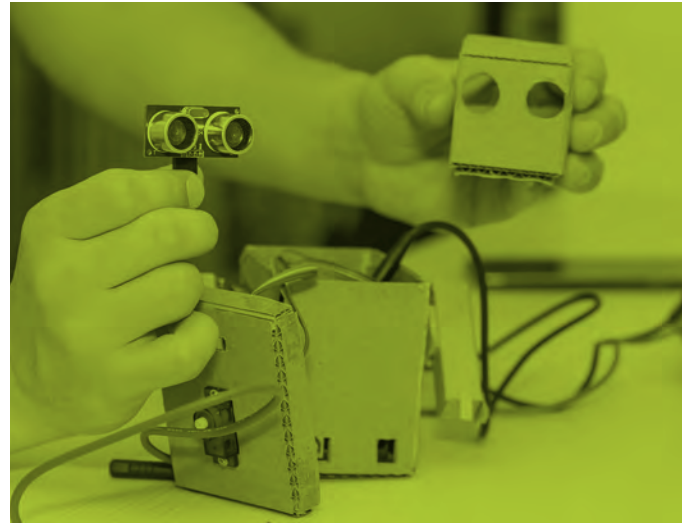




Networks Northwest

Talent / Business / Community



NETWORKSNORTHWEST.ORG



To Partners, Stakeholders, and to all of **Northwest Michigan,**

We are pleased to present the 2017 Networks Northwest Annual Report. In it, you'll find information and highlights about our accomplishments through



the last year and our direction moving forward. You'll learn about how many customers we have served, updates on the programs we administer, and financial details about the agency.



Data and program descriptions alone don't adequately tell the story of the communities, businesses and people we serve. So we've also included some short stories that show why we love living in and working for Northwest Michigan.



The hallmark of this organization has always been its belief in our region. Northwest Michigan is a special place that is thriving, in large part, because it embraces its small towns, scenic lands, natural resources, and

hardworking people. It's Northwest Michigan's people, especially, that will drive the future success of the region, and that inspire each Networks Northwest employee and board member to do more and give more.

2017 represented a transition year for Networks Northwest leadership. After 42 years of service, Elaine

Wood retired as the CEO of the agency. The agency has been meaningfully shaped by her commitment to shared governance and strong partnerships with public, private and non-profit leaders.

Matt McCauley was selected by the Board to be the next CEO. He brings with him 14 years of experience with the organization and a perspective that bridges the public and private sector. He has a love for all things Northern Michigan and that has driven him to be a constant advocate for the region. Matt is deeply committed to collaboration, is widely respected by local and state leadership, and has a steadfast support of economic development through the confluence of talent, business and community.

"After 42 years of service, Elaine Wood retired as the CEO of the agency."

We are proud of what was accomplished in 2017, but recognize that much more needs to be done. Networks Northwest stands as your partner as we all work together to build prosperity and resilience for today and tomorrow.

Thank you for your continued support. We look forward to another year of advancing the interests of Northwest Michigan together.

Sincerely,

Gary W. Fedus,
Board Chair

Chris Christensen,
Chief Elected Official

Matt McCauley,
Chief Executive Officer

Success Stories: Cheri Marshall - A Veteran's Story

When Cheri Marshall lost her job she went to Northwest Michigan Works! in Petoskey for help finding employment. The staff there helped her with her resume and also provided job search assistance



and employer referrals. Since she was a veteran, Marshall was also referred to the Disabled Veterans' Outreach Program Specialist who provided intensive pre vocational services.

"Veterans' Outreach Program Specialist, Ken Rapelje, was crucial to my success of obtaining employment," said Marshall. "He assisted me in job search, suggested websites, interview training, updating my resume, and the list just goes on! I could contact him even on the

weekend if I had a question concerning my training."

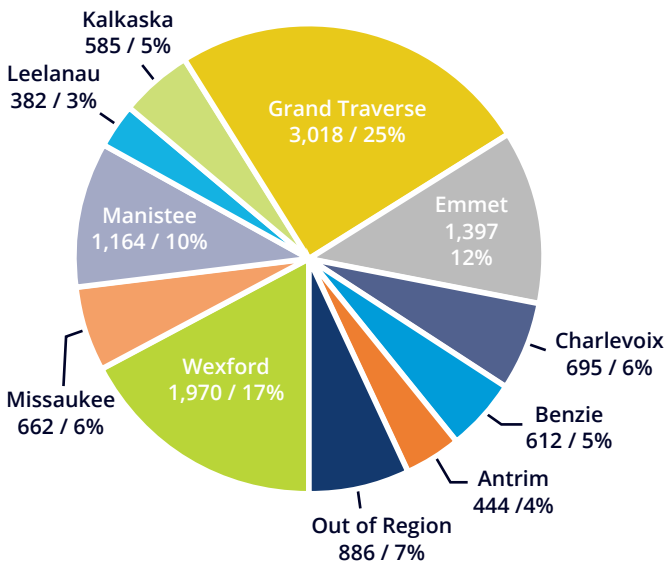
"I can't stress enough how grateful I am."

In February of 2017, Marshall started working as a Manufacturing Accounting Coordinator at Petoskey Plastics, and she qualified for On-the-Job Training program funding offered through Michigan Works!. Marshall says she is extremely pleased with her new employment.

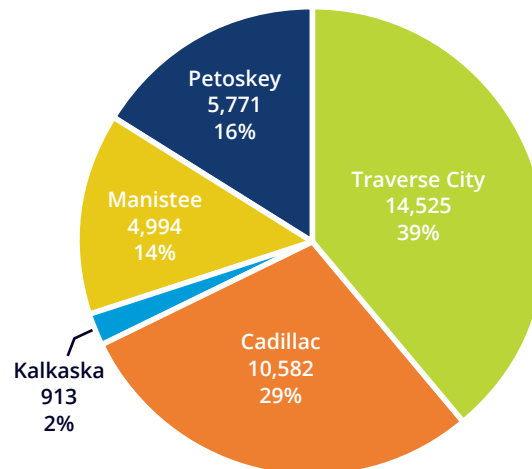
"I can't stress enough how grateful I am for all the assistance I have received from Northwest Michigan Works! and from the Disabled Veteran Outreach Program. I probably wouldn't be employed in my dream job as I am now without all of their help," said Marshall. "They worked as a team to assist me with landing not just a job, but a position that truly suits my abilities and ambitions."

Northwest Michigan Works! American Job Centers

Number of Visitors by Residence County
2017 / Total: 11,815

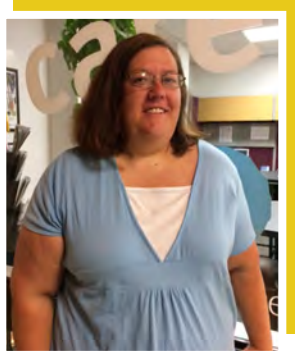


Number of Visitors by Center
2017 / Total: 36,785



Success Stories: Meet Melanie Robinson

When Melanie Robinson came to Northwest Michigan Works! in Cadillac she was a single mother raising her children on her own. She had few job skills, lacked self esteem, and had severe anxiety problems.



At Michigan Works! Robinson participated in workshops and training on job search, interviewing, and making a resume. She also received gas cards to use for job search, interviews, and going to work. The staff at Michigan Works! also helped connect Robinson with

Community Service to improve her work skills and give her references.

The assistance she received at Michigan Works! helped Robinson land a job at Belle Oaks as a Front Desk/Office Assistant.

“I am so very thankful for all of the assistance I have received from Michigan Works! and MRS,” said Robinson. “With their services I was able to rewrite my resume, practice interviewing skills, find job postings, and eventually find a position within a family oriented company. Thank you, Michigan Works!”

Northwest Michigan Works! Performance Data

*Workforce Innovation & Opportunity Act (WIOA), 7/1/2016 - 6/30/2017
Wagner Peysner Act Employment Services (ES), 7/1/2016 - 6/30/2017 PATH,
10/1/2016 - 9/30/17*

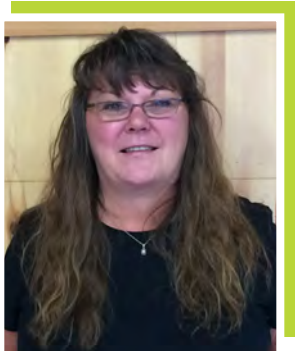
Performance Indicators		Performance Standard	Actual Performance
Employed 2nd Quarter after Exit*	Adults (WIOA)	90%	85%
	Dislocated Workers (WIOA)	89%	95%
	Youth (WIOA)	62%	79%
	Employment Services (ES)	64%	77%
Employed 4th Quarter after Exit	Adults (WIOA)	82%	93%
	Dislocated Workers (WIOA)	78%	85%
	Youth (WIOA)	57%	63%
	Employment Services (ES)	70%	69%
Median Earnings 2nd Quarter after Exit	Adults (WIOA)	\$5,952.00	\$6,815.00
	Dislocated Workers (WIOA)	\$7,000.00	\$14,378.00
	Youth (WIOA)	Determining Baseline	
	Employment Services (ES)	\$6,240.00	\$6,294.00
Credential Attainment Rate	Adults (WIOA)	70%	81%
	Dislocated Workers (WIOA)	67%	69%
	Youth (WIOA)	70%	63%
Met Participation Requirements	Adults, Cash Assistance Recipients (PATH)	50%	66%

* PY 2018 will be the first PY with a full year of cohorts for all WIOA and ES indicators, as data is only partially available for previous PYs
Performance Goals for WIOA and ES reflect negotiated goals for PY 2017; because no official results have been calculated or released, actual performance is based on internal estimates

Michigan Works! Association Impact Award Recipients

IMPACT AWARD presented for collaboration with Michigan Works! to provide local training and employment opportunities.

Looking for help with their hiring needs, GD Systems Owner/CEO Kyle Hartley made an unannounced visit to Northwest Michigan Works! to meet with a Business Services Specialist and a Business Liaison.



Support from Northwest Michigan Works! came in many forms, including fact-finding, and learning about the needs, wants and desires of GD Systems' management. Services encompassed designing ads for the Pure Michigan Talent Connect, direct referrals from networking events and increased exposure through opportunities such as Employer of the Day in the Service Centers.

“Northwest Michigan Works! has been a valuable resource for GD Systems Inc.”

At the same time, Michigan Works! made their partners and other centers aware of GD Systems' needs. Over the course of their brief relationship, Northwest Michigan Works! has made eight successful referrals.

“Northwest Michigan Works! has been a valuable resource for GD Systems Inc.,” said Kyle Hartley. “We have benefited from three OJT programs and have hired several other employees as well. We work exclusively with Northwest Michigan Works! in finding employees. We tried other options previously and have never had the results that we receive from Northwest Michigan Works!. Their team is top notch!”

One such referral was Sue Sawusch. Unemployed,

Sue first came to Michigan Works! through a Career Connection event led by Michigan Works! staff providing peer-to-peer networking along with job development staff expertise. When GD Systems approached Northwest Michigan Works! for help with hiring, Sue's career facilitator recognized it as a perfect fit. Sue received an interview and was offered a support staff position. Northwest Michigan Works! was able to facilitate an On-the-Job Training (OJT) incentive to bring Sue's skills up to the necessary level for her new position.

“Northwest Michigan Works! was an invaluable resource for an unemployed individual. I tried to do it on my own and received very little positive response. I reached out to Northwest Michigan Works!, went to a resume workshop and attended Career Connection to get leads and support from the staff and my peers. This was a very positive experience and I recommend the service to anyone that I hear is looking for employment. I have a very rewarding position, thanks to the help of Northwest Michigan Works!.”



GD Systems Inc. - Sue Sawusch and Kyle Hartley

Northwest Michigan Works! Occupational Training

In response to employers' needs, we provided training to 1,218 people in 2017.

In all cases, the training was tied to employment.

Nearly all training involves a combination of classroom work and on-the-job learning.

We utilized all our various funding sources to pay for the training, depending on each participant's eligibility. This included WIOA Adult, WIOA Dislocated Worker, Trade Act, Skilled Trades Training Fund (STTF), Offender Success, and PATH.

Occupational Area	# Trained
Agriculture	6
Automotive	2
Accommodation/Food Services	3
Bookkeeping/Accounting	16
Business/Administrative	56
Construction/Maintenance	261
Customer Service	10
Education	1
Graphic Design	1
Healthcare	39
Information Technology	20
Manufacturing	577
Real Estate	1
Sales/Management	2
Science/Engineering	29
Security/Law Enforcement	4
Social Services	1
Specialized Software	161
Truck Driving	26
Welding	2
TOTAL	1218



Success Stories: Meet Ricc Ricciardi

Ricc Ricciardi worked for the State of Michigan for 25 years, but when the Pugsley Correctional Facility near Kingsley closed, another state employee bumped Ricc out of his job at the Oaks Correctional



Facility near Manistee. He found himself unemployed just one month after his wife had passed away.

After he was laid off, Ricc went to Northwest Michigan Works! in Manistee to register for unemployment. Career Facilitator and Grant Specialist, Evelyn Szpliet, let him know he was eligible for funding from a State Adjustment Grant that would cover the cost of training for a new job, but Ricc said he thought he would get called back to his job with the State so he didn't immediately take advantage of the training opportunity. A few months later Evelyn contacted him again.

"When I first talked with Evelyn, I was kind of matter of fact. I was just doing what I was required to do," said Ricc. "Thankfully, she followed up, because I was not in a good place."

Evelyn and Northwest Michigan Works! Training Coordinator, Tina Holden, helped Ricc enroll at Pinnacle Truck Driver Training in Cadillac, and the State Adjustment Grant paid for the training. After he completed the training, Ricc was ready to start his new career.

"All of a sudden all these job offers were coming and I could pick the company," said Ricc. "They all wanted me. The phone was ringing off the hook. That was amazing."

Ricc took a job with NTB Trucking in Grand Rapids. He said there's no way he would have been able to accomplish what he did without the help he received from Northwest Michigan Works!.

37 Registered Apprenticeships 184 Apprentices Across the Region

Industries with apprenticeship programs include:

- Manufacturing
- Construction Trades
- Electrical
- Beekeeper
- Plumbing
- Winemaker
- Fireman
- Office Manager

As an apprenticeship intermediary, Northwest Michigan Works! assisted a Benzie County winemaker and apiary in the development and approval of the State of Michigan's only Department of Labor Registered Beekeeper Apprenticeship Program.



Kirk Jones, Owner, Sleeping Bear Apiaries

Northwest Michigan Works! convened a consortium of employers in the construction trades in the development and approval of the State of Michigan's only one-year construction trades Department of Labor registered apprenticeship program.

Northwest Michigan Works! partnered with Baker College of Cadillac and local employers to launch 11 Mechatronics Apprenticeship programs in support of the Michigan Advanced Technician Training program.

The Northwest Michigan Works! Apprenticeship Success Coordinator was invited to represent our region and the State of Michigan on a professional panel regarding the development and implementation of apprenticeship programs within the craft beverage industry during the Mid-American Beverage Expo in Missouri.

Organized and executed the region's first Apprenticeship Week

- Five Events
- Partners with: Labor Unions, Community Colleges, Local School Districts, US Department of Labor, State of Michigan Talent Investment Agency, and Local Employers
- 165 Participants



National Apprenticeship Week at West Shore Community College



Angela Crane - Construction Apprentice

Jobs for Michigan's Graduates

Educated, Employed, and Career Bound

JMG's Vision: That every young adult is Educated, Employed, and Career Bound.

JMG's Mission: To equip young adults with the skills to overcome barriers and win in education, employment, and as citizens.



24 students participated in leadership development events at the regional, state or national level. Area students took 1st place finishes in both interviewing and marketing competitions.

All JMG students receive:

- Barrier removal, drop-out prevention, career preparation
- One-on-one guidance counseling
- Student-led leadership development
- Community service projects
- Adult mentoring
- Work-based learning
- College preparation and transition
- 12 months of follow-up services



Highlights of the year:

- Northwest Michigan Works! entered into formal partnerships with three Intermediate School Districts for delivery of the JMG program, and enrolled 193 students. Our program is one of 55 across the state, with a high school graduation rate of 94%.
- For the second consecutive year, our program received the National Jobs for America's Graduates (JAG) "5 of 5 Award" for meeting or exceeding national standards in five categories measuring student success.
- At the Wexford-Missaukee ISD Career Tech Center, students from the Agriscience and Natural Resources program, and the Hospitality, Retailing and Entrepreneurship program participate in JMG.
- At the Traverse Bay Area ISD Career Tech Center, JMG students are enrolled in the Automotive Technology program.
- In the Char-Em ISD Career Tech program, the students were from Welding programs at both Pellston and East Jordan High Schools, and Crooked Tree Alternative High School.
- Students participated in 15 company tours to learn about career options.
- Students participated in statewide Manufacturing and Construction Trades Week events.



14 students participated in work experience placements; 86% went on to unsubsidized employment

Newton's Road Invaluable STEM Partners

Newton's Road is proud to partner with RJG, Inc. to further the growth of STEM in our classrooms. It is because of this partnership that Newton's Road and northwestern Michigan are the leaders in the field of K-12 educational 3D printing. RJG's innovative look at getting students involved in STEM led to not only donating printers to local K-12 educational institutions, but also allowed Newton's Road to develop and implement training to increase educator's confidence when using them in the classroom. As a result of this 3D printing explosion, Newton's Road is now in their third year offering the 3D printed Gutter Car Derby. Special thanks to Mike and Judie Groleau for their instrumental help with this project.

2017 Stats

- Teachers Trained: **122**
- STEM Extension Activities: **355+**
- Classroom Students Impacted: **768**
- School Districts Served: **10**
- Individual Schools Served: **23**

Trainings Offered

- 3D printing
- Intro to MakerSpaces
- Stop Motion
- The Design Cycle
- Making for Social Studies/Nonlinguistic Representation



**NEWTON'S
ROAD**

Mission of Newton's Road

Newton's Road's mission is to empower the 39,000 K-12 students of northwest Michigan to realize their full potential in science, technology, engineering, and mathematics.

Our Vision is for *every* student in northwest Michigan to have access and exposure to engaging STEM activities.



Teacher Professional Development



Gutter Car Derby

Adult Education 650 Students in 2017

Total instructional hours provided: **23,900**

Students utilizing the blended learning options continue to grow. Blended learning provides an opportunity for students to learn both in the learning lab and at home. In FY17, 82 participants were served through this educational delivery system. In an effort to eliminate barriers to education, 30 Chromebooks and 10 data ports were purchased to lend to students so they can study at home.

Adult Education partnered with the Wexford-Missaukee ISD Career Technical Center, Northwest Michigan Works! and local employers to offer 24 adult education students a career pathway that included a high school credential, career and technical education, career preparation training and employment.



Local Students in the National Adult Education Honor Society.



Diplomas and GEDs are conferred by our adult education partner, Traverse Bay Area Intermediate School District

Adult Education Services Used:

- ⊕ Adult Basic Education (81)
- ⊕ English as a Second Language (28)
- ⊕ GED preparation (331)
- ⊕ High School diploma (146)
- ⊕ Workplace Literacy (64)

Student Ages:

- ⊕ 16-18 (88)
- ⊕ 19-24 (242)
- ⊕ 25-44 (200)
- ⊕ 45-59 (62)
- ⊕ 60+ (58)

Five Learning Labs in the Northwest Michigan Works! American Job Centers:

- ⊕ Petoskey
- ⊕ Kalkaska
- ⊕ Cadillac
- ⊕ Manistee
- ⊕ Traverse City

Satellite sites operate in 3 locations through collaboration with local organizations at:

- ⊕ Benzie Area Christian Neighbors Center
- ⊕ Northwestern Michigan College
- ⊕ Ellsworth Moms and Tots Center



Serving Individuals who were paroled from state prison

Offender Success Program

We served 235 individuals during 2017 who were paroled from state prison to our region, after serving their sentences. Parolees are assigned to the program by the Parole Board or by the local Parole Agent.

The program's goals:

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

Residential Stability

- 139 received Residential Stability services.
- Temporary housing assistance, in the form of rent subsidies for parolees that would otherwise be homeless.
- 41% of the annual program budget was spent on Residential Stability.
- 65% resulted in a successful outcome, meaning they secured stable, unsubsidized housing.
- In 2017, the number of beds available for temporary housing assistance increased by 32%.

Social Support

- 132 received Social Support services
- Provides assistance with obtaining basic needs such as identification, clothing, and bus passes.
- 5% of the annual program budget was spent on Social Supports.

Health & Behavioral Health

- 33 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.
- 7% of the annual program budget was spent on Health and Behavioral Health services.

Employment Readiness

- 52 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.
- 96.5% of temporary work experience contracts resulted in unsubsidized employment for the ex-offender.
- Average wage for unsubsidized employment was \$11.73 an hour.
- Provides assistance with necessary work supplies, such as work tools, specialized clothing, testing fees, etc.
- Resulted in 76% unsubsidized employment rate (compared to 25% statewide employment rate for all former inmates).

Statewide recidivism percentage for all parolees is 28.1% (nearly 1 in 3), down from over 50% before this program was started 10 years ago. The Offender Success Program in Northwest Michigan has a 310% Return on Investment in the first year alone following an ex-offender's parole.

SPECIAL ACTIVITIES

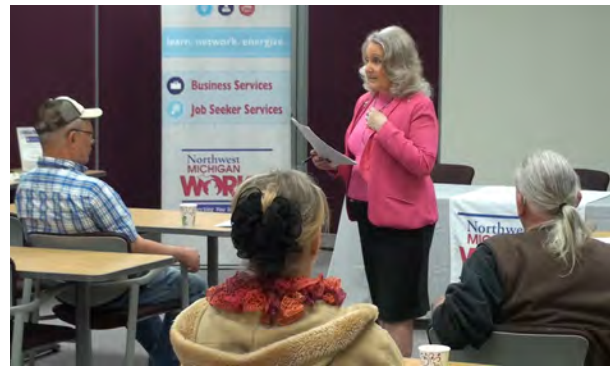
Special Activities to Help Companies Find the People They Need

- Hosted 112 “Employer of the Day” events at our Northwest Michigan Works! American Job Centers.
- Conducted 10 targeted job fairs and expos which included 377 companies and were attended by over 2,833 job seekers.
- Expanded National Manufacturing Day to a region wide event including 47 employers, 24 schools and over 1,000 students.
- Partnered with the Small Business Development Center and the Procurement Technical Assistance Center to bring awareness of Cyber Security and US Department of Defense contracting opportunities to Northwest Michigan businesses.
- Held over 50 Career Connections job seeker networking events. Provided resume assistance, job search strategies, and career coaching.
- Collaborated with State of Michigan veteran services staff to offer workshops targeted at overcoming barriers and addressing the unique needs of veteran job seekers.



Benzie Job Fair

Conducted 10 targeted job fairs and expos which included 377 companies and were attended by over 2,833 job seekers.



Cadillac Career Cruising



Healthcare Education and Employment Fair



IT Career Fair

Northwest Michigan Works! Skilled Trades Training Fund

Northwest Michigan - 2017 STTF Awards					
County of the Business	# Awards	\$ Amount Awarded	# of Employees Receiving Training	# of New Hires	# of Apprentices
Antrim	1	\$15,000.00	16	1	0
Charlevoix	3	\$159,098.00	31	14	2
Emmet	5	\$210,186.00	206	9	0
Grand Traverse	12	\$171,906.00	167	4	20
Wexford	8	\$186,230.00	171	2	0
Region 2 Totals	29	\$742,420.00	591	30	22

Skilled Trades Training Fund Success Stories Bay Motor Products

Northwest Michigan Works! has an ongoing relationship with Bay Motor Products in Traverse City, Business liaisons have helped the company with talent recruitment, training new and incumbent workers, and a workplace wellness grant. In 2017, Northwest Michigan Works! helped Bay Motor Products submit for a Skilled Trades Training Fund grants. The company received an \$11,000 grant to train their employees.

“This grant has helped us continue to train our employees in lean manufacturing, allowing us to better compete with the many foreign manufacturers.” Said Andy Robitshek, President of Bay Motor Products. “We, along with a number of manufacturers in Traverse City, are benefiting from the strong programs at Northwest Michigan Works! that strengthen our employees and are able to learn from other manufacturers in the area in a joint setting.”



Andy Robitshek, Bay Motor Products

Skilled Trades Training Fund Success Stories

Preston Feather Building Centers

When Preston Feather Building Centers in Petoskey began to adopt Lean Systems and a continuous improvement philosophy, they worked with Northwest Michigan Works! to apply for a Skilled Trades Training Fund (STTF) grant and received \$96,535 to train their employees.

“This funding, and the training it allows our staff, will help us be on the leading edge of more efficient processes for the benefit of the professional builders we supply products to.”

The STTF training grant will help train the entire staff with a completely new computer system, an upgrade of a system over 30 years old, and additional Lean Systems modules.

“This funding, and the training it allows our staff, will help us be on the leading edge of more efficient processes for the benefit of the professional builders we supply products to.” Said Kate Courtney Scollin, Human Resources Director at Preston Feather Building Centers. “With the help of the STTF, this century-old company will bring our family-owned lumber yard into the 21st century.”



Preston Feather Building Centers staff and STTF training partners.

Left to Right: Lisa Rollin, Northwestern Michigan College; Jim Tisdell, North Central Michigan College; Kate Courtney Scollin, Preston Feather; Jeff Hills, Preston Feather; Kirk Jabara, Owner, Preston Feather.



Our region has 3.7% of the state’s businesses and contributes 2.5% of the state’s GDP. However, we had 6% of all the companies in Michigan that received STTF grants, representing 5.7% of all the STTF funds that were given out in FY17.

The Skilled Trades Training Fund (STTF) awards grants to employers to assist in training, developing and retaining current employees and individuals to be hired. Training is customized to meet employee skill requirements and is short-term in duration, preferably less than three months.

Northwest Michigan Works!

Business Services

Michigan Works! Business Services: Unique Companies Served by County, By Industry												
Industry (NAICS Code)	Ant.	Ben.	Char.	Em.	G.T.	Kal.	Lee.	Man.	Mis.	Wex.	Out of Region	Grand Total
11 Agriculture, Forestry, Fishing	3	1		2	7	2	10	1	5	6	1	38
21 Mining, Oil and Gas Extraction					1	1				1	2	5
22 Utilities			1		5	1		1		4	1	13
23 Construction	2		2	4	28	2	5	3	3	9		58
31-33 Manufacturing	15	5	15	11	62	7	10	10	3	21	3	162
42 Wholesale Trade					16		1	2	2	1	4	26
44-45 Retail Trade	1	4	4	12	64	3	7	6	5	75	1	182
48-49 Transportation and Warehousing		2	3	3	17	1	1		2	12	3	44
51 Information	1				6		1			4	2	14
52 Finance and Insurance		1			14	1	2			9	1	28
53 Real Estate and Rental and Leasing		1		1	3	1	2			2		10
54 Professional, Tech Services		2	1	2	35	1	5			15		61
55 Management of Companies					1							1
56 Admin, Support, Waste Management	1	1		2	11	1	1	1		4		22
61 Educational Services			1	1	11		3	1		6	1	24
62 Health Care and Social Assistance		3	2	5	33		4	2	5	31	2	87
71 Arts, Entertainment, and Recreation	1				10		2	1		3		17
72 Accommodation and Food Services	1	7	5	9	18	1	12	10	4	32		99
81 Other Services	1	5	1	3	34		5	12	2	10	5	78
92 Public Administration	1	1	1	2	7	2	2	3	1	12		32
Total	27	33	36	57	383	24	73	53	32	257	26	1001

“At Oneupweb, we’ve found the value of working with Michigan Works! to be a great resource, as we expand the quality and breadth of training opportunities that we’re able to provide for the careers of our employees. Expanded skill-sets enable continued diversification in our portfolio of client services, higher morale & employee retention, and ultimately a stronger, more vibrant community.”

- Fernando Meza, CEO/Owner Oneupweb



Small Business Development Center 2017 Regional SBDC Data & Metrics

SBDC Training

- 332 individuals attended 29 in-person regional trainings, receiving a total of 992 training hours.
- 46 individuals from the Northwest region participated in 37 webinars receiving a total of 74 training hours. These trainings included; Goal Setting for a Successful 2018; How to Develop Your Brand; How Business Credit can Help Your Business Grow; Smart Principles of Marketing Messaging: Define and Reach Your Target Market, Time Management; Building Your Online Marketing Strategy; EOS: Your Business as a Finely Tuned Machine; Accountability Chart; Developing Your Leadership Team; Improve Your Cash Management; The Benefits of Strengths-Based Leadership; Starting a Business; Writing a Business Plan; Analytics: What the Numbers are Telling You; Drive New Business with Social Media; Marketing that works; etc.

Partnered with other key partner organizations to co-host special events that included:

- USDA Value-Added Producer Grant Information Sessions in both Traverse City and Petoskey
- Networks Northwest Cyber Security Summit
- Entrepreneurial Youth Training with East Jordan High School
- Know Your Numbers: Using Financial Statements to Better Manage Your Business



SBA Metrics

- Businesses Served: **260**
- Capital Formation: **\$8,706,900**
- New Business Start-ups: **23**
- New Jobs Created: **142**
- Jobs Retained: **59**
- Annual Sales Growth: **\$3,661,591**
- Hours of Counseling: **2,000.25**

Location of Business	% Total of Companies Served
Antrim	6%
Benzie	6%
Charlevoix	7%
Emmet	10%
Grand Traverse	35%
Kalkaska	4%
Leelanau	7%
Manistee	9%
Missaukee	4%
Wexford	8%
Other	4%
TOTAL COMPANIES SERVED	260

**THANK YOU
to our contributing partners!**



Regional SBDC Business of Year: Chateau Chantal

Chateau Chantal is a well-known regional winery beautifully positioned on Old Mission Peninsula. A family-owned business, Marie Chantal Delese is the second-generation entrepreneur to operate the winery and inn and recently transitioned into the role of Chief Executive Officer.

“Marie recognized the importance of garnering additional leadership support”

Marie recognized the importance of garnering additional leadership support on the flip side of the succession planning process. MI-SBDC Growth Consultant, Carolyn Rourke, and Northwest Regional Director, Annie Olds, began their work with Chateau Chantal by facilitating a Strategic Needs Assessment

(SNA) that provided a framework for prioritizing issues and problem resolution and establishing a long-term counseling plan that would support Marie in her new role and empower her team to continue toward executing with excellence.



Photo credit: Mike Drilling / Windborne Studios

Global Trade Alliance of Northern Michigan



This year, the MEDC awarded Networks Northwest a five-year grant to serve as the Regional Export Network (REN) host for all of Northern Lower and the Upper Peninsula.

Operating under the auspices of the Global Trade Alliance, we help to promote the international trade services of the MEDC and to connect area businesses to various local resource providers who provide exporting assistance.

In 2017, we organized a number of trainings and workshops in both the Lower and Upper Peninsula. Our trainings were primarily geared toward helping companies that are new to exporting and preparing businesses for international trade shows. We also hosted a delegation of 20 economic development

professionals from Eastern Europe in October from the SABIT Program.

Through our close partnership with our regional MEDC International Trade Manager, our region’s businesses were able to connect to resources and grant funding to support their exporting activities.

FY17 Region 2 Stats from MEDC International Trade Team:

- 📍 18 Businesses Served
- 📍 \$146,890 in Grant Funding awarded from MEDC STEP Program
- 📍 \$15,042,884 in Export Sales

Northwest Michigan

PTAC

PTAC provides NO FEE assistance to businesses interested in doing business with state and federal government agencies.

The mission of the Procurement Technical Assistance Centers (PTAC) is to enhance national defense and the economic development of the State of Michigan by helping area business secure local, state and federal government contracts.

The Northwest Michigan PTAC serves the entire Upper Peninsula and the 10 counties throughout the Northwest Lower Peninsula.



**2 Offices Serving
25 Counties**

2017 Stats

- \$138,759,507 Client Federal, State, & Local Contract Award Dollars
- 694 Jobs Created or Sustained from Client Contract Award Dollars (\$200,000 in Contract Awards Equates to one Job)
- 31 Events
- 823 Counseling Hours



Special Events

- U.S. Army Corp of Engineers, Regional Support Command Industry Day
- Networks Northwest Cyber Summit Seminar
- How to do Business with the U.S. Forest Service Seminar
- How to do Business with the National Park Service Seminar
- Federal Contracting and SBA Procurement Resources Seminar
- How to do Business with the VA Seminar
- Federal Contracting & SBA Procurement Resources Seminar
- Understanding University of Michigan Economic Growth Institute Webinar
- Cyber Compliance & Risk Management for DOD Contractors Seminar
- TARDEC EBO and Defense Industry Outreach

2017 Northwest Michigan PTAC Government Contractor of the Year:

In the early years of Fresh Baby (FB), the focus was selling their products to retail customers. It was a traditional wholesale/retail sales model. Their first government sales were orders from WIC Programs in New Mexico and Nevada. FB discovered WIC was a USDA federally-funded government nutrition education program AND it was national in scope. New to selling to the government, they reached out to PTAC for guidance to learn more about USDA WIC and understand how to sell to them (i.e. bids, sole source).

“Fresh Baby has grown their government sales from a few thousand dollars in 2011 to over \$2 Million in 2017.”

With PTAC’s research support and other services, FB discovered a number of government programs that procure their products. As their business has grown, they have shifted focus from retail sales and expanded their sales focus into government programs.

Fresh Baby has grown their government sales from a few thousand dollars in 2011 to over \$2 Million in 2017. They have grown from a handful of program offices working with them to several hundred program offices buying their products, including at least 16 state-wide contract purchases. Per Cheryl Tallman, Fresh Baby Founder and CEO, “the PTAC has been a valuable partner in growing Fresh Baby’s business. PTAC webinars and seminars are part of our sales training program... and checkpoint meetings with PTAC are part of our annual planning process.”



Fresh Baby Founder and CEO, Cheryl Tallman

Michigan Economic Development Corporation Defense Growth Area Grant

In September, we began work on a one year grant awarded from the MEDC/Michigan Defense Center to complete a Defense Industry Analysis of our ten-county region. The purpose of the analysis is to examine the current and potential defense supplier base in our region with an emphasis on the areas of cybersecurity, autonomous ground vehicles, autonomous aerial systems, aerospace, robotics, 3D printing, and advanced manufacturing.

Our analysis will be completed by early summer 2018. There is potential for additional years of funding from this grant and the results of our analysis will help inform our proposed activities should additional funding become available.

“The purpose of the analysis is to examine the current and potential defense supplier base in our region”

Networks Northwest Community Development



As a local government partner in the ten-county region of Northwest Lower Michigan, Networks Northwest's Community Development works directly with communities, local decision-makers, stakeholders,

community organizations, and the public. Specific areas of staff expertise include housing, transportation planning, non-motorized trails and trail planning, economic development, food systems, placemaking, and general community planning and zoning services.

We provide services and support including:

- ✦ Master Plans, Recreation Plans, and Zoning
- ✦ Data, Research, and Analysis
- ✦ Community Engagement
- ✦ Transportation Planning
- ✦ Networks Support

Networks Northwest Master Plans, Recreation Plans, & Zoning

- ✦ A master plan is a guide for communities that helps shape decisions about how to manage resources, where to direct growth, and how new development should be designed to protect the parts of our communities we value most.
- ✦ Recreation plans help communities plan and budget for needed improvements to existing parks, and to plan for new parks or recreation facilities. When it meets guidelines from the Michigan Department of Natural Resources, a locally-adopted and updated recreation plan makes a community eligible to apply for important grant funding.
- ✦ Zoning is a locally-adopted law that regulates where and how development occurs. Regulations are based on guidance from the community's adopted master plan.

Networks Northwest provides assistance on a fee-for-service and/or grant-funded basis to communities that are working to develop or update master plans and zoning ordinances. Staff works with local governments to compile data, conduct research, facilitate public input, develop maps and documents, and guide the plan or ordinance development and approval process to ensure that statutory requirements are met, and that the plan or ordinance reflects community priorities.

In 2017, Networks Northwest assisted the Villages of Elberta, Northport, Kalkaska, and Mancelona (in partnership with Mancelona Township) in the development of their master plans; and worked with the Villages of Ellsworth, Kalkaska, and Mancelona, as well as Kalkaska County, to create and update recreation plans. Staff also provided planning assistance to the City of Charlevoix and Benzie County, acting as "staff planner" for both communities throughout 2017. Activities included support for zoning ordinance changes and updates.

Community Development Data & Research

Up-to-date data is critical in planning, decision-making, and resource allocation for all levels of government, businesses, and community organizations. To support those activities, Networks Northwest staff collects data from sources, including the US Census and the Bureau of Labor and Economic Growth, and conducts analysis on regional issues and topics like housing, the economy, and population trends. Analysis and data

collection is conducted on request, as staff time and resources allow. Larger data analysis and collection projects may require an hourly fee for service.

In 2017, Networks Northwest began migrating data to a new web platform, www.benchmarksnorthwest.org, in order to make existing data easy to search.

Networks Northwest Community Engagement

To be sure that local initiatives reflect community desires and needs, it's important for the public, business owners, and other stakeholders to be engaged in planning and decision making. Networks Northwest Community Development staff works with communities and organizations to facilitate public input and engagement in local and regional initiatives. Staff helps communities develop questionnaires, organize focus groups, conduct public input meetings, and conduct outreach that invites public participation.

"Networks Northwest Community Development staff works with communities and organizations to facilitate public input and engagement in local and regional initiatives."

In 2017, Networks Northwest assisted communities with master plan surveys, public forums, and focus groups about infrastructure, housing, and recreation in communities throughout Northwest Michigan. Staff also began working with communities to facilitate community-wide dialogue around topics including transit and infrastructure, and to conduct economic development surveys.



Cadillac Wexford Summit Event 2017

"Networks Northwest always proves to be a valued resource for our local government planning efforts. We appreciate the expertise of the staff and the many data resources available to our planning and improvement efforts. No organization does a better job of convening partners, promoting collaboration, and reporting on the data than does Networks Northwest. Truly, Networks Northwest is a regional treasure and a valued partner."

**- Ty Wessell,
Leelanau County Commissioner**

Networks Northwest Transportation Planning

Transportation decisions are made at the local, state, and national levels. Networks Northwest Community Development Department works on behalf of its many local partners to assist with efforts around improving every mode of transportation in the region.



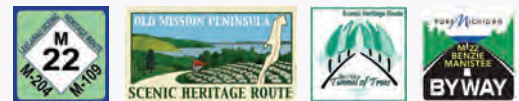
TTCI Area Roadway

In 2017, Networks Northwest staff worked with partners to facilitate activities including asset management, transportation funding programs, non-motorized trail planning, scenic byway support, and the coordinated transportation planning:

- With the Asset Management program, Networks Northwest works with state, county, and local road officials to rate the surface quality of roads, in order to help communities and funding agencies prioritize needed improvements.

- As part of the State of Michigan’s Rural Task Force program, staff coordinates local transportation officials to prioritize funding on federal aid roads, and for transit improvements.
- The Traverse Transportation Coordinating Initiative (TTCI) provides coordinated leadership and direction for the development and conduct of the continuing, cooperative and comprehensive transportation planning process for the Traverse City urban area.
- Networks Northwest provided staff and financial support to committees that work to promote and preserve important transportation corridors, known as Pure Michigan Scenic Byways, along M-22 in Leelanau, Manistee, and Benzie Counties, M-37 in Peninsula Township, and M-119 in Emmet County.

Provided support to the 4 local heritage route committees



Many community issues require collaborative action from many diverse businesses, communities, and organizations.

Networks Northwest provides staff support to help these stakeholders work together as part of an informal but organized network. Staff coordinates meetings, plans events, develops

communications and other materials, and conducts outreach on behalf of the networks.

In 2017, Networks Northwest provided staff or financial support to groups including the Housing Solutions Network, the Arts and Culture Network, and the Food and Farming Network.

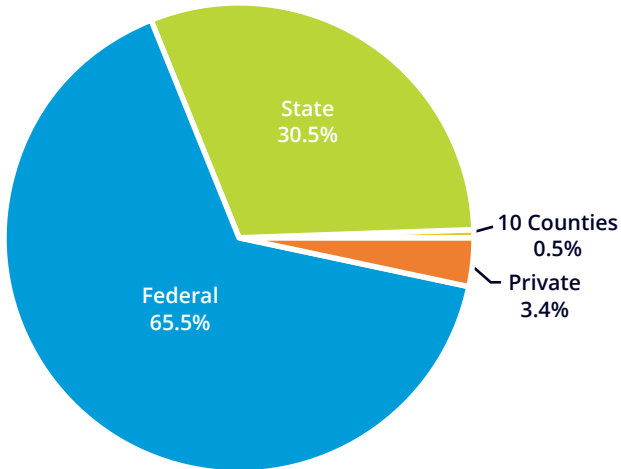
2017

Financial Summary

Both of our legal entities, Networks Northwest and Northwest Michigan Works!, Inc. received FY17 audits that contained no findings of any kind.

Revenue by Source

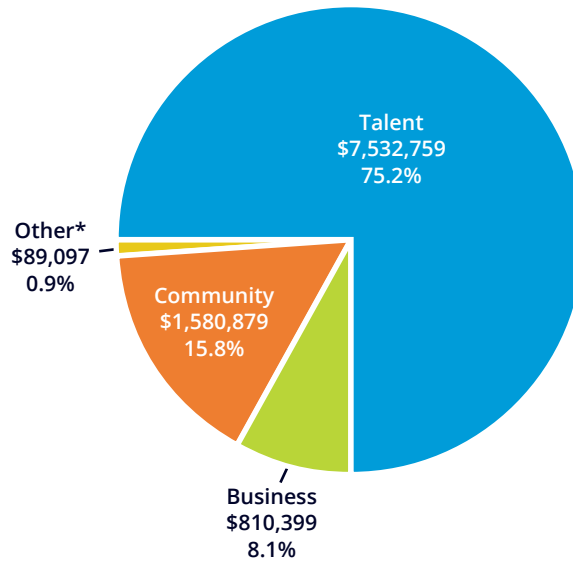
Fiscal Year 2017, Ending 9/30/2017



Expenditures by Service Category

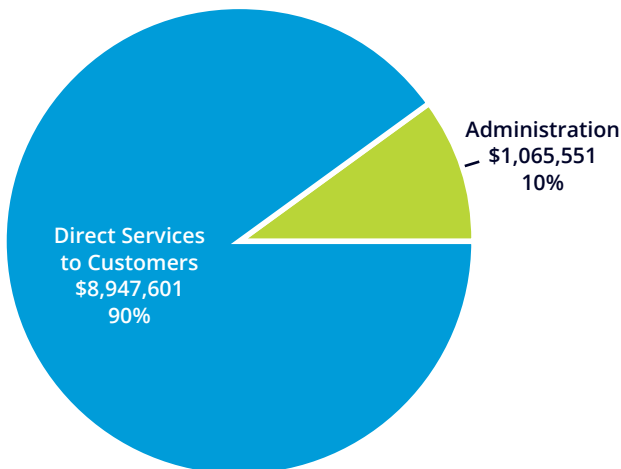
Fiscal Year 2017, Ending 9/30/2017

Total: \$10,013,152



Expenditures by Function

Fiscal Year 2017, Ending 9/30/2017



*Reserve Fund; Leave Fund: Pass-through funds

Networks Northwest

Regional Prosperity Board Members in 2017

PUBLIC SECTOR	PRIVATE SECTOR	OTHER SECTORS
<p>Ed Boettcher, Antrim County Commissioner</p> <p>Coury Carland, Benzie County Commissioner</p> <p>Chris Christensen, Charlevoix County Commissioner</p> <p>John Stakoe, Emmet County Commissioner</p> <p>Stuart McKinnon, Kalkaska County Commissioner</p> <p>Tom Mair, Grand Traverse County Commissioner</p> <p>Ty Wessell, Leelanau County Commissioner</p> <p>Richard Schmidt, Manistee County Commissioner</p> <p>Dean Smallegan Missaukee County Commissioner</p> <p>Michael MacCready, Wexford County Commissioner</p> <p>Michael Cain, Manager, City of Boyne City</p> <p>Josh Mills, Manager, City of Frankfort</p> <p>Barb VonVoightlander, Administrative Coordinator, Village of Northport</p> <p>Caroline Kennedy, Assistant Village Manager/ Clerk, Village of Elk Rapids</p> <p>Doug Mansfield, Michigan Township Associate</p> <p>Alan Cooper, Manager, Wexford Co. Road Commission</p> <p>Jim Cook, Manager, Grand Traverse County Road Commission</p> <p>Bill Kennis, Executive Director, Benzie Transportation Authority</p>	<p>Jim Barnard, Owner, Barnard Engineering, Bellaire</p> <p>Paul Hresko, Human Resources Director, Armor Express, Central Lake</p> <p>Betty Workman, Owner, Vacation Trailer Park & Sales, Benzonia</p> <p>Lee Ballard, HR Director, Ebel's Family Store</p> <p>Joe Moch, CEO, Acat Global, Charlevoix</p> <p>Amanda Haworth, Human Resources Director, Boyne Resorts, Boyne City</p> <p>Gene Kaminski, VP for HR, McLaren Northern Michigan Hospital, Petoskey</p> <p>Gary Fedus, President & CEO, Mitchell Graphics, Petoskey & Traverse City</p> <p>Sue Peters, VP for HR, Munson Healthcare System, Traverse City</p> <p>Ken Osborne, Vice President, Boride Engineered Abrasives, Traverse City</p> <p>Tracey Peal, Vice President, Hague Equipment, Kalkaska</p> <p>Kelli Stepka, Human Resource Manager, Cherry Republic</p> <p>Doug Parkes, Co-Owner, Kellie's Hallmark Shop, Manistee</p> <p>Kim Weckesser, Director Human Resources, West Shore Medical Center</p> <p>Tom Vine, Plant Manager, Viking Energy, McBain</p> <p>Ken Bollman, President, Sabre Tool, Cadillac</p> <p>Leslie Nowlin, Human Resources Director, Rec Board Holdings, Cadillac</p> <p>Mike Powers, Energy Solutions Consultant, Keene Technical Solutions, regional</p> <p>Doug Luciani, President of TC Area Chamber of Commerce; Northern MI Chamber Alliance, regional</p> <p>Chris Warren, General Manager, Midwestern Broadcasting Co., regional</p> <p>Nicole Sulak, CPA, Munson Healthcare, regional</p> <p>Mike Ascione, CEO, American Waste, regional</p> <p>Jamie Al-Shama, Bay Construction, regional</p> <p>Beth Holmes-Bozung, Co-owner, SafetyNet, Inc., regional</p> <p>Rachel Johnson, Public Affairs, Cherryland Electric, regional</p> <p>Stacie Bytwork, Executive Director, Manistee Area of Chamber of Commerce</p> <p>Mike Groleau, Co-owner/Project Manager, RJG, Inc.</p> <p>Chuck Lombardo, Director of Marketing & Communications, Northern MI Chamber Alliance</p> <p>Kim Pontius, CEO, Traverse Association of Realtors</p> <p>Doug Rath, Graceland Fruit, Inc.</p>	<p>Jeff Jennette, Superintendent, Wexford-Missaukee and Manistee ISDs (K-12 education)</p> <p>Tim Nelson, President, Northwestern Michigan College (post-secondary education)</p> <p>Mike Hill, Superintendent, TBAISD (adult education)</p> <p>Andy Hayes, President, Northern Lakes Economic Alliance (economic development)</p> <p>Eric Bachmann, District Manager, Michigan Rehabilitation Services (rehabilitation)</p> <p>Bob Scheele, Vice President, Central Labor Council (labor)</p> <p>Clint Steele, Pipefitter, UAW Local 85 (labor)</p> <p>Kristine Lagios, Director, Manistee-Benzie Dept. of Human Services (human services)</p> <p>Jane Korthase, HR Director, Grandview Medical Care (community based organizations)</p> <p>Steve Perdue, President & CEO, Grand Traverse Industries (community based organizations)</p> <p>John Stephenson, Executive Director, Northwest MI Community Action Agency (community based organizations)</p> <p>Marsha Smith, Exec. Director, Rotary Charities and NorthSky Non-Profit Network (community based organizations)</p> <p>Jim Smith, Controls Designer, Tool North, Inc. (apprenticeships)</p> <p>Charles Welch, Parole Supervisor, MDOC (corrections)</p>