



# 2021 ANNUAL REPORT

# MDI<sup>®</sup>



**Dear MDI friends and supporters,**

2021 was an exceptional year for MDI. Despite lingering impacts from the COVID-19 pandemic, we effectively prioritized the safety and mental health of our employees. No challenge proved to be insurmountable for our family of employees, business partners, and supporters. For that, we are thankful. Here are a few **highlights from 2021**.

**Leadership changes, plus growing our team**

Eric Black took over as CEO in early 2021, after 12 years of tremendous leadership and positioning our organization for growth – in both business and mission – under Peter McDermott. We welcomed **47 new employees** and **one new board member**. Employee engagement, a key barometer for company **health and morale was at 91.6%**.

**Strengthening Minnesota's people and economy**

In 2021, our **commercial sales grew by \$3 million**. Due to COVID-19, the polypropylene extruder delivery was delayed and it is now set to go online in September 2022. Service and medical business continued to stay strong; several new customers were acquired. And although the talent market tightened, MDI remained a strong labor partner for many companies.

Grateful doesn't begin to describe how we felt about the support during the second consecutive virtual **Ability Bash**, our annual fundraising event. **\$67,000 was raised**, no small feat for an online benefit. We plan to bring this event back to in-person in 2022!

**Impacting 2,500 lives by 2025**

Last year, **MDI positively impacted 723 lives**. This puts us on a solid path to meet our goal of impacting 2,500 lives through employment opportunities and services for people with disabilities by 2025. Our **Career Skills program** – equipping employees with essential critical thinking and communication skills – plays a huge role in this. To date, more than **362 people have graduated** from this program.

This year was a testament of our strength, and we could not have accomplished all we did without your partnership. Thanks to you, we look to 2022 with great optimism. MDI is proof that our differences make us stronger – and inclusion makes us better.

Sincerely,



Eric Black,  
President & CEO



Jill Hesselroth,  
MDI Board Vice Chair

# YEARS IN REVIEW

## 2021

- » Eric Black Succeeds Peter McDermott, Who Retired After 12 Year's as MDI's President & CEO
- » Produced 100 Millionth Plastic Flat Tub for USPS

## 2019

- » Developed Custom Tray for Fortune 500 Company Which Resulted in \$2.4 Million in Orders
- » Quest Transition Program Launched

## 2018

- » Launched Medical Services Line
- » Launched Career Skills
- » Construction Completed & Moved into New Hibbing Facility

## 2017

- » Assembly, Sonic Welding of Totes & Trays Moved from Grand Rapids to Cohasset Facility

## 2016

- » Entered Polypropylene Plastic Market
- » Acquired Cohasset Facility & Relocated Hired Hands

## 2015

- » USPS Plastic Flat Tub & Tray Surge (2015 - 2016)

## 2014

- » Moved St. Paul Facility to Minneapolis
- » Celebrated 50 Years in Business

## 2013

- » Merged with Deer River Hired Hands
- » USPS Plastic Flat Tub & Tray Surge Continued

## 2012

- » USPS Plastic Flat Tub & Tray Surge (2012 - 2013)

## 2011

- » Produced 75 Millionth Plastic Flat Tub for USPS

## 2010

- » USPS Reduced Flat Tub Volume
- » Reduced to 98 Employees
- » 44 People with Disabilities

## 2000's

- » 400+ Employees
- » Received Three Year Grant to Expand Career Opportunities for People with Disabilities
- » 2008, John DuRand, MDI Founder, Passes Away, Peter McDermott, Takes Office

## 1990's

- » Opening of Hibbing & Grand Rapids Facilities
- » Headquarters Moves to Newly Renovated St. Paul Facility

## 1980's

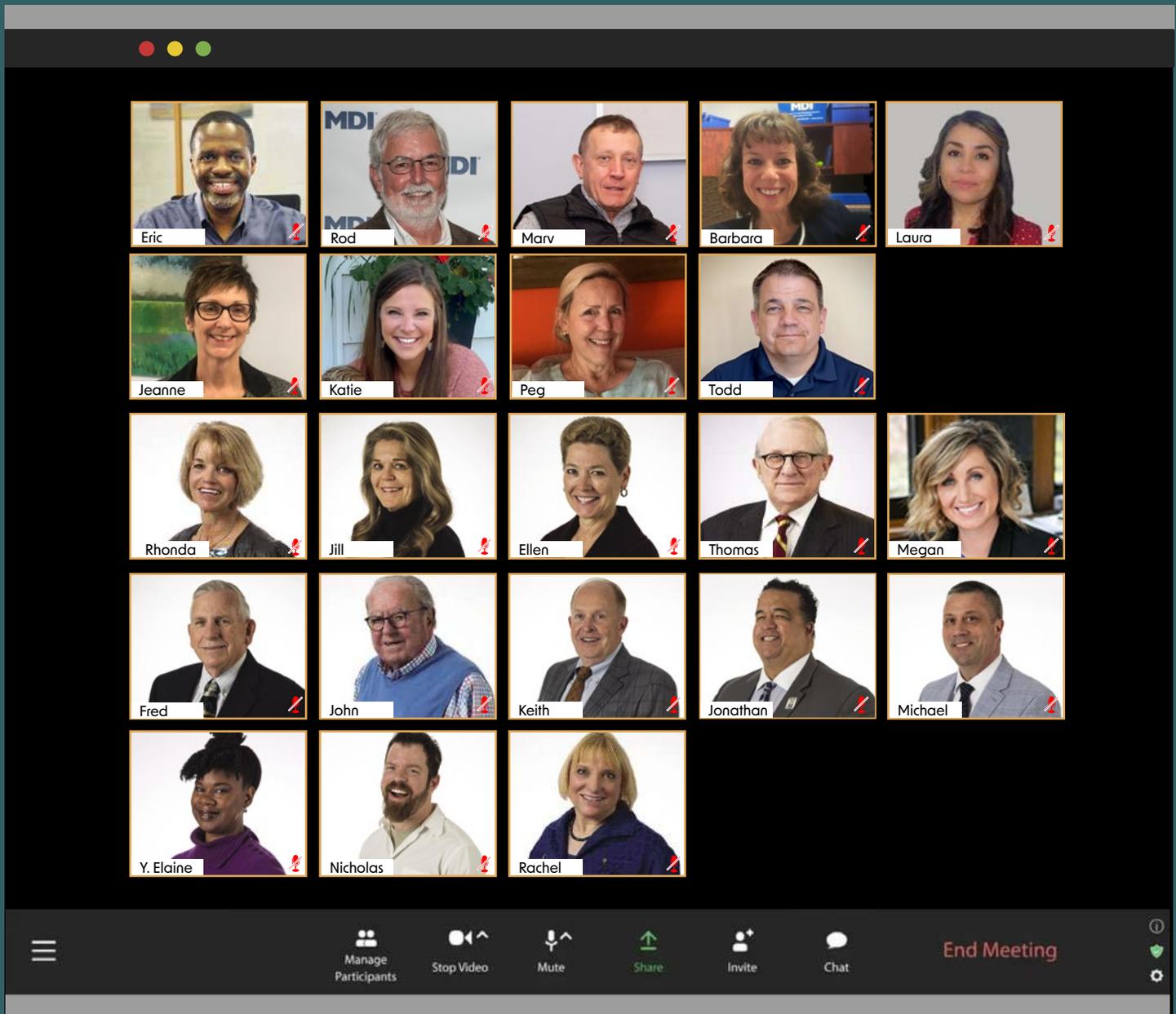
- » Employment Reached 600
- » Capital Campaign Raises \$2.3 Million for Building & Equipment Renovations

## 1960 & 1970

- » First MN Supported Work Program (Occupational Training Center) Begins, Appoints John DuRand, as Executive Director
- » The Occupational Training Center Becomes Minnesota Diversified Industries (MDI)

## Beliefs

- » Mission: Serve People with Disabilities by Offering Inclusive Employment Opportunities & Services
- » Vision: Meaningful Employment Opportunities for all People with Disabilities



## Senior Management Team

**Eric Black**  
President & CEO

**Rod Wood**  
Chief Operating Officer

**Marv Hannon**  
Chief Financial Officer

**Barbara Majerus**  
VP of Sales

**Laura Schwartz**  
Dir of Human Resources

**Jeanne Eglinton**  
Dir of Employment Services

**Katie Johnson**  
Dir of Marketing

**Peg McQuillan Porter**  
Dir of Development

**Todd Witherill**  
Dir of Operations

## Board of Directors

**Rhonda Graves**  
3M (Retired)

**Jill Hesselroth**  
Intek Plastics

**Ellen Hoeg**  
Technology Industry (Retired)

**Thomas Keller III**  
Dir Emeritus, Atty. (Retired)

**Megan Kellin**  
Proprietor

**Fred Klietz**  
Graco (Retired)

**John LeMay**  
Associated Bank (Retired)

**Keith Olson**  
Andersen Corp (Retired)

**Jonathan Palmer**  
Hallie Q. Brown  
Community Center

**Michael Raich**  
Northeast Higher  
Education District

**Y. Elaine Rasmussen**  
Social Impact  
Strategies Group

**Nicholas Wilkie**  
Metropolitan Center for  
Independent Living

**Rachel Wobschall**  
Director Emeritus, True Friends

# DRIVING THE MISSION

Serve people with disabilities by offering inclusive employment opportunities and services

## Our goal: Positively impact 2,500 lives by 2025

MDI is a social enterprise which means we operate like a business, and are accountable to our mission. It's not just about growing revenue, it's about developing people and expanding job opportunities.



**\$3M Increase in Commercial Sales**  
Plastic Products & Services



**723 Mission Lives Impacted**  
Employing & Educating People



**91.6% Employee Survey**  
Employee Satisfaction Rate at Work



**\$1,267,284 Donated**  
Donors, Sponsors, & Grantors



**50+ Media Publications**  
Reaching 18M Viewers



**Rapid Response**  
to Workforce Shortage

## Community & News

Our hometowns are at the heart of what we do.

MDI lives our mission and works to build and strengthen our local communities. Each year we give back through workforce development, volunteering, advocating, and community relations.



Volunteering at the Regional Bocce Competition for **Special Olympics MN**



**House File 3685**  
Minnesota Diversified Industries grant funding provided, and money appropriated.

**MN State Representative Julie Sandstede** bringing forward an appropriations bill for workforce development.



Employees volunteering at the **Hibbing Jubilee Days**



**MN Chamber of Commerce** economic summit invites key leaders to discuss innovation and grit to usher a new phase of prosperity for the future.



**Hibbing Area Chamber of Commerce:**  
Trunk or Treat



Each year MDI employees come together to raise funds for the **United mWay**.



**Nominated for the ACG BOLD Award** (Recognizes innovative & inspirational organizations)

# MISSION LIVES IMPACTED



In pursuit of MDI's vision we created a big hairy audacious goal to impact 2,500 lives by 2025. Collaboration with partners in 2021 helped us impact 293 lives of people who do not work at MDI, seen in the chart below.

## Lives Impacted 2021

Career Skills	VRS/County	Scholarships	Quest	DPI	Influenced	Total
98	40	21	9	49	76	293

At MDI, we empower people with disabilities by providing meaningful work opportunities to promote success and independence. Through job coaching, training, and skill development, people with disabilities cultivate tools for life-long personal growth and self-sufficiency.

### MDI Workforce



#### Employees

Total Employees..... 430

Employees with a disability receiving support..... 185

Self-disclosed employees with a disability receiving no support.....60



#### Documented Disability

Intellectual/Developmental .....	54%
Mental Illness.....	17%
Physical.....	16%
Ortho/Neuro .....	9%
Visual .....	3%
Auditory.....	1%



#### Employment Statistics

Average Hourly Wage.....	\$13.26
Average Hours Per Day.....	6.45

During 2021, a temporary surge pay was given to recognize loyal employees and work performed during challenging times to meet customer needs. This surge pay inflated the average wages paid during 2021.

Overall results measure the satisfaction, efficiency, and effectiveness of services provided by the Employment Services.

	Satisfaction	Efficiency	Effectiveness
Minnesota Diversified Industries (MDI)	97%	99%	79%
Employment Planning Services (EPS)	75%	100%	75%
Community Employment Services (CES)	100%	100%	67%

# Ability Pioneers

**Paving the way to provide more employment opportunities for people with disabilities.**

During National Disability Employment Awareness Month, MDI saluted people and organizations that stepped up in the name of equitable opportunity and employment for people with disabilities.

MDI plays a critical role in increasing employment for people with disabilities not only at MDI, but also in the community. MDI created a model for employment called "Unified Work" and the program will be expanded in 2022-2023 to include more business consulting services and Career Skills offerings.

Join us in congratulating these businesses that have worked with MDI to create more equitable employment for people with disabilities.



UnitedHealth Group



HOTEL RAPIDS



DPI STAFFING





**Boston Scientific**

We strive to create an inclusive culture with diverse perspectives, experiences, and ideas.



**UnitedHealth Group**

We drive disability inclusion and conversation at all levels of the organization.



**Old National Bank**

Leaders are learning how to interact with and learn from individuals with all abilities.



**Hotel Rapids**

"If we could just break down the barriers there's this truly untapped workforce."



**Employment and Economic Development**

"I've gained courage to do other things. I just have to think, it'll be OK—let's give it a try!"



**Special Olympics MN**

Ben holding his track & field medal. He advanced to the 2022 USA National games in Florida.



**DPI Staffing**

We help people breakdown barriers to employment and housing instability.



**Arrowhead**

"I hire people who were truly seeking work — and for reasons bigger than a paycheck."



**Star Services**

"When teaching class, I see people's confidence grow."

# Solutions That Make a Difference

The more products & services we sell, the more jobs we create.

MDI helps customers solve challenging problems with packaging and service solutions. We strive to save time and money by providing quality products and services, at the right price, with short-lead times, and customization to meet each customer's unique needs.



Produced  
**4,849,021**  
Plastic Products



Employed  
**430**  
People



**416,085**  
Medical Units  
Assembled



Assembled/  
Packaged  
**4,891,874**  
Units



## Unaudited Statement of Financial Position

### Assets

Current Assets . . . . .	\$18,470,128
Other Assets . . . . .	285,800
Property & Equipment Net . . . . .	15,619,406
<b>Total Assets. . . . .</b>	<b>\$34,375,334</b>

### Liabilities & Net Assets

Current Liabilities . . . . .	\$3,518,694
Long-Term Debt & Other Liabilities . . . . .	4,214,361
Net Assets Without Donor Restrictions . . . . .	25,998,804
Net Assets With Donor Restrictions . . . . .	643,475
<b>Total Liabilities &amp; Net Assets. . . . .</b>	<b>\$34,375,334</b>

### Unaudited Statement of Activities

● Commercial Plastics . . . . .	\$11,769,982
● USPS Totes . . . . .	6,108,262
● Commercial Assembly . . . . .	2,997,350
● USPS Lids . . . . .	1,474,855
● USPS MM Trays . . . . .	945,145
● USPS EMM Trays . . . . .	625,101
● Program Services & Recycling . . . . .	556,774
● USPS Stamps . . . . .	284,928
● USPS 1263A Containers . . . . .	222,365
<b>Subtotal . . . . .</b>	<b>\$24,984,762</b>
● Grant Donations . . . . .	1,267,284
● Other . . . . .	2,665,211
<b>Total Revenue . . . . .</b>	<b>\$28,917,257</b>

### Expenses & Reserves Totals

● Variable Manufacturing Costs . . . . .	\$14,410,578
● Fixed Manufacturing Costs . . . . .	7,876,771
● Administrative . . . . .	3,798,704
● Sales & Marketing . . . . .	1,585,751
● Reserved for Future Investments . . . . .	578,432
● Training & Services . . . . .	453,600
● Fees . . . . .	123,989
● Interest & Other Financing . . . . .	89,432
<b>Total Expenses &amp; Reserves . . . . .</b>	<b>\$28,917,257</b>

MDI is pleased to share our fiscal year 2021 unaudited financial statements. Complete consolidated audited financial statements available at [www.mdi.org](http://www.mdi.org). Audited by CliftonLarsonAllen LLP, certified public accountants.

# Ability BASH

MDI



## 2021 SPONSORS



### Ability Bash VI: Party with a Purpose

For the second year, MDI's benefit the Ability Bash was held virtually and we didn't miss a beat. Of course being together in person was preferred, but our sponsors and donors helped us raise **\$67,000**.

Ability Bash Chair Jennifer Van Wyk, and her committee of volunteers created a great silent auction, employee story video, and sold every raffle ticket for the build-your-own vacation \$5,000. (Congratulations again, Jane LeTourneau.)

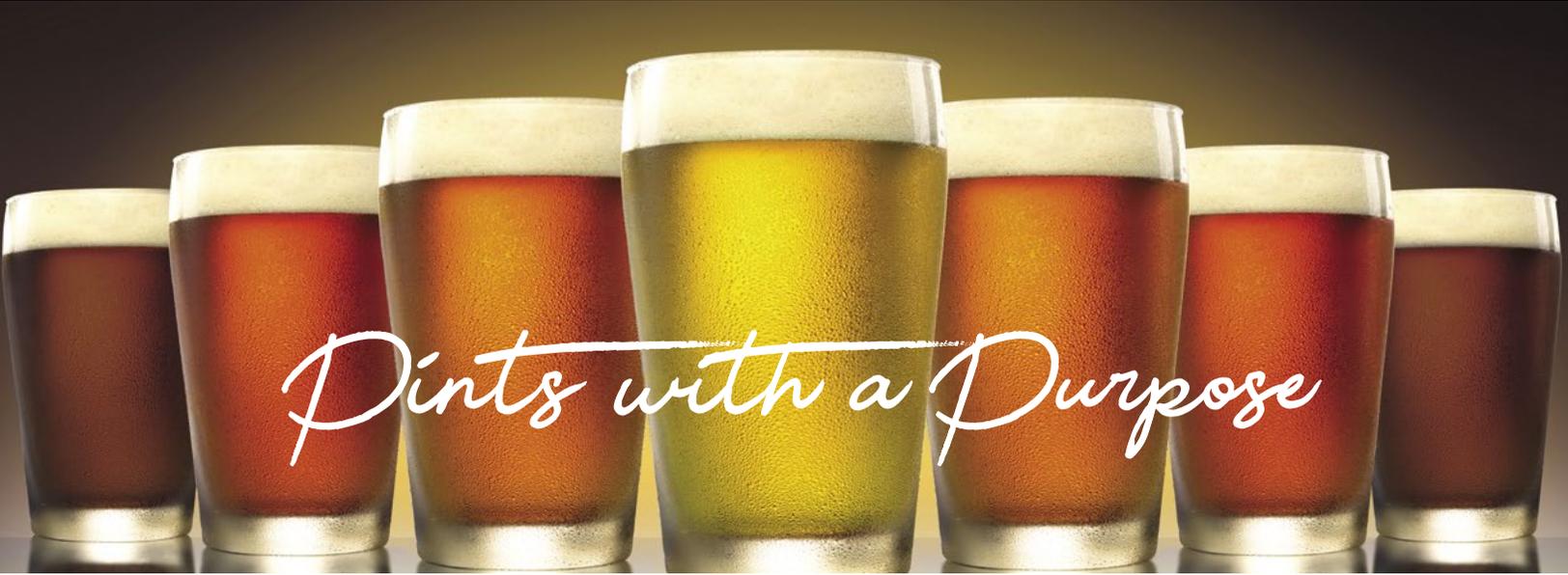


**Event Chair:** Jennifer Van Wyk

**Emcee:** Brett Hoffland, KSTP 5 Eyewitness News

**Committee:** Sarah Henke, Ruth Hritzko, Kristine Hubbard, Brenda LaChance, Melissa McKeever, Peg McQuillan Porter, and Sonya Yermishkin

Please join us Thursday, September 29, in person, at the American Swedish Institute, for Ability Bash VII!



## 2021 SPONSORS



### Three Events: One Purpose

Rapids Brewing Co., Grand Rapids | Boomtown Brewery, Hibbing | Lake Monster Brewing, Twin Cities

### Pints with a Purpose

MDI's Pints with a Purpose events are casual, more affordable benefits to attract younger donors. All three facilities have outdoor spaces, allowing for in-person parties. Guests learned about MDI's mission, played games, and enjoyed local beer and fare.



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 a job.

**\$100,000 +**

Anonymous  
Fred C. & Katherine B. Andersen Foundation  
Graco Foundation  
IRRRB

**\$50,000 – \$99,999**

Joseph & Shelly Hoesley Charitable Fund

**\$20,000 – \$49,999**

Johnson Scholarship Foundation  
Mitsubishi Electric Foundation  
Northland Foundation  
Richard M. Schulze Family Foundation

**\$10,000 – \$19,999**

Ellen & Will Hoeg  
Minnesota Power

**\$5,000 – \$9,999**

Anonymous  
Enbridge Energy  
Minnesota Bank and Trust  
State of Minnesota

**\$2,500 – \$4,999**

Bame Foundation  
Eric & Tawanna Black  
Brandography  
Cannon Family Foundation  
Bonnie Choat  
John Ericson  
ExxonMobil  
Kootasca Community Action Inc.  
Lube Tube  
Barbara Majerus  
Marsh & McLennan Agency  
Medica  
Mutual of America  
Clayton & Dr. Paula Schwerin  
SFM Mutual  
Jennifer Van Wyk

**\$1,000 - \$2,499**

April 8 Fund of the Minneapolis Foundation  
Arthur Bourgeois  
Nancy Caven  
Jeanne & Bryan Eglinton  
Jack & Nancy Grace  
Grand Rapids State Bank  
Rhonda & Ronald Graves  
Hawk Construction  
Sarah & Brian Henke  
Jill Hesselroth  
Scott & Kristine Hubbard

Hunt Electric Corporation  
Jama Company  
Patricia Kaiser  
Robert & Linda Klas  
Minneapolis Foundation  
PK Kriha Family Giving Fund  
Jane Letourneau & John Frey  
Scott & Holly Martin  
Peter & Charlotte McDermott  
Peg McQuillan Porter & Al Porter  
Crystal & Tony Serratore  
Diane & Bob Slayton  
Roger & Carmen Smith  
The Woman's Club of Minneapolis  
Tromco Electric  
Rod & Paula Wood

**\$500 – \$999**

Steven Cheney  
Sarah Courtney  
Matthew & Cadi Deery  
Jeff Eckroth  
Mary & Pat Hannon  
Gayle & Herman Heinecke  
Sheila Holmboe  
Ruth Hritzko  
Eric Jacobson & Roy Luthringer  
Kim & Kent Johnson  
Fred & Adele Klietz  
Brenda & Ken LaChance  
Jeremy Larson  
Kristen LeNeave  
Jennifer McCalla-Wentzel & Tom Wentzel  
Nicholson Family Foundation  
Keith & Mary Olson  
Dave Peterson  
Myrna Peterson  
Donna Pietsch  
Michael & Carol Raich  
John & Cindy Stemper  
The Inn on Lake Superior  
Timberlake Lodge  
Todd & Danielle Witherill

**\$250 – \$499**

Steve Barton  
Steve Bishop  
Blandin Foundation  
John & Laura Connelly  
Duchesne Drew  
Jonathan Dworsky  
Daryl & Audrey Erdman  
George & Connie Foley

LadySlipper Fund  
Hotel Crosby  
Mary Kay & Don Jacobson  
Katie Johnson  
Heather Kaiser & Cale Loken  
The Bivona Family  
Kathryn Matthies  
Minnesota Twins  
Francis Neir  
Jonathan Palmer  
R.F. Moeller  
Y. Elaine & Jon Rasmussen  
Rick Bronson's - House of Comedy  
Scott & Mary Jo Stelzner  
Tradition Capital Bank  
Terry & Diane Weber  
Nick & Jackie Wilkie  
Kevin Winge & Kevin Shores  
Rachel Wobschall  
Sonya Yermishkin  
YogaFit Studios  
David Zimmerman

**\$100 – \$249**

Denise & Jerry Barnett  
Blue Cross and Blue Shield of MN Foundation  
Daniel & Nancy Boos  
Chanhassen Dinner Theater  
Como Friends  
Henry Crosby  
Molly Doyle  
Paul Dymit  
Bryan & Stephanie Ethridge  
Hal & Susie Goldstein  
Great Lakes Aquarium  
Wayne Grubish  
Kris & Jim Hallenberg  
Mike Hendrickson  
Hill City Lions Club  
Duane & Laura Hokkanen  
Charles Holm  
Mildred Homan  
Huge Improv Theater  
Ben Kieffer  
Jerry Kleven  
Stuart Lee  
John & Kathy LeMay  
David Lyman  
Denis & Delores Madden  
Michael Madden  
MartinPatrick3  
Darryl & Laura Maslar

Spencer McMillan  
Todd McVay  
Michael Murphy  
John Myers  
Jaime Nolan  
Kari & Fred Onyancha  
Jeff Pankoff  
Eric Pederson  
Cecilia Piche  
Roger & Ruby Pietsch  
Theodore Myles Rightmire  
Michael Rooney  
John Soll  
Gayle Spannbauer  
St. Louis County  
Ernie Steck  
Stinson Wine Beer & Spirits  
Kim & Carter Strickland  
Kirk Studebaker  
Andy & Wendy Tracy  
Trader Joe's  
Cindy Van Vliet  
Renee Weaver  
Dianne Wegscheid  
Bret Weiss  
Wells Fargo Giving Program  
Victor Wenner  
Vickie & Stephen Wilcox  
Julie Wodicka  
Lynne Zimmerman

**\$49 - \$99**

Kate Amunrud  
Jo Anne Anderson  
Lauren Azbill  
Morgan & Natalie Azbill  
Bap and Chicken  
David Barnhill  
Christopher & Jennifer Barrella  
Peggy Benson  
Anita Berg  
Sholom Blake  
Cinema Grill & Outtakes Bar  
Cathy Connett  
Caryn Coopsman  
Crayola Experience  
Andrea Eglinton

Imagine Theatres  
Tim Foley  
Betsy & Chuck Gadbois  
Libby Grayson  
Karen Green  
Ron Green  
Donna Grubish  
Mae Grubish  
Anita Haddorff  
Cheryl Hall  
Angela Hart  
Mary Lou Hidalgo  
Jan Hill  
Charlotte & Clay Hoes  
Maria Huntley  
Peter & Alejandra Jacobson  
Wayne John  
Susan Kasten  
Kobi Co. Candles  
Randy & Shirley Koehl  
Jane Lehar  
Phil Losacker & Kirby Bennett  
Karen Lunde  
Lily Mackenzie Olson & Aleks Park  
Shannon Madson & Troy Nichols  
Annie Martel  
Alex Maslar & Abigail McQuillan  
Max's  
Diane & Chad Meyer  
Julie Mueller  
Seth & Alicia Nesselhuf  
Lindsey Palasek  
Aimee & John Pappenfus  
Bharat Parekh  
Erika Peterson  
Maureen Pitts  
Diane Plager  
Alice & Richard Prtine  
Joan Randall  
Tracy Ries  
Salute Dental  
David Schmitz  
Schuler Shoes  
Douglas Siems  
Laura Skubic  
Carol Sleiner  
Meg & Luke Slindee

Smile Amazon  
Amanda Spitzenberger  
James Svigel  
Connie Tanner  
Chuck Tracy & Anna Sokolski-Tracy  
Marijo Wadera  
Pat Weber  
Joel & Susan Westacott  
Jackie Wolff

**\$1 - \$49**

Diane Anderson  
Jason Anderson  
Jennifer Anderson  
Ryan Anderson  
Timothy Ashton  
Blackbaud Giving Fund  
Terri Chaffee  
Linda Chapman  
Pete Colarich  
Ron Cook  
Mark & Jody Corbett  
Kirt Dahlman  
Mena Daoheuang  
Tim Dumm  
Ginny Erickson  
Hunter Erickson  
Sandy Everett  
Theresa & Dave Gable  
Jeff Gervais  
Bob Green  
Devin Gullfoyle  
Lawrence & Jean Haider  
Steve & Mary Hughes  
Troy & Jennie Johnson  
Anne Kempainen  
Leonard & Christine Knotz  
Rhea Koehler  
Linette Krook  
John Lamski  
Anna Landskroener  
Joe Lenartz  
David Martin  
Melissa McKeever  
Mary McNaughton  
New Brighton Parks & Recreation  
Kevin Noel

Gordon & Sharalyn Pietsch  
Linda Pizinger  
Stephen & Susie Pizinger  
Leah & Eric Rabe  
Nancy Raich  
Mike Schugt  
Kendall & Debra Smith  
Thieu To  
Nathan Trout  
Brian Tuomala  
Anya Yermishkin

**Volunteers**

Jo Anne Anderson  
Marian Barcus  
David Barnhill  
Ron Cook  
Cassandra Fenelon  
Eugene Fru  
Steve Glienke  
Rhonda Graves  
Rick Harding  
Jenny Heddal  
Jill Hesselroth  
Ellen Hoeg  
Erin Hoeg  
Brett Hoffland  
Patty Holycross  
Mary Kay Jacobson  
Tom Keller  
Megan Kellin  
Fred Klietz  
PK Kriha  
Daniel Lemm  
Alex Maslar  
Brent Otto  
Jonathan Palmer  
Myrna Peterson  
Mike Raich  
Elaine Rasmussen  
Len Rothlisberger  
Maggie Schneider  
Amanda Spitzenberger  
Jennifer Van Wyk  
Nick Wilkie  
Rachel Wobschall  
Sonya Yermishkin

**In honor of Scott & Mary Jo Stelzner**

Blue Cross and Blue Shield of MN Foundation

**In honor of Mary Kay & Don Jacobson**

Peter & Alejandra Jacobson

**In honor of Jennifer Van Wyk**

Jane Letourneau

**In honor of Peter McDermott**

Jack & Nancy Grace  
Nicholson Family Foundation

**In honor of Denise Pietsch**

Donna Pietsch  
Roger & Ruby Pietsch

**In honor of Mary Kay & Don Jacobson**

Kim & Carter Strickland

**In honor of past Ability Bash chairs**

Jennifer Van Wyk

**In memory of Chuck, Nita & Mike Klietz**

Fred & Adele Klietz

**In memory of Jon Kolb**

Julie Wodicka

**Legacy Society**

Charlotte & Peter McDermott  
Peg McQuillan Porter & Al Porter

**DOUBLE YOUR GIFT** to MDI by participating in your employer's matching gift program.

**WAYS TO GIVE:** online, mail, phone, gift of stock, IRA, estate planning, or shop on amazon.

Your donation helps people with disabilities receive meaningful and empowering job opportunities.