

ANNUAL REPORT 2022



Strengthening communities by providing opportunities for people experiencing social and economic challenges.

About AEOA

The Arrowhead Economic Opportunity Agency (AEOA) is a private, 501(c)3 nonprofit established as a Community Action Agency for the Northeast Minnesota counties of Cook, Lake, and St. Louis in response to the 1964 Economic Opportunity Act. The Agency provides services through five departments including Employment and Training, Head Start, Housing, Senior and Nutrition Services, and Transit. AEOA has over 57 years as a major provider of self-sufficiency services to low-income and disadvantaged persons in the Agency's service area.

Community Action

Community Action comes from President Lyndon B. Johnson's War on Poverty and the advocacy of Dr. Martin Luther King, Jr. The Economic Opportunity Act of 1964 created the Community Action Network of national and locally focused organizations, like AEOA, that connect millions of children and families to greater opportunity. AEOA is one of over 1,000 Community Action Agencies across the country that work every day to create opportunities and transform the lives of their neighbors, making communities stronger, and helping families thrive.

Community Action changes people's lives, embodies the spirit of hope, improves community, and makes America a better place live. We care about the entire community, and we are dedicated to helping people help themselves and each other.

Message from the Executive Director Scott Zahorik

"If you can't fly then run, if you can't run then walk, if you can't walk then crawl, but whatever you do you have to keep moving forward."
— Martin Luther King Jr.

When I look back on this last year, I believe our Agency has kept moving forward. We were able to help over 28,000 individuals with services like energy assistance, Head Start, workforce programming, safe and affordable housing, transportation, senior nutrition, and many more.

This year did not come without its own challenges and tribulations; however, we were resilient. We took new opportunities and ran with them; handing out over 2 million pounds of food since the pandemic started, provided over 600 pairs of shoes to kids just in time to start school, and kept over 700 kids' toes warm in the cold winter months with new boots. We embodied the spirit of hope and did what we could to improve our communities, because at the end of the day our job is all about helping people.

Throughout the next pages, you will be able to see some of our accomplishments. We are proud of what we have done over the last year, but know that there is always more work to be done to bridge the gap. However, looking at what we have accomplished over the last year, I am continually humbled by the great people that work here at AEOA, our partners, as well as volunteers, and can honestly say that I am proud to be the Executive Director of this Agency.



Thank You from the Board Chair

Jeff Kletscher

I am pleased to be asked to write a few words for AEOA's 2022 Annual Report. This report includes a lot of statistics and financial numbers about AEOA and the programs it offers across our service area. But we need to remember this report is about more than numbers, it is about PEOPLE being impacted by AEOA.

Each number reported is a person who is using our services to make their life better. Be it a ride to the grocery store or post office, a meal from Meals on Wheels, fuel assistance to help pay the heat and electric bill, employment training services to enhance employment skills, or the Head Start student beginning their educational journey --- Our services are helping meet the needs of our consumers. Remember there is a face and a story for each consumer we provide services to. You will read some of those stories in this report, but I ask you to imagine other stories and faces as you read through this annual report.

I want to give a special thanks to our partners and funders. Your funds and support are what keep AEOA programs going. Without your support, our consumers would not be provided with the services they need. Thank you for showing your continued confidence in AEOA and our ability to provide services in our service areas.

Volunteers – Thank you for all you do to support our programs. We couldn't do it without you.

I also want to give a huge shout-out to all AEOA employees. 2021-2022 has been yet another tough and busy year, but you have stepped up and kept providing services to our consumers. Your department is probably short-staffed as it seems we are always hiring to fill open positions, but you have stepped up your game and continued to provide outstanding service to our consumers. Although we may not see and understand all you do – we do appreciate all your efforts. Thank you for ALL you do for AEOA and our consumers!

To my fellow Board Members – Thank you for your dedication to AEOA and all the programs it offers. I truly appreciate your continued commitment to attending Board and Committee meetings. Our discussion and approval of countless resolutions are what keep AEOA moving forward and properly funded, just a part of our duties as AEOA Board Members. Thank you, Board Members, for keeping AEOA moving forward.

The future for AEOA is Bright – let's keep rowing the boat toward our common goals so that we continue having a POSITIVE IMPACT on all those we serve throughout the year!!

2022 BOARD OF DIRECTORS

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Peter Walsh
Keith Nelson
David Mills
Tina Koecher
Romit 'Jerry' Jha
Kayli Hoover
Bethany Johnson

*Thank you
for your service!*



ARROWHEAD ECONOMIC OPPORTUNITY AGENCY

Our Vision

All people served will make measurable progress toward self-reliance or independence.

Our Mission

To strengthen communities by providing opportunities for people experiencing social and economic challenges. This mission is based on the belief that all people should be treated with respect and given the same opportunities to achieve self-sufficiency.

Our Values

RESPECT

We value and respect the people we serve. When they succeed, we succeed.

STRONGER TOGETHER

Stronger together. We believe in local wisdom and build coalitions with partners that move our mission forward.

BELIEVE

We believe in our mission and support each other in our work.



Community Needs

As a Community Action Agency, AEOA conducts a Community Needs Assessment once every three years as required by the Community Service Block Grant (CSBG) authorizing statute to best determine the specific needs of people in poverty. AEOA collects and analyzes qualitative and quantitative data to evaluate the causes and consequences of poverty within the Agency's legislatively designated Community Action area of Cook, Lake, and St. Louis Counties.

In 2021, AEOA performed the triennial Community Needs Assessment to understand how people in poverty within our community are faring. To ensure the health and safety of our community members due to COVID-19, the process to collect data was modified. Most interviews were conducted over the phone or electronically on their own.

Key Findings

Percent of Client respondents who could not afford to:

- 76% - Buy clothing
- 75% - Pay their bills each month
- 73% - Fix up their home
- 72% - Pay their debt/take care of bad debt
- 71% - Pay for vehicle repairs

Percent of Community respondents who could not afford:

- 64% - Repairs to their home
- 59% - Fitness activities
- 57% - Recreational activities
- 56% - Repairs to their vehicle
- 43% - To buy clothing
- 41% - To pay for childcare

Percent of Senior respondents who:

- 75% - had difficulties with physical health in the last year
- 56% - had difficulties performing everyday activities
- 55% - feared or had a difficult time driving at night
- 53% - feared or had a difficult time driving long distances
- 34% - had a difficult time finding transportation to church
- 30% - felt lonely, sad, or isolated in the last year



35% of
respondents'
household income
was less than
\$12,760

Survey Totals
AEOA Clients: 304
Community Members: 404
Community Partners: 63
AEOA Staff: 135

23% of
respondent loss
their job during
COVID-19

Our Impact



Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community and are dedicated to helping people help themselves and each other.

Alumni Receives Minnesota Head Start Association Scholarship

Dylan Paulick is a Head Start alumni (2007-2009) who has faced many challenges during his childhood and young adult life. His Mom and Dad each suffered a major medical event, and as many adjustments were made, Dylan helped the family in any way he could.

This past year, Dylan was a senior and graduated from Proctor High School in June 2022. He is now attending Lake Superior College to become an Auto Mechanic. After graduating, he plans to work in an established car shop before opening his own business. Dylan has worked very hard to get where he is now, and his Head Start teacher is confident he will excel as an Auto Mechanic. The Minnesota Head Start Association selected Dylan as the Head Start high school senior alumni for the annual scholarship for working to achieve their educational goals by attending an institution of higher education.

Head Start provides comprehensive early childhood education, health, nutrition, and parent involvement services to low-income children and their families from birth until the child's fifth birthday. Program services and resources are designed to foster stable family relationships, enhance children's physical and emotional well-being, and establish an environment to develop strong cognitive skills.



Invaluable Opportunity through YouthBuild

Landon enrolled in the YouthBuild Program in August 2019. He exited the program after experiencing struggles in school but enrolled again in October 2020. In the summer of 2021, Landon was going to be a father and participated in parenting classes. Through hard work and dedication, he received the following certifications: CPR/AED/First Aid, Driver's License, OSHA 10 & 30, and NorthStar Digital Literacy Computer Skills.

At this time, YouthBuild was building a new garage/shop for the program from start to finish, which provided students with significant hands-on commercial building experience. Landon had the opportunity to participate in various aspects of construction, from one of the most complex commercial floating footing and flatwork designs to the completion of its all-metal, maintenance-free exterior. Landon proudly walked with his graduating class in June 2022, becoming the fourth member of our program to graduate high school that Spring. After graduation, he accepted a position with Bene's Well Drilling.

YouthBuild is for individuals between the age of 16 and 24 who have dropped out of school or are in an alternative school setting and are interested in developing skills in the construction field. Participants receive hands-on training in construction and carpentry skills while working toward their GED or high school diploma. Construction projects focus on low-income housing and non-profit organizations.

Building Lives to Prosperity

Calvin* is a single male who was residing at AEOA's homeless shelter in Virginia, Bill's House. One day, he left the shelter and went out of state, only to return later with a warrant out for his arrest. Our shelter staff was able to support Calvin* to work with a public defender who assisted him in getting the warrant quashed. He continued to engage with Bill's House staff daily. Through our Housing Support Services for Adults with Serious Mental Illness (HSASMI) grant, staff connected him with substance use and mental health services, as well as legal assistance which led to him winning an appeal at the Housing Redevelopment Authority (HRA) for housing. Now that he has stable housing, a valid driver's license, and re-engaged with his family, Calvin* is thriving.

**Name has been changed to protect client privacy.*

HSASMI provides direct services to adults with serious mental illnesses who need assistance with accessing housing. Eligible clients are screened and assessed, and an individualized housing support plan is developed. The client receives assistance with the housing search, application process, and identifying resources available to cover one-time expenses that facilitate access to housing and establishment. In addition, a housing support crisis plan is developed that includes prevention and early intervention services when the client's housing is jeopardized.



More than a Meal

Meals on Wheels is not only a meal delivery service, but also provides a regular check-in with our clients to ensure they are safe. This year, one of our volunteers stopped at a house to deliver meals. The client did not answer the door, but the volunteer could hear her yelling and was able to push on the door to open it. The volunteer found the client lying on the floor in the kitchen, where she had fallen the day before. An ambulance was called and AEOA then notified the client's emergency contact person. Our volunteer did all the correct things to help the client.

Meals on Wheels, also known as Home Delivered Meals, is a service for dining patrons 60 years of age or older who have been assessed and are deemed "homebound." The program provides a full spectrum of services for seniors to live healthily and independently including nutritious meals, nutrition screening, assessment, and education. Once prepared, meals are packed for home delivery by volunteers, who may be the recipient's only human contact of the day.



Transportation Key to Accomplishing Goals

An Arrowhead Transit Rider was able to successfully graduate college with help from the bus. To get to college every day, she would first get a ride 20 minutes north of home and then commute on the bus for 2 hours each way to and back from the college. Her commute then became much easier in March 2021 when Arrowhead Transit started offering services in Chisago County, which meant she was able to get rides directly from her house to the college and back. She was dedicated to finishing her education, and we can proudly say she completed her degree this last summer.

Arrowhead Transit's Dial-a-Ride is an on-demand system that provides transportation to individuals in our service areas. Passengers only need to call our dispatch at 800-862-0175 and select the number for their county or city. All transit buses are ADA accessible, and drivers are trained to assist passengers on and off the buses.

TechConnect Helps Former Teacher Regain License

TechConnect eased a client's mind, who was going back to college, knowing she would have reliable internet to test without concern.

With the onset of COVID-19, my ability to be able to work diminished and I became "COVID" unemployed. Due to licensure differences, I have been unable to be a teacher in Minnesota. Between the hotspot and programs AEOA staff referred me to, I have been able to work towards the degree that will allow me to teach within the state of Minnesota. I don't think I've ever been so thankful for programs that have helped me survive through COVID-19 and have given me the ability to reach the requirements to teach in Minnesota.

I'm looking forward to an amazing future of being able to provide/share knowledge with people for many years to come with the help of this program.

I hope that it has done as much for everyone else as it has done for me. Thank you AEOA for having an amazing program out there to be able to help people access the internet." - TechConnect Program Participant

TechConnect helps meet the growing technology needs of low-income households by providing access to affordable computers and internet hotspots with service. The program provides the opportunity for people to attend appointments, search and apply for jobs, attend school, complete homework, and connect with family and friends, all virtually, as many others can. It allows low-income households to be connected to the digital world, better connected to AEOA, and greatly contributes to their overall quality of life.



Friendly Visitor Program

AEOA's new Friendly Visitor Program is available to adults aged 60 and older who are homebound in St. Louis County. AEOA partners with Duluth Age Well Arrowhead and Northwoods Partners in Ely to bring the service to older adults. The Friendly Visitor Program is a free service that evaluates seniors' nutrition, wellness, and home safety while providing a friendly social visit along with assisting caregivers to avoid burnout.

This program assists with connecting seniors to community and county resources to maintain or improve overall health and well-being to keep seniors in their homes as long as possible. Our Program Coordinator utilizes activities of daily living, nutrition risk assessment, home safety/living arrangements, access to healthcare, and social/emotional/mental wellness tools to evaluate clients.



Arrowhead Transit Expands to Central Minnesota Counties

In March of 2021, Arrowhead Transit assumed operations in Chisago and Isanti Counties. We worked on completing the transition from Heartland Express and began a service redesign campaign to engage community members in the process of updating current services to better meet the communities' transportation needs.

AEOA Named Non-Profit Organization of the Year

On October 6, 2022, AEOA was named Non-Profit Organization of the Year by the Laurentian Chamber of Commerce. We are absolutely honored and would like to thank our partners, staff, volunteers, and the Laurentian Chamber. Without all of you, we would not be able to continue to provide so many different opportunities to all of our community members that we serve.



Resilience During Challenges

After the last couple of years, obstacles and challenges are nothing new for Arrowhead Economic Opportunity Agency (AEOA) to overcome, and 2022 has come with plenty of them. Although there have been glimmers of hope that we would be back to more "normal" times, we have continued to face many barriers that forced us to adapt and provide services, resources, and support to individuals and families in our community with less staff and resources available.

The Agency has provided some in-person services throughout 2022, but virtual services continued to be available. Masks have been required to protect the health and safety of our customers, employees, and the community.

This year the Agency experienced several new challenges impacting our capacity to provide quality, effective, and timely services to the community. We are now facing staff shortages, increasing inflation, and supply shortages.

Similar to the rest of the country, all of AEOA's departments have experienced staff shortages. Arrowhead Transit had to cancel routes. Head Start had to close a classroom but was still able to provide virtual services. Senior Services had to close a kitchen and contract out food preparation services, so seniors could still get the food they needed. Employment and Training staff were forced to connect with a lot of clients virtually or by phone.

The national average inflation rate is around 8.52%. This has caused the price of disposable containers used for meal delivery services for homebound seniors to nearly double. New parts that go into buses to ensure the buses are safe for our clients to ride have increased by at least 20%. Gas prices reached \$4.59 per gallon putting a strain on all programs that require any type of travel. High gas prices also created a hardship for our volunteers, who are not reimbursed for their mileage.

The inability to get supplies has been an obstacle for weatherization to complete jobs. The vehicle shortage has created a hardship for Arrowhead Transit, forcing them to continue to repair old buses. The Agency is now waiting on the delivery of over 40 vehicles which is making it difficult for departments to get their staff to all of the places they need to be.

Among all of these barriers, AEOA has been able to pivot, adapt, and innovate to still provide all of our normal services to over 28,000 people over the last year.

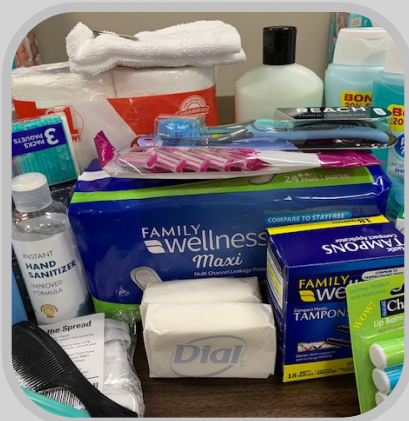


The last two years have provided opportunities for the Agency to think outside the box and distribute key necessities to the communities that we serve.



Free Produce Distribution

57 Events
98,904 Boxes of Food
2,259,506 lbs. of Food



Hygiene Kits

4,565 Mens, Womens,
Family, Baby, and
Cleaning Kits



Back-to-School Shoes

916 Pairs of Shoes
4,580 Pairs of Socks



Share the Warmth

724 Pairs of Boots
800 Hats
250 Family Meal Kits



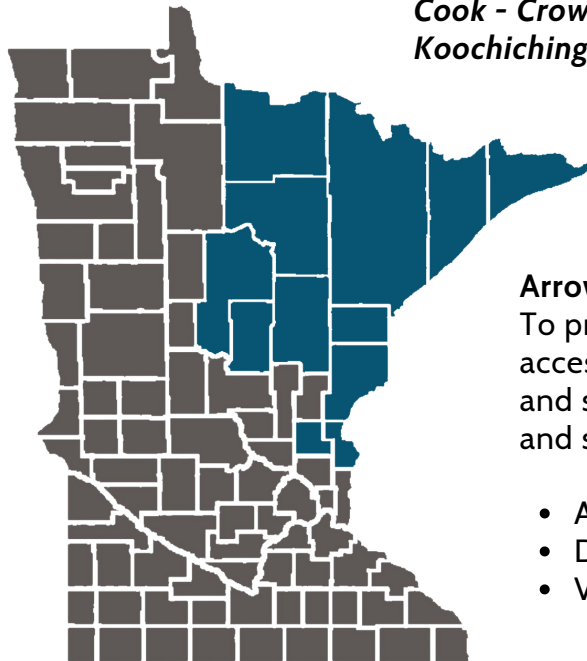
Programs and Services

Central Services

Guides, supports, and unifies AEOA services to maximize resources and ensure progress and accountability in carrying out the mission of the Agency.

- Administration
- AEOA Foundation Fund
- Fiscal Services
- Human Resources
- Information Technology
- Planning

*Aitkin - Carlton - Cass - Chisago -
Cook - Crow Wing - Isanti - Itasca -
Koochiching - Lake - Pine - St. Louis*



Arrowhead Head Start

To work with young children and families on healthy prenatal and early childhood development, school readiness, and supporting their success in life.

- Early Head Start
- Preschool Center-Based
- Preschool Home-Based

Arrowhead Transit

To provide affordable, safe, accessible, public transportation and supports independent living and self-reliance.

- Arrowhead Transit
- Dial-a-Ride
- Volunteer Driver Program

Employment and Training

To enhance the employability and skills of individuals so that they may achieve their life goals.

- Adult Education (ABE)
- Adult Scholarship Program
- Career Pathways
- Diversionary Work Program
- Dislocated Worker Program
- English Language Learning
- Free at Last
- Family Assets for Independence in Minnesota (Matched Savings Accounts)
- Minnesota Family Investment Program
- Minnesota Family Resiliency Program
- Senior Employment Programs
- SNAP Outreach
- Youthbuild

Housing Services

To build communities by helping people meet their basic living needs; have affordable, quality housing, and to improve their quality of living.

- Business Energy Retrofit
- Downtown Building Rehab
- Emergency & Transitional Housing
- Energy Assistance
- Healthcare Access
- Homeless Youth Housing
- Homeownership Education and Financial Assistance
- Homeless Prevention & Rehousing
- Permanent Supportive & Rental Housing
- Single-family Rehab
- Transitional Housing
- Weatherization

Senior and Nutrition Services

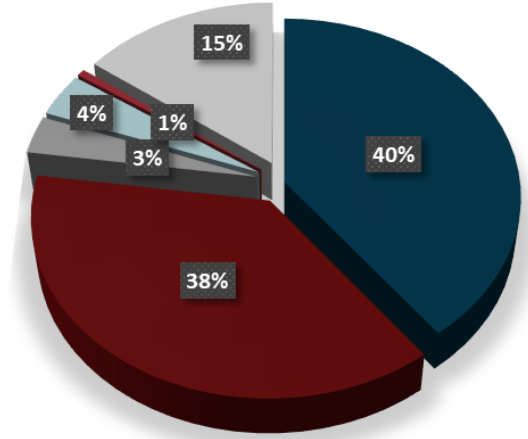
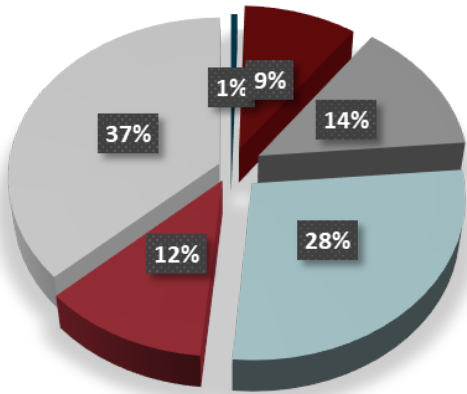
To help seniors live healthy, independent lives with nutritious meals and services.

- Arrowhead RSVP
- Bone Builders Classes
- Food Access
 - Food Shelves
 - Rutabaga Project
- Friendly Visitor
- Grocery Delivery Service
- Medical Loan Closet
- Nutrition Services
- Bundled Services
- Meals on Wheels
- Senior Dining
- Northland Volunteer Center
- Senior Expo/Carnival
- SNAP Outreach
- Tax Preparation Assistance

Financial Summary

Expenses by Department

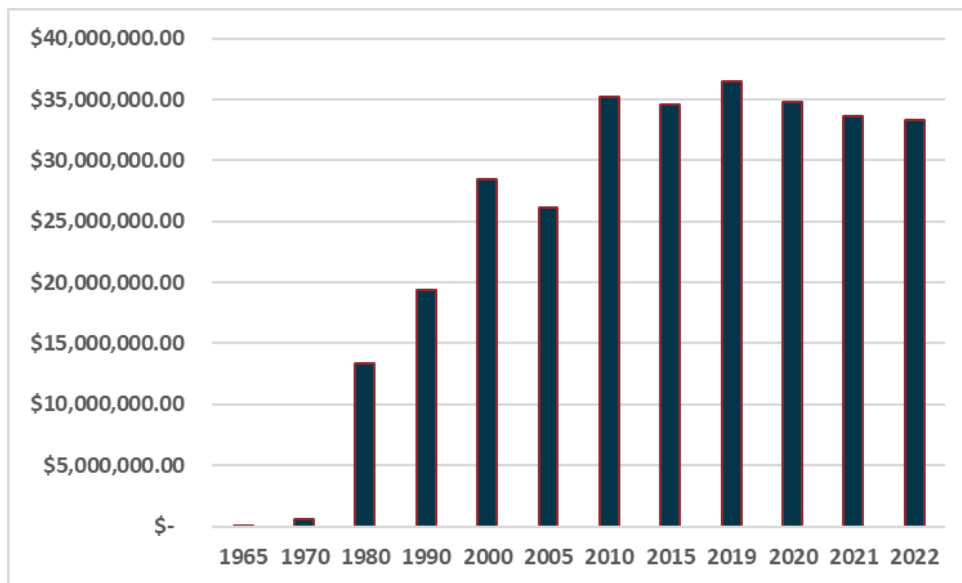
Sources of Revenue



Central	\$99,391.27
Employment & Training	\$3,622,272.32
Head Start	\$5,207,890.13
Housing	\$10,626,693.05
Senior & Nutrition	\$4,473,212.33
Arrowhead Transit	\$14,059,515.77

Federal	\$16,650,438.90
State	\$15,834,005.28
County	\$1,652,141.12
Private	\$1,420,732.32
Donations	\$269,115.60
Program Income	\$6,229,190.85

Historical Levels of Funding



POVERTY TO PROSPERITY



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