



ANNUAL OPERATING PLAN

NEI FY 25



A LETTER FROM STÉPHANE FRIJIA, PRESIDENT & CEO

As we embark on the next phase of our journey outlined in our 2025-2027 strategic plan, I am inspired by the opportunities ahead. Northeast Indiana stands at the forefront of economic growth, innovation and collaboration, and together, we are poised to make a lasting impact in our communities and throughout Indiana.

Our strategic goals for 2025—growth, innovation and inclusivity—reflect our collective ambition to ensure that Northeast Indiana remains a location of choice for businesses, talent and new ideas. With our region's rich history of resilience and forward-thinking leadership, we are uniquely equipped to achieve the bold objectives set forth in this year's action plan.

This year, we will amplify Northeast Indiana's momentum by prioritizing building up the region's brand through video storytelling, targeted events and familiarization tours, leveraging technology for lead generation, and boosting referrals from executives. Additionally, partnerships with local, state and industry organizations aim to align resources and efforts for sustained and diversified economic growth in key sectors such as Defense, Medical Devices, Hardtech Automation, AgTech and emerging fields like animation and film will continue to shape our economic future.

We are also committed to continue to elevate Northeast Indiana a beacon for innovation in the Midwest. From advancing digital storytelling to creating strategic partnerships with universities and innovation hubs, we aim to position the region as a leading destination for scaling cutting-edge technologies and talent.

Inclusivity remains central to our vision. By investing in infrastructure, championing equitable development and supporting initiatives that uplift both rural and urban communities, we are ensuring that the prosperity we build is shared by all. This ambitious plan would not be possible without the unwavering dedication of our civic and business leaders, policymakers and community members. I am deeply grateful for your continued partnership and support. Together, we will shape a brighter future for Northeast Indiana.

Thank you for believing in what we can achieve when we work together.

With gratitude,



STÉPHANE FRIJIA
PRESIDENT & CEO, NEI

OUR MISSION

Drive business investment and strengthen the region's global competitiveness and economic resiliency.

OUR VISION

Be the location of choice for all businesses and people committed to being tomorrow's market leaders.

OUR VALUES

Integrity, Respect, Accountability, Excellence.

OUR COMMUNITIES

Adams County

Allen County

DeKalb County

Huntington County

Kosciusko County

LaGrange County

Noble County

Steuben County

Wabash County

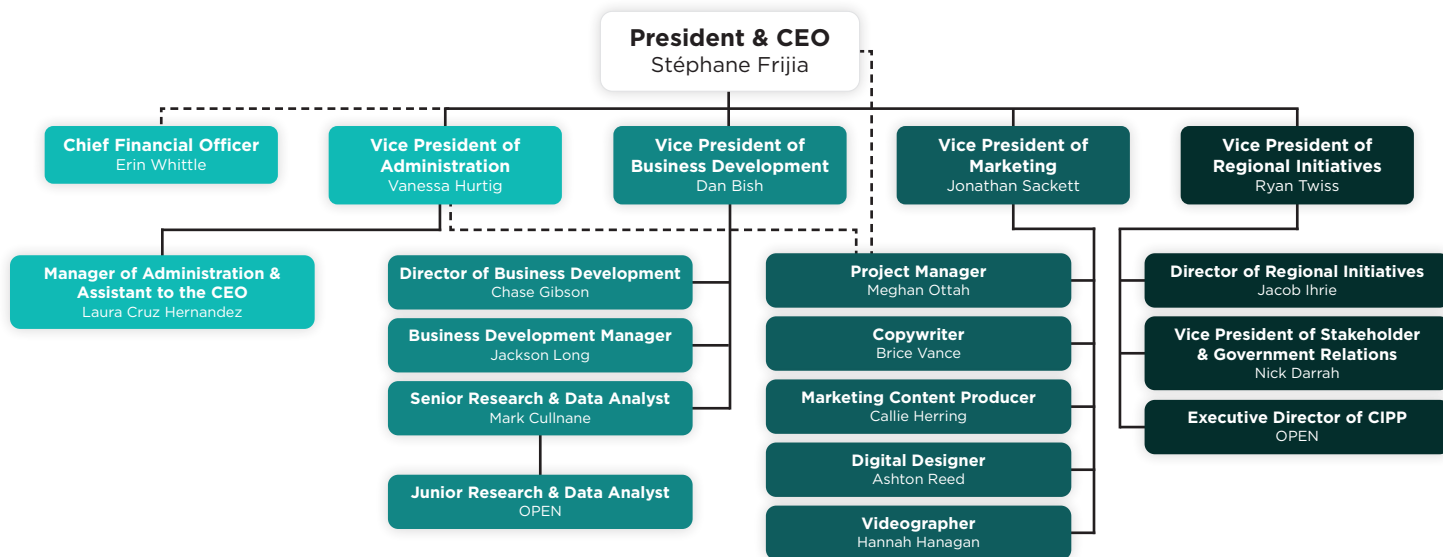
Wells County

Whitley County

FY 25-27 STRATEGIC OBJECTIVES

1. **GROWTH** - *Support and amplify Northeast Indiana's thriving momentum.*
2. **INNOVATION** - *Make Northeast Indiana a beacon for innovation and talent.*
3. **INCLUSIVITY** - *Ensure access to success for all in Northeast Indiana.*

2025 NEI ORGANIZATION CHART



Headcount History	2019	2020	2021	2022	2023	2024	2025
Full-time Employees	18	17	10	14	16	16	17
Part-time Employees				1	1	1	1
Contract Employees	1	1	1	1	1	1	1

FY 25: BUDGET HIGHLIGHTS

The 2025 budget projects a net operating income of \$9,000, reflecting a \$64,000 net loss after accounting for non-cash depreciation, in-kind expenses, and interest income. By year-end, cash reserves are expected to hold just under nine months of operating expenses.

As we begin executing the first year of the 2025-2027 strategic plan, our focus remains firmly on Growth, Innovation, and Inclusivity. Stakeholder and community partner engagement will be a top priority, positioning Northeast Indiana as a cohesive, best-in-class contender for business attraction.

Key Notes on the 2025 Budget:

- **Operating Activities.** The Regional Partnership's activities are recorded within its accounting records, while the Northeast Indiana Fund serves as a funding mechanism for charitable activities. Since 2024, the Northeast Indiana Fund is the employer of record, leasing employees to the Regional Partnership, which enables qualifying employees to benefit from federal student loan forgiveness. The Regional Partnership records leased employee expenses each month, with the Northeast Indiana Fund matching this with leased employee revenue. This process balances monthly consolidated financials.
- **Private Sector Revenue.** Private sector revenue is anticipated to increase in 2025, driven by the ongoing accelerator campaign supporting the strategic plan. The budget includes a conservative 6% loss reserve for private sector investments to account for potential investor attrition, a slight increase from the 4% loss recorded year-to-date in 2024.
- **Fee-for-Service (FFS) Revenue.** FFS revenue from Local Economic Development Organizations (LEDOs) and local government units has been discontinued. Supporting entities will now be recognized as Regional Opportunities Council members, with their investments classified as private sector revenue. This change aligns with the new partnership agreement between NEI, LEDOs, the City of Fort Wayne and Allen County, representing a permanent \$120,000 reduction in FFS revenue.
- **Program Revenue.** Program revenue encompasses management fees for READI 1 and READI 2 funds from the Regional Development Authority (RDA) and revenue from the Strategic Development Commission (SDC).
- **Grant Revenue.** Grant revenue includes historically received operating grants that fund the organization's initiatives.
- **Sponsorship Revenue.** Sponsorships provide \$51,000 for three site selection consultant events and \$40,000 to support the new Community Impact Partnership Program (CIPP) position. Additional sponsorship revenue comes from the Hero's Journey marketing project and the annual Pioneer Event.
- **Employee Compensation.** The budget includes compensation for 17 full-time employees, 1 part-time employee, 3 part-time interns, and includes adjustments for inflation and merit increases. It also accommodates a new role supporting CIPP, aimed at enhancing collaboration among NEI, community foundations, private foundations, the Mayors and Commissioners Caucus, the Strategic

Development Commission and the Regional Development Authority.

- **Operating Costs.** Operating expenses are projected to grow due to a 2% CPI increase in rent and budgeting for full professional development participation across the team in 2025.
- **Legal and Professional Fees.** Anticipated increases in accounting fees reflect enhanced support requirements for the RDA contract managing the Strategic Development Commission's fiscal operations. These fees are pass-through costs included within contract revenue.
- **Marketing Costs.** Marketing expenses are expected to rise to amplify NEI's reach nationally and globally, supporting the Annual Operating Plan (AOP).
- **Program and Travel Expenses.** Combined program and travel expenses are budgeted higher than in 2024, as the full business development team will be operational. Travel expenses for CIPP initiatives will be partly offset by sponsorships, while consultant expenses for the Hero's Journey project will be partially covered by stakeholder revenue.

The chart below depicts budgeted, forecasted and actual net income (loss) and cash balances from 2021 through 2025. The Regional Partnership has historically exceeded budget expectations consistently for both operating results and cash balances.

INCOME	2025 Budget	2024 Budget	2023 Budget	2022 Budget	2021 Budget
Private Sector Revenue	\$2,367,000	\$2,057,000	\$2,109,000	\$2,155,000	\$2,292,000
Fee for Service Revenue	\$0	\$380,000	\$380,000	\$385,000	\$385,000
Program Revenue	\$697,000	\$548,000	\$395,000	\$90,000	\$58,000
Grant Revenue	\$172,000	\$192,000	\$192,000	\$377,000	\$728,000
Sponsorships	\$118,000	-	-	-	-
Sublease Revenue	\$104,000	\$84,000	\$117,000	\$117,000	\$97,000
TOTAL INCOME	\$3,458,000	\$3,261,000	\$3,193,000	\$3,124,000	\$3,560,000
EXPENSES					
Employee Compensation	\$2,105,000	\$1,899,000	\$1,877,000	\$1,906,000	\$1,942,000
Operating Costs	\$384,00	\$386,000	\$380,000	\$427,000	\$354,000
Legal & Professional Fees	\$195,000	\$166,000	\$133,000	\$140,000	\$393,000
Marketing	\$218,000	\$190,000	\$310,000	\$257,000	\$680,000
Program Expenses	\$465,000	\$367,000	\$355,000	\$328,000	\$572,000
Travel Expenses	\$82,000	\$73,000	\$138,000	\$66,000	\$88,000
TOTAL EXPENSES	\$3,449,000	\$3,081,000	\$3,193,000	\$3,124,000	\$4,029,000
Net Operating Income (Loss)	\$9,000	\$180,000	\$0	\$0	(\$469,000)
OTHER INCOME (EXPENSE)					
Other Income (Expense)	(\$73,000)	(\$140,000)	(\$102,000)	(\$102,000)	(\$126,000)
NET INCOME (LOSS)	(\$64,000)	\$40,000	(\$102,000)	(\$102,000)	(\$595,000)
Actual/Forecasted net income (Loss)	-	\$329,000	\$9,000	(\$101,000)	(\$232,000)
NET IMPACT TO CASH RESERVES (ACTUAL/BUDGETED)	(\$87,000)	\$380,400	\$60,000	(\$42,000)	(\$536,000)
Budgeted/forecasted cash balance	\$2,398,000	\$2,485,000	\$2,090,000	\$2,125,800	\$1,172,000
Average modified monthly operating expense	\$287,000	\$243,000	\$266,000	\$260,000	\$336,000
ANTICIPATED # OF MONTHS OPERATING RESERVES AT 12/31	8.4	10.2	7.9	7.6	3.5
Actual/forecasted ending cash balance	\$2,398,000	\$2,485,000	\$2,104,600	\$2,090,000	\$2,010,600

FY 25: STRATEGIES & TACTICS

Goal One: Growth - *Support and amplify Northeast Indiana's thriving momentum.*

NEI will seek new business investments and enhance regional attributes to drive growth, innovation and stability.

Strategies and Tactics

Strategy One: Attraction

- Engage potential investors with compelling content and clear value propositions, delivered through online platforms and targeted outreach missions.
- Build strong brand recognition and relationships with site consultants, executives and experts across the state, hosting and participating in high-quality events and familiarization tours. Continue to tap into the knowledge and expertise of local businesses to identify new opportunities for business attraction.
- Focus international lead generation outreach efforts to Canada, Germany, Japan, Taiwan and Korea.
- Streamline leads and projects cultivation and conversion process, advancing the use of web and AI-powered tools.
- Increase referrals by utilizing the expertise of executives across the region and state.

Target Sectors



Aerospace & Defense



EV-Zero Emission



BioTech



MedTech



Specialty Insurance



HardTech & Automation



Film, Music & Animation

Goal One Cont.

Strategy Two: Partnerships

- Launch the Community Impact Partnership Program (CIPP) to regularly collect data, inform and coordinate discussions and actions of civic and business leaders about the region's assets, needs, opportunities, and the role of infrastructure in economic growth.
- Educate regional leaders on factors affecting economic development and leverage the ROC's knowledge to identify changes and opportunities in the region and key industries.
- Build strong relationships with industry leaders, trade associations, government agencies and academic institutions.
- Continue partnering with the Indiana Economic Development Corporation (IEDC) and Local Economic Development Organizations (LEDOs).

Strategy Three: Consulting

- Enhance staff education and further develop business attraction and other operational handbooks.
- Personalize the web experience for corporate clients, consultants, investors and community partners.
- Boost the national profile of NEI team members through podcasts, articles and blogs to share the region's economic development story.
- Achieve Accredited Economic Development Organization (AEDO) Certification.

Strategy Four: Support

- Support RDA Board in administering READI 1, READI 2 and SDC funds, and their respective reporting and compliance requirements.
- Support RDA and SDC in achieving long-term sustainability objectives.

FY 25: STRATEGIES & TACTICS

Goal Two: Innovation - *Make Northeast Indiana a beacon for innovation and talent.*

Position Northeast Indiana to be recognized as a top destination for innovation and technology in the Midwest.

Strategies and Tactics

Strategy One: Storytelling

- Expand the use of video, print and web to create case studies, testimonials and promotional videos that highlight NEI's success stories, innovation and technological advancements.
- Connect local innovators, investors and business leaders to share insights and network.

Strategy Two: Digital

- Refine NEI's earned and social media strategies to highlight regional successes and opportunities.
- Enhance the functionality of PioneerStartsHere.com to make it easier to find information about the region's assets, innovation and entrepreneurial programs.
- Expand the use of a shared digital asset repository and content calendar.
- Further develop the "Hero's Journey" project, an interactive video experience to showcase the best of our region.

Strategy Three: Partnerships

- Seek strategic partnerships to provide economies of scale and increase the effectiveness of promoting the region.
- Pursue opportunities to establish and grow "innovation hubs" in collaboration with regional universities and colleges.

Goal Two Cont.

- Leverage organizations like NIIC, OrthoWorx, Plug And Play, DING, NIDIA and OHI to attract investment and support new ventures in the region.

Strategy Four: Attraction

- Build relationships with out-of-state venture capital and private equity firms to provide capital for new ventures in Northeast Indiana.
- Continue supporting the development of a new film and animation industry cluster in Northeast Indiana.

FY 25: STRATEGIES & TACTICS

Goal Three: Inclusivity - *Ensure access to success for all in Northeast Indiana.*

Foster inclusive, sustainable and balanced economic growth across Northeast Indiana's diverse rural and urban landscapes.

Strategies and Tactics

Strategy One: Communities

- Conduct community engagement sessions and report on economic goals and challenges in both urban and rural areas.
- Support policy development and programs beneficial to local industry, employment growth and community needs.

Strategy Two: Infrastructure

- Support policy efforts, championed by the Regional Chamber and Mayors and Commissioners Caucus, to advance equitable infrastructure investment, for job creation, in all areas of the region.
- Enhance Northeast Indiana's ability to advocate, promote collaboration, convene and increase funding for critical infrastructure projects, including energy, water, transportation and broadband.

Strategy Three: Partnerships

- Collaborate with educational institutions to promote inclusive talent attraction and skills training programs.
- Offer support to LEDOs and other partners in creating tailored talent attraction marketing campaigns.
- Maintain an industry focused and diverse Board of Directors to advance the goals of the strategic plan.

Goal Three Cont.

- Partner with the region's colleges and universities on initiatives to grow enrollment, strengthening the region's workforce supply for core clusters and supply chains.

Strategy Four: Advocacy

- Engage with federal policymakers to secure funding for regional priorities, including infrastructure, technology, core industry clusters like orthopedics and medical technology, biotech, space-tech, metals and advanced materials, food and agriculture.
- Develop a regional advocacy agenda and strategy to promote Northeast Indiana's interests at the federal level.
- Continue to support the efforts of the U.S. 30 Coalition.
- Support the Strategic Development Commission's regional plan update.

2025 KPIs

Business Attraction & Marketing

New Leads	New Projects	Domestic Sales Missions	International Sales Missions	Fam Tours	Digital Engagement Campaigns
250	60	25	5	3	22

Brand Development

Web Traffic	Search Index Score	Print Impressions	Podcasts	Videos	Op-Eds	Social Impressions	Total Digital Impressions	Sentiment
24K	55K	225K	20	25	10	550,000	770,000	80% Pos. / 20% Neg. -10-15% Neu.

Regional Initiatives

Public & Private Engagement	Regional Projects Supported
90%	10

Finance

NEI New Funding	Retained Investment
\$240,000	94%



PIONEER STARTS *HERE*

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