



Annual Report FY 2015



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To the Communities of the Northwest Michigan Region:

We are pleased to present the Fiscal Year 2015 Annual Report of Networks Northwest. It has been an exciting year! This was the first full year of our new public-private partnership Board of Directors and we saw many benefits. The depth of dialog and participation has been so valuable to our work!

As we endeavor every day to enrich the economic diversity, stability, and growth in our communities, we see repeatedly how this region exceeds others in its focus on healthy organizational partnerships, along with government and business working hand-in-hand. We extend big thanks to our countless, highly valued partner organizations in education, business, government, economic development, and human services, upon whose excellence we all depend.

We at Networks Northwest are fortunate to foster and witness these qualities every single day, both on the macro level as well as with individual people, companies and communities. Northwest Michigan remains dedicated to protecting our natural resources while strengthening our economy. And we at Networks Northwest remain committed to providing leadership and services to assist in those important endeavors.

We hope you find the summary information in this report useful and interesting!

Sincerely,

Gary W. Fedus Board Chair Chris Christensen, Chief Elected Official Elaine Wood, Chief Executive Officer

Elaine Wood



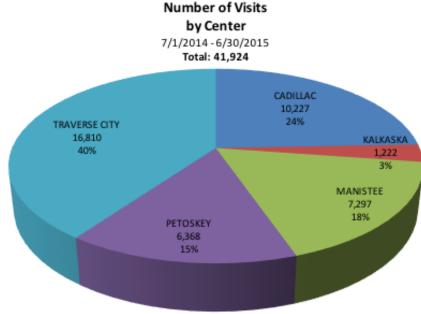






Northwest Michigan Works!, Inc. provides comprehensive services to employers and job seekers of all kinds. By working in partnership with other regional resources that provide education, economic and business development services, Northwest Michigan Works! provides leadership in meeting the needs of local employers and connecting job seekers to opportunities.

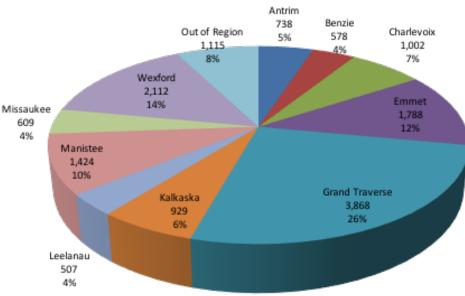
Connecting You to Opportunities

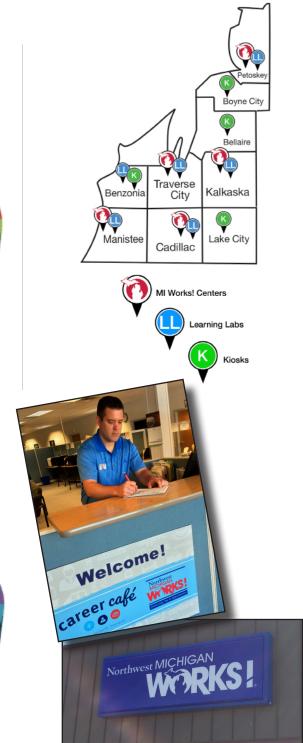


Number of Visitors by Residence County

7/1/2014 - 6/30/2015

Total: 14,670

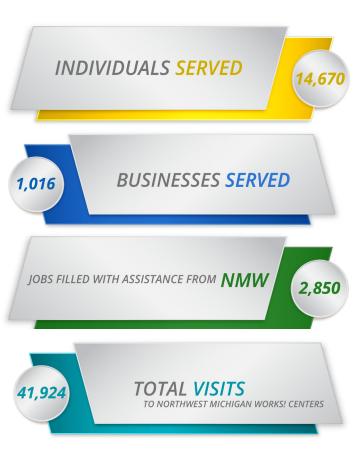




Talent Development









Customer Satisfaction - Job Seekers:

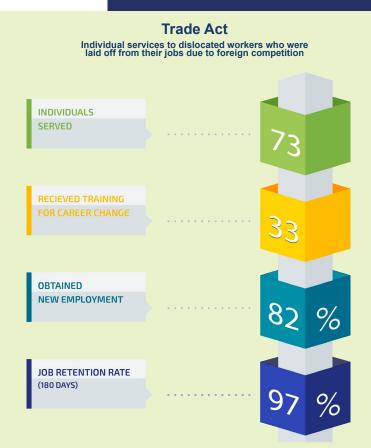












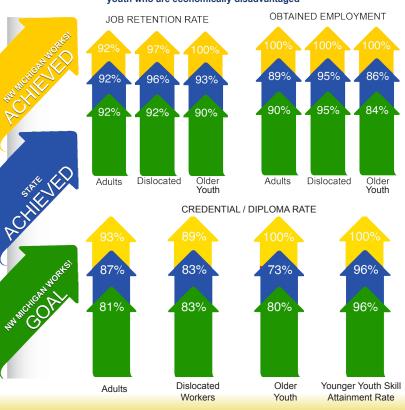
PATH Program

Services to individuals who apply for state cash assistance through the Dept. of Human Services, who must participate in the PATH Program in order to have their cash assistance case opened



Workforce Investment Act (WIA)

Group and individual services to adults and youth who are economically disadvantaged





Talent Development



Events - Northwest Michigan Works! provides a variety of activities to help employers and job seekers connect to each other, and to help youth learn about their future career options and opportunities.

Employer of the Day

Northwest Michigan Works! began offering Employer of the Day events in late 2015, holding 19 total across the region. Gene LaFeve from Universal Cleaners says: "We really jumped at the opportunity to be Employer of the Day, to come out and actively recruit people... Northwest Michigan Works! has been a tremendous resource for us over the years."



Hiring Events

Northwest Michigan Works! coordinates large and small scale hiring events for multiple employers. In 2015, we offered 39 hiring events across the region. One of the largest was for the opening of the new Meijer store in Acme. Almost 400 job seekers attended the event, which stretched over four days at the Traverse City Service Center. Store Manager John Spaulding says, "It is a very challenging hiring environment... Partnering with an organization like Michigan Works! is critical. They have a lot of resources and are willing to help you and let you use their facilities. It just wouldn't happen without them, so I can't thank them enough." Due to the great success of the event, Meijer was recognized as the Michigan Works! Employer of the Year in Mt. Pleasant in October.



Veterans Appreciation

Northwest Michigan Works! has coordinated several Veterans Appreciation events, in an effort to reach out to the veteran population and thank them for their service. In 2015, an appreciation event was held in Manistee, in partnership with veteran-owned business FitUSA. Rolling Thunder, the local VFW, the Coast Guard, Michigan Veterans Alliance, and Veterans Services of the Workforce Development Agency also contributed to the event. Veterans and their families were welcomed to the day-long picnic and were encouraged to access the free job search services offered by Northwest Michigan Works



Talent Tours

Northwest Michigan Works! collaborates with multiple partners to coordinate Talent Tours at local companies. Students from area middle and high schools go on tours of local companies, learning about career opportunities in their own back yard. One such event was Manufacturing Day, coordinated by the Grand Traverse Manufacturing Council and held annually in early October. More than 450 students visited 21 companies to see first-hand that manufacturing is thriving in the region.



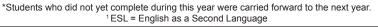




Northwest Michigan Works! - Adult Education

Adult Education services are delivered through a partnership between Traverse Bay Area Intermediate School district (TBAISD) and Northwest Michigan Works! Adult Education Learning Labs are located in conjunction with all five Michigan Works! Service Centers as well as the Benzie Area Christian Neighbors. Students receive individualized Learning Plans and work at their own pace. Teacher-managed Distance Learning is also available to students if they wish to use that approach. Most learning plans are correlated to occupational goals. In addition, a high school completion class is delivered at the TBAISD Career Tech Center.

Northwest Michigan Works! Adult Education					
Entering Educational Functioning Level	Total Number Registered	Total Attendance Hours	Percentage Completing Level*		
Beginning Literacy	2	369.00	100.00%		
Beginning Basic Education	19	4,118.50	42.11%		
Low Intermediate Basic Ed.	25	2,472.75	40.00%		
High Intermediate Basic Ed.	62	5,380.24	24.19%		
Low Adult Secondary Education	37	3,660.25	37.84%		
High Adult Secondary Education	26	2,239.25	0.00%		
Beginning ESL¹ Literacy	0	.00	0.00%		
Low Beginning ESL	0	.00	0.00%		
High Begining ESL	1	78.00	100.00%		
Low Intermediate ESL	2	107.00	50.00%		
High Intermediate ESL	4	654.00	75.00%		
Advanced ESL	2	81.00	0.00%		
Total	180	19,159.00	30.00%		













Northwest Michigan Works! Occupational Training Provided

This chart shows the general occupational categories of training that was provided during FY'15 in response to employers' needs. In all cases the training was tied to employment, with the companies playing a large part in developing the curriculum. Nearly all training provided through Northwest Michigan Works! involves a combination of classroom and on-the-job learning.







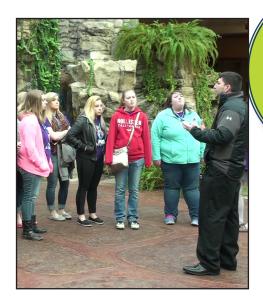
Occupational Category	Total Trained
Agriculture	6
Automotive	4
Business/Administrative	21
Construction	86
Cosmetology	1
Customer Service	7
Engineering	9
Healthcare	142
Information Technology	18
Manufacturing	476
Remedial Academics	5
Sales/Management	15
Security/Law Enforcement	1
Social Services	1
Truck Driving	9
Total	801



Northwest Michigan Works! Youth Services

Each Youth receives an individual plan to improve his/her employability, and each plan contains one or more specific goals. The total number of goals achieved this year was 209. Of the 166 youth served, 14 youth received paid Work Experience.





166
Total Youth
Served

Youth Program Summary

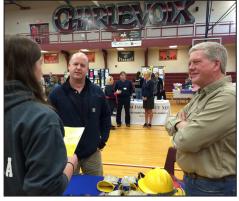
209

Goals Completed

85% Successful Completion 42
Earned H.S.
Diploma / GED



The Beaver Island Lighthouse School is a residential alternative high school for youth from the ten-county region. Students earn academic credit and learn new life skills that allow them to succeed when they return home. They also work with a Youth Career Advisor to access work experience opportunities, career planning, support services, and more.



Youth Employment & Education Services (YES) works with area partners to coordinate Career Expos for middle and high school students. One such event occurred in Charlevoix during 2015. Hundreds of high school students from local schools came to the expo, to visit with nearly 50 businesses and learn about career opportunities. Students could explore several different career paths, including Healthcare, Manufacturing, Hospitality, Information Technology, and the armed forces. The event was sponsored and coordinated by Northwest Michigan Works, Career Jumpstart, Char/Em ISD, and North Central Michigan College.



The Jobs for Michigan's Graduates (JMG) program teaches students employability and life skills through a structured curriculum and exposure to experiential learning. Young people who are at risk of dropping out of high school are supported through high school completion and make successful transitions to postsecondary education or employment. Students in the Northwest region's JMG program visited Lansing for a statewide event with legislators, toured the capital, and learned about government in action.





Hiring | Training | Connecting

Connecting Your Business to Opportunities

"Universal Cleaners, LLC has participated in several Northwest MI Works hiring events. We get the best employees from Mi Works and our retention rate is greater with these employees. We have really enjoyed working with Mi Works and appreciate all their support." Julie Nabozny, Universal Cleaners



Employer of the Day events at our NW MI Works! Centers

39
Special Hiring Events conducted

Job Fairs:

3 in Wexford/Missaukee,3 in Antrim/Kalkaska,19 in Grand Traverse/ Leelanau,10 in Manistee/Benzie,

4 in Emmet/Charlevoix

Jobs Filled

Jobs Filled with NMW assistance

Michigan Works! Business Services Unique Companies Served by County, by Industry

	offique companies served by county, by industry						uusti y					
Industry (NAICS Code)	Ant.	Ben.	Cha.	Em.	G.T.	Kal.	Lee.	Man.	Mis.	Wex.	Out of Region	Total
11 Agriculture, Forestry, Fishing	1	2			6		4	2	5	4	1	25
21 Mining, Oil and Gas Extraction		1			1	2				1		5
22 Utilities					5	1			1	3		10
23 Construction		2	3	9	22	3	7	4	5	7	3	65
31-33 Manufacturing	15	8	19	17	70	5	7	9	4	26	2	182
42 Wholesale Trade			3	1	11	1			2	3	3	24
44-45 Retail Trade	3	6	5	12	56	4	2	9	9	72	3	181
48-49 Transportation and Warehousing			2	1	11		1	1		9	1	26
51 Information	1	1			11		1			2	1	17
52 Finance and Insurance		2		1	9			2		16		30
53 Real Estate and Rental and Leasing	1	1		1	7					3	1	14
54 Professional, Tech Services		1	2	1	31	3	3	2	2	18	1	64
55 Management of Companies				1	2							3
56 Admin, Support, Waste Management		2	1	2	8	1	1	2		7	1	25
61 Educational Services	1			1	8		7		1	7	1	26
62 Health Care and Social Assistance		3	6	4	36	2	2	8	6	28	5	100
71 Arts, Entertainment, and Recreation	1	1		2	7		2	1	1	6		21
72 Accommodation and Food Services	1	4	4	14	31		7	8	3	24	2	98
81 Other Services	1	8	1	7	32	3	6	7	2	10	4	81
92 Public Administration					5		1	1	1	10	1	19
TOTAL	25	42	46	74	369	25	51	56	42	256	30	1,016

AMERICAS



Small Business Development Center — SBDC

The Small Business Development Center (SBDC) provides a variety of business consulting, training and research services to both start-ups and growth companies.



Parsons Farm Awarded Northwest Michigan Regional Best Small Business of the Year

Parsons Farm near Charlevoix is a Centennial Farm that has been owned by the Parsons family since 1898. 4th generation owners, Dave and Terri Parsons, are in the process of transitioning the farm to their daughters and son-in-law. They're getting help doing that from the Northwest Michigan Small Business Development Center (SBDC). The work the Parsons family is doing to transition the farm to the next generation and expand the business earned them recognition as the Northwest Michigan 2015 SBDC Regional Best Small Business of the Year.









Procurement Technical Assistance Center — PTAC

The Procurement Technical Assistance Center (PTAC) helps companies successfully obtain and perform under local, state and federal government contracts. In addition to our ten Northwest counties, the PTAC also covers the entire Upper Peninsula.





Armor Express Awarded Michigan State Government Contractor of the Year

Armor Express designs, tests, and manufactures body armor in Central Lake. Their customers include federal law enforcement agencies and the U.S. military. To help with their efforts to do business with the government, Armor Express has developed an ongoing relationship with the Northwest Michigan Procurement Technical Assistance Center. Armor Express's success with government contracts and its ongoing work with the PTAC earned the company recognition as Michigan's 2015 Government Contractor of the Year.





Global Trade Alliance

The Global Trade Alliance of Northern Michigan (GTA) is a business resource center for international trade, connecting businesses to service providers and peers to assist the launch and enhancement of global trade operations. In addition to our ten Northwest counties, the GTA also serves the entire Northeast region and all of the Upper Peninsula.



Northern Michigan Global Trade Alliance (GTA) 2015 Data

(for Northwest region only)

Location of Business	Number of Businesses Counseled
Antrim	5
Benzie	-
Charlevoix	8
Emmet	4
Grand Traverse	35
Kalkaska	-
Leelanau	5
Manistee	3
Missaukee	1
Wexford	4
Total	65



*The 65 companies in the Northwest region received a total of \$150,000 in direct state financial assistance for their exporting activities, through the MI-STEP.

**Resulting export sales in FY15 for Regions 1 (UP), 2 (Northwest) & 3 (Northeast) combined.



GTA Hosts Trade Mission to Montreal, Quebec, Canada

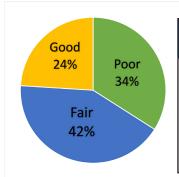
The Global Trade Alliance of Northern Michigan hosted the Trade Mission to Montreal to help Northern Michigan companies create new business in Canada. Fullerton Tool, Herkules Equipment, Independent Machine, Modern Machinery, Pettibone, Sakor Technologies, Servo Innovations, KC Jones Plating participated in the Mission.



Community Planning and Development



Regional Planning and Community Development take place through a wide variety of activities, as represented in the year's highlights on the next few pages.



Project	Funding Source	Activities	Status
Asset Management	Michigan Department of Transportation Fee for service	Federal/state road rating process completed with all ten county Road Commissions Value-added, county road rating process for three counties (Missaukee, Benzie, Charlevoix) and two villages (Empire, Kingsley) per local requests	Data collected for each county and submitted to MDOT Annual report completed

Project	Funding Source	Activities	Status
Rural Task Force (RTF)	Michigan Department of Transportation	Coordinating the agencies that qualify for state and federal-aid dollars that are used toward roads and transit projects	RTF meetings to prioritize transportation projects for FY 2017–2020 were held in the first quarter 2016, in three sub-regions.



Project	Funding Source	Activities	Status
TC-TALUS	Michigan Department of Transportation	Coordinating the agencies that qualify for state and federal-aid dollars that are used toward roads and transit projects	Conducted an in-depth needs assessment of board approved road capacity projects TALUS was rebranded as Traverse Transportation Coordinating Initiative (TTCI) with 100% participation from communities within the designated region Developed the work plan for high-impact transportation initiatives Continued work with MDOT to transition to MPO status

Project	Funding Source	Activities	Status
Scenic Byways	Michigan Department	Worked with local committees to coordinate and staff meetings	Final reports submitted
Seeino Dynayo	of Transportation	Updated Byway materials	Final payments disbursed



Provided ongoing economic analysis and assistance to multiple communities, public and private organizations.

Project	Funding Source	Activities	Status
Michigan Regional Prosperity Initiative	Michigan Department of Technology and Budget	Created an enhanced data website/service (Benchmarks Northwest) Developed local and multi-jurisdictional economic development plans for communities along US-131 Provided staff support and resources for the Housing Solutions Network, Growth and Investment Network, Transportation Network, and Arts and Culture Network Develop research and reports on nonemergency medical transportation, employer housing options, and in-demand occupations	Regional US 131 Corridor economic development plan completed Local (Kalkaska and Mancelona) economic development plans completed Research reports (3) published and widely distributed
NW Region Collaborative Development Council (CDC)	Michigan Economic Development Corporation	Coordinated and staffed regional CDC meetings Conducted an assessment and market study of industrial properties in Kalkaska and Mancelona Designed and implemented a pilot Career Tech scholarship program	Assessment/report and market study completed 21 post-secondary scholarships awarded to Career Tech students
Comprehensive Economic Development Strategy (CEDS)	US Department of Commerce, Economic Development Administration (EDA)	Developed a regional comprehensive economic development strategy (CEDS)	CEDS completed and accepted by EDA



Community Planning and Development



Sub-regional and community-specific planning projects take place based on market demand or needs.



Project	Funding Source	Activities	Status
Crystal Lake Watershed Management Plan	Michigan Department of Environmental Quality	Conducted mapping and analysis, facilitated public outreach, and developed a watershed management plan	Plan completed and approved by the DEQ
Hazard Mitigation Plan	Federal Emergency Management Administration	Developed hazard mitigation plans for 7 counties	Plans competed and approved by the Michigan State Police Plan development in progress for 1 county and 1 tribal entity
Asset Management Plan	Benzie Road Commission (fee-for-service)	Developed a multi-year roads asset management plan	Currently in progress with completion date expected in 2016
Benzie County Master Plan and Recreation Plan	Benzie County (fee-for- service)	Updated the Benzie County Master Plan Developed a 5-year DNR-consistent recreation plan to create eligibility for DNR recreation grants	Recreation plan completed, adopted by Benzie County Board, and ap- proved by the DNR Plan update/development in prog- ress; completion scheduled for June 2016
Village of Northport Recreation Plan	Village of Northport (fee- for-service)	Developed a 5-year DNR-consistent recreation plan to create eligibility for DNR recreation grants	Plan completed and approved by the DNR
Empire Capital Improvements Plan	Village of Empire (fee-for- service)	Worked with locally-appointed committee to develop the Village's first capital improvements plan	Plan completed and approved by the Village Council





Prisoner Reentry

We served 235 individuals who were paroled from state prison to their home communities within our region, after serving their sentences. Parolees are assigned to the program by the Parole Board or by the local Parole Supervisor.

The program's goals are:

- Increased community safety
- · Reduced recidivism
- Increased economic productivity
- · Reduced costs to taxpayers

Residential Stability

112 received Residential Stability services.

- Temporary housing assistance, in the form of rent subsidies for parolees that would otherwise be homeless.
- 37% of the annual program budget was spent on Residential Stability.
- 57% resulted in a successful outcome, meaning they secured stable, unsubsidized housing.

Social Support

133 received Social Support services.

- Provides assistance with obtaining basic needs such as identification, clothing, and bus passes.
- 4% of the annual program budget was spent on Social Supports.

Health and Behavioral Health

40 received Health and Behavioral Health services.

- Provides assistance with addressing mental health and/or behavioral health issues impacting successfully re-entry, such as batterer intervention services and individual mental health counseling.
- 4% of the annual program budget was spent on Health and Behavioral Health services.

Bottom Line

Employment Readiness

106 received Employment Readiness services.

- Individual employment-based case management, focused on employability skills and transitioning into the workforce successfully.
- Provides temporary work experience for some participants by offering incentives for employers in the form of wage subsidies.
- 85% of temporary work experience contracts resulted in unsubsidized employment for the ex-offender.
- Average wage for temporary work experience was \$10.20 an hour.
- Provides assistance with necessary work supplies, such as work tools, specialized clothing, testing fees, etc.
- 23% of the annual program budget was spent on Employment Readiness.
- Resulted in a 60% unsubsidized employment rate (compared to 25% statewide employment rate for all former inmates).

 Here is a listing, by sector, of the different types of jobs parolees obtained in FY 14:

Manufacturing

- · Assemblers
- Machinists
- · Press machine operators
- Laborer

Energy, Transportation, & Construction

- Truck drivers
- Skilled trades (carpentry)
- · Construction laborer
- · HVAC technicians
- · Auto service technicians

Hospitality

- · Cooks & food prep workers
- Servers
- · Restaurant manager
- Landscaping
- Housekeeping

64% Decrease in Recidivism 310%

Statewide recidivism percentage for all parolees is 29% (nearly 1 in 3), down from over 50% before this program was started 10 years ago. Northwest MI tracks its own

recidivism percentage for parolees who are assigned to our program, and had a 18% recidivism rate at year-end FY 2015, reflecting a 64% decrease in recidivism from

the original State average. The Prisoner Reentry Program in Northwest Michigan has a 310% Return on Investment in the first year alone following an ex-offender's parole.

Community Planning and Development



Northern Michigan Health Coalition (NMHC)

FY15 was the first year that a pilot project from Benzie and Manistee counties was advanced to other parts of the region by Networks Northwest.



The Northern Michigan Health Coalition (NMHC) is a network of healthcare providers and stakeholders throughout northwest Michigan. Primary membership includes representatives from primary care, behavioral health, dental care, public health, elder care, acute care, social work, and substance abuse care. Additionally, NMHC includes economic development organizations, human services collaborative bodies, philanthropic groups, and other community based agencies.

Mission:

The NMHC collaborates to connect community support and services that address direct and indirect health needs in order to improve the cost, quality, and personal experience of care.



In 2015...

- NMHC approached Networks Northwest to be its "backbone organization," providing administration and staffing assistance.
- NMHC received over \$100,000 in grant resources (Blue Cross Foundation, DHHS, RPI).
- NMHC saw its membership grow by more than 50%.
- NMHC began an "asset map" of all the healthcare providers and assets in northwest Michigan- first of its kind.
- Northwest Michigan was designated as one of five pilot "Community Health Innovation Regions (CHIR)" by DHHS.

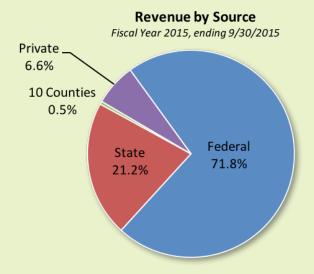






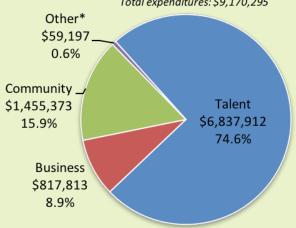
Both of our legal entities,
Networks Northwest
and
Northwest Michigan Works!, Inc.
received FY15 audits
that contained no findings
of any kind.





Expenditures by Service Category

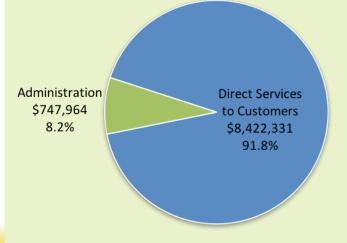
Fiscal Year 2015, ending 9/30/2015 Total expenditures: \$9,170,295



*Reserve Fund; Leave Fund; Pass-through funds

Expenditures by Function

Fiscal Year 2015, ending 9/30/2015 Total expenditures: \$9,170,295





Public Sector Private Sector Other Sectors

Mike Crawford, Antrim County Commissioner

Coury Carland, Benzie County Commissioner

Chris Christensen, Charlevoix County Commissioner

Jim Tamlyn, Emmet County Commissioner

Stuart McKinnon, Kalkaska County Commissioner

Christine Maxbauer, Gr. Traverse County Commissioner

Ty Wessell, Leelanau County Commissioner

Richard Schmidt, Manistee County Commissioner

Susan Rogers, Missaukee County Commissioner

Les Housler, Wexford County Commissioner

Michael Cain, Mgr., City of Boyne City

Josh Mills , Mgr., City of Frankfort

Jan Bassett, Director, DDA, Elk Rapids

Doug Mansfield, Mi. Township Assoc.

Alan Cooper, Manager, Wexford Co. Road Commission

Jim Cook, Manager, Gr. Traverse Co. Road Commission

Bill Kennis, Executive Director, Benzie Transportation Authority

Jim Barnard, Owner, Barnard Engineering, Bellaire

Paul Hresko, Human Resources Director, Armor Express, Central Lake

Betty Workman, Owner, Vacation Trailer Park & Sales, Benzonia

Art Jeannot, Owner, Jeannot Development Co., Beulah

Joe Moch, CEO, Acat Global, Charlevoix

Amanda Haworth, Human Resources Director, Boyne Resorts, Boyne City

Gene Kaminski, VP for HR, McLaren Northern Michigan Hospital, Petoskey

Gary Fedus, President & CEO, Mitchell Graphics, Petoskey & Traverse City

Sue Peters, VP for HR, Munson Healthcare System, regional

Ken Osborne, Vice President, Boride Engineered Abrasives, Traverse City

Tracey Peal, Vice President, Hague Equipment, Kalkaska

Joe Williams, Owner, President, Williams Pumping Service, Lake Leelanau

Doug Parkes, Co-Owner, Kellie's Hallmark Shop, Manistee

Tom Vine, Plant Manager, Viking Energy, McBain

Ken Bollman, President, Sabre Tool, Cadillac

Leslie Nowlin, Human Resources Director, Rec Board Holdings, Cadillac

Rachel Johnson, Public Affairs, Cherryland Electric, regional

Mike Powers, Energy Solutions Consultant, Keene Technical Solutions, regional

Bill Tencza, President of Cadillac Chamber of Commerce; Northern MI Chamber Alliance

Doug Luciani, CEO Traverse Connect; Northern MI Chamber Alliance

Chris Warren, General Manager, Midwestern Broadcasting Co., regional

Deborah Fellows, Owner, My North Media, regional

Tom Johnson, Partner, Landmark Development, regional

Nicole Sulak, CPA, Munson Healthcare, regional

Mike Ascione, CEO, American Waste, regional

Jamie Al-Shama, Bay Construction, regional

Beth Holmes-Bozung, Co-owner, SafetyNet, Inc., regional

Jeff Jennette, Superintendent, Wexford-Missaukee and Manistee Intermediate School Districts (K-12 education)

Tim Nelson, President, Northwestern Michigan College (post-secondary education)

Mike Hill, superintendent, TBAISD (adult education)

Andy Hayes, President, Northern Lakes
Economic Alliance (economic development)

Eric Bachmann, District Manager, Michigan Rehabilitation Services (rehabilitation)

Bob Scheele, Vice President, Central Labor Council (labor)

Clint Steele, Plumbers Pipefitter, UAW Local 85 (labor)

Patricia Simmons, Director, Emmet-Charlevoix-Antrim Dept. of Human Services (human services)

Jane Korthase, HR Director, Grandview Medical Care (community based organizations)

Steve Perdue, President & CEO, Grand Traverse Industries (community based organizations)

John Stephenson, Executive Director, Northwest MI Community Action Agency (community based organizations)

Marsha Smith, Exec. Director, Rotary Charities and NorthSky Non-Profit Network (community based organizations)

Jim Smith, Controls Designer, Tool North, Inc. (apprenticeships)

Charles Welch, Parole Supervisor, MDOC (corrections)