christian Lilienthal, Patty O'Connor, Phil Schafer

MEMBERS EXCUSED: Steve Rohlfing

MEMBERS ABSENT: Rob Wilkening

OTHERS PRESENT: Nicole Griensewic, Jessica Beyer, Stephanie Hilpipre, Sarah Janovsky, Sam Sharp

There was a quorum.

3. APPROVAL OF AGENDA

There was a call from the floor to add agenda item 4c. Election of Officers.

Lilienthal moved to approve the agenda. O'Connor seconded. Motion carried.

4. APPROVAL OF CONSENT AGENDA

Branstad removed Consent Agenda item C, "Election of Officers," for separate discussion.

O'Connor moved to approve the May 14, 2025 Minutes and Financials. Dranttel seconded. Motion carried.

The Board discussed the Election of Officers process and voted as follows:

Slate of Officers:
Vice Chair - Andrea Boettger
Treasurer - Marie Dranttel
Secretary – Jim Branstad

O’Connor moved to approve the Slate of Officers. Schafer seconded. Motion carried.

5. ACTION ITEMS

Tom Polich will present on Food Recovery at the NADO Annual Training Conference. NADO will cover his conference registration fee.

Branstad moved to approve the Out-of-State Travel Requests for the NADO Fly-In and the NADO Annual Training Conference (two requests). Boettger seconded. Motion carried.

6. INFORMATION/DISCUSSION ITEMS

Jessica Beyer, Deputy Director, provided an update on the FY2025 Disaster Supplemental Grant Program, noting that all nine counties were included in a federal disaster declaration due to spring and early summer 2024 flooding. She reported that RNDC had worked closely with the federal EDA and local communities to prepare for the grant’s June 4 release, conducting outreach, personal communications, and a June 17 workshop with the regional EDA representative. She emphasized the unique scope of the grant, which allows all eligible jurisdictions and multiple entity types to apply, offered an 80/20 funding match (more favorable than typical EDA splits), and $1.45 billion in available rolling funds. She highlighted several potential projects under development, including watershed mitigation in Waterville, economic resiliency in Martin County, infrastructure in Springfield, and partnerships with Minnesota State University, Mankato, North Mankato, New Richland, and others. She encouraged board members to connect RNDC with potential applicants to maximize funding for the region, noting that early applications were important due to the rolling nature of the program. She clarified that the funding had to tie to economic development but could include certain infrastructure projects. She also noted that RNDC was pursuing additional grants from agencies such as the Minnesota Pollution Control Agency, USDA, McKnight, and Bush Foundations. Finally, she credited the strength of RNDC’s EDA relationships and the expertise of staff in positioning the region with a high success rate in applications.

Stephanie Hilpipre, Finance Director, reported that an overstatement occurred on the accounts due to the grant, the State Competitiveness Fund. Work valued at $46,333 was completed in fiscal year 2024, but the deadline to claim the funds, July 15, 2024, was missed. As a result, the amount could not be claimed, though it was recorded as an accounts receivable in the audit. The auditors will make a prior-year adjustment to correct the error.

She also noted that a dividend check alerted her to the fact that RNDC owned shares in Principal Financial, which are currently worth $282,650. The shares were issued as part of a de-mutualization process in 2001. Since Minnesota State statute prohibits holding publicly traded shares, she will proceed with selling them and depositing the proceeds in cash. Loveall inquired about potential Capital Gains Tax implications, which Hilpipre is still reviewing.

Branstad motioned to direct the Finance Director to sell the Principal Financial shares. Schafer seconded. Motion carried.

Finally, she reported that upon inspection of the off-site storage unit, it was found unlocked, with several boxes improperly placed on the floor. These boxes contained personnel files, RLF fund documentation, and financial records. Padlocks were replaced, and RNDC's insurance company has been notified of the situation. A catalog of all boxes will be created, and future storage options with increased security will be considered.

Chair Laven reported receiving an email from the State Auditor's Office requesting international travel documentation from 2022 to present, including meeting minutes, approvals, budgets, and revenue sources. After consulting Nicole, Laven prioritized addressing more pressing RNDC financial matters first, which the State Auditor's Office approved, allowing flexibility beyond the original August 15th deadline. Sarah was assigned to compile relevant meeting-related documents, and Stephanie to align financials for submission to the State Auditor's Office in the future.

The board discussed changing the annual meeting date from June 10th to June 17th, 2026, to allow an additional week for the budget process. The proposed change would also include the annual bus tour.

<u>Boettger motioned to present a revised date of June 17, 2026, for the Annual Meeting and Bus Tour to be presented for approval by the Commission at the quarterly meeting in October. O'Connor seconded. Motion carried.</u>

Sam Sharp, RNDC Energy and Sustainability Planner presented current outreach efforts and funding opportunities. First, he discussed the EECBG grants, noting RNDC received $100,000 from the Minnesota Department of Commerce to support eight communities at $12,250 each for energy efficiency and conservation projects, such as planning, energy audits, and resilience projects for publicly owned buildings. Second, he highlighted a new solar on public buildings program, expanded statewide, covering up to 70% of system costs (up to $112,000) for publicly owned and operated buildings, requiring applicants to pursue a 48B investment tax credit. Third, he outlined Clean Energy Resource Teams seed grants, aimed at initiating visible, replicable clean energy projects like lighting conversions and efficiency upgrades, encouraging community engagement.

Sabri Fair, RNDC Environment and Sustainability Planner, updated the board on Local Foods Month, now in its fourth year. The program connects local farmers with restaurants to enhance visibility and access to local foods. RNDC supports these partnerships with coordination, marketing, and social media.

This year, the program extended from a week to a month to build stronger relationships, with eight farms and eleven restaurants participating. Midway through, the program is running smoothly despite initial concerns about the extended duration. A follow-up at the end of the month will evaluate how the program went and if participants were satisfied.

Nicole Griensewic provided an update on several initiatives during her Executive Director report. She discussed ongoing efforts to secure a $180,000 USDA grant for the Regional Food Business Centers by pursuing a follow-up conversation with Congressman Finstad's District Director, Aaron Eberhart. She also noted that funding for the Safe Roads and Streets program is anticipated soon, and that several other grants and funding sources are actively being pursued.

Griensewic explained her decision to decline an invitation to the GMG Inner-City Leadership visit to Wichita, Kansas, citing budget constraints, misalignment with RNDC priorities, and travel fatigue. After seeking input from the Board and receiving no strong objections, she confirmed RNDC would not participate in the visit.

She reported that the Budget and Personnel Committee, led by Jessica Beyer and Committee Chair Nowell, is scheduled to meet on September 3.

Griensewic shared positive feedback from Senator Klobuchar's staff regarding RNDC's Food Rescue program under Tom's leadership. The program has received praise from partners such as Second Harvest, and Tom has been invited to present at the NADO Annual Training Conference with waived registration. In addition, efforts are underway to acquire a refrigerated truck to further support and expand the Food Rescue work.

Finally, she recounted productive networking at Farmfest, including discussions with Governor Walz on RNDC updates and upcoming trade mission. She emphasized funding limitations for rural participation while proposing that the state trade office provide additional support.

7. OTHER BUSINESS

a. Commissioner Updates

Board members shared updates from their communities.

b. Meeting Evaluation

8. ADJOURNMENT

<u>Boettger moved to adjourn. Branstad seconded. Motion carried.</u>

The meeting was adjourned at 6:07 pm.

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FINANCIAL STATEMENT

To: RNDC Board of Directors
From: Stephanie Hipipre, Finance Director
Date: September 5, 2025
Re: Financial Statement – Board of Directors Meeting, September 10, 2025

At this time, I am unable to certify a complete balance sheet or full statement of accounts for presentation at the Board of Directors meeting on September 10, 2025. I am currently in the process of verifying and reconciling each line item on the Balance Sheet generated by our accounting system (GMS) to ensure accuracy.

During this review, I have identified some issues that require resolution. While a full financial statement is pending, I am providing below a disclosure of cash balances held in RNDC's bank accounts as of September 5, 2025, to offer visibility into our current liquidity position.

Region Nine Development Commission

MAGIC Account:	$701,242.70
Wells Fargo Payroll:	$222,409.04
Total Cash:	**$923,651.74**

I have identified an issue where the Revolving Loan Fund (RLF) ACH loan payments have been deposited into the R9 MAGIC accounts instead of their respective RLF accounts. This has been the case since the MAGIC accounts were set up in January of 2024. Movement of these funds into the correct accounts has not been processed for at least a year. I'm currently working to reconcile and resolve this issue. So far, I estimate there is about $264,030.18 in our R9 MAGIC accounts that is money owed to the revolving loan funds.

Furthermore, roughly $700,000 of the funds currently in our R9 MAGIC account is money paid in advance and owed as pass-through funds to external projects and initiatives such as McKnight Foundation, Food Recovery, Convivencia Hispana, Resource Rural, and Community Energy Innovation Prize.

Taking both the RLF misallocation and the pass-through commitments into account, approximately $960,000 of the current cash balance is already committed as liabilities. This means the Unreserved General Fund balance is effectively $0 or potentially negative at this time.

Legacy Revolving Loan Fund

MAGIC Account: $1,743,548.13

CARES Act Revolving Loan Fund

MAGIC Account: $83,558.70

Region Nine Area Inc.

Wells Fargo: $44,625.40
Wells Fargo: $3,119.45

Principal Stocks

As of September 4, 2025 Market Close: **$293,546.88**

Please note that Jessica and Sarah have worked on the process for cashing out the Principal Asset. A certified letter containing our formal request to sell the stocks has been sent to Computershare. We will provide an update once we receive confirmation of the transaction and anticipated timeline for the proceeds to be received.

Memo

To: RNDC Board of Directors

From: Kristian Braekkan, Economic Development Director

Date: September 5, 2025

Re: Resolution 2025–05 – Authorization for Federal EDA Disaster Grant Application

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This resolution authorizes Region Nine Development Commission (RNDC) to apply for federal funding through the U.S. Economic Development Administration's (EDA) 2025 Disaster Grant program, in partnership with Minnesota State University, Mankato. The funding will support a regional recovery program focused on workforce development and business support across RNDC's nine-county service area. The resolution also commits RNDC to providing the required 20% cash equivalent local match (estimated at $149,800 from general funds) and designates the Executive Director as the Authorized Representative to execute the application and related agreements.

RESOLUTION

Region Nine Development Commission

2025 – 05

RESOLUTION AUTHORIZING APPLICATION TO FEDERAL EDA FOR A 2025-DISASTER GRANT

BE IT, that Executive Director and Region Nine Development Commission are authorized to be Co-Applicants for federal grant application by the Commission and in conjunction with Minnesota State University Mankato for the purpose of funding a regional recovery program with focus on workforce development and business support to serve the nine counties in southcentral Minnesota (i.e., Region Nine Economic Development District).

BE IT FURTHER RESOLVED, that Region Nine Development Commission has the legal authority to apply for and receive financial assistance.

BE IT FURTHER RESOLVED, that Region Nine Development Commission shall provide the requisite 20% (twenty percent) local match currently estimated at $149,800 to support their portion of the overall budget. This funding is available as an authorized and unencumbered commitment through the organization's general funds.

BE IT FURTHER RESOLVED, that the Executive Director is hereby authorized to work with staff and Minnesota State University Mankato for the development of grant applications to the Federal EDA for funding under the EDA-2025-DISASTER NOFO on behalf of the Region Nine Development Commission.

BE IT FURTHER RESOLVED, that the Executive Director is designated as an Authorized Representative with authority to execute the grant application, grant agreement, and all other documents should a grant be awarded.

Dated 10th of September 2025

Signed:

______________________________ ______________________________

Mike Laven, Chair | Nicole Griensewic, Executive Director

Region Nine Development Commission Out-of-State Travel Request Form

Name:	Jessica Beyer
Event:	Midwest Climate Resilience Conference
Travel Destination	Baird Center - Milwaukee, WI
Date of Departure:	10/19/2025
Date of Return:	10/22/2025

Anticipated Costs:

	Departure Airport		**Arrival Airport**	**Cost**	**Funding Source**
Airfare (Roundtrip)		to			
	Description			**Cost**	**Funding Source**
Registration	Non-profit, academia, and government			$ 300.00	MCAP
	Total Nights		**$ Per Night**	**Cost**	**Funding Source**
Lodging	3	x	$ 199.00	$ 597.00	MCAP
	Total Days		**$ Per Diem**	**Cost**	**Funding Source**
Meals	4	x	$ 75.00	$ 300.00	MCAP
	Total Miles		**$ Per Mile**	**Cost**	**Funding Source**
Mileage		x	$ 0.70	$	
	Description			**Cost**	**Funding Source**
Other					
	Description			**Cost**	**Funding Source**
Other					

Total Anticipated Cost of Out-of-State Travel Request **$ 1,197.00**

Employee Signature: Jessica Beyer

Authorization Signature:

Notes: In the event Jessica cannot attend due to potential family needs, a designee may be needed.

Region Nine Development Commission Out-of-State Travel Request Form

Name:	Samuel Sharp
Event:	Midweset Climate Resilience Conference
Travel Destination	Baird Center - Milwaukee, WI
Date of Departure:	10/19/2025
Date of Return:	10/22/2025

Anticipated Costs:

	Departure Airport		**Arrival Airport**	**Cost**	**Funding Source**
Airfare (Roundtrip)		to			
	Description			**Cost**	**Funding Source**
Registration	Non-profit, academia, and government			$ 300.00	MCAP
	Total Nights		**$ Per Night**	**Cost**	**Funding Source**
Lodging	3	x	$ 199.00	$ 597.00	MCAP
	Total Days		**$ Per Diem**	**Cost**	**Funding Source**
Meals	4	x	$ 75.00	$ 300.00	MCAP
	Total Miles		**$ Per Mile**	**Cost**	**Funding Source**
Mileage		x	$ 0.70	$ -	
	Description			**Cost**	**Funding Source**
Other	Train (round-trip)			$ 43.00	MCAP
	Description			**Cost**	**Funding Source**
Other					

Total Anticipated Cost of Out-of-State Travel Request **$ 1,240.00**

Employee Signature: Samuel Sharp

Authorization Signature:

Notes:

Region Nine Development Commission Out-of-State Travel Request Form

Name:	Sabri Fair
Event:	NADO Annual Conference
Travel Destination	Salt Lake City
Date of Departure:	10/13/2025
Date of Return:	10/17/2025

Anticipated Costs:

	Departure Airport		**Arrival Airport**	**Cost**	**Funding Source**
Airfare (Roundtrip)	MSP	to	SLC	$ 568.00	NADO
	Description			**Cost**	**Funding Source**
Registration	Conference Registration			$ -	NADO
	Total Nights		**$ Per Night**	**Cost**	**Funding Source**
Lodging	4	x	$ 195.00	$ 780.00	NADO
	Total Days		**$ Per Diem**	**Cost**	**Funding Source**
Meals	4	x	$ 75.00	$ 300.00	
	Total Miles		**$ Per Mile**	**Cost**	**Funding Source**
Mileage		x	$ 0.70	$ -	
	Description			**Cost**	**Funding Source**
Other	Land to Air			$ 37.00	NADO
	Description			**Cost**	**Funding Source**
Other					

Total Anticipated Cost of Out-of-State Travel Request **$ 1,685.00**

Employee Signature: Sabri Fair

Authorization Signature:

Notes:

Sabri will be attending the NADO Annual Training Conference to support their development of the Rural Energy Academy. Sabri and Region Nine's experience in this space is far beyond what other RDO's have done so far. NADO see's having Region Nine's experience present as important to the succesful launch of this program. For these reasons they are funding Sabri's travel, hotel, and conference registration.

360 Assessment

I am conducting the annual evaluation of Nicole Griensewic. One aspect of leadership development is to have an array of individuals who are familiar with an individual's work provide feedback on their professional and relational abilities, along with capabilities or potential. You are being asked to provide confidential feedback on Nicole's performance over the last 12 months. This instrument starts with Likert scale-like questions and concludes with a few open-ended questions. Your individual feedback will be averaged into or compiled with all the responses received.

Thank you for your contribution to this important process in Nicole's professional journey.

	Unacceptable	Needs Improvement	Meets Expectations	Exceeds Expectations	Outstanding	Have Not Experienced or Observed
Leadership						
Demonstrates a willingness to take the lead						
Provides a clear sense of purpose and direction						
Encourages and embraces change by challenging the status quo						
Is a role model for continuous improvement						
Deals with issues that need to be addressed						
Accountability and Trust						
Accepts responsibility for their mistakes						
Demonstrates a consistent commitment to quality						
Actions and behaviors are consistent with words						
Is trustworthy						
Persistence and Drive						
Perseveres despite organizational obstacles						
Displays energy and drive to accomplish goals						

	Unacceptable	Needs Improvement	Meets Expectations	Exceeds Expectations	Outstanding	Have Not Experienced or Observed
Communication and Collaboration						
Expresses ideas clearly						
Is approachable and easy to talk with						
Treats people with respect and fairness						
Considers the impact of actions and decisions on others before implementing						

In order to offer you the chance to provide feedback confidentially, please note that your responses to the questions below will be provided in aggregate form without identifiable information. Given that multiple people will be providing feedback (including you, I hope), I will incorporate the feedback themes into the final evaluation letter.

1. Areas of strength as a leader?

2. Opportunities for growth as a leader?

3. Any additional feedback or comments regarding your interactions during the previous 12 months.

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Memorandum

To: RNDC Board of Directors

From: Shanon Nowell, Budget and Personnel Committee Chair

Date: September 5, 2025

Note: This memo was reviewed by the Budget and Personnel Committee on September 3, 2025.

Subject: Employee Satisfaction Survey Results Discussion and Next Steps

This memo was reviewed by the Budget and Personnel Committee on September 3, 2025. The committee discussed the findings, and the following information is now being shared with the Board of Directors for review and consideration.

Attached to this memo is an executive summary of the recent employee satisfaction survey. This document is provided for your review in advance of our next meeting.

You will see the executive summary presents both identified strengths and areas for improvement. Based on the areas for improvement, I suggest the following discussion prompts:

- **Training:** What steps can be taken to strengthen onboarding processes for new hires?
- **Professional Development:** How can leadership raise awareness of IDPs (Individual Development Plans)?
- **Workload and Staffing:** Does the current staffing structure align with organizational demands?
- **Misconduct and Accountability:**
  - How do we make sure employees know how to report misconduct?
  - How do we ensure that employees are comfortable reporting misconduct without concern about retaliation?
  - Would it be appropriate for us to recommend an HR consultant or neutral third-party reporting option?
- **Compensation:** How can we ensure transparency in salary increases and promotions?
- **Commission–Staff Relations:** Should we consider requiring onboarding or annual training for commissioners? Are commissioners aware of the code of conduct?

san/
Enclosure

Region 9 Employee Satisfaction Survey

Executive Summary | August 22, 2025

Background

The Employee Satisfaction Survey was provided to staff on May 8, 2025, with a due date of May 19, 2025. The survey was sent to 15 employees (13 completed surveys were submitted) and included 23 questions with a Likert rating scale, along with the opportunity for narrative comments. At the B&P meeting on June 3, 2025, Chair Nowell was directed to compile the survey responses. Below is the resulting executive summary. She has retained the hard-copy surveys.

Themes from Survey Responses

Based on the Likert scale summaries and narrative comments, here is an initial analysis.

Strengths Identified

- **Commitment to Mission**: Strong agreement that employees understand how their work supports RNDC's mission.
- **Trust and Flexibility**: Many employees feel trusted to do their jobs and appreciate flexible work arrangements.
- **Professional Pride**: Respondents strive to do their best work and take pride in serving the region.
- **Supportive Supervisor Relationships**: Some respondents note positive relationships with their immediate supervisors.

Areas for Improvement

- **Onboarding and New Employee Support:** Some respondents expressed concerns about the lack of a formal onboarding process and insufficient support for new employees.
- **Professional Development and Training**: Multiple comments noted insufficient awareness of IDPs (Individual Development Plans).
- **Workload and Expectations**: While many find the workload manageable due to flexible scheduling, there is a sense that expectations can be unrealistic or inconsistent.
- **Misconduct and Accountability**: Lack of awareness about how to report misconduct and concerns about retaliation if misconduct is reported.
- **Governance and Oversight Issues**: Some comments referenced a lack of trust or professionalism from commissioners.
- **Organizational Culture and Respect**:
    - The workplace culture is described in some responses as needing more respect—respondents shared concerns about lack of respect both from commission members and colleagues.
    - A desire for more organizational structure was noted.

Finance

- As I write this, I have been employed with RNDC for 100 days. Over the past three months I have worked diligently, including extended hours and weekends, to fully understand, stabilize, and correct our financial systems. I have essentially been working what amounts to three full-time jobs: identifying/fixing the mistakes of the last 3 years, addressing problems caused by the Finance Director vacancy for the entire second half of FY25, and managing the day-to-day work of moving the organization forward in FY26.
- The finance department is severely understaffed and has been for years. It is a large part of the reason why so many mistakes have been made. If you look at the structure of the other Minnesota RDO finance departments, they all have a minimum of three employees.
- I am no closer to starting the audit than when I began 100 days ago. I'm continuing to review our Balance Sheet line by line, and at every turn I find inaccuracies that need to be addressed. Furthermore, most of the entries made in our accounting system (GMS) during FY25 are incorrectly coded. I have not had time to fully resolve and adjust these issues.
- Our contractor, Mary, closed out months in GMS during the Finance Director vacancy. She came to the office and spent a day with me working towards closing out the month of May 2025. We worked all day and could not reconcile and resolve several issues. As a result, we are currently 4 months behind in our accounting system.
- As I move towards resolving the issues in GMS, I have come to the realization that our losses for FY25 are approaching upwards to $400,000, which is in line with the losses posted for FY24. As noted in my Financial Statement, we no longer have a robust unreserved general fund balance to continue with this trend.
- As per RNDC policies, the unreserved general fund balance should be 80% of the current levy. We are significantly below the threshold needed to withstand cash flow issues.
    - $719,000 x 80% = $575,200
- We continue to have vendors complain that our Accounts Payable process is taking too long. Again, an issue due to not enough manpower in the Finance Department.
- The FY26 budget needs to be adjusted. I compiled the budget during my first week of employment. Now that I have a better understanding of our financial structure and systems, I am aware of several issues and inaccuracies in the approved budget.
    - The salary line item was listed as $928,483. Our current salary for staff is actually $1,083,185. A difference of **$154,702**. This value has a subsequent fringe associated with it of **$41,769**.
    - When I produced the budget, I was not aware of an unresolved GMS reconciliation error of the indirect cost fund. As a result, there was **$167,817** worth of indirect costs not captured in our FY25 projected budget or approved FY26 budget.
    - We presented a budget with a deficit of **$354,624,** but the addition of these other expenses pushes that value even higher.
    - The good news is we have secured funding for Safe Roads for All, Thriving Communities, Scenic By-way work, and other smaller contracts that amounts to about $175,000 in funding not captured in the current budget.

- However, this does not offset the budget shortfall and errors listed above. Nor does it account for the fact that we need to work towards rebuilding our unreserved fund balance.

Revolving Loan Fund

- **Legacy RLF Plan**
  - Current Principal Outstanding: $1,417,615.18
  - Current MAGIC Account Balance: $1,743,548.13
- **CARES Act RLF Plan**
  - Current Principal Outstanding: $778,675.21
  - Current MAGIC Account Balance: $83,558.70
  - **Past Due Accounts**: We were notified that one of our CARES Act loan recipients has entered bankruptcy. The outstanding value of the loan is around $8,500.

- Please note, if you're comparing the above values to the August report, last month I accidentally swapped the "Current MAGIC Account Balances" for the two plans.
- I have spent a substantial portion of this past week working to reconcile the RLF accounts. As noted in my Financial Statement, ACH payments for the RLF loans have been incorrectly deposited into the R9 MAGIC account instead of the appropriate RLF MAGIC accounts. Over the past month, Jazmine has worked on establishing separate sweep accounts with U.S. Bank, which will now ensure that all ACH loan payments are deposited directly into the correct RLF accounts going forward. While this misallocation is being corrected, I have concerns that the accounts may have been originally structured this way to help address RNDC's cash flow problems. I would like to discuss this issue with the Board during the meeting.
- Jazmine needs to work on and bill her time towards RLF instead of helping with Finance Department issues. We have had a lot of issues pop-up with aspects of the Revolving Loan Fund because she essentially had to ignore the program for six months to fill-in Finance Director responsibilities. The RLF is a $4million asset of RNDC, and it requires a full-time staff member to service. Not only that, it generates an average of $180,000 a year in interest revenue; the second highest guaranteed revenue stream for RNDC after the levy. However, we can only draw upon that interest value for operational expenses if someone is billing time towards the RLF. The way that $180,000 in interest revenue should break down is $120,000 in wages, $32,400 in fringe, and $27,600 in indirect costs. If we can collect and capture $27,600 in indirect costs that covers RNDC rent for 9 months of the year. Again, you only can draw on this money if employees are billing time towards the RLF.
- Financial forecasters are anticipating that the Fed will decrease interest rates later this year. Our current yield in our liquid MAGIC accounts is 4.28%. The 90-day term account yield is currently 4.12%. At this time, I will refrain from moving funds to the MAGIC term investments, but will revisit the situation following the September 15th Fed meetings.
- We received notice from the EDA that the restatement of the CARES Act RLF Lending Plan is due in October 2025. Jazmine, Mark and I worked on updating the plan which will be reviewed by the loan committee at their September 9th meeting.

Region Nine Area, Inc.

- Several contracts have been signed over the past year with Mahkato Okawitaya, Food Recovery by Wooden Spoon, South Central Minnesota Food Recovery, and a $200,000 subgrantee award from the Minneapolis Foundation in support of Wooden Spoons food recovery efforts.
- RNAI has not had significant money pass through it since 2017, as a result there are some administrative issues that need to be addressed to “dust off” this instrumentality.
- A separate meeting to address RNAI issues will also be held on September 10th
- I’m still working with Burkhardt and Burkhardt to file past due Form 990s

Human Resources

- Last month I attended a meeting regarding our Health Insurance Pool Membership with South Central Services Cooperative. Our premiums for next calendar year are set to increase by **8.16%** if we maintain the same policy. In an ideal world, I would like to review our current plan to ensure it is still meeting the needs of our staff. However, I do not have time to do this before our renewal is due on October 24th.
- Paid Family Leave goes into effect on January 1, 2026. This past month I attended seminars and meetings with our labor attorney to make decisions regarding the implantation of this program. These items were addressed at the September 3 Budget and Personnel Committee meeting. It is recommended we do a 50/50 split on the premium, set a minimum leave threshold of 4 hours, and allow employees to concurrently use their accrued leave to offset the 60% insurance and receive 100% of pay during their absence. In October, our lawyer will be working on language to update our employee handbook. My hope is to have this approved at the October full commission meeting to ensure smooth implementation of this new policy.
- As noted in last month’s report, we have employees who have reported missing deposits into their ICMA 457(b) accounts and HSA accounts. I have not had time to reconcile these accounts and fix these issues.
- As noted in last month’s report, our Workers Comp Insurance was temporarily cancelled. Jessica worked to resolve this issue, and we have received notice that it was reinstated.

STAFF UPDATES | September 2025

PROGRAM UPDATES:

Springfield CARES Childcare Project– Alejandra, Nate
Alejandra is working with the City of Springfield CARES Group to conduct stakeholder outreach and engagement with childcare providers and parents in the city. The recently formed nonprofit organization provides childcare support to local providers. Alejandra analyzed results collected from engagement with local providers and presented her findings to the Springfield CARES Group. She also designed a survey for parents and tutors in the city that will be presented at an early childhood event, and she will work with the group to have the surveys mailed out to parents. Nate proofed, tested, and designed the print versions of the surveys.

Annual Performance Progress Report – Alejandra
Alejandra has kicked off the reporting process for the Annual Performance Progress Report, which is done annually as part of the Comprehensive Economic Development Strategy (CEDS) and the Partnership Planning Grant through the EDA. Alejandra designed and launched a regional survey to gather input on strategies and priorities. She is also working the CED committee on the annual update of the plan.

Rural Child Care Innovation Program in Eagle Lake – Alejandra
There are no new updates at this time.

Childcare Steering Committee – Alejandra
There are no new updates at this time.

Community and Economic Development Committee – Alejandra
Alejandra leads the Community and Economic Development (CED) Committee and is currently organizing October's meeting, which will focus on the first cornerstone of the CEDS. The five-year rewrite of the CEDS will begin in 2026, and the focus of upcoming meetings will be on the CEDS, progress made toward its goals, and adjustments to address evolving needs. During the August meeting, committee members heard from an expert on housing redevelopment. The group also discussed regional priorities and challenges as they relate to the annual update of the CEDS.

Children's Museum of Southern Minnesota (CSMS) Economic Impact Plan – Kristian, Nate
RNDC was hired to perform an economic impact analysis for potential new locations for the museum. Kristian performed the analysis based on RIM-II data and economic projections from CMSM. Nate proofed and designed the impact analysis, an addendum, and the executive summary for CMSM.

Transforming Tomorrow Together Talent Hub – Alejandra
There are no new updates at this time.

Regional Food System Supply Chains and Transportation Implications – Kristian, Aaron
There are no new updates at this time.

Regional Food Rescue – Tom/Sabri
The running total for rescued food that RNDC has assisted or organized for the year is 46,373 lbs. of food, worth approximately $68,623. This food has been disbursed into the community through area partners, some of the largest recipients of the food are ECHO, SCMNFR, St. Peter Food Shelf, Waseca Area Food Shelf, and Watonwan Co. Food Shelf. Some of the most common types of food rescued recently have included potatoes, plums, squash, onions, cantaloupe, and cucumbers.

Tom continues to search for ways to solve the logistical hurdles with regional food rescue. The next step will be to procure funding for a regional solution such as a small, refrigerated truck or large van. Until then, the team is searching for additional funding to help offset some of the cost of transport until a permanent solution is found.

Additional food access partners across the region have been contacted. Mankato Clinic will be hosting two refrigerators for their food is medicine programs.

Food Access Partnership Building – Tom
Tom has been building relationships with area food access partners to help guarantee the strength of their operations in the community. He has been assisting FOCP in volunteering for the STOMP program over the summer. This program has just concluded and in total STOMP served 3,182 meals to approximately 65 kids per day.

The Mayo Clinic Refrigerator Program, previously managed by Rachel Jones of the University of Minnesota Extension and SNAP-Ed, has undergone changes due to national budget cuts that led to the elimination of her position. Due to this gap in oversight, Tom continues to oversee the two refrigerator locations, ensuring they are well-stocked and clean on a weekly basis.

Research has been conducted on alternative and ethnically relevant rescued food sources. Recent examples of this were the rescue of 398 lbs. of collard greens and 312 lbs of various peppers (Anaheim, Sugar Rush, and Caribe). This was greatly appreciated in the Watonwan Co. Food Shelf and the Crossroads Campus Pantry where they have a higher percentage of clients that use them in culturally relevant dishes within their community and rarely get the chance to get items like this through their food bank.

Make Hunger History Initiative in St. James – Tom
Watonwan Co Food Shelf and Tom have been working together very successfully on the implementation phase. In just two months, there has been 1,439 lbs of food rescued and transferred to the Watonwan Co Food Shelf. This came about because of the connections made during the MHHI meetings and planning.

On September 30th, we will be having a quarterly MHHI Food Access Update Meeting. Each "sub-committee" will be giving an update on their assigned tasks and implementation process (transportation, food rescue, cultural inclusion initiatives, and funding).

Local Foods Month – Sabri, Nate
For the event this summer there are eight farms and 11 restaurants that will be participating. Sabri has developed and distributed the social media kits to all partners who have been posting them to build support for the event. Nate created social media images and print flyers to promote each LFM partnership.

Mankato Permanent Farmer's Market Pavilion – Sabri
The final report is close to completion and will be distributed to partners in the coming months. Conversations have also continued with partners about possible locations. Sabri will continue this work as funding and project momentum allows in the coming months.

Revolving Loan Fund – Jazmine
Over the past several weeks, Jazmine has been actively managing and advancing projects within the Revolving Loan Program. She reconciled and tied out the monthly loan payments for August and processed the new payments for September, ensuring accounts remain accurate and up to date. In addition, she has been working on updating the RLF plan and coordinating with Catherine at the EDA to complete and submit the required RLF reporting.

On the project side, Jazmine visited the future site of the meat market project in Mapleton and met with lenders in Owatonna to move forward on the 3 Brothers Meat Market project. During that meeting with both the lender and SMIF, she worked through collateral hurdles and identified strategies to overcome them to keep the project progressing. She also traveled to Truman to work with a lender on a prospective project in Truman, where a client is interested in purchasing a bar and grill. Jazmine toured the property, reviewed numbers with the borrower, and discussed expectations. This project is anticipated to be brought forward to the loan committee within the next couple of weeks.

Jazmine has also been monitoring current loan clients and developments. She has been documenting the nearly completed Crystal Clean Carwash project in St. James with progress photos, and she will be attending the debtor's meeting for Fairmont Brewing in September following their bankruptcy filing to determine whether funds can be recovered from that loan. Lastly, she has been working on pricing out movers to remove a piece of collateral that has been sitting in one of Region Nine's storage units for several years, with the goal of preparing it for auction.

St. James Energy Navigators – Sabri
The additional $350,000 in funding that the group applied for looks like it will finally be available after it was initially terminated by the federal government.

The group has completed installations in 3 homes which consist of a new Air Source Heat Pump Water Heater, an Air Source Heat Pump, and an Air Source Heat Pump and Furnace. The project is still struggling to find an electrician who can update the knob and tube wiring in two homes that need additional insulation.

Transportation/MnDOT Regional Planning Grant – Joel, Mark
Mark continued his transportation safety planning work in the nine-county region by periodically reviewing crash data and working with the local road authority to identify crash clusters and the appropriate countermeasures.

Joel facilitated the quarterly Region Nine TAC meeting on August 15. Chris Webb with Southwest Regional Development Commission presented on SRDC's regional trails plan. Mark also gave an update on regional road safety at this meeting, and TAC members had a roundtable where they discussed transportation-related issues in their communities/counties.

Joel joined the VINE Door2Door Task Force, a group charged with conducting a comprehensive review of VINE's volunteer transportation program and developing actionable recommendations to enhance the program's effectiveness, sustainability, and alignment with VINE's mission. This will help build on goals outlined in Region Nine's Local Human Services Transit Coordination Plan.

<u>REGIONAL TECHNICAL ASSISTANCE:</u>

Fairmont Energy and Environmental Resilience Plan – Sabri, Sam, Lisa, Nate
There are no new updates at this time.

Strategic Economic Development Plan for the City of Springfield – Alejandra, Nate
Alejandra has completed the Strategic Economic Development Plan for the City of Springfield, with Nate editing and designing the final version. She presented the plan to Springfield's EDA and City Council. The city is interested in applying for funding through SMIF's economic development grant to implement some of the plan's goals. Alejandra is providing a letter of support and relevant data to assist with the application.

Federal EDA Disaster Notice of Funding Opportunity (NOFO) – Jessica, Kristian, Mark, Alejandra
RNDC has continued to work to engage with counties and communities to discuss and explore potential projects/needs related to the June 2024 flooding. On June 4, the official Federal EDA Disaster Notice of Funding Opportunity (NOFO) was released. Jessica and Kristian held a Virtual Discussion Session with our Federal Economic Development Representative, Darrin Fleener, to allow county representatives to clarify eligibility requirements, ask questions about the application process, understand how projects should connect to disaster impacts, and share how RNDC can be a resource for assistance. Since that time, outreach has taken place with several jurisdictions and institutions in each of the nine counties by Jessica and Kristian in an effort to get as much Federal EDA investment into our region as possible. Work is

ongoing for helping communities/counties/partners prepare for application submissions. We are also continuing to do outreach for any entities that are interested in learning more about the process and considering an application. A list of projects was presented at the last Board Meeting.

Now that further application assistance is needed, Mark is taking the lead in putting together language and providing technical assistance for application preparations. Alejandra is a drafting language to support applications and demonstrate its alignment with the Comprehensive Economic Development Strategy.

Economic Impact Analysis for the Children's Museum of Southern Minnesota – Kristian, Aaron, Nate
RNDC began a feasibility study regarding future programming for the museum on July 1, funded by Compeer Financial to assist the museum with strategic planning. The study will conclude by October 31, 2025.

Eagle Lake Solar on Public Buildings Grant – Sabri
There are no new updates at this time.

Waseca Co-op Committee – Sabri
The group received its first market assessment from a coop consultant. Next steps will be increasing community engagement and support for the initiative.

Tri-County Solid Waste Plan – Joel, Mark
There are no new updates at this time.

Empowering Small Minnesota Communities - Joel
Stuart, Joel, and Region Nine Commissioner Dave Borchert plan to present on the project at the December AMC meeting and the January Region Nine commission meeting.

Minnesota Climate Adaptation Partnership (MCAP) – Jessica, Sam
Jessica is currently in the process of working with Sam on a revised outreach schedule and will be meeting with MCAP leadership in mid-September to discuss our contract, deliverables, and plans moving forward with the partnership.

New Ulm Anaerobic Digestion Initiative – Sam, Lisa
There are no new updates at this time.

Regional Resilience Initiatives – Sam, Lisa
Sam and Lisa have been meeting with regional stakeholders to identify needs and opportunities for long-term solutions regarding extreme weather and climate resilience. These efforts have been supported by completing a preliminary needs assessment, cost comparison models between gray and green infrastructure, and strategic partner engagement. Emerging needs include supporting Soil and Water

Conservation Districts (SWCDs) and local governments in project planning and ideation, extending capacity for local partners, and facilitating cross-sector collaboration among local and state entities. Additionally, integrating climate resilient concepts into county-wide hazard mitigation planning presents a valuable opportunity to align environmental stewardship with socioeconomic wellbeing, embedding both into a formal framework for emergency planning and future development.

GRANT COORDINATION AND ADMINISTRATION:

Energy Efficiency and Conservation Block Grant (EECBG) – Sam, Sabri, Lisa
Mapleton –Mapleton will be moving forward to receive energy audits for 10 city-owned buildings/facilities. RNDC is working with Frontier Energy to formalize this process and will seek a completion date in Fall 2025.

Welcome – There are no new updates at this time.

Le Sueur – The city of Le Sueur is interested in receiving an energy assessment for their community center/ice rink and wastewater treatment plant. RNDC will be meeting with city leadership and representatives from CEDA to discuss the project in greater detail and move forward on connecting EECBG funds for the assessment.

New Ulm Local Climate Action Grant – Sam, Lisa
The City of New Ulm was awarded ~$50,000 by the MPCA to perform energy audits and efficiency updates for dwelling units located in two pre-identified low-income disadvantaged census tracts. Through partnership with the City, New Ulm Public Utility (NUPU), Minnesota Valley Action Council (MVAC), and Clean Energy Resource Teams (CERTs), this funding will augment the existing Conservation Improvement Program (CIP) and extend the impact of energy improvements for units in these areas. A kickoff meeting was held in mid-August with project partners and outreach activities will begin in September. RNDC will coordinate project advancement and support reporting requirements throughout the process.

Mitigation and Adaptation Project – Sam, Lisa
There are no new updates at this time.

Food Access Grants - Tom
Tom will be collecting information via survey with the help of SCMNFR to find locations to fund refrigerator and freezer space, similar to the U of M Extension program with Mayo Clinic. This will be a direct source to transport rescued food to and will help move frozen meals out of the SCMNFR space.

There is also a list of funding opportunities that will be compiled so we can find additional support for transportation of rescued food.

COMMUNICATIONS

In addition to the above projects, Nate has assisted in proofing, designing, and typesetting multiple documents and presentation for various projects. He has also been keeping the website updated as many links to funding opportunities have changed or are no longer active. He continues to monitor the changing funding priorities to give website visitors the most accurate information.

Terms & Abbreviations

ACC – American Connection Corp

ACE - Americas Competitiveness Exchange on Innovation and Entrepreneurship

APPR – Annual Performance Progress Report (CEDS) ATP – Area Transportation Partnership

AURI – Agricultural Utilization Research Institute

BDO – Bioeconomy Development Opportunity

CRP – Carbon Reduction Program

CEDS – Comprehensive Economic Development Strategy

COPAL – Comunidades Organizando el Poder y la Acción Latina (Communities Organizing Latino Power and Action)

CGMC – Coalition of Greater Minnesota Cities

CPRG – Climate Pollution Reduction Grant

CSET – College of Science, Engineering & Technology

CSM – Climate Smart Municipalities

CSSJ – Climate Smart St. James

CTS – Center for Transportation Studies

DEED – Minnesota Department of Employment and Economic Development

DOE – Department of Energy

EDA – Economic Development Administration

EDD – Economic Development District

EECBG - Energy Efficiency and Conservation Block Grant

GAC – Gustavus Adolphus College

GIS – Geographic Information Systems

GMG – Greater Mankato Growth

GMNP – Greater Minnesota Partnership

HACER – Hispanic Advocacy and Community Empowerment through Research

IF – Initative Foundation

LGU – Local Government Unit

LMI – Labor Market Information

LMI – Low-to-Moderate Income

MADO – Minnesota Association of Development Organizations

MAPCED - Minnesota Association of Professional County Economic Developers

MAPO – Mankato/North Mankato Area Planning Organization

MCLA – Minnesota Council on Latino Affairs

MDH – Minnesota Department of Health

MPCA – Minnesota Pollution Control Agency

MSA – Metropolitan Statistical Area

MSU-M – Minnesota State University, Mankato

MYLAP – MN Young American Leaders Program

NEA – National Endowment for the Arts

NEH – National Endowment for the Humanities on Center

NRCS – Natural Resources Conservation Services

PROTECT – Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation

REDA – Regional Economic Development Alliance

REV – Rural Entrepreneurial Venture

RLF – Revolving Loan Fund

RNAI – Region Nine Area Inc.

RNDC – Region Nine Development Commission

SACE – Southern Agricultural Center for Excellence

SAF – Sustainable Aviation Fuel

SBDC – Small Business Development Center

SCC – South Central College

SCSC – South Central Service Cooperative

SHIP – Statewide Health Improvement Partnership

SMIF – Southern Minnesota Initiative Foundation

SRTS – Safe Routes to Schools

SS4A – Safe Streets for All

STIP – State Transportation Improvement Program

SWCDs - Soil and Water Conservation Districts

TAC - Transportation Advisory Committee

WCI – West-Central Initative

TZD – Toward Zero Deaths