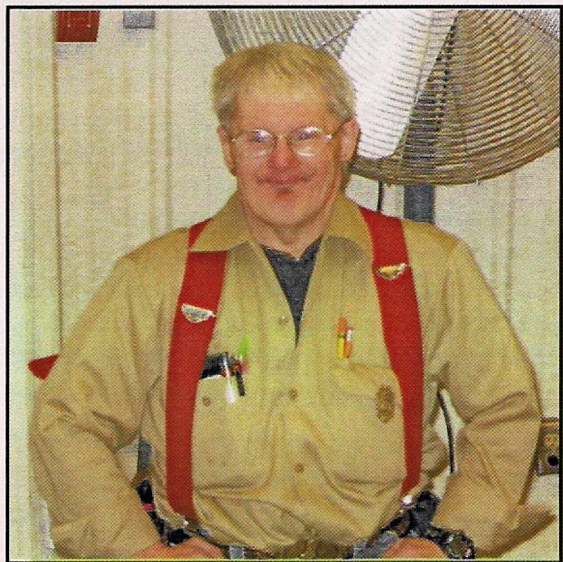




Headwaters, Inc.

"Celebrating Our Past ~ Building Our Future"

2009 Annual Report



DENNIS MCKILLIP

"Please know that you are due an abundance of gratitude on behalf of Denny and myself. The wonderful support, care and love that you have shown Denny over the past 30 years is truly immeasurable. Headwaters was an integral part of Denny's life - a place he loved and needed, a place that encouraged his potential and accepted his uniqueness. You are all special people, meant by divine plan to be where you are, doing what you do for the benefit of so many."

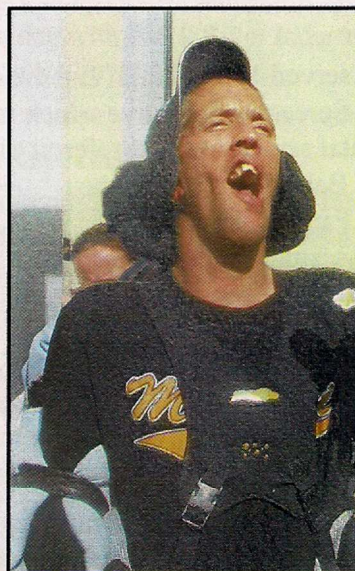
*MARGARET FOSSIER, sister of Dennis McKillip,
a participant of Headwaters for over 30 years*



MISSY



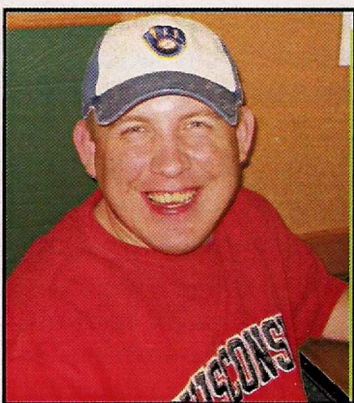
CHERYL



JACOB



DAN



ERIC

Mission Statement

We believe all people deserve the right to achieve their fullest potential. Therefore, we exist for the purpose of providing individualized services that are designed to maximize each person's daily living and vocational skills in order to be integrated into the community to the fullest extent possible.



Serving Forest, Oneida and Vilas Counties since 1969

DIRECTOR'S REPORT

Two major events were held in 2009. Headwaters celebrated their 40th anniversary. Family members, participants, Catholic Charities Bureau, Headwaters' Board of Directors, contributors, community agencies and businesses, along with community members, celebrated the many changes that have occurred over the past 40 years. Many of the attendees were part of the early grassroots advocacy groups that helped educate our State legislatures on the necessary changes needed to adequately fund programs and services for people with disabilities and children with special needs. After a lot of talk, laughter and reminiscing we realized that even after 40 years our most vulnerable citizens are still at risk of losing the rights and services we all fought so hard to obtain. We know that legislatures and State bureaucracy generally lag behind current attitudes and best practices and we all must persistently monitor programs and educate our decision makers. On June 4th we came together to celebrate our past efforts and renewed another 40 year commitment to those who have taught us so much about life - people with disabilities and children with special needs.

On December 4, 2009 Headwaters presented awards to some very special people at their annual Christmas party. Andy and Karen McMillion from Forest County received the Elmyra Hobbs Volunteer Service Award, John Ehlinger, who resides in Wabeno, received the Personal Achievement Award, Stifel Nicolaus of Rhinelander received the Employer of the Year Award, and Elbeco, Inc., whose headquarters are located in Reading, Pennsylvania, received the Partnership Award. A heart-felt thank you went out to Headwaters' Board of Directors, Catholic Charities Bureau, Tri-County Department of Human Services, friends, supporters, contributors, businesses and agencies for their support and contributions throughout the year. Headwaters had another successful year because of our partnership with so many special people.

-Mary Hardtke, Director of Headwaters, Inc.

BIRTH TO 3 PROGRAM

In 2009, the Service Coordinators served 182 children and their families as well as screened 217 children. Our staff participated in the Developmental Screening Initiative which is a statewide initiative to educate physicians in the importance of regular developmental screenings and referral of young children. Birth to 3 staff, along with other agencies, held a 2009 Community Baby Shower in Forest County. We began a contract with Family & Child Learning Centers to provide home visitation for six Early Head Start children and hired a part-time Home Visitor for this position.

2009	Forest	Oneida	Vilas
Children Served	18	93	71
Children Screened	27	105	85



THE CARING CONNECTION

The Caring Connection Adult Dementia Day Program is dedicated to supporting families affected by Alzheimer's Disease. In 2009, the Caring Connection proudly partnered with the Alzheimer Association, Greater Wisconsin Chapter, to host a conference for family caregivers. The Caring Connection provided respite services at no cost to families, giving caregivers an opportunity to participate in the two day training. The Caring Connection was selected by the Alzheimer Association to receive grant funding to implement the Memories in the Making® Therapeutic Art Program for adults with dementia. Staff members are certified facilitators of this successful program. The Caring Connection Memory Walk team raised over \$600.00 in donations for the 2009 Memory Walk Annual fundraiser and hosted a Memory Walk luncheon at Headwaters as part of the fundraising activities. We also received \$10,000 from the Helen Bader Foundation to continue programming for people who suffer from early dementia or Alzheimer's. The Caring Connection served 24 families in 2009. Ten families received the free In-Home Volunteer Visitation Program and 12 families received outreach and assessment services. The Caring Connection operates at the First Congregational Church on Mondays and Fridays from 9 a.m. to 5 p.m. For more information contact Julie Bruyette, Program Coordinator, at 715-369-1337.



Headwaters is proud to be
a United Way agency



"Celebrating Our Past ~ Building Our Future"

COMMUNITY EMPLOYMENT PROGRAM PROVIDES WORK OPPORTUNITIES FOR PEOPLE WITH DISABILITIES



**JOHN EHLINGER RECEIVES 2009
PERSONAL ACHIEVEMENT AWARD**

During 2009, the Community Employment Program worked with 56 people. They placed 11 people into jobs with hourly wages ranging from \$6.55 to \$14.00. In 2009, many of the referrals from DVR were assessments only. In December our service contract with the Oneida County landfill ended due to the closing of their sort line. We have service contracts with Stifel Nicolaus, Rhinelander Animal Shelter, Rhinelander Ice Arena, St. Augustine's Church, and the Rhinelander National Guard Armory. Other job sites include: Burger King, Rhinelander Animal Shelter, Trig's and Subway in Minocqua, Rouman Cinema, Goodwill, Wal-Mart and Comfort Inn in Rhinelander. Work enclaves are located at rest area sites in Oneida, Lincoln, Forest and Vilas counties, two DNR boat landings, as well as the Department of Motor Vehicles building, St. Mary's Hospital, and area duplexes where lawn maintenance is performed. Highlights of the year include the presentation of Headwaters' Partnership Award to Stifel Nicolaus for their support of Headwaters Employment Program and hiring and assisting in the training of people with disabilities. In addition, John Ehlinger received the Personal Achievement Award for his outstanding personal achievement in the workplace and in the community. John has been employed at Burger King since April 1996.

2009 STATE USE PROGRAM PARTNERSHIP AWARD

In 2009, 88 people with disabilities worked in our Production Program to build skills while being employed and earning a paycheck. Jobs included packaging, sewing dog toys and uniforms, shredding confidential documents, reconditioning autos, preparing mass mailings, and shrink wrapping and packaging products for area businesses. Collectively all participants in our work-related programs earned \$80,251 for the year and contributed to the tri-county economy.

A highlight of the year was the presentation of the 2009 State Use Program Partnership Award to Headwaters, Inc. and Elbeco, Inc. at a special ceremony in the State Capitol. Headwaters, along with Black River Industries, partnered with Elbeco to contract with the State of Wisconsin to sew correctional officer uniforms.

TRANSPORTATION

In 2009, Headwaters vans logged a total of 161,561 miles transporting participants who reside in Forest, Oneida and Vilas counties to/from Headwaters five days a week. We received five buses from the Wisconsin Department of Transportation (WisDOT) through a Section 5310 Elderly & Disabled Capital Assistance Program grant. The total value of these buses is \$218,993. Four of the buses are leased to Vilas County Commission on Aging, Forest County Commission on Aging, Koinonia Treatment Facility, and the Lac du Flambeau Band of Lake Superior Chippewa Indians. These buses transport the elderly and people with disabilities within the tri-county area of Forest, Oneida and Vilas counties. In addition, Headwaters was awarded the New Freedom Grant from WisDOT in the amount of \$61,710. The Regional Voucher Program, which was funded through the New Freedom grant, provided 4,079 trips for individuals with disabilities. Headwaters was also awarded a Rural Passenger Transportation Technical Assistance Program grant from Community Transportation Association of America (CTAA). CTAA hired LSC Transportation Consultants to conduct a survey of transportation needs in the tri-county area along with a plan to address those needs.

DAY SERVICES - LOTS OF FUN & EDUCATIONAL ACTIVITIES!

Popular programs in Day Services are Recreation and Men's Enrichment. During the winter months, participants have enjoyed swimming at the YMCA, snowshoeing, ice fishing, bowling and visiting the library and area restaurants and businesses. During the summer, trips were made to Northern Lights Playhouse, Kovac Planetarium, Peck's Wildlife Park, and White Pines Fun Park as well as enjoying nature on the Wilderness Cruise and fishing in area lakes. The Men's Enrichment classes provide an opportunity to work with different building materials, handling tools, and working in groups. It builds leadership skills, self-esteem, confidence, and pride in a job well done. In the Basic Living Skills Program participants were taught how to sew their own apron and delicious meals were prepared with healthy ingredients in the Food Preparation class.



**ALEX, JOE, DAVID & JONATHON LEARN HOW TO
BUILD A SET OF STEPS DURING CLASS IN THE
MEN'S ENRICHMENT PROGRAM**

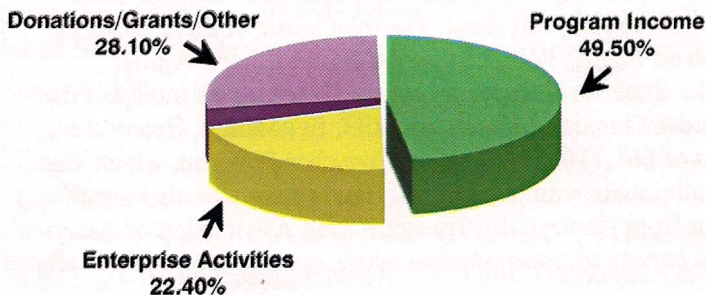


HEADWATERS, INC.
1441 EAST TIMBER DRIVE
P.O. BOX 618
RHINELANDER, WI 54501-0618

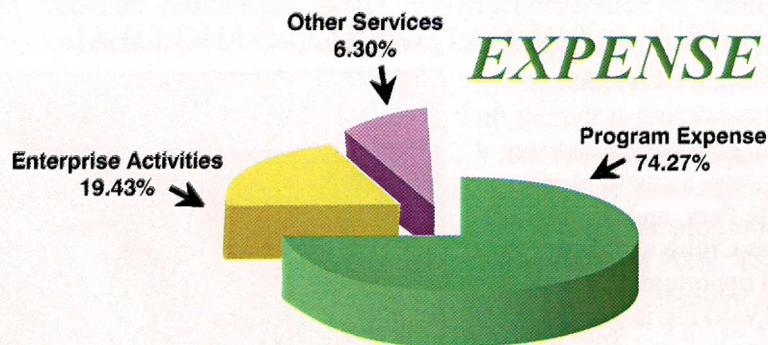
Return Service Requested

NON-PROFIT ORG.
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REVENUE



EXPENSE



2009 HEADWATERS, INC. BOARD OF DIRECTORS

OFFICERS

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 Vice President of Investments
 Heck Capital Advisors

CHRIS KUEHLING, VICE PRESIDENT
 Vice President Business Banking
 River Valley Bank, Eagle River

TIM HINTZ, SECRETARY/TREASURER
 Account Executive
 Wisconsin Public Service

DIRECTORS

MARY GRIECO
 Retired, Star Journal Editor Emeritus

JAMES KUMBERA
 Director
 Oneida County Economic Development Corp.

PATRICK MARQUART
 Plant Manager, Print Pack

JOHN POWERS
 Manager/Partner, Doctors Foster & Smith

ALAN RUETTEN
 President, Associated Bank



Headwaters, Inc. is a non-profit agency of
 Catholic Charities Bureau of the Diocese of Superior;
 the agency is primarily funded by the Human Services Board
 of Forest, Oneida and Vilas Counties.