

**Year 2017**  
**County Board of Commissioners Visits**

**Agenda**

- 1. Workforce Innovations and Opportunity Act (WIOA) (Governance)**
  - Regional Workforce Development Area 3 Map
    - Regional Planning Area 3 combines CMJTS and Stearns-Benton Employment & Training Council (SBETC) (13 counties)
- 2. Legal Duties of the CMJTS Joint Powers Board**
  - Federal Funding Streams for the Workforce Development System
- 3. CMJTS Annual Fiscal Audit and CMJTS Budget Review**
  - Completed by CliftonLarsonAllen LLC
  - Statement of Activities
  - PY16 Revenue Projections
- 4. CMJTS Annual Report**
  - A Focus on Business Services
- 5. Year 2016 LWDA 5's 11-County Demographics, by Luke Greiner, DEED LMI Regional Analyst (Information only)**
  - County Demographic and Economic Profiles (13 counties, including Stearns and Benton Counties)

**Administrative Office**

**Monticello\***  
406 East 7<sup>th</sup> Street, P.O. Box 720  
Monticello, MN 55362-0720  
763.271.3700  
763.271.3742 (TTY)

**Branch Offices**

**Cambridge\***  
140 Buchanan Street, Suite 152  
Cambridge, MN 55008  
763.279.4492

**Finlayson**  
2217 Findland Avenue  
PO Box 54  
Finlayson, MN 55735  
320.364.0321

**Forest Lake**  
19955 Forest Road North  
Forest Lake, MN 55025  
651.275.7247

**Hutchinson\***  
Ridgewater College  
2 Century Avenue  
Hutchinson, MN 55350  
320.587.4740

**Litchfield\***  
114 N. Holcombe Avenue, Suite 170  
Litchfield, MN 55355  
320.593.1056

**Milaca**  
Mille Lacs County Community  
and Veterans Services  
525 2<sup>nd</sup> Street SE  
Milaca, MN 56353  
800.284.7425

**Mora\***  
903 East Forest Avenue  
Mora, MN 55051  
320.679.6484

**Olivia**  
1005 West Elm Avenue, Suite 2  
Olivia, MN 56277  
800.284.7425

**Pine City**  
Pine Technical College  
900 Fourth Street SE  
Pine City, MN 55063  
320.629.4555

**Willmar\***  
Health & Human Services Building  
2200 23<sup>rd</sup> Street NE, Suite 2040  
Willmar, MN 56201  
320.441.6590

\*Denotes a WorkForce Center

[www.cmjts.org](http://www.cmjts.org)



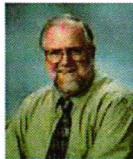


## CMJTS JOINT POWERS BOARD 1984-2017 (33 Years of Service)



Barbara Chaffee, Chief Executive

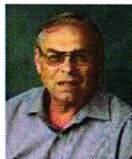
## CMJTS Joint Powers Board "Exemplary Leaders"



**Chair**  
Chisago County  
Commissioner  
Rick Greene



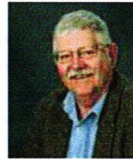
**Vice Chair**  
Kandiyohi County  
Commissioner  
Harlan Madsen



**Secretary**  
Isanti County  
Commissioner  
Mike Warring



Sherburne County  
Commissioner  
Lisa Fobbe



Pine County  
Commissioner  
Steve Hallan



Meeker County  
Commissioner  
Mike Huberty



## CMJTS Joint Powers Board “Exemplary Leaders” (cont.)



Wright County  
Commissioner  
Christine Husom



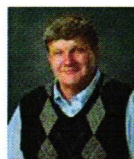
Renville County  
Commissioner  
Randy Kramer



Kanabec County  
Commissioner  
Les Nielsen



McLeod County  
Commissioner  
Ron Shimanski



Mille Lacs County  
Commissioner  
Tim Wilhelm



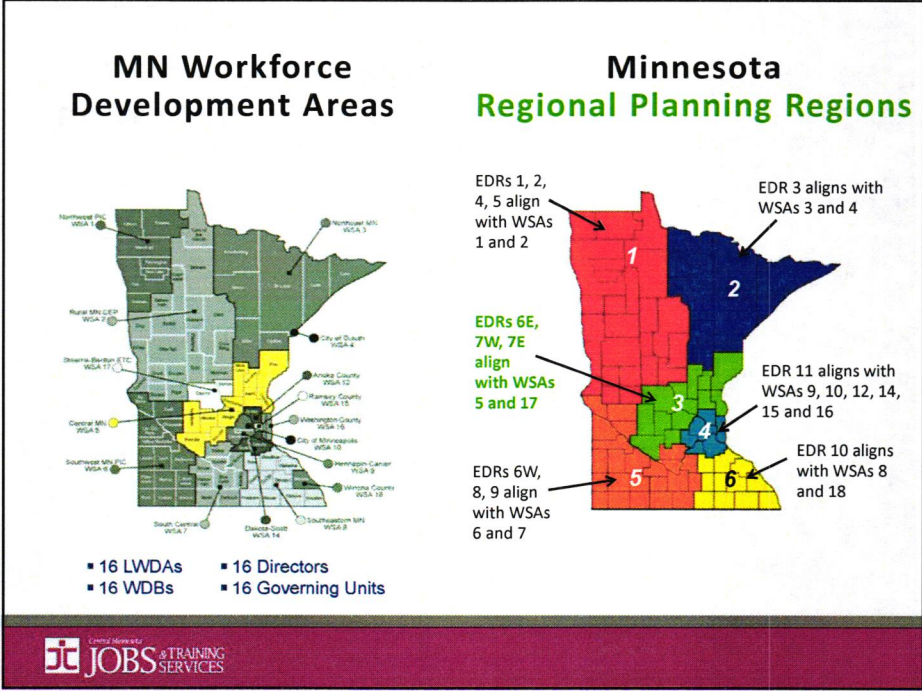
CMJTS  
CEO  
Barbara Chaffee



## Legal Duties: Joint Powers Board

- **Review the Annual Fiscal Audit for CMJTS (CLA)\***
  - Reminder of your fiduciary responsibilities under WIOA and state statute— for any “misuse of state/federal funds”
- **Review the Schedule of Insurances\***
  - Commercial insurances (Associated Financial)
  - Directors and officers insurance: \$2 million; deductible \$2,500; **Cyber Security**
- **Ensure that the CMJTS Annual Report is completed\***
  - Sent to the governor, the county commissioners in LWDA 5, and Legislators
  - Added: 800 Business Contacts
- **NEW RULES: Workforce Innovation & Opportunity Act (WIOA)**
  - For the state to receive Federal Allotments, the Governor and CLEOs must identify Regions (Minnesota—Planning Regions)
  - Develop a Regional Plan and select sectors (healthcare and manufacturing)
  - Establish a Regional Board





## REGION 3 LEADERSHIP & PLANNING BOARD

				
<b>Chair</b> Heidi Peper SBETC Workforce Development Board Chair	<b>Vice Chair</b> Commissioner Rick Greene CMJTS Joint Powers Board Chair	<b>Commissioner</b> Harlan Madsen CMJTS Joint Powers Board Vice Chair	<b>Jill Magelsen</b> SBETC Workforce Development Board Vice Chair	<b>Commissioner</b> DeWayne Mareck SBETC Joint Powers Board Vice Chair
				
<b>Commissioner</b> Jim McMahon SBETC Joint Powers Board Chair	<b>Loren Nelson</b> CMJTS Workforce Development Board Vice Chair	<b>Trish Taylor</b> CMJTS Workforce Development Board Chair	<b>Tammy Biery</b> SBETC Executive Director	<b>Barbara Chaffee</b> CMJTS Chief Executive Director

REGION 3 LEADERSHIP & PLANNING BOARD

## Federal Funding Streams for the Workforce Development System

**Barbara Chaffee**

**Formula Programs**

1. Youth 85%
2. Adult 85%
3. Dislocated Worker 60%
4. 25% JSPB for large layoffs

\* Pass through \$

**Funding Streams for the Workforce Development System**

Minneapolis, MN

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## Annual Fiscal Audit

**Tricia Bigouette**  
Finance Director

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDING JUNE 30, 2016

Section 7 - Summary of Audit Results

**Financial Statements**

1. Type of Auditor Report Issued: Unmodified
2. Internal Control over Financial Reporting:
  - Material Weakness(es) Identified? Yes  No
  - Significant Deficiency(ies) Identified? Yes  No
3. Noncompliance Elements to Financial Statements Identified? Yes  No

**Federal Awards**

1. Internal Control over Major Programs:
  - Material Weakness(es) Identified? Yes  No
  - Significant Deficiency(ies) Identified? Yes  No
2. Type of Auditor Report Issued on Compliance for Major Programs: Unmodified
3. Any audit findings identified that are required to be reported in accordance with 2 CFR 200.308(b)? Yes  No

Identification of major programs:

CFR Authority	Name of Federal Program or Cluster
29.166	WIOA
29.166	WIOB

Enter threshold used to determine whether type A and type B programs:

Auditor qualified as the risk auditor? Yes  No

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**Central Minnesota JOBS & TRAINING SERVICES**





## CMJTS Annual Report

**A Focus on Business Services**

### Workforce Development Division

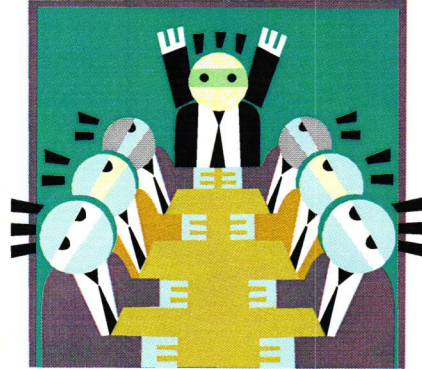
 <p><b>Manager</b> Leslie Wojtowicz</p>	 <p><b>Cathy Baumgartner</b> Workforce Development Coordinator South Region</p>	 <p><b>Rebecca Perrotti</b> Workforce Development Coordinator North Region</p>	 <p><b>Tim Zipoy</b> Workforce Development Coordinator Central Region</p>	 <p><b>Christina Pflueger</b> Work-Based Training Coordinator</p>
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## Congratulations Joint Powers Board!

**To LWDA 5's 11 counties:**  
Chisago, Isanti,  
Kanabec, Kandiyohi,  
Meeker, McLeod, Mille Lacs,  
Pine, Renville, Sherburne,  
and Wright counties

**Thank you for your  
outstanding leadership and  
partnership in workforce  
development!**





# Central MN Jobs & Training Services

## Schedule of Insurance

<b>Policy Type:</b>	Commercial Package	<b>Number:</b>	PHPK1644763
<b>Insurance Carrier:</b>	Philadelphia Insurance	<b>Policy Term:</b>	April 20, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Business Personal Property			\$ 758,000
Deductible			\$ 500
Valuation			Replacement Cost
Business Income			\$ 300,000
Employee Theft – First Party (\$10,000 deductible)			\$ 250,000
General Liability (\$2,000,000 aggregate)			\$ 1,000,000
Professional Liability (\$2,000,000 aggregate)			\$ 1,000,000
Automobile Liability			\$ 1,000,000
<b>Policy Type:</b>	Workers Compensation	<b>Number:</b>	MNAR0000026474
<b>Insurance Carrier:</b>	RTW Inc. (Assigned Risk Pool)	<b>Policy Term:</b>	May 5, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Workers Compensation – MN			Statutory Limits
Employers Liability – Each Accident			\$ 500,000
Employers Liability – Disease (Policy Limit)			\$ 500,000
Employers Liability – Disease (Each Employee)			\$ 500,000
<b>Policy Type:</b>	Commercial Umbrella	<b>Number:</b>	PHUB581521
<b>Insurance Carrier:</b>	Philadelphia Insurance	<b>Policy Term:</b>	April 20, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Umbrella Liability			\$ 1,000,000
Self-Insured Retention			\$ 10,000
<b>Policy Type:</b>	Management Liability	<b>Number:</b>	1548864
<b>Insurance Carrier:</b>	Monitor Liability	<b>Policy Term:</b>	April 20, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Directors' & Officers' Liability – per claim/aggregate			\$ 2,000,000
Directors' & Officers' Liability – deductible			\$ 0; \$ 0; \$ 2,500
Employment Practices Liability – per claim/aggregate			\$ 2,000,000
Employment Practices Liability – deductible			\$ 10,000
<b>Policy Type:</b>	Crime – Third Party	<b>Number:</b>	41BDDHA5336
<b>Insurance Carrier:</b>	The Hartford	<b>Policy Term:</b>	April 20, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Employee Theft – on Premise only			\$ 500,000
Deductible			\$ 4,000
<b>Policy Type:</b>	ERISA Bond	<b>Number:</b>	A270015864
<b>Insurance Carrier:</b>	Capitol Indemnity	<b>Policy Term:</b>	April 20, 2017-2018
<b>Coverage</b>			<b>Limit</b>
Bond Limit (with inflation guard)			\$ 225,000

Policy forms, clauses, rules and court decisions constantly change and vary from company to company and state to state. This material is intended as a general guideline and may not apply to a specific situation. The author and any organization for whom this information is supplied shall have neither liability nor responsibility to any person or entity with respect to any loss or damage alleged to be caused directly or indirectly as a result of information in



# Central MN Jobs & Training Services

## Description of Insurance

<b>Policy Type:</b> Commercial Package	
<b>Coverage</b>	<b>Description</b>
Business Personal Property	Provides coverage for loss of business assets if loss is due to a covered cause of loss.
Business Income	Responds to the loss of income following a property loss due to a covered cause of loss.
Employee Theft – First Party	Provides coverage for the insured for theft by an employee of the named insured.
General Liability	Provides coverage for acts of negligence committed by the insured that result in a loss.
Professional Liability	Provides coverage for errors or omissions regarding the insured's intellectual knowledge and skills
Automobile Liability	Provides coverage for the insured in the event of a collision for which the insured is liable.

<b>Policy Type:</b> Workers Compensation	
<b>Coverage</b>	<b>Description</b>
Workers Compensation – MN	Responds to injuries or occupational disease sustained by the employee during the course or scope of employment. Statutory limits apply as set forth by the state.
Employers Liability	These limits are available if the employee rejects the state limits and elects to sue the employer.

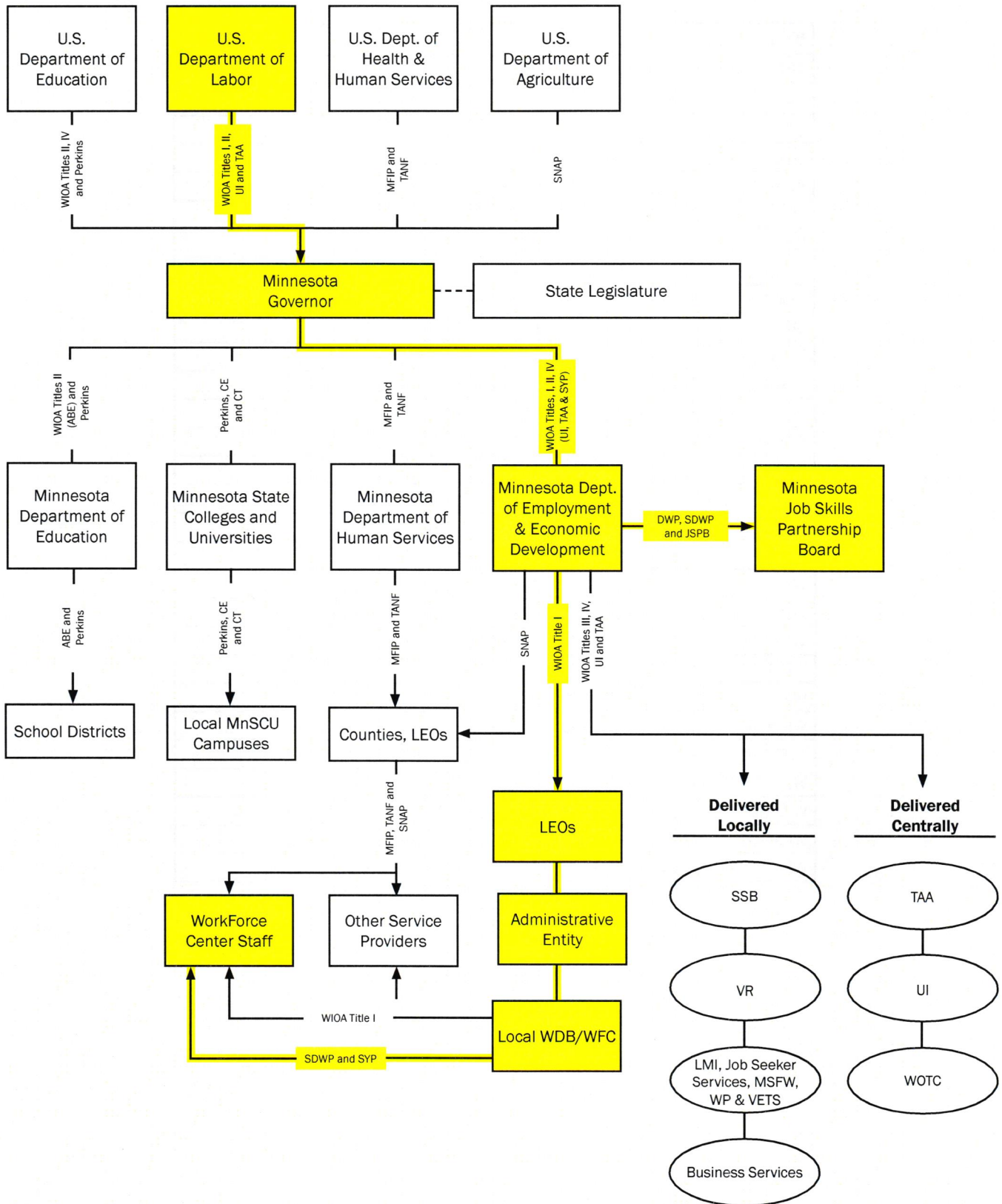
<b>Policy Type:</b> Commercial Umbrella	
<b>Coverage</b>	<b>Description</b>
Umbrella Liability	Provides additional limits of liability over the General, Automobile, Professional and Employers liability.

<b>Policy Type:</b> Management Liability	
<b>Coverage</b>	<b>Description</b>
Directors' & Officers' Liability	<p>A. Responds to loss on behalf of insured persons for claims made against the insured persons for wrongful acts; to the extent the insured organization doesn't indemnify the insured persons.</p> <p>B. Responds to loss on behalf of insured organization for claims made against the insured persons for wrongful acts; to the extent the insured organization indemnifies the insured persons.</p> <p>C. Responds to loss on behalf of insured organization for claims made against the insured organization for wrongful acts.</p>
Employment Practices Liability	Responds to claims of employee discrimination, harrasment and/or wrongful termination.

<b>Policy Type:</b> Crime – Third Party	
<b>Coverage</b>	<b>Description</b>
Employee Theft – on Premise only	Provides coverage to a third party (placement) for theft by an employee of the named insured.

<b>Policy Type:</b> ERISA Bond	
<b>Coverage</b>	<b>Description</b>
Employee Theft – ERISA	Provides coverage for the insured for theft by an employee of the named insured against the ERISA plan.

# Funding Streams for the Workforce Development System



Abbreviation key provided on reverse side.

## Abbreviation Key

<b>KEY</b>	
ABE	Adult Basic Education
CE	Continued Education
CT	Continued Training
DWP	Dislocated Worker Program
JSPB	Job Skills Partnership Board
LEOs	Local Elected Officials
LIW	Low Income Workers
LMI	Labor Market Information
LWDA	Local Workforce Development Areas
MFIP	Minnesota Family Investment Program
MnSCU	Minnesota State Colleges and Universities
MSFW	Migrant and Seasonal Farmworker
PTE	Pathways to Employment
SDWP	State Dislocated Worker Program
SSB	State Services for the Blind
SNAP	Supplemental Nutrition Assistance Program
SYP	State Youth Program
TAA	Trade Adjustment Assistance
TANF	Temporary Assistance for Needy Families
VETS	Veterans Employment and Training Services
VR	Vocational Rehabilitation
WDB	Workforce Development Boards
WIOA	Workforce Innovations and Opportunity Act
WIOA Title I	Adult, Dislocated Worker, and Youth
WIOA Title II	Adult Education
WIOA Title III	Wagner-Peyser
WIOA Title IV	Vocational Rehabilitation and State Services for the Blind
WOTC	Work Opportunity and Welfare-to-Work Tax Credit
WP	Wagner-Peyser

Central Minnesota Jobs & Training Services  
Statement of Activities  
PRELIMINARY PY17

	REVENUE	Budget PY16	ESTIMATED		Variance
			Budget PY17		
1	Revenue	8,870,722	6,923,573	(1,947,149)	
	<b>TOTAL REVENUE</b>	<b>\$ 8,870,722</b>	<b>\$ 6,923,573</b>	<b>\$ (1,947,149)</b>	
	<b>EXPENSES</b>				
3	Salaries	3,439,471	3,031,977	(407,494)	Furlough Exempt Staff 1 Week
4	Fringe Benefits	1,125,157	1,022,266	(102,891)	Staffing and time reductions
	<b>Subtotal Salary &amp; Fringe</b>	<b>4,564,628</b>	<b>4,054,242</b>	<b>\$ (510,386)</b>	
5	Training/OJT/Work Experience Related	2,721,232	1,380,512	(1,340,720)	
6	Support	630,308	591,648	(38,660)	
	<b>Subtotal Client Services</b>	<b>3,351,540</b>	<b>1,972,161</b>	<b>\$ (1,379,379)</b>	
7	Purchase of Service	41,303	41,303	-	
8	Professional Services	41,400	68,700	27,300	Addition of Youthbuild Contractor - Previously Employee Status
9	Property	311,412	301,532	(9,880)	Reductions: Willmar -4,930.00
10	Communications	68,900	68,900	-	Aitkin -1,650.00
11	Fixed Assets/Sm Equipment/Software	8,629	8,629	-	Finlayson -3,300.00
12	Insurance	25,000	25,000	-	
13	Supplies and Printing	162,490	162,490	-	
14	Advertising & Marketing	5,200	5,200	-	
15	Staff Travel	101,180	81,180	(20,000)	Reduction of Mileage to .40/mile
16	Staff Training	4,859	4,859	-	
17	Pass Thru	49,446	-	(49,446)	
	<b>Subtotal Other Expenses</b>	<b>819,819</b>	<b>767,793</b>	<b>\$ (52,026)</b>	
18	Board Per Diems	6,000	6,000	-	
19	Board Other	13,141	13,141	-	
20	Board Travel & Education	17,859	13,099	(4,760)	Reduction
	<b>Subtotal Board Expenses</b>	<b>37,000</b>	<b>32,240</b>	<b>\$ (4,760)</b>	
	<b>TOTAL EXPENSES</b>	<b>\$ 8,772,987</b>	<b>\$ 6,826,436</b>	<b>\$ (1,946,551)</b>	
	<b>EXCESS (DEFICIT)</b>	<b>\$ 97,735</b>	<b>\$ 97,137</b>		

Notes:  
Includes SCSEP for two months for revenue and expenses  
Includes staffing updates/changes effective 8/1  
Operating budget assumed at same as previous year except when noted  
Exec team will be meeting to determine necessary changes to operating budgets

Pending: NOT INCLUDED IN REVENUE

**PY17 ESTIMATED Revenue Projections**  
7/1/2017-6/30/2018  
Estimated Carry In

Grant Number	Dates	ESTIMATED PY2016 Carry In	PY2017 ESTIMATED Grant	TOTAL Estimated PY2016 Funding
Adult				
1710 W/OA Adult	7/1/2016-6/30/2017	\$113,304.80	\$428,841.91	\$542,146.71
1712 W/OA DW	7/1/2016-6/30/2017	\$102,727.20	\$461,436.01	\$564,163.21
1713 State DW	7/1/2016-6/30/2017	\$218,568.40	\$775,565.28	\$994,133.68
1671 SNAP	10/1/16-9/30/2018	\$61,502.13	\$41,082.00	\$102,584.13
1624 HTI-Project	5/2/2016-6/30/2017	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>				<b>\$2,203,027.73</b>
Youth				
1640 W/OA Yth PY16	4/1/2016-3/31/2017	\$159,368.75	\$0.00	\$159,368.75
1740 W/OA Yth PY17	10/1/14-9/30/2018	\$0.00	\$592,390.00	\$592,390.00
1742 MYP	4/1/2017-3/31/2018	\$0.00	\$296,718.00	\$296,718.00
1743 Youthbuild		\$0.00	\$75,000.00	\$75,000.00
<b>TOTAL</b>				<b>\$1,123,476.75</b>
PA				
488/1573-1588 MIFIP/DWP		\$651,148.00	\$651,148.00	\$1,302,296.00
1625 SCSEP	7/1/2016-6/30/2017	\$0.00	\$128,293.00	\$128,293.00
<b>TOTAL</b>				<b>\$1,430,589.00</b>
Competitive				
414 Job Driven NEG	7/1/14-9/30/16	\$0.00	\$0.00	\$0.00
420 DEI	10/1/14-9/30/2018	\$443,532.13	\$0.00	\$443,532.13
4511 W/OA-Incentive	12/4/2015-3/31/2017	\$0.00	\$0.00	\$0.00
1619 Pathways to Prosperity	7/1/2015-3/31/2018	\$54,222.04	\$0.00	\$54,222.04
1546 HeCAP - Career Advisors Project	7/1/2016-9/30/2016	\$0.00	\$0.00	\$0.00
1645 Youth Competitive	7/1/2016-9/30/2017	\$0.00	\$0.00	\$0.00
1680 Low-Income-Worker-Grant-PY15	9/15/2015-6/30/2017	\$0.00	\$0.00	\$0.00
1620 Rural Career Counseling Coordinator	7/1/2016-3/31/2018	\$35,000.00	\$0.00	\$35,000.00
1514 Sector Partnership NEG	10/1/2015-6/30/2017	\$0.00	\$0.00	\$0.00
1416 Joint-Sector-Partnership-NEG	12/1/2015-3/31/2017	\$0.00	\$0.00	\$0.00
1647 Youth DEI Grant	11/1/2016-3/31/2020	\$72,967.03	\$323,032.97	\$396,000.00
1649 TANF Youth PY16 Additional Funding	4/1/2017-12/31/2017	\$68,500.00	\$0.00	\$68,500.00
1616 Retail Grant	4/1/2017-3/31/2018	\$400,000.00	\$0.00	\$400,000.00
1617 MinAmp	7/1/2016-6/30/2017	\$103,036.19	\$0.00	\$103,036.19
1600 EDA CEDS Grant		\$0.00	\$50,000.00	\$50,000.00
1744 Pre ETS			\$100,000.00	\$100,000.00
1745 Youth At Work			\$100,000.00	\$100,000.00
300 CEDS Project Work		\$0.00	\$64,000.00	\$64,000.00
<b>TOTAL</b>				<b>\$1,814,290.36</b>
Unrestricted				
209 MnSure		\$114,532.86	\$0.00	\$114,532.86
203 Restricted Youth Grant		\$5,650.47	\$0.00	\$5,650.47
303 SBETC - Financial Services Contract		\$25,000.00	\$50,000.00	\$75,000.00
1507 Initiative Foundation Grant		\$4,000.00	\$0.00	\$4,000.00
207 Unrestricted Grant		\$94,101.00	\$0.00	\$94,101.00
207 Unrestricted Grant - Employment Network		\$58,905.00	\$0.00	\$58,905.00
<b>TOTAL</b>				<b>\$352,189.33</b>

Confirmed - Reduction of 8.8%  
Confirmed - Increase of 6.2%  
Confirmed - Reduction of 14.5%

Confirmed - Reduction of 7.1%  
Confirmed - same funding as PY16  
Confirmed - same funding as PY16

Estimating the same as PY16  
Program Eliminated - 2 Month Budget for Transition

Estimated Carry In

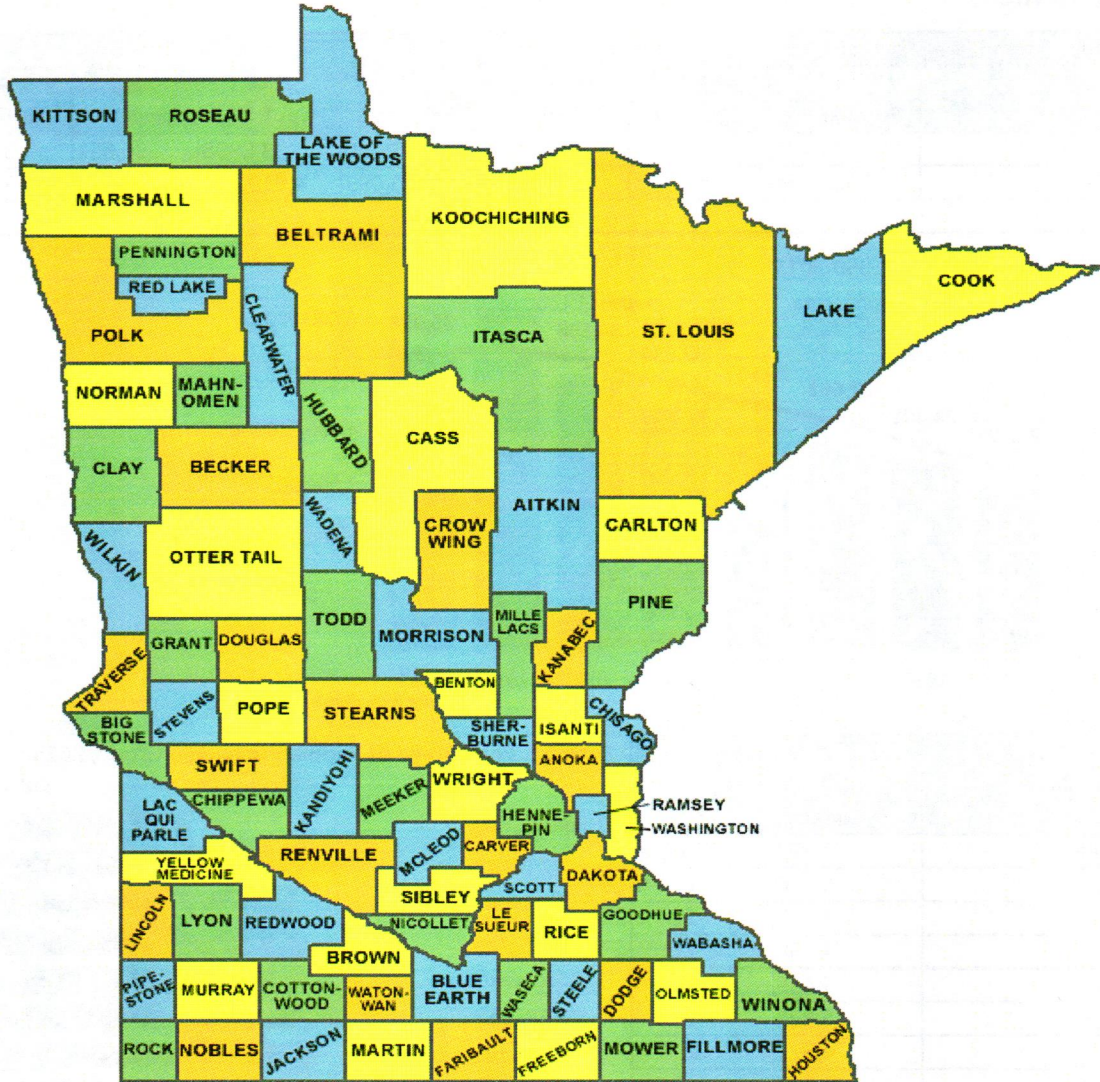
Total Grant \$495,000 - Estimating 20% Carryover  
Estimated Carry In - Recently received an additional \$64,000 in funding

NEW Grant  
\$100,000 Awarded per year for the next two years

**GRAND TOTAL** \$2,786,066.00 \$4,137,507.17 \$6,923,573.17

PY16 REVENUE TOTAL \$8,900,931.00  
DIFFERENCE -\$1,977,357.83

Notes: Carry In is ESTIMATED FOR ALL GRANTS



# McLeod Co.

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Economic Development Region:	Region 6E
Planning Region:	Central

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**Luke Greiner**

**Regional Analyst, Central & Southwest**

*Minnesota Department of Employment & Economic Development*

St. Cloud WorkForce Center

1542 Northway Dr. Door 2

St. Cloud MN 56303

Office: 320-308-5378

E-mail: [luke.greiner@state.mn.us](mailto:luke.greiner@state.mn.us)

Website: <http://www.mn.gov/deed/data/>

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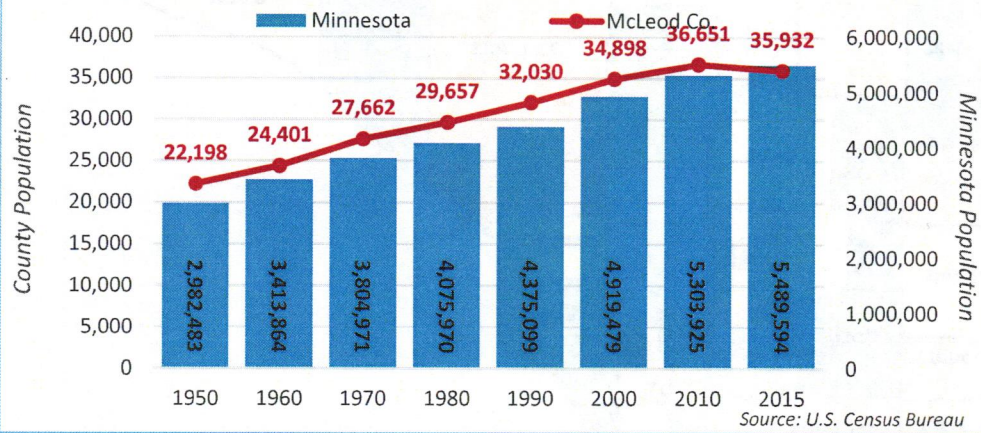
DEMOGRAPHICS

Table 1. Population Changes, 1960-2015

	1960	1970	1980	1990	2000	2010	2015	2000-2015	
	Population	Population	Population	Population	Population	Population	Population	Numeric	Percent
McLeod Co.	24,401	27,662	29,657	32,030	34,898	36,651	35,932	1,034	3.0%
Minnesota	3,413,864	3,804,971	4,075,970	4,375,099	4,919,479	5,303,925	5,489,594	570,115	11.6%

Source: U.S. Census Bureau

Figure 1. Population Change, 1950-2015

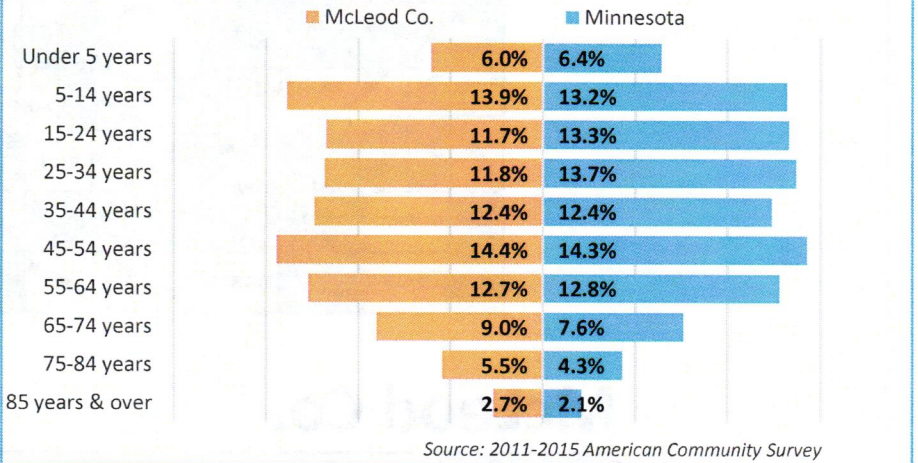


Source: U.S. Census Bureau

Age Group, 2015	2015 Population by Age Group	
	Number	Percent
<b>McLeod Co.</b>		
Under 5 years	2,177	6.0%
5-14 years	5,000	13.9%
15-24 years	4,227	11.7%
25-34 years	4,258	11.8%
35-44 years	4,455	12.4%
45-54 years	5,197	14.4%
55-64 years	4,572	12.7%
65-74 years	3,236	9.0%
75-84 years	1,965	5.5%
85 years & over	959	2.7%
<b>Total</b>	<b>36,046</b>	<b>100.0%</b>

Source: 2011-2015 American Community Survey

Figure 2. Percentage of Population by Age Group, 2015

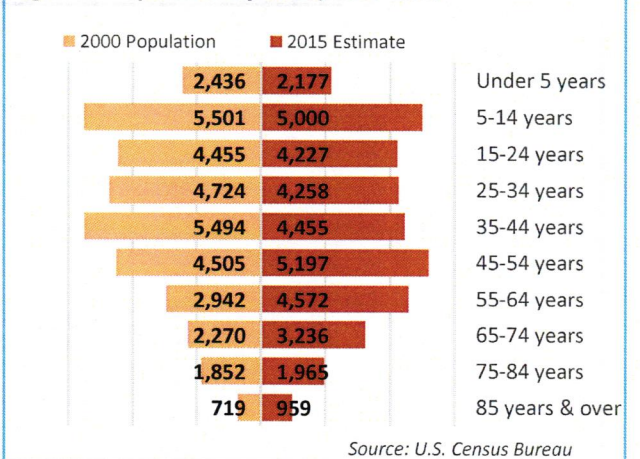


Source: 2011-2015 American Community Survey

Age Group, 2000-2015	2000-2015 Pop. Change by Age Group		2000-2015 Population Change	
	2000	2015	Numeric	Percent
<b>McLeod Co.</b>				
Under 5 years	2,436	2,177	-259	-10.6%
5-14 years	5,501	5,000	-501	-9.1%
15-24 years	4,455	4,227	-228	-5.1%
25-34 years	4,724	4,258	-466	-9.9%
35-44 years	5,494	4,455	-1,039	-18.9%
45-54 years	4,505	5,197	692	15.4%
55-64 years	2,942	4,572	1,630	55.4%
65-74 years	2,270	3,236	966	42.6%
75-84 years	1,852	1,965	113	6.1%
85 years & over	719	959	240	33.4%
<b>Total</b>	<b>34,898</b>	<b>36,046</b>	<b>1,148</b>	<b>3.3%</b>

Source: U.S. Census Bureau, 2011-2015 American Community Survey

Figure 3. Population Pyramid, 2000-2015



Source: U.S. Census Bureau



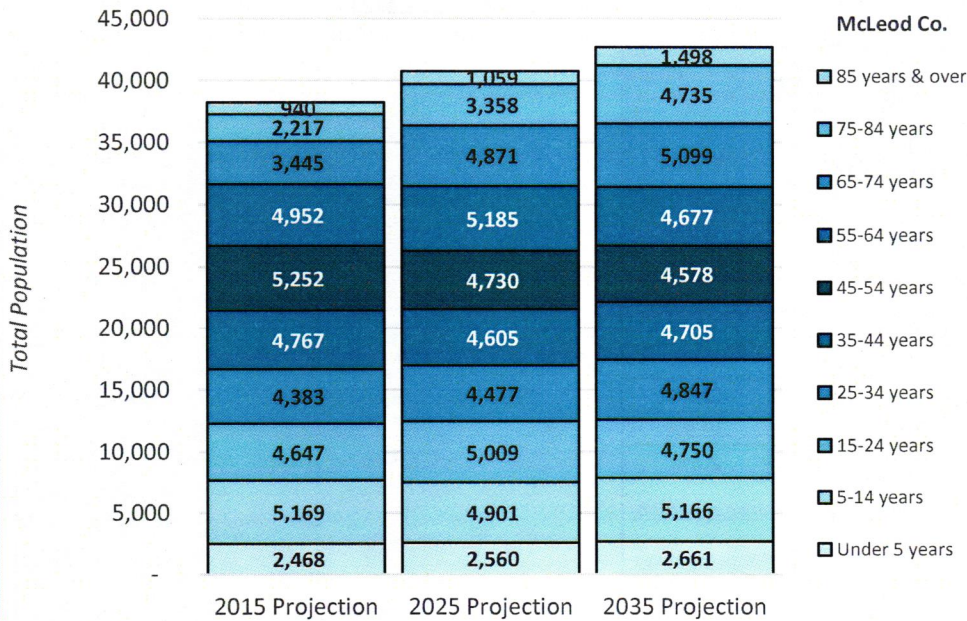
Table 4. Race and Hispanic Origin, 2015	McLeod Co.			Minnesota	
	Number	Percent	Change from 2000-2015	Percent	Change from 2000-2015
<b>Total</b>	<b>36,046</b>	<b>100.0%</b>	<b>3.3%</b>	<b>100.0%</b>	<b>10.2%</b>
White	34,569	95.9%	2.5%	84.8%	4.4%
Black or African American	135	0.4%	77.6%	5.5%	74.2%
American Indian & Alaska Native	92	0.3%	46.0%	1.0%	2.9%
Asian & Other Pac. Islander	224	0.6%	3.2%	4.5%	68.6%
Some Other Race	527	1.5%	-15.4%	1.5%	24.7%
Two or More Races	499	1.4%	147.0%	2.7%	74.3%
Hispanic or Latino origin	1,900	5.3%	49.8%	5.0%	89.0%

*Source: U.S. Census Bureau, 2011-2015 American Community Survey*

Table 5. Population Projections, 2015-2035	2015-2035 Change				
	2015 Projection	2025 Projection	2035 Projection	Numeric	Percent
<b>McLeod Co.</b>					
Under 5 years	2,468	2,560	2,661	193	7.8%
5-14 years	5,169	4,901	5,166	-3	-0.1%
15-24 years	4,647	5,009	4,750	103	2.2%
25-34 years	4,383	4,477	4,847	464	10.6%
35-44 years	4,767	4,605	4,705	-62	-1.3%
45-54 years	5,252	4,730	4,578	-674	-12.8%
55-64 years	4,952	5,185	4,677	-275	-5.6%
65-74 years	3,445	4,871	5,099	1,654	48.0%
75-84 years	2,217	3,358	4,735	2,518	113.6%
85 years & over	940	1,059	1,498	558	59.4%
<b>Total</b>	<b>38,240</b>	<b>40,755</b>	<b>42,716</b>	<b>4,476</b>	<b>11.7%</b>

*Source: Minnesota State Demographic Center*

Figure 4. Population Projections by Age Group, 2015-2035



Source: Minnesota State Demographic Center

**LABOR FORCE**

**Table 6. Employment Characteristics, 2015**

	McLeod Co.			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
<b>Total Labor Force</b>	<b>19,858</b>	<b>69.9%</b>	<b>4.5%</b>	<b>70.0%</b>	<b>5.6%</b>
16 to 19 years	1,048	58.7%	9.3%	51.9%	16.1%
20 to 24 years	1,785	90.1%	12.4%	82.8%	9.2%
25 to 44 years	7,837	89.9%	3.3%	88.1%	5.0%
45 to 54 years	4,610	88.7%	3.6%	87.2%	4.3%
55 to 64 years	3,437	75.2%	3.4%	72.1%	4.2%
65 to 74 years	925	28.6%	1.9%	26.9%	3.6%
75 years & over	202	6.9%	1.0%	6.0%	3.5%
<b>Employment Characteristics by Race &amp; Hispanic Origin</b>					
White alone	19,275	70.1%	4.4%	70.0%	4.8%
Black or African American	37	46.3%	48.6%	68.8%	14.7%
American Indian & Alaska Native	25	30.5%	0.0%	58.6%	16.3%
Asian or Other Pac. Islanders	131	72.4%	3.8%	70.4%	6.4%
Some Other Race	198	73.3%	4.0%	77.4%	9.4%
Two or More Races	185	61.9%	1.6%	71.0%	11.5%
Hispanic or Latino	883	78.6%	10.0%	75.0%	9.1%
<b>Employment Characteristics by Veteran Status</b>					
Veterans, 18 to 64 years	976	81.0%	4.9%	82.9%	6.9%
<b>Employment Characteristics by Disability</b>					
With Any Disability	964	55.2%	14.0%	51.3%	12.7%
<b>Employment Characteristics by Educational Attainment</b>					
Population, 25 to 64 years	15,876	85.9%	3.4%	84.0%	4.6%
Less than H.S. Diploma	801	76.1%	5.0%	65.4%	6.5%
H.S. Diploma or Equivalent	5,145	83.8%	4.1%	78.8%	3.9%
Some College or Assoc. Degree	6,628	88.2%	2.8%	85.2%	4.7%
Bachelor's Degree or Higher	3,303	87.5%	1.5%	89.3%	2.7%
<i>Source: 2011-2015 American Community Survey, 5-Year Estimates</i>					

**Table 7. Labor Force Projections, 2015-2025**

McLeod Co.	2015	2025	2015-2025 Change	
	Labor Force Projection	Labor Force Projection	Numeric	Percent
16 to 19 years	1,247	1,204	-43	-3.5%
20 to 24 years	1,795	2,204	409	22.8%
25 to 44 years	8,230	8,169	-61	-0.7%
45 to 54 years	4,659	4,196	-463	-9.9%
55 to 64 years	3,722	3,897	175	4.7%
65 to 74 years	985	1,393	408	41.4%
75 years & over	218	305	87	39.9%
<b>Total Labor Force</b>	<b>20,856</b>	<b>21,367</b>	<b>512</b>	<b>2.5%</b>
<i>Source: calculated from Minnesota State Demographic Center population projections and 2011-2015 American Community Survey 5-Year Estimates</i>				

Table 8. Total Available Labor Force Estimates

	McLeod Co.	Minnesota
2001 Annual Avg.	20,234	2,845,202
2002 Annual Avg.	20,160	2,859,601
2003 Annual Avg.	20,114	2,874,663
2004 Annual Avg.	19,858	2,880,427
2005 Annual Avg.	20,040	2,879,759
2006 Annual Avg.	20,469	2,887,831
2007 Annual Avg.	20,388	2,906,389
2008 Annual Avg.	20,505	2,925,088
2009 Annual Avg.	20,157	2,941,976
2010 Annual Avg.	20,307	2,938,795
2011 Annual Avg.	20,344	2,946,278
2012 Annual Avg.	20,009	2,958,272
2013 Annual Avg.	20,106	2,971,523
2014 Annual Avg.	19,887	2,982,750
2015 Annual Avg.	20,312	3,010,366
2016 Annual Avg.	20,304	3,019,622
2001-2016		
Numeric Change	70	174,420
Percent Change	0.3%	6.1%

Source: DEED LAUS program

Table 9. Annual Unemployment Rates

	McLeod Co.	Minnesota
2001 Annual Avg.	3.6	3.8
2002 Annual Avg.	4.3	4.5
2003 Annual Avg.	4.6	4.9
2004 Annual Avg.	4.6	4.7
2005 Annual Avg.	4.1	4.1
2006 Annual Avg.	4.0	4.0
2007 Annual Avg.	5.0	4.6
2008 Annual Avg.	6.0	5.4
2009 Annual Avg.	9.5	7.8
2010 Annual Avg.	9.0	7.4
2011 Annual Avg.	7.6	6.5
2012 Annual Avg.	6.7	5.6
2013 Annual Avg.	5.6	4.9
2014 Annual Avg.	4.6	4.2
2015 Annual Avg.	3.9	3.7
2016 Annual Avg.	4.3	3.9

Source: DEED LAUS program

Table 10. Jobseekers Per Vacancy

	Q2 2016
Region 6E Unemployed	2,694
Region 6E Vacancies	1,940
Jobseekers per Vacancy	1.39

Source: DEED Job Vacancy Survey, LAUS

Figure 5. Annual Labor Force Estimates

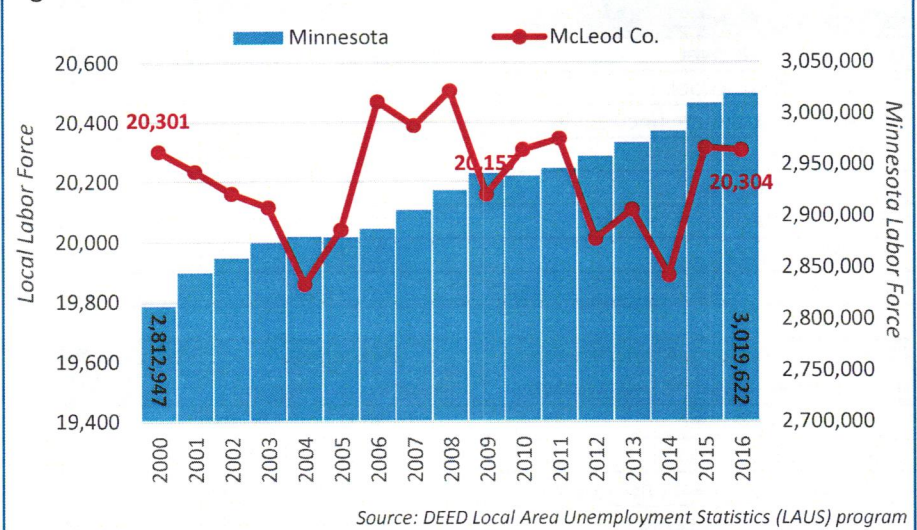


Figure 6. Unemployment Rates, 2000-2016

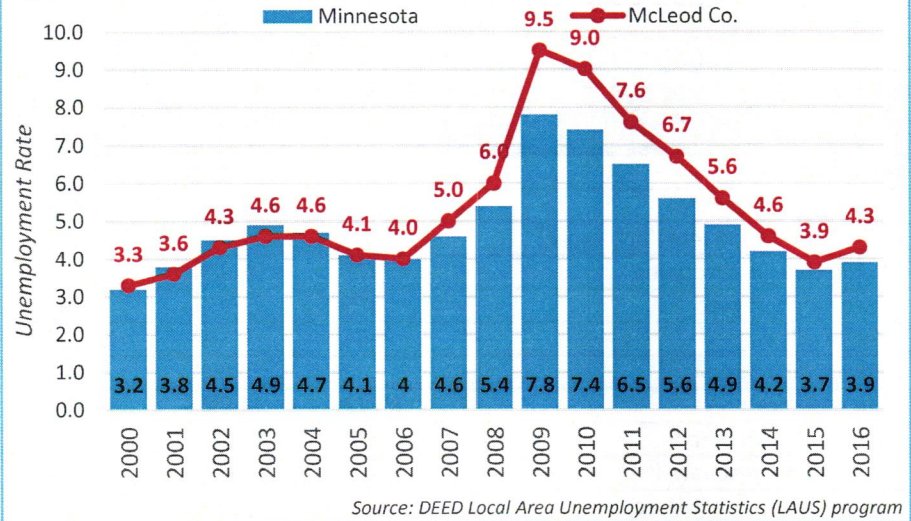


Figure 7. Jobseekers Per Vacancy, 2006-2016



Table 11. Educational Attainment for the Population Aged 18 years & Over	McLeod Co.		Minnesota
	Number	Percent	Percent
<b>Total, 18 years &amp; over</b>	<b>27,371</b>	<b>100.0%</b>	<b>100.0%</b>
Less than high school	2,415	8.8%	8.3%
High school graduate (incl. equiv.)	10,120	37.0%	26.4%
Some college, no degree	6,456	23.6%	24.8%
Associate's degree	3,692	13.5%	10.0%
Bachelor's degree	3,438	12.6%	20.9%
Advanced degree	1,250	4.6%	9.6%
<i>Source: 2011-2015 American Community Survey, 5-Year Estimates</i>			

Table 12. Educational Attainment for the Population Aged 25 years & Over	McLeod Co.		Minnesota
	Number	Percent	Percent
<b>Total, 25 years &amp; over</b>	<b>24,642</b>	<b>100.0%</b>	<b>100.0%</b>
Less than high school	2,003	8.1%	7.7%
High school graduate (incl. equiv.)	9,361	38.0%	26.4%
Some college, no degree	5,477	22.2%	22.2%
Associate's degree	3,367	13.7%	10.5%
Bachelor's degree	3,184	12.9%	22.3%
Advanced degree	1,250	5.1%	10.9%
<i>Source: 2011-2015 American Community Survey, 5-Year Estimates</i>			

Table 13. Educational Attainment by Age Group, 2015	McLeod Co.		Minnesota
	Number	Percent	Percent
<b>18 to 24 years</b>	<b>2,729</b>	<b>10.0%</b>	<b>12.3%</b>
Less than high school	412	15.1%	12.8%
High school graduate (incl. equiv.)	759	27.8%	26.0%
Some college, no degree	979	35.9%	43.4%
Associate's degree	325	11.9%	6.1%
Bachelor's degree	254	9.3%	11.3%
Advanced degree	0	0.0%	0.5%
<b>25 to 44 years</b>	<b>8,713</b>	<b>31.8%</b>	<b>34.3%</b>
Less than high school	614	7.0%	6.7%
High school graduate (incl. equiv.)	2,360	27.1%	19.5%
Some college, no degree	2,096	24.1%	22.0%
Associate's degree	1,586	18.2%	12.9%
Bachelor's degree	1,523	17.5%	27.5%
Advanced degree	534	6.1%	11.4%
<b>45 to 64 years</b>	<b>9,769</b>	<b>35.7%</b>	<b>35.6%</b>
Less than high school	438	4.5%	5.6%
High school graduate (incl. equiv.)	3,780	38.7%	27.3%
Some college, no degree	2,308	23.6%	23.7%
Associate's degree	1,525	15.6%	11.1%
Bachelor's degree	1,228	12.6%	21.1%
Advanced degree	490	5.0%	11.2%
<b>65 years &amp; over</b>	<b>6,160</b>	<b>22.5%</b>	<b>17.8%</b>
Less than high school	951	15.4%	13.8%
High school graduate (incl. equiv.)	3,221	52.3%	38.1%
Some college, no degree	1,073	17.4%	19.5%
Associate's degree	256	4.2%	4.7%
Bachelor's degree	433	7.0%	14.6%
Advanced degree	226	3.7%	9.3%
<i>Source: 2011-2015 American Community Survey, 5-Year Estimates</i>			

COUNTY PROFILE **McLeod Co.**

**Table 14. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2016**

	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
			Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
McLeod Co.	\$47,017	\$15.07	\$241	\$750	\$408	\$695	\$863	\$452	\$509
Minnesota	\$54,804	\$17.57	\$462	\$771	\$408	\$916	\$805	\$528	\$677

Source: DEED Cost of Living tool

**Table 15. Household and Family Incomes, 2015**

	Median Household Income	Average Household Income	Median Family Income	Average Family Income
McLeod Co.	\$56,128	\$66,944	\$67,991	\$77,993
Minnesota	\$61,492	\$80,444	\$77,055	\$96,258

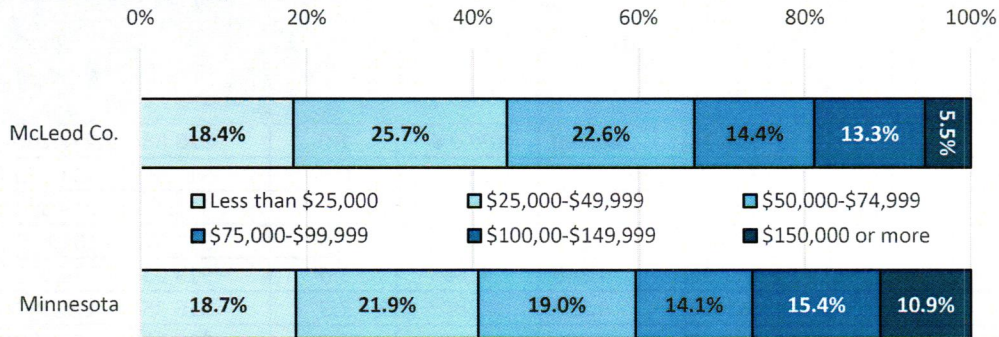
Source: 2011-2015 American Community Survey, 5-Year Estimates

**Table 16. Household Incomes, 2015**

	Less than \$25,000	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000-\$99,999	\$100,000-\$149,999	\$150,000 or more
McLeod Co.	18.4%	25.7%	22.6%	14.4%	13.3%	5.5%
Minnesota	18.7%	21.9%	19.0%	14.1%	15.4%	10.9%

Source: 2011-2015 American Community Survey, 5-Year Estimates

**Figure 8. Household Incomes, 2015**



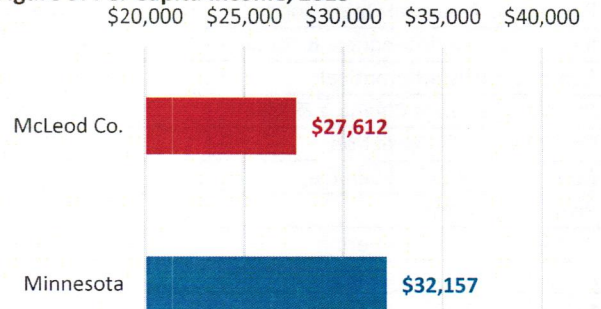
Source: 2011-2015 American Community Survey 5-Year Estimates

**Table 17. Per Capita Income, 2015**

	McLeod Co.	Percent of State	Minnesota
Per capita income in the past 12 months (in 2015 inflation-adjusted dollars)	\$27,612	85.9%	\$32,157

Source: 2011-2015 American Community Survey, 5-Year Estimates

**Figure 9. Per Capita Income, 2015**



Source: 2011-2015 American Community Survey

**WAGES AND OCCUPATIONS**

<b>Table 18. Occupational Employment Statistics by Region, 2016</b>	Median Hourly Wage	Estimated Regional Employment
Region 1 - Northwest	\$16.48	38,910
Region 2 - Headwaters	\$16.19	31,570
Region 3 - Arrowhead	\$16.61	142,870
Region 4 - West Central	\$16.03	82,910
Region 5 - North Central	\$15.07	60,260
Region 6E - Southwest Central	\$16.78	48,890
Region 6W - Upper MN Valley	\$15.52	16,200
Region 7E - East Central	\$17.00	54,650
Region 7W - Central	\$16.92	182,330
Region 8 - Southwest	\$15.48	52,940
Region 9 - South Central	\$16.39	107,390
Region 10 - Southeast	\$17.77	228,960
Region 11 - 7-County Twin Cities	\$20.79	1,719,000
<b>State of Minnesota</b>	<b>\$18.88</b>	<b>2,772,240</b>

*Source: DEED Occupational Employment Statistics, Qtr. 1 2016*

<b>Table 19. Occupational Employment Statistics, 2016</b>							
Occupational Group	Region 6E				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Statewide Employment	Share of Total Employment
<b>Total, All Occupations</b>	<b>\$16.78</b>	<b>48,890</b>	<b>100.0%</b>	<b>1.0</b>	<b>\$18.88</b>	<b>2,772,240</b>	<b>100.0%</b>
Office & Administrative Support	\$15.98	6,090	12.5%	0.9	\$17.65	403,870	14.6%
Production	\$17.57	7,340	15.0%	1.9	\$16.80	219,390	7.9%
Healthcare Practitioners & Technical	\$25.90	2,650	5.4%	0.9	\$31.65	167,800	6.1%
Sales & Related	\$11.96	4,840	9.9%	1.0	\$13.03	274,960	9.9%
Transportation & Material Moving	\$16.42	3,850	7.9%	1.3	\$16.35	174,150	6.3%
Education, Training, & Library	\$18.57	2,900	5.9%	1.0	\$22.59	162,330	5.9%
Food Preparation & Serving Related	\$9.46	2,770	5.7%	0.7	\$9.39	232,550	8.4%
Healthcare Support	\$11.57	2,860	5.8%	1.9	\$13.96	87,470	3.2%
Management	\$37.60	2,170	4.4%	0.7	\$48.47	167,820	6.1%
Personal Care & Service	\$11.06	2,720	5.6%	1.2	\$11.29	125,520	4.5%
Business & Financial Operations	\$26.89	1,650	3.4%	0.6	\$31.06	162,610	5.9%
Installation, Maintenance, & Repair	\$20.58	1,970	4.0%	1.2	\$21.96	94,280	3.4%
Computer & Mathematical	\$30.93	690	1.4%	0.4	\$38.93	94,470	3.4%
Building, Grounds Cleaning & Maint.	\$12.52	1,050	2.1%	0.7	\$12.25	82,220	3.0%
Construction & Extraction	\$21.46	1,910	3.9%	1.1	\$25.36	95,560	3.4%
Community & Social Service	\$19.76	810	1.7%	0.9	\$20.99	50,160	1.8%
Protective Service	\$16.77	600	1.2%	0.8	\$19.85	42,440	1.5%
Architecture & Engineering	\$31.72	1,080	2.2%	1.2	\$35.14	52,680	1.9%
Arts, Design, Entertainment & Media	\$16.60	310	0.6%	0.5	\$22.49	35,510	1.3%
Life, Physical, & Social Science	\$26.34	270	0.6%	0.6	\$29.94	24,380	0.9%
Legal	\$23.19	150	0.3%	0.5	\$38.40	18,450	0.7%
Farming, Fishing, & Forestry	\$18.06	190	0.4%	3.0	\$14.86	3,610	0.1%

*Source: DEED Occupational Employment Statistics, Qtr. 1 2016*

Table 20. Job Vacancy Survey Results, Qtr. 4 2016

Region 6E	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Median Hourly Wage Offer
<b>Total, All Occupations</b>	<b>1,942</b>	<b>50%</b>	<b>8%</b>	<b>27%</b>	<b>28%</b>	<b>33%</b>	<b>\$12.09</b>
Management	39	0%	0%	40%	80%	14%	\$14.54
Business & Financial Operations	40	0%	0%	91%	92%	19%	\$23.20
Computer & Mathematical	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Architecture & Engineering	7	35%	18%	83%	45%	64%	\$16.55
Life, Physical & Social Sciences	53	2%	5%	100%	98%	7%	\$25.54
Community & Social Service	26	43%	5%	31%	40%	32%	\$10.33
Legal	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Education, Training & Library	36	59%	30%	64%	24%	46%	\$12.81
Arts, Design, Entertainment & Media	7	46%	26%	44%	33%	8%	\$15.14
Healthcare Practitioners & Technical	136	46%	2%	97%	59%	90%	\$27.27
Healthcare Support	73	80%	0%	31%	10%	67%	\$13.29
Protective Service	4	N/A	N/A	N/A	N/A	N/A	\$11.28
Food Preparation & Serving Related	451	89%	0%	0%	4%	0%	\$9.97
Building, Grounds Cleaning & Maint.	66	71%	0%	1%	15%	4%	\$10.31
Personal Care & Service	178	71%	7%	40%	3%	62%	\$9.98
Sales & Related	190	26%	4%	20%	50%	32%	\$12.15
Office & Administrative Support	108	15%	6%	29%	34%	1%	\$11.43
Construction & Extraction	78	37%	55%	1%	5%	34%	\$14.90
Installation, Maintenance & Repair	43	3%	0%	40%	73%	34%	\$14.79
Production	111	10%	22%	9%	16%	1%	\$12.49
Transportation & Material Moving	228	58%	2%	14%	33%	89%	\$13.66
Internships	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A

Source: DEED Job Vacancy Survey, Qtr. 4 2016

Figure 10. Job Vacancies by Industry, Qtr. 4 2016

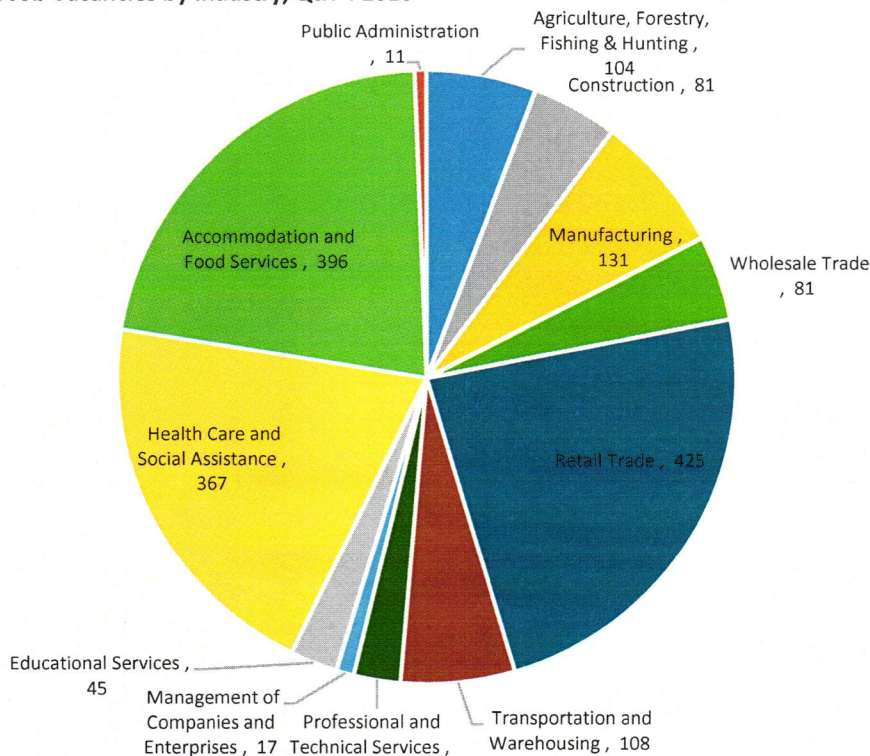
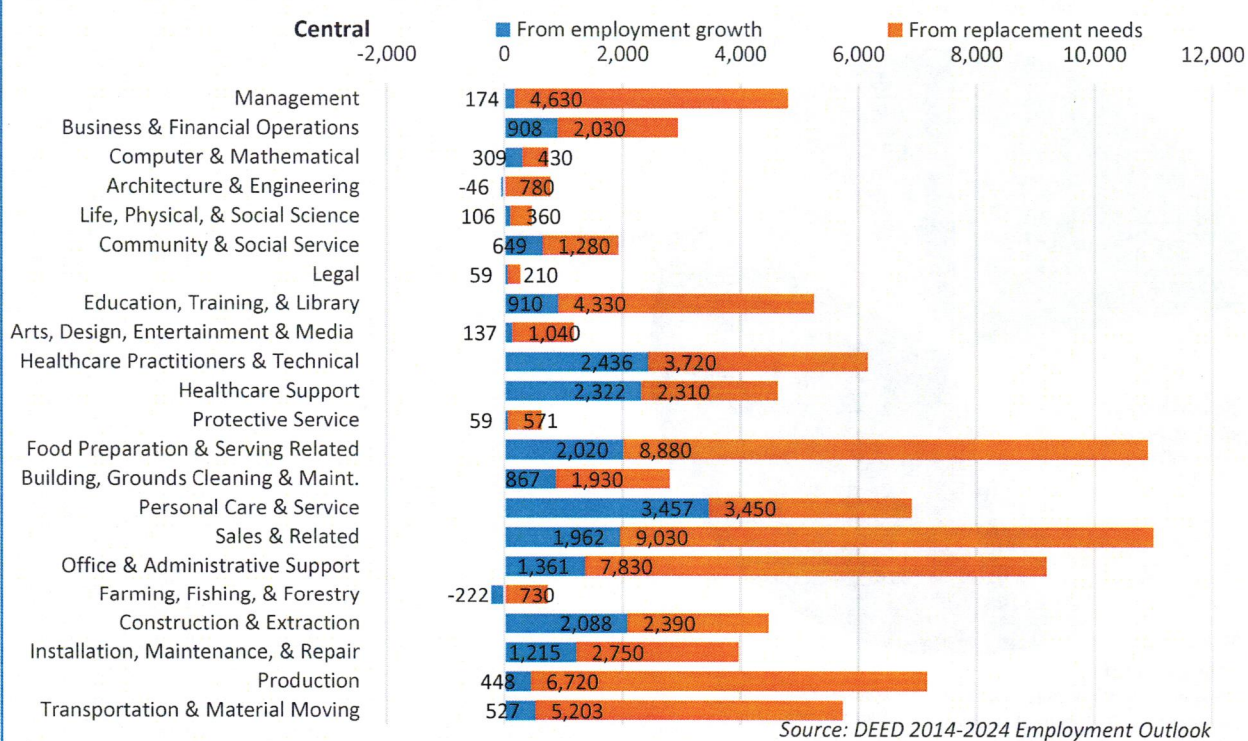


Table 21. Regional Employment Projections, 2014-2024

Occupational Group	Central Planning Region					
	2014 Estimate	2024 Projection	2014-2024 Percent Change	2014-2024 New Jobs	Replacement Openings	2014-2024 Total Openings
<b>Total, All Occupations</b>	<b>302,055</b>	<b>325,393</b>	<b>7.7%</b>	<b>23,338</b>	<b>70,740</b>	<b>97,320</b>
Management	22,397	22,571	0.8%	174	4,630	5,550
Business & Financial Operations	9,595	10,503	9.5%	908	2,030	2,960
Computer & Mathematical	2,964	3,273	10.4%	309	430	750
Architecture & Engineering	3,453	3,407	-1.3%	-46	780	860
Life, Physical, & Social Science	1,321	1,427	8.0%	106	360	480
Community & Social Service	6,002	6,651	10.8%	649	1,280	1,930
Legal	1,229	1,288	4.8%	59	210	270
Education, Training, & Library	19,177	20,087	4.7%	910	4,330	5,250
Arts, Design, Entertainment, & Media	4,189	4,326	3.3%	137	1,040	1,220
Healthcare Practitioners & Technical	16,717	19,153	14.6%	2,436	3,720	6,160
Healthcare Support	10,373	12,695	22.4%	2,322	2,310	4,630
Protective Service	2,340	2,399	2.5%	59	571	630
Food Preparation & Serving Related	25,052	27,072	8.1%	2,020	8,880	10,990
Building, Grounds Cleaning & Maint.	9,589	10,456	9.0%	867	1,930	2,790
Personal Care & Service	17,727	21,184	19.5%	3,457	3,450	6,920
Sales & Related	29,244	31,206	6.7%	1,962	9,030	11,040
Office & Administrative Support	37,866	39,227	3.6%	1,361	7,830	9,950
Farming, Fishing, & Forestry	2,809	2,587	-7.9%	-222	730	750
Construction & Extraction	15,197	17,285	13.7%	2,088	2,390	4,490
Installation, Maintenance, & Repair	11,693	12,908	10.4%	1,215	2,750	4,130
Production	30,062	30,510	1.5%	448	6,720	8,100
Transportation & Material Moving	22,920	23,447	2.3%	527	5,203	5,730

Source: DEED 2014-2024 Employment Outlook

Figure 11. Regional Employment Projections, 2014-2024



Source: DEED 2014-2024 Employment Outlook



**Table 22. Regional Occupations in Demand, 2016**

Region 6E			
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Personal Care Aides \$22,995	Carpenters \$40,452	Nursing Assistants \$24,858	Construction Managers \$66,538
Food Prep & Serving Workers \$19,415	Secretaries & Administrative Assistants \$33,311	Heavy & Tractor-Trailer Truck Drivers \$37,385	Elementary & Secondary School Teachers \$45,617
Cashiers \$18,947	Social & Human Service Assistants \$34,142	Teacher Assistants \$28,171	Accountants & Auditors \$56,856
Retail Salespersons \$22,073	Sales Representatives, Wholesale & Mfg. \$51,500	Preschool Teachers, Except Special Education \$23,995	Industrial Engineers \$96,956
Slaughterers & Meat Packers \$28,389	Automotive Service Technicians & Mechanics \$34,386	Registered Nurses \$60,694	Financial Managers \$96,067
Home Health Aides \$22,782	Bus Drivers, School or Special Client \$32,961	Licensed Practical & Licensed Voc. Nurses \$38,861	Medical & Health Services Managers \$74,687
Stock Clerks & Order Fillers \$22,758	Customer Service Representatives \$32,962	Hairdressers, Hairstylists, & Cosmetologists \$23,465	Human Resources Specialists \$50,237
Food Preparation Workers \$20,392	Welders, Cutters, Solderers, & Brazers \$39,840	Architectural & Civil Drafters \$45,935	Software Developers, Systems Software \$97,923
Laborers & Freight, Stock & Material Movers \$29,133	Office Clerks, General \$29,360	Medical Assistants \$28,856	Sales Representatives, Wholesale & Mfg. \$78,067
Janitors & Cleaners \$27,032	First-Line Supervisors of Retail Sales Workers \$33,920	Dental Assistants \$40,697	Cost Estimators \$52,086

Source: DEED Occupations in Demand

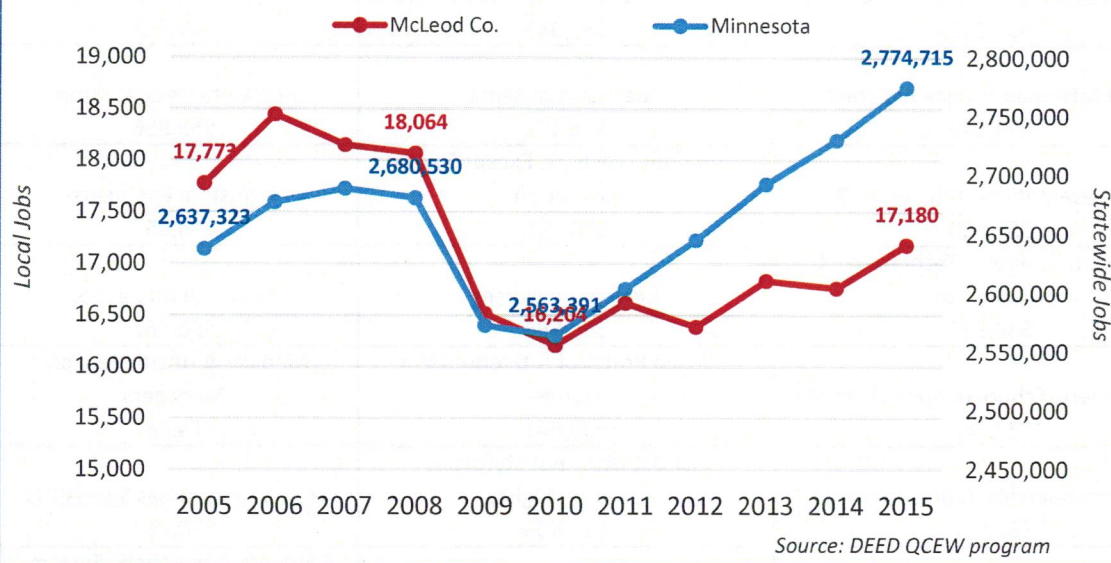
COUNTY PROFILE **McLeod Co.**

**Table 23. Industry Employment Statistics, 2015**

	2015 Annual Data				2010-2015		2014-2015	
	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Change in Jobs	Percent Change	Change in Jobs	Percent Change
McLeod Co.	924	17,180	\$723,565,115	\$42,068	976	6.0%	418	2.5%
State of Minnesota	160,678	2,774,765	\$148,563,385,038	\$53,560	211,374	8.2%	45,152	1.7%

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

**Figure 12. Industry Employment Statistics, 2005-2015**



Source: DEED QCEW program

**Table 24. Industry Employment Statistics, 2015**

McLeod Co.	2015 Annual Data				2010-2015		2014-2015	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage	Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>NAICS Industry Title</b>								
<b>Total, All Industries</b>	<b>924</b>	<b>17,180</b>	<b>\$723,565</b>	<b>\$42,068</b>	<b>976</b>	<b>6.0%</b>	<b>418</b>	<b>2.5%</b>
Agriculture, Forestry, Fish & Hunt	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Mining	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Construction	111	530	\$26,424	\$49,348	-22	-4.0%	16	3.1%
Manufacturing	83	5,593	\$328,190	\$58,708	511	10.1%	241	4.5%
Utilities	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Wholesale Trade	38	585	\$32,138	\$54,912	21	3.7%	-6	-1.0%
Retail Trade	131	2,133	\$47,623	\$22,308	146	7.3%	0	0.0%
Transportation & Warehousing	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Information	13	175	\$4,859	\$27,872	-44	-20.1%	-5	-2.8%
Finance & Insurance	63	340	\$18,101	\$53,144	-22	-6.1%	0	0.0%
Real Estate & Rental & Leasing	27	87	\$1,913	\$21,944	-11	-11.2%	2	2.4%
Professional & Technical Services	50	269	\$12,559	\$47,164	-4	-1.5%	-12	-4.3%
Management of Companies	4	75	\$5,692	\$75,764	-66	-46.8%	1	1.4%
Admin. Support & Waste Mgmt. Svcs.	36	326	\$10,188	\$31,096	-224	-40.7%	19	6.2%
Educational Services	14	1,008	\$37,748	\$37,596	96	10.5%	12	1.2%
Health Care & Social Assistance	92	2,921	\$112,292	\$38,428	391	15.5%	89	3.1%
Arts, Entertainment, & Recreation	17	169	\$2,934	\$17,368	33	24.3%	15	9.7%
Accommodation & Food Services	66	1,188	\$15,504	\$13,000	116	10.8%	26	2.2%
Other Services	84	397	\$8,801	\$22,152	-35	-8.1%	-11	-2.7%
Public Administration	25	692	\$29,179	\$42,276	140	25.4%	27	4.1%

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

**Table 25. Regional Industry Employment Projections, 2014-2024**

Central Planning Region	Estimated Employment 2014	Projected Employment 2024	Percent Change 2014-2024	Numeric Change 2014-2024
<b>Total, All Industries</b>	<b>302,055</b>	<b>325,393</b>	<b>7.7%</b>	<b>23,338</b>
Agriculture, Forestry, Fish & Hunt	4,594	4,187	-8.8%	-407
Mining	279	249	-10.7%	-30
Construction	15,214	18,007	18.3%	2,793
Manufacturing	40,606	40,278	-0.8%	-328
Utilities	2,396	2,707	12.9%	311
Wholesale Trade	10,324	11,421	10.6%	1,097
Retail Trade	34,974	37,382	6.8%	2,408
Transportation & Warehousing	8,368	9,211	10.0%	843
Information	2,992	3,109	3.9%	117
Finance & Insurance	6,740	7,178	6.4%	438
Real Estate & Rental & Leasing	2,112	2,341	10.8%	229
Professional & Technical Services	5,913	6,641	12.3%	728
Management of Companies	1,505	1,625	7.9%	120
Admin. Support & Waste Mgmt. Svcs.	10,401	11,909	14.4%	1,508
Educational Services	2,915	2,866	-1.6%	-49
Health Care & Social Assistance	44,510	54,997	23.5%	10,487
Arts, Entertainment, & Recreation	5,676	5,936	4.5%	260
Accommodation & Food Services	20,886	22,484	7.6%	1,598
Other Services	12,075	12,620	4.5%	545
Public Administration	42,845	43,330	1.1%	485

Source: DEED 2014-2024 Employment Outlook

**Table 26. Employers by Size Class, 2014**

Number of Employees	McLeod Co.		Minnesota
	Number of Firms	Percent of Firms	Percent of Firms
1-4	488	50.6%	53.9%
5-9	192	19.9%	17.7%
10-19	139	14.4%	13.4%
20-49	94	9.7%	9.1%
50-99	26	2.7%	3.2%
100-249	17	1.8%	1.9%
250-499	6	0.6%	0.5%
500 or more	3	0.3%	0.3%
<b>Total Firms</b>	<b>965</b>	<b>100.0%</b>	<b>100.0%</b>

Source: U.S. Census, County Business Patterns

**Table 27. Nonemployer Statistics, 2014**

	2014		2004-2014	
	Number of Firms	Receipts (\$1,000s)	Change in Nonemps.	Percent Change
McLeod Co.	2,376	\$104,768	-144	-5.7%
State of Minnesota	394,690	\$17,982,080	33,610	9.3%

Source: U.S. Census, Nonemployer Statistics program

**Table 28. Census of Agriculture, 2012**

	Number of Farms	Market Value of Products Sold	State Rank (of 87)	Change in Mkt. Value, 2007-2012
McLeod Co.	966	\$234,534,000	46	87.0%
State of Minnesota	74,542	\$21,280,184,000		61.5%

Source: 2012 Census of Agriculture

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2016 AND 2015**

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Central Minnesota Jobs and Training Services  
Monticello, Minnesota

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Central Minnesota Jobs and Training Services (the Organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Minnesota Jobs and Training Services as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Other Information – Schedule of Expenditures of Federal Awards*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2016, on our consideration of Central Minnesota Jobs and Training Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Central Minnesota Jobs and Training Services' internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

St. Cloud, Minnesota  
December 28, 2016

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2016 AND 2015**

	2016	2015
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 177,337	\$ 262,987
Receivables:		
Grants	469,388	577,957
Other	16,561	16,138
Prepaid Assets	79,344	82,965
Total Current Assets	742,630	940,047
<b>LONG-TERM ASSETS</b>		
Lease Receivable	29,168	37,944
<b>PROPERTY AND EQUIPMENT</b>		
Equipment	465,223	458,747
Leasehold Improvements	232,256	232,256
Total Property and Equipment	697,479	691,003
Less: Accumulated Depreciation	586,029	543,802
Net Property and Equipment	111,450	147,201
 Total Assets	 \$ 883,248	 \$ 1,125,192
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Contracts and Accounts Payable	\$ 63,576	\$ 233,716
Accrued Expenses	267,649	476,416
Deferred Revenue	140,196	37,070
Capital Lease Payable	7,568	7,190
Total Current Liabilities	478,989	754,392
<b>LONG-TERM LIABILITIES</b>		
Deferred Lease Payable	137,973	150,840
<b>CONTINGENCIES</b>		
<b>UNRESTRICTED NET ASSETS</b>		
	266,286	219,960
Total Liabilities and Net Assets	\$ 883,248	\$ 1,125,192

See accompanying Notes to Financial Statements.



**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
<b>REVENUES</b>		
Grant Revenues	\$ 7,425,375	\$ 8,570,132
Sub-Grantee Pass-Through	38,937	108,784
Other Income	341,811	402,223
Total Revenues	7,806,123	9,081,139
<b>EXPENSES</b>		
State of Minnesota:		
Dislocated Worker	1,753,803	1,959,906
Hutchinson Technologies	-	131,069
Other Adult Projects	140,183	443,596
Youthbuild	479,484	342,653
Diversionary Work Program (DWP)	217,481	286,938
Supplemental Nutrition Assistance Program (SNAP)	1,949	80,876
MNsure	-	1,823
DEI Adult Career Pathways	103,723	-
WESA	26,024	-
WIA Adult	956,060	815,732
WIA Dislocated Worker	328,972	691,736
Senior Services America (SSA)	744,758	632,345
Other Adult Projects	448,901	376,634
WIA Youth	844,172	1,024,142
Other Youth Projects	9,373	329,730
Minnesota Family Investment Program (MFIP)	1,024,035	1,062,411
Supplemental Nutrition Assistance Program (SNAP)	72,780	1,521
H1B Technical Skills (H1B)	273,677	552,605
Sub-Grantee Pass-Through	38,937	108,784
Rural Career Counselor	29,180	-
Walmart - Retail Genius	17,052	-
General Operations	216,976	197,223
Fundraising	3,716	149
Capital Lease Payments	(7,190)	(6,832)
Fixed Asset Purchases	(6,476)	(29,761)
Depreciation Expense	42,227	47,018
Total Expenses	7,759,797	9,050,298
<b>CHANGE IN NET ASSETS</b>	46,326	30,841
Net Assets - Beginning of Year	219,960	189,119
<b>NET ASSETS - END OF YEAR</b>	\$ 266,286	\$ 219,960

See accompanying Notes to Financial Statements.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2016**

	<u>Program Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total Functional Expenses</u>
Participant Training	\$ 1,346,200	\$ -	\$ -	\$ 1,346,200
Participant Support	264,902	-	-	264,902
Salaries	3,511,352	439,351	-	3,950,703
Benefits	981,140	151,369	-	1,132,509
Postage	14,724	4,721	-	19,445
Supplies	28,604	8,882	-	37,486
Printing	38,098	10,334	-	48,432
Communication	63,626	7,941	-	71,567
Professional Fees	-	38,580	-	38,580
Equipment and Software	20,432	-	-	20,432
Space Rental	397,665	30,953	-	428,618
Subscriptions/Memberships	43,802	8,941	-	52,743
Staff Travel	98,965	6,132	3,716	108,813
Board Expense	178	47,932	-	48,110
Insurance	21,503	2,757	-	24,260
Staff Training	9,699	908	-	10,607
Maintenance	1,968	88	-	2,056
Outreach	8,474	47	-	8,521
Contractors	47,418	2,977	-	50,395
Program Materials	10,212	46	-	10,258
Bank Charges	757	3,239	-	3,996
Sub-Grantee Pass-Through	38,937	-	-	38,937
Depreciation	18,896	23,331	-	42,227
	<u>\$ 6,967,552</u>	<u>\$ 788,529</u>	<u>\$ 3,716</u>	<u>\$ 7,759,797</u>

See accompanying Notes to Financial Statements.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2015**

	<u>Program Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total Functional Expenses</u>
Participant Training	\$ 2,003,889	\$ -	\$ -	\$ 2,003,889
Participant Support	397,737	-	-	397,737
Salaries	3,501,595	438,599	-	3,940,194
Benefits	1,079,684	142,380	-	1,222,064
Postage	16,692	5,891	-	22,583
Supplies	39,727	6,901	-	46,628
Printing	40,605	10,858	-	51,463
Communication	61,198	7,457	-	68,655
Professional Fees	-	27,897	-	27,897
Equipment and Software	22,319	3,214	-	25,533
Space Rental	488,722	48,775	-	537,497
Subscriptions/Memberships	38,670	8,112	-	46,782
Staff Travel	153,970	20,983	-	174,953
Board Expense	12,485	31,479	-	43,964
Insurance	20,622	3,225	-	23,847
Staff Training	20,093	6,070	149	26,312
Maintenance	6,549	14	-	6,563
Outreach	5,839	512	-	6,351
Contractors	160,129	23,884	-	184,013
Program Materials	33,024	16	-	33,040
Bank Charges	823	3,708	-	4,531
Sub-Grantee Pass-Through	108,784	-	-	108,784
Depreciation	44,667	2,351	-	47,018
	<u>\$ 8,257,823</u>	<u>\$ 792,326</u>	<u>\$ 149</u>	<u>\$ 9,050,298</u>

See accompanying Notes to Financial Statements.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Grantors and Customers	\$ 7,684,360	\$ 8,598,322
Cash Paid to Suppliers and Employees	(8,093,286)	(9,005,677)
Other Income Received	341,811	402,223
Net Cash Used by Operating Activities	(67,115)	(5,132)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment	(11,345)	(24,892)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on Capital Lease	(7,190)	(6,832)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(85,650)	(36,856)
Cash and Cash Equivalents - Beginning of Year	262,987	299,843
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 177,337	\$ 262,987
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 46,326	\$ 30,841
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Depreciation	42,227	47,018
(Increase) Decrease in Grants Receivable	108,569	(75,427)
(Increase) Decrease in Other Receivables	(423)	21,048
(Increase) Decrease in Long-Term Lease Receivable	8,776	5,001
(Increase) Decrease in Prepaid Expenses	3,621	(2,544)
Increase (Decrease) in Accounts Payable	(165,271)	624
Increase (Decrease) in Accrued Expenses	(208,767)	20,847
Increase (Decrease) in Current Portion of Long-Term Lease Payable	(5,299)	(21,324)
Increase (Decrease) in Deferred Revenue	103,126	(31,216)
Net Cash Used by Operating Activities	\$ (67,115)	\$ (5,132)
<b>NON-CASH TRANSACTIONS</b>		
Equipment Purchased through Accounts Payable	\$ -	\$ 4,869

See accompanying Notes to Financial Statements.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Central Minnesota Jobs and Training Services (the Organization) is a not-for-profit corporation which serves as one of 16 Minnesota Workforce Service Areas (WSA) within the meaning of the Workforce Investment Act of 1998.

The Workforce Innovation and Opportunity Act (WIOA) provides funds to states to establish programs to prepare youth, adults, and dislocated workers for entry or reentry into the labor force. WIA provides employers, job seekers, and universal (non eligibility based) customers with access to labor market information. It also provides training, job counseling and exploration, skill assessment and supportive services to targeted individuals who have barriers to employment.

The 21-member Workforce Investment Board is represented by private industry, education, organized labor, economic development, public employment, rehabilitation services, public assistance, and community based organizations of the 11 county area encompassing Chisago, Isanti, Kanabec, Kandiyohi, McLeod, Meeker, Mille Lacs, Pine, Renville, Sherburne, and Wright counties of Minnesota. Central Minnesota Jobs and Training Services provides policy guidance for and oversight with respect to activities under the service plan developed for its WSA in cooperation with elected officials as directed by WIA. The Organization contracts and subgrants the services of the program.

**Basis of Presentation**

The Organization follows financial statements of not-for-profit organizations standards. Under these standards, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

*Unrestricted* – Resources over which the board of directors has discretionary control. Designated amounts represent those revenues which the board has set aside for a particular purpose. The Organization had only unrestricted net assets at June 30, 2016 and 2015.

*Temporarily Restricted* – Those resources subject to donor imposed restrictions which will be satisfied by actions of Central Minnesota Jobs and Training Services or passage of time.

*Permanently Restricted* – Those resources subject to a donor imposed restriction that they be maintained permanently by Central Minnesota Jobs and Training Services. The donors of these resources typically would then permit Central Minnesota Jobs and Training Services to use all or part of the income earned, including capital appreciation, for unrestricted or temporarily restricted purposes.

**Cash and Cash Equivalents**

The Organization considers all cash accounts and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Organization is exempt from federal and state income taxes as a private not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization is not a private organization and contributions to the Organization qualify as a charitable tax deduction by the contributor. It is the policy of the Organization, in accordance with GAAP, to assess any uncertain tax provisions and, if necessary, record a tax asset or liability, and the related income tax expense, for any uncertain tax provisions. The Organization does not have any uncertain tax positions or unrelated business income.

The Organization files as a tax exempt organization, should that status be challenged in the future, all years since inception would be subject to review by the IRS.

**Property and Equipment**

Additions and improvements to property and equipment are capitalized at cost, while maintenance and repair expenditures which do not improve or extend the life of the respective assets are charged to operations as incurred.

It is the Organization's policy to capitalize property and equipment that has a unit cost equal to or greater than \$3,000.

Leasehold improvements are estimated to have 10-year lives. All equipment is depreciated over lives ranging from 3 to 10 years. Depreciation is provided over the estimated useful lives of the assets or over the lease term, on the straight-line method.

Acquired equipment is owned by the Organization while it is used in the program for which it was purchased or in other future authorized programs. However, the funding sources have a reversionary interest in the equipment purchased with grant funds. Dispositions, as well as the ownership of any proceeds there from, are subject to funding source regulations.

**Government Grants and Contracts**

Government grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each grant or contract, are made. Funds received but not yet earned are shown as deferred revenue. Grant amounts awarded, but not yet received, are reported as grants receivable. No allowance for bad debts is deemed necessary at June 30, 2016 and 2015.

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Organization has operating leases in which the lease payments and lease receipts are on an escalating basis. The expense and income related to these leases are recognized on a straight-line basis over the lease term. As a result, the difference in the straight-line and escalating amounts of lease income is recorded as a lease receivable and the difference in the lease expense is recorded as a lease payable.

**Cost Allocation Plan**

It is the Organization's policy to direct charge all costs that can be directly charged to the grant program. For those indirect costs which are benefiting more than one program, whether administrative or program, distributions are established to allocate those amounts based on the benefit received by each program.

**Advertising Costs**

Advertising costs are expensed when incurred. Advertising costs were \$8,085 and \$6,120 for the years ended June 30, 2016 and 2015, respectively.

**Functional Expenses**

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 28, 2016, the date the financial statements were available to be issued.

**NOTE 2 CONCENTRATIONS**

At times, such cash balances may be in excess of the FDIC insurance limit. Excess amounts are swept into treasury bills on a daily basis by the financial institutions to mitigate any losses.

During the years ended June 30, 2016 and 2015, concentrations of revenue consisted in the following programs:

<u>Name of Program</u>	<u>% of Total Revenue</u>	
	<u>2016</u>	<u>2015</u>
State Dislocated Worker	22%	22%
WIA Cluster	28%	28%
MFIP/DWP	16%	15%
Senior Services of America	10%	7%

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 3 GRANTS RECEIVABLE**

<u>Due From</u>	<u>2016</u>	<u>2015</u>
State Dislocated Workers	\$ 48,781	\$ -
Senior Services of America	64,613	110,244
H1B	-	91,633
WIA Dislocated Workers	-	18,460
WIA Adult	-	15,391
WIA Youth	54,805	87,366
Adult - Other Grants	85,840	34,365
Youth - Other Grants	147	1,457
Minnesota Family Investment Project	156,864	186,521
Diversionsary Work Program	9,624	-
Retail Genius	17,052	-
Rural Career Counselor	4,368	-
SNAP	27,294	32,520
Total	<u>\$ 469,388</u>	<u>\$ 577,957</u>

All receivables are uncollateralized.

**NOTE 4 CHANGES IN PROPERTY AND EQUIPMENT**

<u>Changes in Fixed Assets</u>	<u>Property and Equipment</u>	<u>Accumulated Depreciation</u>
Balance July 1, 2015	\$ 691,003	\$ 543,802
Additions	6,476	42,227
Disposals	-	-
Balance June 30, 2016	<u>\$ 697,479</u>	<u>\$ 586,029</u>
<u>Changes in Fixed Assets</u>	<u>Property and Equipment</u>	<u>Accumulated Depreciation</u>
Balance July 1, 2014	\$ 661,242	\$ 496,784
Additions	29,761	47,018
Disposals	-	-
Balance June 30, 2015	<u>\$ 691,003</u>	<u>\$ 543,802</u>



**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015**

**NOTE 5 LINE OF CREDIT**

The Organization has a line of credit with Riverwood Bank which extends through April 2018. The maximum amount of credit available is \$200,000. Interest accrues on the outstanding balance at 5.25%. The line of credit is secured by the assets of the Organization. There were no amounts outstanding as of June 30, 2016 and 2015.

**NOTE 6 OBLIGATIONS UNDER OPERATING LEASES**

The Organization has leases for office space and equipment requiring monthly payments of approximately \$26,000. The lease terms expire October 2016 through September 2025. Rent expense for the years ended June 30, 2016 and 2015 was \$428,619 and \$537,496, respectively. Future lease payment commitments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 357,075
2018	344,531
2019	334,380
2020	322,462
2021	327,236
Thereafter	1,359,071
Total	<u>\$ 3,044,755</u>

The Organization subleases a portion of its office space. Monthly rental income is approximately \$10,406. The sublease agreements expire through June 2018. Lease payments received were \$128,647 and \$124,872 for the years ended June 30, 2016 and 2015, respectively. Future minimum sublease rentals to be received are:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 132,480
2018	136,430
Total	<u>\$ 268,910</u>

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016 AND 2015**

**NOTE 7 CAPITAL LEASE**

During the year ended June 30, 2013, the Organization entered into a new capital lease for office equipment. At June 30, 2016, the gross cost of equipment under the capital lease is \$36,046 and the corresponding accumulated depreciation is \$18,881. Depreciation on the office equipment under capital lease is included in depreciation expense.

<u>Description</u>	<u>Amount</u>
Capital Lease Payable - Office Equipment; Interest at 5.25%; Annual Installments Through November 2017	\$ 7,568
Total Capital Lease Payable	7,568
Less: Current Maturities of Capital Lease Payable	(7,568)
Capital Lease Payable Net of Current Maturities	<u>\$ -</u>

Future capital lease payments, including interest, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 7,965
Total Minimum Lease Payments	7,965
Less: Amount Representing Interest on Capital Lease Payable	(397)
Net Minimum Capital Lease Payments	<u>\$ 7,568</u>

**NOTE 8 RETIREMENT PLAN**

The Organization offers a 403(B) retirement plan to its employees. The Plan covers all regular (non-temporary) employees. Under the Plan, the contribution equals 6% of eligible compensation. Employer contributions made for the years ended June 30, 2016 and 2015 were \$178,022 and \$177,717, respectively.

**NOTE 9 CONTINGENT LIABILITIES**

The Organization participates in a number of federal, state, and county assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Compliance issues raised from a program compliance audit could result in grant dollars being returned or reduced.

Under the terms of the Organization's reimbursable government contracts and grants, the Organization is entitled to the reimbursement of direct and indirect costs incurred. All direct expenses and overhead rates charged under the Organization's government contracts and grants are subject to audit by the cognizant government agency. Questioned costs that may arise from a government agency audit are unknown at this time. Any contract adjustment determined by subsequent review will be accounted for in the period determined.

Senior Services	Other Adult Projects	DEI Adult Career Pathways	Rural Career Counselor	Retail Genius	WIA Youth	MYP	Youthbuild
\$ (64,540)	\$ (78,871)	\$ 2,421	\$ (8,327)	\$ (16,903)	\$ (15,310)	\$ 10,600	\$ 460
64,613	85,840	-	4,368	17,052	54,805	-	-
-	-	-	3,972	-	-	-	-
-	-	-	-	-	-	-	-
<u>73</u>	<u>6,969</u>	<u>2,421</u>	<u>13</u>	<u>149</u>	<u>39,495</u>	<u>10,600</u>	<u>460</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 73</u>	<u>\$ 6,969</u>	<u>\$ 2,421</u>	<u>\$ 13</u>	<u>\$ 149</u>	<u>\$ 39,495</u>	<u>\$ 10,600</u>	<u>\$ 460</u>
\$ 73	\$ 6,969	\$ 34	\$ 13	\$ 149	\$ 9,624	\$ 9,417	\$ 460
-	-	-	-	-	-	-	-
-	-	2,387	-	-	29,871	1,183	-
-	-	-	-	-	-	-	-
<u>73</u>	<u>6,969</u>	<u>2,421</u>	<u>13</u>	<u>149</u>	<u>39,495</u>	<u>10,600</u>	<u>460</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 73</u>	<u>\$ 6,969</u>	<u>\$ 2,421</u>	<u>\$ 13</u>	<u>\$ 149</u>	<u>\$ 39,495</u>	<u>\$ 10,600</u>	<u>\$ 460</u>

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**SUPPLEMENTARY COMBINING STATEMENT OF FINANCIAL POSITION –**  
**ALL UNRESTRICTED FUNDS (CONTINUED)**  
**JUNE 30, 2016**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)

	MFIP/ DWP	SNAP	Other	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ (160,291)	\$ (25,823)	\$ 454,863	\$ 177,337
Receivables:				
Grants	156,864	27,294	9,624	469,388
Other	9,626	-	2,963	16,561
Prepaid Assets	-	-	79,344	79,344
Total Current Assets	6,199	1,471	546,794	742,630
<b>LONG-TERM ASSETS</b>				
Lease Receivable	-	-	29,168	29,168
<b>PROPERTY AND EQUIPMENT</b>				
Equipment	-	-	465,223	465,223
Leasehold Improvements	-	-	232,256	232,256
Total Property and Equipment	-	-	697,479	697,479
Less: Accumulated Depreciation	-	-	586,029	586,029
Net Property and Equipment	-	-	111,450	111,450
 Total Assets	 \$ 6,199	 \$ 1,471	 \$ 687,412	 \$ 883,248
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Contracts and Accounts Payable	\$ 6,199	\$ 1,471	\$ 3,115	\$ 63,576
Accrued Expenses	-	-	267,649	267,649
Deferred Revenue	-	-	4,821	140,196
Capital Lease Payable	-	-	7,568	7,568
Total Current Liabilities	6,199	1,471	283,153	478,989
<b>LONG-TERM LIABILITIES</b>				
Deferred Lease Payable	-	-	137,973	137,973
<b>UNRESTRICTED NET ASSETS</b>				
 Total Liabilities and Net Assets	 \$ 6,199	 \$ 1,471	 \$ 687,412	 \$ 883,248

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES**  
**SUPPLEMENTARY COMBINING STATEMENT OF ACTIVITIES –**  
**ALL UNRESTRICTED FUNDS**  
**JUNE 30, 2016**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)

	Other Youth Projects	WIA Adult	WIA Dislocated Workers	State Dislocated Workers	Senior Services
<b>REVENUES</b>					
Government Grants:					
Federal Pass-Through	\$ 9,373	\$ 956,060	\$ 328,972	\$ -	\$ 744,758
Federal	-	-	-	-	-
State	-	-	-	1,753,803	-
Sub Grantee Pass-Through	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Other Revenue	-	-	-	-	-
Total Revenues	<u>9,373</u>	<u>956,060</u>	<u>328,972</u>	<u>1,753,803</u>	<u>744,758</u>
<b>EXPENSES</b>					
Administration	548	93,857	34,227	190,050	58,404
Training	4,749	260,154	73,857	479,250	628,285
Participant Support	397	31,038	21,215	80,461	-
Program Related	3,679	571,011	199,673	1,004,042	58,069
Sub Grantee Pass-Through	-	-	-	-	-
Fundraising	-	-	-	-	-
Depreciation Expense	-	-	-	-	-
Capital Lease Payments	-	-	-	-	-
Interest Expense	-	-	-	-	-
Fixed Asset Purchases	-	-	-	-	-
Total Expenses	<u>9,373</u>	<u>956,060</u>	<u>328,972</u>	<u>1,753,803</u>	<u>744,758</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>					
	-	-	-	-	-
<b>TRANSFERS</b>					
	(1,072)	-	-	-	-
Unrestricted Net Assets - July 1, 2015	<u>1,072</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>UNRESTRICTED NET ASSETS - JUNE 30, 2016</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Other Adult Projects	H1B	1516 Retail Genius	1520 Rural Career Counselor	WIA Youth	State Youth Projects	DEI Adult Career Pathways	WESA
\$ 448,901	\$ -	\$ -	\$ -	\$ 844,172	\$ -	\$ -	\$ -
	273,677	-	-	-	-	-	-
140,183	-	-	-	-	479,484	103,723	26,024
35,187	-	-	-	-	-	-	3,750
-	-	-	-	-	-	-	-
-	-	17,052	29,180	-	-	-	-
<u>624,271</u>	<u>273,677</u>	<u>17,052</u>	<u>29,180</u>	<u>844,172</u>	<u>479,484</u>	<u>103,723</u>	<u>29,774</u>
63,498	21,802	-	1,510	82,511	40,136	10,132	1,565
250,170	166,544	-	-	207,892	147,744	13,151	-
15,476	3,436	121	-	3,439	7,390	3,656	-
259,940	81,895	16,931	27,670	550,330	284,214	76,784	24,459
35,187	-	-	-	-	-	-	3,750
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>624,271</u>	<u>273,677</u>	<u>17,052</u>	<u>29,180</u>	<u>844,172</u>	<u>479,484</u>	<u>103,723</u>	<u>29,774</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
SUPPLEMENTARY COMBINING STATEMENT OF ACTIVITIES –  
ALL UNRESTRICTED FUNDS (CONTINUED)  
JUNE 30, 2016  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)**

	MFIP/ DWP	SNAP	Other	Total
<b>REVENUES</b>				
Government Grants:				
Federal Pass-Through	\$ 1,024,035	\$ 72,780	\$ -	\$ 4,429,051
Federal	-	-	-	273,677
State	217,481	1,949	-	2,722,647
Sub Grantee Pass-Through	-	-	-	38,937
Contributions and Donations	-	-	19,195	19,195
Other Revenue	-	-	276,384	322,616
Total Revenues	<u>1,241,516</u>	<u>74,729</u>	<u>295,579</u>	<u>7,806,123</u>
<b>EXPENSES</b>				
Administration	136,484	13,905	14,445	763,074
Training	-	-	2,157	2,233,953
Participant Support	77,312	1,949	-	245,890
Program Related	1,027,720	58,875	200,626	4,445,918
Sub Grantee Pass-Through	-	-	-	38,937
Fundraising	-	-	3,716	3,716
Depreciation Expense	-	-	42,227	42,227
Capital Lease Payments	-	-	(7,190)	(7,190)
Interest Expense	-	-	(252)	(252)
Fixed Asset Purchases	-	-	(6,476)	(6,476)
Total Expenses	<u>1,241,516</u>	<u>74,729</u>	<u>249,253</u>	<u>7,759,797</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>				
	-	-	46,326	46,326
<b>TRANSFERS</b>				
	-	-	1,072	-
Unrestricted Net Assets - July 1, 2015	<u>-</u>	<u>-</u>	<u>218,888</u>	<u>219,960</u>
<b>UNRESTRICTED NET ASSETS - JUNE 30, 2016</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266,286</u>	<u>\$ 266,286</u>

**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2016**

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*Section I – Summary of Auditors' Results*

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**Financial Statements**

1. Type of Auditors' Report Issued: Unmodified
2. Internal Control over Financial Reporting:
- Material Weakness(es) Identified?  Yes  No
  - Significant Deficiency(ies) Identified?  Yes  None reported
3. Noncompliance Material to Financial Statements Noted?  Yes  No

**Federal Awards**

1. Internal Control over Major Programs:
- Material Weakness(es) Identified?  Yes  No
  - Significant Deficiency(ies) Identified?  Yes  None reported
2. Type of Auditors' Report Issued on Compliance for the Major Programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major programs:

CFDA Number(s)  
93.558

Name of Federal Program or Cluster  
MFIP

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes  No



**CENTRAL MINNESOTA JOBS AND TRAINING SERVICES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

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***Section II – Financial Statement Findings***

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

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***Section IV – Prior Year Major Federal Program Findings***

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There were no matters reported in the prior year schedule of findings and questioned costs required to be reported in accordance with 2 CFR 200.516(a).