

2019 ANNUAL



OUR MISSION: Serve people with disabilities by offering inclusive employment opportunities and services.



Peter McDermott, President & CEO



Ellen Hoeg, 2019 Board Chair

"MDI is proof that
our differences
make us stronger —
and inclusion makes
us better."

- Peter McDermott

DEAR FRIENDS AND SUPPORTERS,

As this annual report goes to press, our world is experiencing a once-in-a-century pandemic with repercussions we'll all feel. At MDI, as we deal with the many uncertainties, we are focused on our core values – specifically 'Employee and Customer First' and always 'Doing the Right Thing'.

As a trusted nonprofit social enterprise, we know putting people first results in high-quality outcomes for employees and customers. MDI ended 2019 with 388 employees, 46% of whom are people with disabilities, and a positive net surplus.

We kicked off the year by expanding the Unified Work Coalition to include more nonprofit and for-profit companies, all working together to advance employment opportunities for people with disabilities. Unified Work exemplifies MDI's inclusion of people with disabilities in the workplace and the Special Olympics Unified Sports® initiative that combines equal numbers of Special Olympics athletes and athletes without intellectual disabilities.

In the spring, the Quest Transition Program launched for students 18-21 years old with special needs. The program is in collaboration with School District #318 and located at MDI's Cohasset facility. By fall, Career Skills had over 176 graduates. And at the end of the year, commercial plastic had grown by 17.5%. Additionally, our team had successfully delivered \$2.4 million in orders for a new Fortune 500 customer with tremendous employment impact.

In 2019, MDI leadership began a journey to increase our individual and collective intercultural competency through formal training. Equity and inclusion are at the heart of MDI. Increasing diversity will make us stronger.

We are grateful for your partnership and continued support that makes our work possible. MDI will continue to work diligently towards our goal of positively impacting 2,500 lives through meaningful employment and services by 2026.

Thanks to you, MDI is proof that our differences make us stronger – and inclusion makes us better.

Sincerely,

Peter McDermott, President & CEO

De N. Deman

Ellen Hoeg, 2019 Board Chairman





























OUR LEADERSHIP

MANAGEMENT

Peter McDermott
President & CEO

Rod Wood Chief Operating Officer

Mary Hannon

Chief Financial Officer

Barbara MajerusVice President of Sales

Jeanne Eglinton

Director of Employment Services

Peg McQuillan Porter
Director of Development

Katie Johnson Director of Marketing

Debi ThompsonDirector of Human Resources

Todd Witherill Director of Operations

BOARD OF DIRECTORS (PICTURED ABOVE)

Phillip Bakken, Iron Range Resources and Rehabilitation Board (Retired)

Rhonda Graves, 3M (Retired)

Jill Hesselroth, Intek Plastics

Ellen Hoeg, Technology Industry Executive (Retired)

Mary Kay Jacobson, Independent Grant Writer

Thomas Keller III, Director Emeritus, Attorney (Retired)

Fred Klietz, Graco (Retired)

John LeMay, Associated Bank (Retired)

Keith Olson, Andersen Corp (Retired)

Jonathan Palmer, Hallie Q. Brown Community Center

Michael Raich, Interim President at Northeast Higher

Education District

Y. Elaine Rasmussen, Social Impact Strategies Group Nicholas Wilkie, Metropolitan Center for Independent Living Rachel Wobschall, Director Emeritus, Gillette Children's Specialty Healthcare

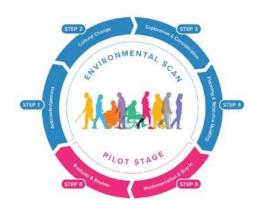


The Unified Work Coalition: Together, We Are Unified Work

Launched in 2019, the Unified Work Coalition is a group of like-minded Twin Cities organizations. From nonprofits to Fortune 500 companies, our intent is on advancing employment opportunities for people with disabilities. The group's long-term goals include creating a sustainable employment model, based on real-life working examples, that assists businesses who hire and support people with disabilities.

2019 HIGHLIGHTS

- Created an employment model
- Provided new jobs for people with disabilities
- Engaged seven new partners in leadership roundtable meetings
- Formed a Polar Plunge team of 78 jumpers that raised \$40,225
- Received media recognition from the Star Tribune,
 Pioneer Press, Grand Rapids Herald Review,
 Access Press, Hibbing Daily Tribune and KAXE/KAXB



Unified Work Partners





















The Untapped Workforce

Our employees inspire and impress us every single day. They represent an untapped workforce in Minnesota and across the country. Jobs at MDI include support from on-site Employment Support Specialists. These jobs empower individuals to achieve greater self-sufficiency and personal fulfillment in an inclusive environment.



Being a part of an employee's skill development is the most rewarding part of my job.

- Diane Meyer, Employment Support Supervisor

DOCUMENTED DISABILITY:

Intellectual/Developmental 53	3%
Mental Illness	5%
Physical14	1%
OrthoNeuro	1%
Visual	1%
Auditory	1%

AGE RANGE:

20) – 29	 				 						22%
30	- 39	 				 						.17%
40) – 49	 				 						.19%
50	– 59	 				 						24%
60) – 69	 				 						.15%
70	_ >											3%

Average hourly wage: \$11.69

Average hours per week: 25

Satisfaction with job & support received: 100% Satisfaction with effectiveness of services: 100%

Satisfaction with efficiency of services: 84%



Commission on Accreditation of Rehabilitation Facilities

CAREER SKILLS

Professional & Personal Development



MINNEAPOLIS

KRISTIE A.

Office Services Specialist

Kristie received a promotion that moved her off the assembly floor and into the administrative office.

Career Skills helped prepare her for this new role with significant responsibilities.

30 Years

COHASSET

ANTHONY G.

Assembler

When Anthony started at MDI, he needed a oneon-one job coach to help him complete his daily responsibilities. Career Skills gave him the tools to work independently. He now receives minimal support from the Employment Services Team and Operations.

1 Year



Not Just a Job, a Place To Grow

MDI's mission is more than providing jobs, it's about creating an environment where employees can grow. Since 2017, more than 100 MDI participants have graduated from Career Skills, which teaches professional skills needed in today's workforce – including communication, leadership, work ethic, teamwork and critical thinking. At the end of the program, graduates deliver their elevator speech and share their goals for the future.

"Our goal is to help people with disabilities find meaningful employment and help employers see their strengths and talent. Career Skills is a true testament to the tenacity and dedication that exists in this untapped workforce. I am so proud of our employees and the work they do to advance their careers."

Jeanne Eglinton,
 Director of Employment Services



COHASSET

BEN P. Material Recovery Worker

Career Skills gave Ben the skills and confidence to get another job in the community. In addition to his work at MDI, he now works as a part-time custodian at Grand Rapids Marine.

14 Years

HIBBING

TANDY T.

Assembler

Since graduating from Career Skills, Tandy has flourished as a mentor to MDI employees. The class taught her the values of patience, helpfulness and teamwork.



2.5 Years



The Best of 2019

2019 was full of accomplishments that prepared both the organization and employees for a better tomorrow.

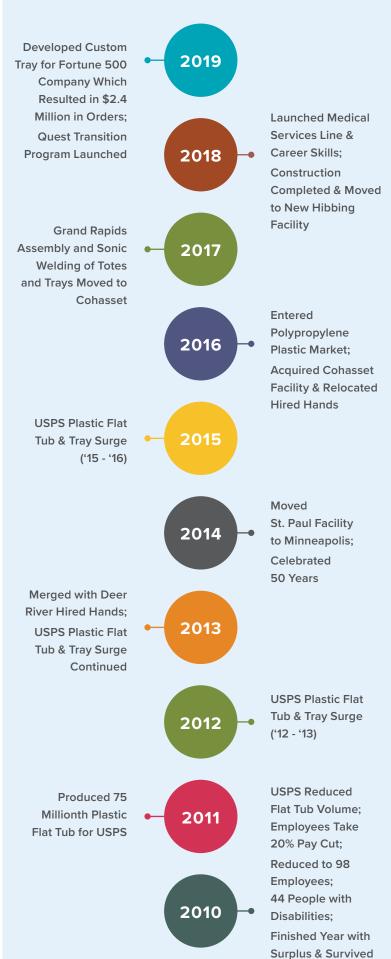
- Ended the decade with employment at 388;
 177 are people with disabilities
- \$21.6 million in net assets
- Produced 97 million USPS flat tubs
- Held the 4th annual Ability Bash: 7 sponsors,
 156 guests, 17 volunteers, 62 businesses donated,
 and together we raised \$105,856
- Secured \$2.4 million in plastic orders from Fortune 500 company
- 176 participants graduated from Career Skills
- Achieved 20% efficiency gains
- In collaboration with School District #318, The Quest Youth Transition Program opened at MDI's Cohasset facility to help young adults ages 18-21 with special needs







Decade in Review



Community Engagement

Community is at the heart of what we do. While working to strengthen our four locations, MDI lives out our mission and values to the best of our ability. Each year, we give back through workforce development, volunteering, advocacy and community relations.



ST. PAUL MAYOR MELVIN
CARTER toured MDI to learn about
workforce development solutions.



WCCO'S JASON & HEATHER, along with Peter McDermott and Del Smith, discussed MDI's mission to employ people with disabilities.



COLLEGE SCHOLARSHIPS were provided to students across Minnesota. This was MDI's seventh year providing these funds.



CAREER SKILLS expanded to include members of the community and outside organizations.



SPECIAL OLYMPICS MN held a golf tournament and 21 MDI employees volunteered in support of Unified Sports.



THE UNITED WAY COMMUNITY GIVING AWARD was received for outstanding MDI employee contributions.



GRAND RAPIDS AREA
COMMUNITY FOUNDATION
provided funding for safety equipment
in support of people with disabilities.



MN HOUSE & SENATE hearings were conducted in support of state funding for MDI.



HIBBING BUSINESS OF THE YEAR & Charles K. Blandin Community Giving awards were received.

Products and Services

MDI helps customers solve business challenges by providing plastic packaging and service solutions. We strive to save our customers time and money by producing quality products and services at the right price, with short lead times and customization to meet each customer's unique needs. The more products and services sold, the more jobs we create.



PLASTIC GROWTH

- Increased commercial revenue by 17.5%
- Produced 2,681,755 standard & customized products
- · Designed & sold 80 new products
- Landed multi-million dollar contract with key Fortune 500 company
- Achieved very high ratings for customer satisfaction
 loyalty



2,681,755 Units Produced



CUSTOMIZED SERVICE SOLUTIONS

- Increased revenue by 17.8%
- · Assembled 2,431,205 service units
- Expanded ongoing program-level work
- Recycled 1,555 tons
- Processed 260 truckloads out of the Minneapolis facility
- Diversified job skills through a variety of customer needs



2,431,205Units Produced



NEW MEDICAL OPPORTUNITIES

- Assembled 249,416 medical units
- Created 8 new full-time positions
- · Maintained ISO 13485:2016 Certification
- Became FDA registered for medical device assembly & packaging
- Began new projects including diabetes kits, scattergram radiology pads, water quality test kits, surgical glove kits & drapes





249,416 Units Produced

Statement of Activities

MDI is pleased to share our fiscal year 2019 financial statement. For questions about this statement, please contact Marv Hannon, CFO, at 651-999-8252.

Complete consolidated financial statements (audited by CliftonLarsonAllen LLP, certified public accountants) are available at www.mdi.org.

Assets & Liabilities

Current Assets: \$12,388,078

Other Assets: \$178,395

Property & Equipment Net: \$16,500,017

TOTAL ASSETS: \$29,066,490

Current Liabilities: \$2,242,955

Long-Term Debt & Other Liabilities: \$5,243,825

Net Assets Without

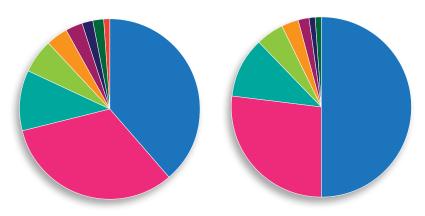
Donor Restrictions: \$21,579,710

TOTAL LIABILITIES &

NET ASSETS: \$29,066,490

Revenue \$30.3	16 172
• Other \$	\$151,992
USPS MM Trays & Boxes\$	601,776
• USPS Stamps	702,000
• Grants & Donations	779,675
Program Services & Recycling	182,498
Commercial Assembly	881,828
• USPS EMM Trays\$3,2	248,456
Commercial Plastics	869,160
• USPS Totes\$11,5	898,787

Revenue



Expenses

Total Expenses & Reserves \$30,316,172
• Interest & Other Financing
• Fees
• Training & Services
• Reserved for Future Investments
• Sales & Marketing
• Administrative
• Fixed Manufacturing Costs
• Variable Manufacturing Costs\$15,043,469





Annual Events

ABILITY BASH: PARTY WITH A PURPOSE

MDI celebrated its fourth annual Ability Bash in Minneapolis at the Muse Event Center. Thanks to our incredibly generous sponsors and attendees, the event raised \$105,856 for job training and work support for people with disabilities.

Join us Thursday, October 1, 2020, for an evening of empowerment at the fifth annual Ability Bash at the American Swedish Institute in Minneapolis.

PINTS WITH A PURPOSE

Brewery benefits were held in Minneapolis and Grand Rapids. Thanks to Grand Rapids State Bank for sponsoring.

Join us at our 2020 Pints with a Purpose events:

- Thursday, June 18, Bauhaus Brew Labs, Minneapolis
- Thursday, June 25, Rapids Brewing Co., Grand Rapids
- Friday, June 26, Boomtown Brewing, Hibbing





















Your Support Empowers People with Disabilities

Thank you for your generous donations, large and small, to help us achieve our mission of providing employment opportunities and services for people with disabilities. Because of you, hundreds of people who are often left out of our nation's workforce experience the confidence, independence and purpose that comes with employment.

\$150,000

Fred C. & Katherine B. Andersen Foundation

\$25,000 - \$49,999

Johnson Scholarship Foundation Otto Bremer Trust Richard M. Schulze Family Foundation

\$10,000 - \$24,999

3M Foundation

Andersen Corporate Foundation

Arrowhead Economic Opportunity Agency

Ellen & Will Hoeg

Joseph & Shelly Hoesley Charitable Fund

IRRRB

Owens Family Charitable Foundation

Schafer Richardson

Superior Third Party Logistics

Wells Fargo Foundation

\$5,000 - \$9,999

John Ericson

Grand Rapids Area Community Foundation

Minnesota Bank & Trust Special Olympics Minnesota

\$2,500 - \$4,999

Blandin Foundation

Cannon Family Foundation

Bonnie Finchum

Goff Public

Kootasca Community Action Inc.

PK Kriha

Barbara Majerus

Marsh & McLennan Agency

Scott & Holly Martin Family Foundation

Peter & Charlotte McDermott

Mutual of America

Tapemark

Ultimate Software

Wells Fargo

\$1,000 - \$2,499

April 8 Fund of the Minneapolis Foundation

Jo Anne Anderson

Carney Family Charitable Foundation

Nancy Caven

Bryan & Jeanne Eglinton

Flexcon Container

Jack and Nancy Grace Charitable Fund

Rhonda & Ronald Graves

Jill Hesselroth

Scott & Kristine Hubbard

Mary Kay & Don Jacobson

Kim & Kent Johnson

Patricia Kaiser

Medica

Donna Pietsch

Gene & Pat Radecki

Michael Rooney

Security State Bank Foundation

Diane & Bob Slayton

Roger & Carmen Smith

Frank Solomon

Scott & Nancy Stankiewicz

Sugar Lake Lodge

Debi & Dan Thompson

Todd & Danielle Witherill

Rod & Paula Wood

Hilary Ziols

\$500 - \$999

Arthur Bourgeois

ExxonMobil

Jack & Sarah Garrett

Aaron & Christina Gjelhaug

Grand Rapids State Bank

Sarah & Brian Henke

Erin Hoeg

Sheila Holmboe

Ruth Hritzko

Eric Jacobson & Roy Luthringer

Robert & Linda Klas

Fred & Adele Klietz

Teresa Klotz

Brenda & Ken LaChance

Mark & Rosemary Leone

David Lyman & Heidi Westlind

Peg McQuillan Porter & Al Porter

Keith & Mary Olson

Erika Peterson

Gordon & Sharalyn Pietsch

Michael & Carol Raich

Rocket55

Paul & Christine Rogosheske

Thomas & Debra Ryan

Richard & Christine Schedin

Sonja Simonsen

Amanda Spitzenberger

John & Cindy Stemper

Laura & Tom Swain

Total Wine & More

Nick & Jackie Wilkie

Winthrop & Weinstine

Chris Wyffels

\$250 - \$499

Lisa Amos

Phil Bakken

Denise & Jerry Barnett

Bart Berry

Greg Cleary

Ecolab

Daryl & Audrey Erdman

Torrey & Amy Ernst

Bryan & Stephanie Ethridge

Fortune Bay Resort Casino

Zach Gibson

Green Heron Bed and Breakfast

Gayle & Herman Heinecke

Duane & Laura Hokkanen

Steve & Mary Hughes

Jerry Kleven

Jane Lehar

CHARITABLE GIFTS

Kristen LeNeave

Jennifer McCalla-Wentzel &

Tom Wentzel

Alison & Rod Miller

Larissa & Lezli Milles

Chelsea Lowman

Minnesota Twins

John Myers Francis Neir

Nicholson Family Foundation

Jonathan & Emily Palmer

Sam Palmisano

Stephen & Susie Pizinger

R.F. Moeller

Southview Country Club

The Saint Paul Hotel

Thao Trinh

Jennifer Van Wyk

Tony & Joyce Vavoulis

Patrick Walsh

WDGY

Rachel Wobschall

\$100 - \$249

2nd Swing Golf Timothy Adair

Dennis Anderson

Sara Assgaard

Craig Axling Melissa Bartness

Kristen Bayliss

Big Thrill Factory

Brave New Workshop

Broders' Cucina Italiana

Howard Bullock

Christine Cannon

Central Avenue Liquors

Chipotle Mexican Grill

Kayla Clark

Commonwealth Properties

Como Friends

John & Laura Connelly

Dali Studios

Amber & Dan Determan Joanne & Jeffrey Dietz

Molly Doyle **DPI** Staffing Erik The Red

Allen & Karen Gilbertson

Edith Goodman

Grand Rapids VFW Post 1720

Guthrie Theater Mary & Pat Hannon Jenny & Craig Hedal

Jay Hickey Nick Hohn Mildred Homan

Tessa House

Huge Improv Theater

Scovia Inimah Jester Concepts

Randy & Shirley Koehl

Venetia Kudrle

Roxanne & Timothy Lackas



Lauren LaVelle

Caroline Lee Bivona

Stullee

Carolyn & Mark Leiter

John & Kathy LeMay

Regina Levin

Liberty Village Wines & Spirits

Nate Liebherr

Heather Kaiser & Cale Loken

Denis & Delores Madden

Michael Madden

Nickelodeon Universe

MartinPatrick3 Melissa McKeever Harry McNeely

Craig & Vicky Menozzi Stephen & Mara Miletich

Ann Miller

Minnesota History Center

Minnesota Landscape Arboretum

Minnesota Masonic Charities

Minnesota Orchestra

Barb Montgomery

Jeff Ostapeic

Thomas Ott

Paintball Minnesota

Aimee & John Pappenfus

Bharat Parekh **Denton Peterson**

Cecilia Piche

Denise Pietsch

Roger & Ruby Pietsch

Gregg Radecki

Y. Elaine & Jon Rasmussen

Dawn Ricketson

Maggie Schneider & Abram Walters

Jay Schutte Clayton Schwerin Leona Simonett Gayle Spannbauer **Sherry Spanner**

St. Anthony Park Chapter 212

Linda Stangland

Scott & Mary Jo Stelzner

Stephen Stelzner

Stillwater Escape Company Stinson Wine Beer & Spirits

Leann Storey

The Cheesecake Factory The House of Comedy

The New Cantina

The Thirsty Whale Bakery

Theater Latte Da Alex Thonet

Victory Vintage

Leona & Rob Vlacancich

Pat Weber

Terry & Diane Weber

Joel & Susan Westacott

Leah Westling

Kathryn & Todd White

Anna Wienke Carol Wilkie Kevin Winge Lynn Zimmerman

Zipps Liquors

\$50 - \$99

Alamo Drafthouse Cinema

Claudia Alm Debbie Alm

Diane Anderson Kari Anderson

Apple Spice

Ashley Aram Barley John's Brew Pub

Margaret Barrick

Deanna Bell

Sholom Blake

Mike & Terri Blando

Daniel Boos Kelly Bougalis

Cafe Latte

Chianti Grill

Chisago Lakes Golf Course

Becky Colley Cathy Connett

Culver's

Jeff DeChampeau Tom & Judy Dimich

Doyle Family Charitable Fund

Chris Duffy Ellen Engebretson Audrey Erdman Ginny Erickson

Theresa & Dave Gable Gardens of Salonica

John Gaspard Ali Gray

Samantha Gustafson

Tina Hageman Carolyn & Dale Hanka

Drew Henry Adam Hesselroth Grant Hesselroth Mary Lou Hidalgo Michael Holland

Jim & Kathy Hoolihan Kristina Humphreys iFly Minneapolis Illusion Theater Adam Johnson Troy Johnson Just for Me Spa Angie Kinsey Keith Koecher Kent Koerbitz Doug Kokesch Linette Krook

Jeremy Larson Jane Letourneau Cindy Linafelter Karen Lovcik Gleason Mansetti's Pizza & Pasta David Martin

Peter & Jolene McDermott

Mary McNaughton Mercy Restaurant Mixed Blood Theatre Mike Murphy Ruth Murray Lauren Myhra Network for Good **Brad Olson** Pamela Olson Scott Olson Kari Onyancha Panera Bread

Betsy Ragalevsky Doug Routt Cindy Schwartz Douglas Siems Patti Skogstad Meg Slindee Smile Amazon John Soll Todd Sondag

Patricia Plufka

Kathleen Possai

Alice & Richard Prtine

Stages Theatre Company Surly Brewing Company Connie Tanner Nathan Trout

Brian Tuomala Twin Cities 400 Tavern Brian & Debbie Vergin

Josh Volk Ashley Wear Alyssa Weber Allie & Billy Wherland Wild Mountain **Emily Wilkie** Julie Wodicka

Jackie Wolff

Ed & Mary Pat Zabinski

\$1 - \$49 Anonymous (1) Ameriprise Financial Angeno's Pizza & Pasta Kristie Armbruster

Rarrio

Donald Blanchard Antonette Brandt David Bruski Kasey Bruss Sandra Carroll

David Rarnhill

Dann & Linda Chapman

CHS Field Ron Cook

Mark & Jody Corbett Crayola Experience Kirt Dahlman Michael Dahlman Michael Daniels **Emagine Theatres** Jama Farah Tyler Fitzel

Flyover America Barbara Foley James Forbord Jim Gaffney Dan Geer Gladys Glazek Kenneth & Shirley Gulbraa

Trent Jaeger

Jordan Holmquist

Lorilea Jellison Lisa Johnson Robert Johnson Anne Kempainen Keys Cafe & Bakery Rebecca & Ryan Kingsley Leonard & Christine Knotz Bailey LaChance Janna Langer Max's

Metropolis Resort Kathleen Meyers

Minnesota Renaissance Festival

Minnesota State Fair Dave Peterson Linda Pizinger Kendra Raich James Reasoner Daniel Reed Steven Reinardy Brian Shapiro Kristen Shruhan David & Crystal Specht Vicki Speidel

Donna Stevens Mary & James Streadwick

Sweet Retreat Mike Therriault

Ernie Steak

Thieu To

Chuck Tracy & Anna Sokolski-Tracy

Jodell Vidas Ordean Wahl Renee Weaver Victor Wenner Sherri Whalen David Windsperger Anthony Ybarra

In Honor of Kirk Jacobson Gayle & Herman Heinecke

In Memory of Mary Kleven

Jerry Kleven

In Honor of Shannon Madson

Joanne & Jeffrey Dietz

In Honor of Barbara Majerus

Venetia Kudrle

In Honor of Denise Pietsch

Roger & Ruby Pietsch

In Memory of Scott Olson Bryan & Jeanne Eglinton

In Memory of Loretta Zabinski

Peter & Charlotte McDermott

Volunteers

Jo Anne Anderson Rov Anderson David Barnhill Bruce Binder Caroline Lee Bivona David Dorn Kristy French

Theresa & Dave Gable

Bob Gabler Courtney Godfrey Jack Grace Rick Harding Jenny Hedal Sarah Henke Sheila Holmboe Tessa House Ruth Hritzko

Scott & Kristine Hubbard Jennifer Johnson Katie Johnson Angie Kinsey

P.K. Kriha Brenda LaChance Michelle McDaniel Melissa McKeever Kelly Nye-Lengerman Erika Peterson Myrna Peterson Susie Pizinger Len Rothlisberger Maija Schmelzer Ashley Sonnier Amanda Spitzenberger Jennifer Van Wyk Joel & Susan Westacott

Mary Willard



3501 Broadway Street NE, Ste. 100 Minneapolis, MN 55413

825 Lily Lane Grand Rapids, MN 55744

11270 Highway 37 Hibbing, MN 55746

1001 NW 3rd Street Cohasset, MN 55721

651-999-8200

www.MDI.org



















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EVERY CUSTOMER IS UNIQUE -AND SO ARE OUR EMPLOYEES.

MDI is a trusted nonprofit social enterprise with the mission to provide employment opportunities and services for people with disabilities. We create high-quality plastic containers to ship, pack and protect products, offering unparalleled product assembly and packaging services for organizations across the country, ranging from small businesses to Fortune 500 companies. By offering an inclusive workplace that allows employees to build confidence, independence and purpose, MDI's work results in dedicated employees and satisfied customers.