

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT POWERS BOARD OF COMMISSIONERS MEETING**

MINUTES

April 27, 2023

EDC Board Room, Willmar and Via Zoom Video Conference

Present: Julie Asmus (via Zoom), Corky Berg, Vicki Davis, Steve Gardner, Roger Imdieke and Doug Reese

Staff: Aaron Backman, Executive Director; Sarah Swedburg, Business Development Manager; and Kelsey Olson, Marketing & Communications Specialist

Guest: Marvin Calvin

Media: Jennifer Kotila, West Central Tribune

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc.

Vice Chairperson Steve Gardner called the meeting to order at approximately 11:36 a.m. and declared a quorum was present.

AGENDA—Added to the agenda under New Business was item 2a, 2023 Budget Amendment for Broadband Digital Inclusion Grant.

IT WAS MOVED BY Corky Berg, SECONDED BY Vicki Davis, to approve the Agenda as revised.
MOTION CARRIED.

RECOGNITION OF RETIRING COMMISSIONER—A plaque was presented to former commissioner Marvin Calvin for his term on the Joint Powers Board. Chair Julie Asmus thanked Calvin for his leadership with the EDC and in the community. Calvin thanked the board for the recognition. Aaron Backman thanked Calvin for his guidance on the board and the EDC since he was hired as Executive Director in 2016.

[Calvin was excused from the meeting.]

MINUTES—

IT WAS MOVED BY Steve Gardner, SECONDED BY Doug Reese, to approve the Minutes of the January 19 2023 annual meeting and March 16, 2023 special meeting as emailed. All present voted unanimously in favor by roll call.

FINANCIAL REPORTS—Backman presented the financial reports as of January 31, February 28 and March 31, 2023. The Balance Sheet as of March 31, 2023 was reviewed. Backman noted there were 29 loans given to local businesses under the COVID-19 Business Assistance Loan (COBAL) Program; at present, only 2 remain outstanding. He compared the outstanding Revolving Loan Fund balances and other areas from year-end

2022 to March 31, 2023. The board also reviewed the most recent Profit & Loss Statement. Sarah Swedburg noted the grants secured by the EDC. The EDC received \$44,000 in reimbursements from the City of Willmar, Kandiyohi County Housing and Redevelopment Agency and the West Central Association of Realtors for the housing study. Backman noted the expenses under Countywide Business Development/TIGER II Grant/Wye are relative to the TED (Transportation Economic Development) grant for the City of Willmar for which reimbursement has not yet been sought. He will be requesting the City of Willmar partner in future expenses as they relate to the Willmar Industrial Park. Roger Imdieke questioned if TED grant funds can be used for reimbursement of administrative fees. Backman indicated there are restrictions for use of the TED funds; he will speak with Leslie Valiant relative to the expenses. Backman stated the TED grant was for up to \$900,000, which was more than the amount applied for by the City; the local match will come from land sale proceeds.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to file the financial reports as of January 31, February 28 and March 31, 2023, subject to audit. MOTION CARRIED.

UNFINISHED BUSINESS

Boards' Annual Planning Session Results. The board reviewed the strategic plan developed by facilitator Cheryl Glaeser (see attached). The top ranked priorities were housing, broadband, childcare, workforce and business support. Swedburg noted pages 5-8 are three-year goals and objectives and the ones in the beginning are the one-year goals. The board had a lengthy discussion on local housing needs and possible interest by developers for new housing construction. Backman indicated he will be meeting with a developer who is interested only in constructing senior housing in small communities. He has also spoken with Justin Paffrath about his tiny homes project for Willmar. A new development is being done south of Walmart and Block 25 Lofts was a finalist under the Economic Impact (small project) award by Minnesota Brownfields. Backman asked the board to review the strategic plan and provide comments at the next board meeting where the plan will be adopted.

NEW BUSINESS

2022 Micropolitan Ranking/American Economic Resiliency Best of 2022. Backman announced the City of Willmar ranked 177 in the 2022 top micropolitans as determined by *Site Selection* magazine. Included in the board packet was an article by the *West Central Tribune* (see attached). The EDC will be featured in the *Business View Magazine* in June 2023, which will feature four Minnesota communities in its American Economic Resiliency Best of 2022. Backman and Justice Walker will be interviewed by the magazine next week.

2023 Budget Amendment for Childcare Initiative Expenses. Swedburg noted revenues and expenses for the childcare grants were previously added to the budget, but an amendment is needed to categorize the expenses related to the grant (see attached).

IT WAS MOVED BY Vicki Davis, SECONDED BY Steve Gardner, to approve amending the 2023 budget to add the following expense categories under Committee Expenses/Business Retention and Expansion/Recruitment/Childcare Initiative:

Administrative services	\$ 20,000
Contractual	67,800
Equipment	2,000

Subgrants	385,450
Supplies	5,000
Travel	500

All present voted in favor by roll call.

2023 Budget Amendment for Broadband Digital Inclusion Grant. Swedburg noted the primary focus for the Broadband Committee is infrastructure; the other focus is digital inclusion (how to use the technology, is it affordable and can it be accessed). Currently, the state is educating its citizens on how to access federal funds related to digital inclusion. The Broadband Committee applied for and was awarded a \$4,000 mini-grant by the Minnesota Office of Broadband Development, which resulted in the creation of a local Digital Inclusion Committee that will assess where the county is at. Swedburg is requesting two new expense categories be approved in the 2023 budget. The grant must be completed by June 30, 2023. The committee will be doing outreach to communities that have broadband disparities. Chair of this new committee is Michelle Marotzke of Mid-Minnesota Development Commission (MMDC). Members include a township supervisor, a small translation business and representatives from Advocacy & Inclusion Matter and Woodland Centers. Interviews will begin with community supervisors and schools. Proposed amendments to the budget for this grant were presented (see attached).

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to approve amending the 2023 budget to add under Revenues a line for a Broadband Digital Inclusion Grant under Grants/MN Department of Employment & Economic Development in the amount of \$4,000, changing total revenues to \$1,223,865 and adding under Committee Expenses/Broadband and Advanced Technology/Digital Inclusion Grant the following expenses: Contracts of \$2,424 and Supplies of \$1,576 for a total under Broadband and Advanced Technology Committee Expenses of \$10,550. All present voted in favor by roll call.

2023 Budget Amendment for the Website. Backman informed the board that at its January meeting, funds were approved to redesign the EDC's website, which staff would like to increase. Kelsey Olson noted she has had good communications with Redwood Valley Technical Solutions, the web developer.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve amending the 2023 budget under Committee Expenses/Marketing and Public Relations/Website Development/Maintenance to \$13,468 for redesign of the website. All present voted unanimously in favor by roll call.

2023 Audit. Backman noted the EDC received information from Westberg & Eischens relative to starting the 2022 audit (see attached)-.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to approve entering into the engagement letter with Westberg Eischens and appoint Kelly TerWisscha to complete the fraud questionnaire and if he is unavailable that Julie Asmus complete the questionnaire. All present voted unanimously in favor by roll call.

RATIFY ACTIONS OF JOINT OPERATIONS BOARD—

Staff Sick Leave Policy. Backman reported he can accumulate 192 hours of sick leave and he recommends all staff be at the same level. He noted Kandiyohi County allows a maximum carryover of 800 hours. Imdieke requested a discussion of the paid family leave policy once it is determined by the state.

IT WAS MOVED BY Vicki Davis, SECONDED BY Corky Berg, to approve the recommendation of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board that the Employee Handbook be changed under the sick leave policy to allow a maximum accumulation of 192 hours.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Steve Gardner, to table the motion. MOTION FAILED.

All present voted unanimously in favor of the original motion by roll call.

Backman informed the board the state of Minnesota adopted Juneteenth as a paid holiday. In his discussions with the Kandiyohi County Administrator, the holiday will be a part of the County Board's discussions for the 2024 budget. Backman recommends the EDC consider Juneteenth as a paid holiday.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve Juneteenth as a paid holiday for staff of the Kandiyohi County and City of Willmar Economic Development Commission beginning in 2024 and that the Employee Handbook be revised to include the holiday. All present voted unanimously in favor by roll call.

Incentive and Salary Increase for Staff. Backman informed the board he recently performed annual reviews of staff. Both Swedburg and Olson performed very well and in regard to Swedburg, she was instrumental in obtaining three of the five grants awarded to the EDC this year. Backman reminded the board that it discussed staff incentives at its meeting last July in Raymond similar to performance pay given by the City of Willmar, which language he requested from the City of Willmar. Backman reviewed the information in his April 27, 2023 memo to the board (see attached).

[The board went into a closed session and excused Swedburg, Olson and Kotila.]

Following discussion,

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve the recommendation of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board to pay a lump sum incentive of four percent to Sarah Swedburg and to Kelsey Olson based on their respective salaries to be made on May 1, 2023 and to include the expenditure in the 2023 budget. All present voted unanimously in favor by roll call.

IT WAS MOVED BY Steve Gardner, SECONDED BY Corky Berg, to approve the recommendation of the Kandiyohi County and City of Willmar Economic Development Commission's Joint Operations Board and to include in the 2024 budget a 6% increase effective January 1, 2024 for Sarah Swedburg and Kelsey Olson resulting in an annual salary of approximately \$82,900 for Swedburg and \$56,773 for Olson. All present voted unanimously in favor by roll call.

[The meeting resumed at 1:28 p.m. Swedburg, Olson and Kotila rejoined the meeting.]

Chair Asmus informed staff of the incentive payment and 2024 salary increases.

EDC Intern. Swedburg informed the board that staff has looked at engaging an Intern to administer the childcare grant using grant funds. In discussions with United Community Action Partnership (UCAP), it was discovered that UCAP was already considering hiring a person on a part-time basis to assist with childcare

and other new programming. UCAP is developing a job description for the position. The childcare grant must be expended by year end. EDC staff is looking at how to provide some funding to sustain a continued position at UCAP and entering into an agreement with UCAP for a shared position. Rather than an intern, they are looking at a program coordinator with specific outcomes identified by the state for the grant. A special board meeting may be needed in this regard. Discussion was held on how to continue the position in 2024. The board was supportive of this exploration.

Loan to Wings Gymnastics LLC. Swedburg reported the Finance Committee and the Joint Operations Board approved a Revolving Loan Fund loan to Wings Gymnastics LLC. The business owner is a graduate of the first Elevate Community Business Academy class. She has been in business three years and is refinancing her debt. Home State Bank fully refinanced the building and Southwest Initiative Foundation (SWIF) is also involved in the project. SWIF has a first position on equipment and a second mortgage on the real estate. The equipment is valued at more than the amount of the loan. The interest rate is one given to Elevate students. It was noted if a balloon payment is not possible at the end of the loan, the terms of the loan could be revisited at that time.

IT WAS MOVED BY Steve Gardner, SECONDED BY Vicki Davis, to ratify approval of a five-year \$43,000 loan under the Kandiyohi County and City of Willmar Economic Development Commission Revolving Loan Fund Program to Wings Gymnastics LLC at 5.5% interest per annum with a 10-year amortization and a balloon payment in seven years with a second security position in personal property, equipment and inventory of the business. All present voted unanimously in favor by roll call.

COVID-19 Business Assistance Loan (COBAL) Account at Lake Region Bank. Backman informed the board that funds remain in the bank for the COBAL program, which was temporary and no longer in use.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve the recommendations of the Finance Committee and Joint Operations Board to transfer a majority of the funds, leaving up to \$5,000 or the minimum required by Lake Region Bank, from the Kandiyohi County and City of Willmar Economic Development Commission's COVID-19 Business Assistance Loan account to a Certificate of Deposit at Lake Region Bank, earning the highest interest that may be available.

Willmar Child Care Center Loan. Backman provided background on the loan to the Willmar Child Care Center. The Center was closed and its building ultimately sold in December 2022 to Stay 'N Play Child Care. Stay 'N Play opened in mid-February 2023 and increased the number of slots from 90 to 100. There are at least ten people working at Stay 'N Play; it had more applicants than positions open. The EDC was the fourth lender in line for reimbursement of any funds remaining from the sale of the building. The African Development Center was paid off; SWIF foreclosed on its mortgage; and MMDC wrote off its loan. Backman noted the EDC received more loan payments than any of other lenders. It is unknown if the former owner of the Willmar Child Care Center is in the United States. Backman noted the EDC's purpose of having a new childcare center in Willmar was ultimately realized, but there is the remaining debt.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Doug Reese, to approve the recommendations of the Finance Committee and Joint Operations Board to write off the remaining balance owed by Willmar Child Care Center to the Kandiyohi County and City of Willmar Economic Development Commission in the approximate amount of \$15,424.79. All present voted unanimously in favor by roll call.

Urban Escape Loan. Backman informed the board that the EDC's loan to Urban Escape Boutique, LLC had a balloon payment due. The owner requested an extension of the loan to August 2023. Another extension could be done, if needed.

IT WAS MOVED BY Corky Berg, SECONDED BY Roger Imdieke, to approve the recommendations of the Finance Committee and Joint Operations Board to approve a five-month extension of the Kandiyohi County and City of Willmar Economic Development Commission's loan to Urban Escape Boutique, LLC with a final balloon payment to be made in August 2023. All present voted unanimously in favor by roll call.

Willmar Lakes Area Convention & Visitors Bureau (CVB) Funding. Backman stated the Joint Operations Board is recommending funding to the CVB be phased out over three years. The current agreement was signed in 2011. The CVB's revenue in 2022 was close to \$306,000, over 80% of which comes from a 3% lodging tax from 11 hotels, 9 resorts/campgrounds and county campgrounds (see attached). This was a record and well above pre-pandemic revenues. Backman believes the CVB can now stand on its own and presented three options for consideration: continue the current agreement; reallocate funds with a different calculation; or phase out the funding over three years. Backman received the CVB's 2023 budget and expenditures for the first quarter. The County Board approved the lodging tax in 1991; 95% of which must go for tourism marketing. Imdieke provided background on the original agreement between the EDC and the CVB noting tourism is the second largest industry in the county. New London Township gave authority to the New London Chamber to use the lodging tax from the GrandStay Hotel & Suites, all of which funds were used to market the New London area.

Imdieke indicated he would approve a formula to distribute funds to all communities in the county; one-third to the CVB, one-third to the New London Chamber and one-third to community events. Backman noted the Joint Operations Board discussed the matter several times and Beth Fischer, CVB Executive Director, attended the November board meeting. At that time it was determined to continue the same funding amount for 2023. Backman noted the EDC's funds are limited; 85% comes from the county levy. He believes there is a clear delineation between general economic development and leisure travel activities and questioned where the biggest needs for funding are now? Backman would like a proposed plan for how the \$34,000 would be used if it did not go to the CVB. It was suggested to enter into an intentional conversation with the CVB and, if needed, the Chamber, and look at whether or not services are being duplicated. It was recommended the Joint Operations Board determine how the \$34,000 would be used differently. He, Asmus, Gardner and Imdieke meet with Fischer on how those funds would be used and bring back a recommendation to the EDCOB.

IT WAS MOVED BY Steve Gardner, SECONDED BY Doug Reese, to create a task force consisting of Chair Julie Asmus, Vice Chair Steve Gardner, Roger Imdieke and Aaron Backman to meet with Beth Fischer, Executive Director of the Willmar Lakes Area Convention & Visitors Bureau. All present voted unanimously in favor by roll call.

Rebranding the EDC. Olson reported the CVB, City of Willmar, Kandiyohi County and EDC are looking at rebranding. Kyle Box, Willmar City Operations Director, is leading the effort to look at a larger rebranding. The Joint Operations Board approved the EDC working with VantagePoint Marketing Consultants for its website and approved \$2,000 to do a broader rebranding, including a new logo and name change. The City of Willmar submitted a request for proposal to include logos for the Willmar Lakes Area Chamber of Commerce, City of Willmar and the EDC.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Vicki Davis, to approve up to \$2,000 to engage VantagePoint Marketing Consultants to design a new logo and possible rebranding of the Kandiyohi County and City of Willmar Economic Development Commission. All present voted unanimously in favor by roll call.

Other. The board requested that on the July meeting agenda there be included a discussion as to meeting every other month rather than quarterly.

[Imdieke was excused from the meeting.]

REPORTS AND COMMITTEE HIGHLIGHTS

Economic Development Activity. Backman reported on activities involving the EDC, including the sale of 145 acres in the Willmar Industrial Park. Next Friday Backman and other local representatives will be traveling to Kentucky to meet with the BNSF team. He has been working on various housing projects—a developer is coming next week to view sites; is working with BNSF for certification of the Willmar Industrial Park and getting estimates for the related expenses; and has been presenting the housing study to communities in the county. Swedburg submitted a written report of activities to the board (see attached) and reported Coffee & More in Spicer closed and had an online auction of its equipment. She is working with SWIF and the owner as to her outstanding loan. Another business already has a lease on the space.

Elevate Community Business Academy. Swedburg noted graduation will be held 6 p.m., June 27 at the MinnWest Technology Campus. There are 14 students in the English class and 7-8 in the Spanish class. An Elevate graduate recently opened Pen House Boba. The EDC's social media post on the opening had 52 shares and 11,600 views. The owner will be featured in the EDC's next newsletter.

Main Street Economic Revitalization Grant. Swedburg reported that at the application deadline there were more than 42 applications. The review committee is working to process the applications. They hope to have grants approved by the end of next week followed by grant agreements with SWIF. More than half of the applications came in the last day. SWIF will disburse \$744,000 for this grant program, which is to cover building and property improvements. The biggest challenge for applicants has been to get two bids from contractors.

Highway 23 Coalition Annual Meeting. Backman reported the Coalition held its annual membership meeting on April 14 in Mora with approximately 60 attending. Groundbreaking for the south gap will be held tomorrow. Kandiyohi County has two submitted applications for Corridors of Commerce funding. Backman worked with Bolton & Menk to submit an application for the southwest part of Willmar to extend the four-lane past the CSAH 55/5 interchange and the other application was for an interchange at Highways 23 and 9 by New London. Awards should be announced by the end of May.

Marketing and Public Relations Committee. Olson highlighted information from her report (see attached), including two newsletters have been emailed this year. The most recent newsletter had an open rate of approximately 40%, which is good. Progress continues with redesign of the EDC's website. The next step is for the developer to propose a sample web page design. Olson has been assisting with the childcare meetings to recruit childcare providers. She created a schedule for the EDC's Open Mic radio presentations. She invited a board member to participate in August with Joint Operations Board member Mary Warszynski. The September show will be Danny Carranza, Business Development Associate with the Latino Economic Development Center. Backman noted he recommended to the Elks that it rent office space to Carranza.

Carranza currently uses the EDC's board room to meet with clients. The next virtual career fair is 11 a.m. to 3 p.m., Thursday, May 18, but will be kept open until 3 p.m. Friday. Jobseekers are able to create a profile now. Olson worked with the Willmar Sr. High School to get all schools invited to participate in the Student Job Fair & Career Expo at the Willmar Sr. High School. SWIF has agreed to provide funding for transportation needed by the other four schools.

Agriculture and Renewable Energy Development Committee. Swedburg reported she has been working with the Agricultural Utilization Research Institute on a location for a European company to develop a hemp processing facility. Kandiyohi County is the only location being considered in Minnesota; three sites on the west side of the county have been identified. The European company made its second visit this week and is looking to expedite its Minnesota plant. The facility would be 300,000 square foot located on 40 acres. Olson noted the EDC's last newsletter focused on industrial hemp. Swedburg announced the Partners in Ag Innovation Conference will be held July 25 at the MinnWest Technology Campus.

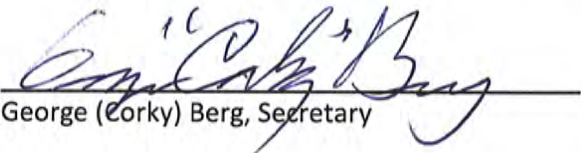
Broadband and Advanced Technology Committee. Swedburg reported the committee submitted two applications on March 2nd for the Border-to-Border Broadband Development Grant for East Lake Lillian and Harrison Townships. The committee continues to work with townships on where the next project should be.

ADJOURNMENT—There being no other business,

IT WAS MOVED BY Doug Reese, SECONDED by Corky Berg, to adjourn the meeting.

The meeting was adjourned at approximately 3:28 p.m.

NEXT MEETING—The next regular meeting is **11:30 a.m., Thursday, July 27, 2023** at the EDC office and via Zoom video conference.


George (Corky) Berg, Secretary

APPROVED: 7/27/2023:


Julie Asmus, Chairperson



Kandiyohi County & City of Willmar
ECONOMIC DEVELOPMENT COMMISSION

STRATEGIC PLAN



2023-2026

Appendices:

Exhibit A: EDC Strategic Priority Highlights 2022

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Strategic Plan 2023-2026

Background

The Kandiyohi County & City of Willmar Economic Development Commission (EDC) was created under a Joint Powers Agreement in 2003 by the State of Minnesota to promote economic development throughout the county. The EDC provides education, technical and financial assistance to both existing and new businesses. We recruit businesses and new

industries while supporting established ones through customized assistance. We collaborate with many local, state, and national partners to move projects forward, and advocate for communities to support sustainable economic growth. In 2021 the EDC, with partners, began the Elevate Community Business Academy to provide business education and coaching specifically tailored to underserved minority entrepreneurs. This strategic plan will guide the EDC over the next three years and outlines the major goals and supporting strategies that will be pursued for the benefit of Kandiyohi County's businesses, communities and people.

MISSION: To be a catalyst for economic growth of the greater Kandiyohi County Area.

VISION: To provide visionary economic development leadership, creating growth, prosperity, innovation, international competitiveness, and enhanced quality of life.

Process

The EDC has been developing organizational priorities on an annual basis by engaging staff, board members, committee chairs, and others in fact-finding efforts to identify trends, challenges, and opportunities. The planning efforts have been undertaken on an annual basis to accommodate the uncertainties and rapid changes that occurred during and post COVID. Each year, new insights have informed and guided the work of the EDC. While the overarching priority areas have shifted only slightly, the specific strategies have been adjusted each year to accommodate the most urgent needs of businesses and communities in Kandiyohi County.

The EDC selected third-party consultant, Cheryl K. Glaeser, with Achieve Consulting, each year since 2019 to design a process and facilitate a strategic planning session with the outcome of developing a shared vision of success and key strategies. The 2023 planning process began with discussions with EDC staff, as well as interviews with representatives from Mid-Minnesota Development Commission, Ridgewater College, the City of Willmar, Kandiyohi County Commissioners, and the City of New London. Interviewees referenced housing, child care, and workforce shortages as the most critical issues facing Kandiyohi County, noting how strongly intertwined these challenges are. Interviewees also suggested several potential actions that might make the most difference for the future of area businesses, communities, and residents. These actions, combined with those of the planning session participants, helped inform the EDC's strategic plan.

The March 2023, annual planning session revealed priority areas that were also priorities in previous planning sessions. In addition, EDC staff and board members recognize that there is work from previous years that is still in process. These discussions led to the development of this multi-year strategic plan that will guide the work of the EDC throughout 2023-2026, recognizing past goal areas as well as the changing needs of the EDC service area. The EDC will use this plan as a guide to develop specific, measurable tactics each year that align with this plan, address urgent needs, and hold the greatest potential for impact.

EDC Strategic Planning Session Insights (March 16, 2023)

Aaron Backman, EDC Executive Director, welcomed 40 individuals representing EDC staff, Joint Powers and Joint Operations Board members, members from the Agriculture and Renewable Energy Development, Broadband and Advanced Technology, Business Retention & Expansion/Recruitment, Finance and Marketing and Public Relations Committees, and representatives from numerous Kandiyohi County townships, cities, and other local organizations to the planning session held on March 16, 2023.

STRATEGIC PRIORITIES: 2022 HIGHLIGHTS/2023 INSIGHTS

Backman provided an overview of EDC accomplishments in 2022 (see Exhibit A.) A few highlights included:

- Assisting businesses with workforce challenges: Job Fairs and Workforce Solutions Summit
- Supporting three new multi-family housing projects
- Completing a comprehensive housing needs analysis of Kandiyohi County/City of Willmar
- Securing broadband, child care, and other grants totaling \$7.3 million
- Improving marketing and communications by hiring Marketing & Communications Specialist, Kelsey Olson, who led improvements to materials and a redevelopment of the EDC's website
- Completing the Willmar Wye Project
- Graduating 19 students from Elevate Community Business Academy
- Promoting a large agricultural distribution project in the Willmar Industrial Park
- Providing direct business loans totaling \$100,000

INSIGHTS FROM KANDIYOHI COUNTY TOWNSHIPS

Kelsey Olson, Marketing and Public Relations Specialist, provided an overview of the results of a survey completed by 44 individuals representing 25 unique cities and townships. When asked if they felt represented by the work and marketing of the EDC, 61.9% selected YES, 26.2% selected NO, and 11.9% indicated they needed more information (Image 2.1, below/right). The survey also asked respondents to rank potential focus areas for the EDC. Rankings (by weighted averages) were very close with less than two points of variation across the eight potential focus areas (Image 2.1, below, left).

CITY/TOWNSHIP REPRESENTATIVE SURVEY RESULTS

Focus Areas as Ranked (Weighted Avgs)

1. Broadband	(6.02)
2. Workforce	(5.93)
3. Housing	(5.58)
4. Marketing	(5.47)
5. Child Care	(5.37)
6. Agriculture	(5.21)
7. Industrial Development	(5.09)
8. Highway 23	(4.23)

Do you feel represented by the work and marketing of the EDC?

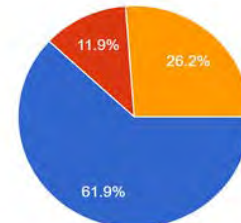
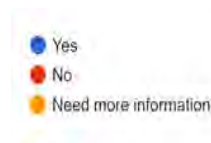


Image 2.1

[44 Responses representing 25 Unique Cities/Townships]

HOUSING STUDY: Analysis, Insights, and Conclusions

Jay Thompson with Viewpoint Consulting Group, shared insights from *its* analysis of housing needs for Kandiyohi County, including all 12 communities within the county. Included in the report are calculations, conclusions and ultimately recommendations on amounts and types of housing needs within the county for the next five years. This includes detailed reports for the largest community in the county, Willmar (21,015 people/2020 census) to Regal, the smallest community, with a population of 43. Key findings and the detailed reports can be found at <https://kandiyohi.com/housing-study/>.

Facilitated Discussion to Establish Priorities

Based on the current priorities and insights shared, participants were asked to reflect on what is working well, what might need to be improved or adjusted, and what might be missing, to help determine priorities for the coming year (Table 5.1). In addition, they reviewed the priorities established for 2022-2023, as well as the EDC accomplishments over the past year.

2023 Planning Session Insights on EDC Efforts		Table 5.1
Working Well: Keep Going!	Potential Improvements	Potential Additions/Changes
<ul style="list-style-type: none"> • Broadband expansion efforts • Elevate Community Business Academy • EDC promotion and outreach (especially to cities, townships, and diverse communities) • Business retention and funding support • Housing and industrial development • Agriculture support 	<ul style="list-style-type: none"> • Continued emphasis on outreach to/collaboration with community EDAs and local government entities across the county • Increased awareness of EDC resources/support • Continued support for child care initiatives • Supporting existing businesses with workforce recruitment and succession planning • Supporting housing growth 	<ul style="list-style-type: none"> • Reframing and supporting interconnected efforts, such as housing, child care, transportation, rural EMS services under “community vitality” • Greater collaboration with Ridgewater College/businesses to develop quality workers • Development of additional industrial lots • Marketing the area as a premier place to live/work

Participants were asked to consider which potential priority areas require the most immediate attention in 2023-2024 by voting for their top three priority areas. Participants ranked the top five (in order of priority voting) as: Housing, Broadband, Child Care, Workforce and Business Support (Retention/Expansion). These priorities have consistently been in the top five across the past four years (Table 5.2), although ranking and strategic objectives have shifted each year based on a variety of factors.

TOP 5 RANKED PRIORITIES FROM PAST FOUR YEARS			Table 5.2
2023	2022	2021	2020
1. Housing 2. Broadband 3. Child Care 4. Workforce 5. Business Support	1. Housing 2. Broadband 3. Child Care 4. Workforce 5. Business Support	1. Broadband 2. Workforce 3. Business Support 4. Child Care 5. Housing	1. Workforce 2. Business Support 3. Child Care 4. Broadband 5. Housing

The consistency of these priorities combined with deeper evaluation of past plans, insights, EDC accomplishments, and discussions with staff, led to the development of overarching strategic goals and objectives for the next three to five years rather than re-establishing strategies for 2023 alone. These goals and objectives combined the most successful efforts of the EDC with potential improvements and/or new focused efforts.

2023-2026 STRATEGIC GOALS AND OBJECTIVES

Housing Development

The EDC will work in collaboration with the Housing Task Force, Kandiyohi County communities, local realtors and developers, and other entities to develop alternative, diverse, and affordable housing options countywide.

Guiding Leaders: EDC staff in partnership with the Housing Task Force

Key Partners: Vision 2040 Housing Task Force, Kandiyohi County HRA, Willmar Area Community Foundation, United Community Action Partnership, Kandiyohi County city representatives, local realtors/developers

STRATEGIC OBJECTIVES

- **Aid cross-agency collaboration by supporting and advancing the efforts of the Willmar Housing Task Force.**
- **Serve as a catalyst for housing planning and development across Kandiyohi County by sharing the housing studies* and support planning-related discussions in partnership with agencies/governmental units. *See page 3**
- **Research and establish programs that support the rehabilitation of existing housing stock and use of under-utilized lots with infrastructure in place across the county.**
- **Research and reimagine innovative and sustainable housing concepts for addressing the most urgent housing needs in Kandiyohi County, based on findings from the 2023 Willmar and Kandiyohi County housing studies.**
 - o Work to develop housing options that fit for seniors now, but can pivot for next-generation use in the future.
 - o Research and share housing options that can grow with families (home design includes the full-sized end-product, but the home can be built in stages as family size and incomes grow).

VISION OF IMPACT: Kandiyohi County is noted as a premier location for quality and affordable housing for all socio-economic status and stages of life.

GOAL: Broadband Development

The EDC will educate, lobby, and collaborate to secure future-proof broadband services through Kandiyohi County.

Guiding Leaders: Broadband and Advanced Technology Committee

Key Partners: Kandiyohi County cities and townships, local and state legislators, and broadband service providers

STRATEGIC OBJECTIVES

- **Collaborate:** Continue to build and support coalitions of Kandiyohi County communities and townships seeking to facilitate the investment in broadband for the benefit of their residents
- **Lobby:** Strive to secure broadband resources by working with local townships, cities, county and state representatives. Support statewide lobbying efforts that enhance policies for broadband expansion.

- **Educate:** Support education and awareness efforts to build a "digitally equitable" Kandiyohi County in which "all individuals and communities have the information technology capacity needed for full participation in our society, democracy and economy" ([National Digital Inclusion Alliance](#)).

VISION OF IMPACT: Kandiyohi County creates equal opportunities for businesses and individuals to participate in the modern, global economy and have equal access to educational, healthcare, and socio-spiritual opportunities.

GOAL: Child Care

The EDC will support private and public partners in addressing the need for available, affordable, and quality child care throughout Kandiyohi County.

Committee: EDC staff works with the Kandiyohi County Rural Child Care and Innovation Coalition (RCCIP) to support and guide these objectives

Key Partners: RCCIP, United Community Action Partnership, Willmar Area Community Foundation, area businesses, local and state legislators

STRATEGIC OBJECTIVES

- Work with RCCIP to establish key strategies and support community and partners efforts
- Increase the awareness of business planning and funding opportunities for new and existing child care providers
- Support Ridgewater College in developing educational systems to support diverse persons working or desiring to work in the child care field

VISION OF IMPACT: The EDC will help improve the state of child care, empower local child care providers, and provide the local workforce with affordable, quality child care.

GOAL: Workforce Development

The EDC will catalyze and support innovative strategies to build a skilled workforce that meets the needs of our local economy and helps individuals reach their full potential through career awareness, training and development.

Guiding Leaders: Workforce Development Subcommittee

Key Partners: Ridgewater College, Central MN Jobs and Training, Mid-Minnesota Development Commission, and area employers

STRATEGIC OBJECTIVES

- **Education and Training:** Support and promote opportunities for individuals to reach their full potential through career awareness, training and development.
 - Promote Ridgewater College as an employer, as well as educational partner to area businesses, students and workers.

- Expand existing and establish new opportunities to educate/train Kandiyohi County's diverse workforce.
- Support Kandiyohi County school programs that expose students to local careers.
- **Business and Community Engagement:** Work with area businesses and community partners to identify and address workforce needs and promote area employment opportunities.
 - Host a bi-annual Workforce Summit to explore best practices, identify workforce challenges, and work together on solutions.
 - Help connect business and education partners seeking to expose students to and prepare them for local career opportunities.
- **Talent Attraction:** Guide collaborative efforts to promote the quality of life and build positive campaigns that attract workers to Kandiyohi County.
 - Expand awareness of local careers through job fairs, social media, and other marketing strategies that showcase the advantages of working/living in Kandiyohi County.

VISION OF IMPACT: The EDC will support business retention and growth by addressing the need for skilled workers through innovative recruitment and training strategies that establish Kandiyohi County as a workforce development leader.

GOAL: Business and Industry Development

The EDC will support existing businesses and industries and foster the growth of new opportunities through awareness, technical support and access to funding.

Guiding Leaders: Business and Industrial Development Committee

Key Partners: Local lenders, lending partners, entrepreneurs, businesses, agriculture organizations and producers

STRATEGIC OBJECTIVES

- **Business Outreach:** Intentional outreach to businesses across Kandiyohi County to identify countywide needs/opportunities, provide awareness of EDC and partner services and support, and share their successes.
- **Finance and Technical Assistance:** Leverage, market, and align the financial resources, loan programs, technical assistance, and community development programs needed to support economic and business growth.
- **Entrepreneurship:** Provide focused support for emerging entrepreneurs and those seeking to operate an existing business through technical assistance and programs, such as [Elevate Community Business Academy](#).
- **Agriculture:** Sustain, identify, and develop agriculture, agribusiness, and renewable energy opportunities through collaborative support of education, awareness, and advocacy efforts that leverage Kandiyohi County's agriculture assets and recruit value-added markets to the county.

VISION OF IMPACT: Kandiyohi County businesses and industries prosper, innovate and are competitive in today's global economy. Our communities recognize and value the important role of its business and industry sectors and understand how the EDC supports their advancement.

GOAL: Marketing, Communications and Public Relations

The EDC will strengthen its brand and build connections that advance its support and services through intentional marketing, outreach, and engagement in communities across Kandiyohi County.

Guiding Leaders: Marketing and Public Relations Committee

Key Partners: City Councils, local economic development groups; Chambers of Commerce, local businesses/community members

STRATEGIC OBJECTIVES

- **Enhance Brand/Visibility:** Position the EDC with updated and consistent branding that enhances its ability to proactively increase awareness of the EDC. Ensure branding aligns with Kandiyohi County and/or other regional branding.
- **Promotion of Kandiyohi County:** Identify and develop a cohesive county message and methods to promote the county as a place to work, start a business, or expand a business.
- **Intentional Messaging and Outreach:** Identify key audiences and develop outreach opportunities and messaging to build relationships and share/gather relevant and important information about Kandiyohi County economic development and the work of the EDC.

VISION OF IMPACT: Kandiyohi County EDC is recognized as a leader in driving economic opportunity, growth, and prosperity in the county, state and beyond.

GOAL: EDC Organizational Development

The EDC will continually evaluate, leverage, and acquire the programs, human and financial resources necessary to serve as the catalyst for economic growth of the greater Kandiyohi County area.

Guiding Leaders: EDC staff and boards

Key Partners: Local lenders, lending partners, entrepreneurs, businesses, agriculture organizations and producers

STRATEGIC OBJECTIVES

- **Staffing:** Ensure the EDC has sufficient talent to support its strategic objectives now and into the future through consideration of additional staff and succession planning for key positions, including the Executive Director.
- **Organizational Structure:** Strategically assess and align the leadership needed to implement the EDC Goals and Objectives over the next three to five years and beyond. This may include restructuring committees, determining the strengths needed to guide and support the work of each committee, and working to engage the right people and adequate resources.
- **Financial Resources:** Continually determine needs and seek to acquire the financial resources to support the work of the EDC and Kandiyohi County economic development through grant opportunities, levy requests, and other funding opportunities.
- **Partnerships:** Accelerate collaboration among Kandiyohi County public and private entities to elevate regional thinking/approaches.

VISION OF IMPACT: Kandiyohi County EDC is positioned to serve as a leader in driving economic opportunity, growth, and prosperity in the county, state, and beyond.

Strategic Objectives, Tactics and Outcomes: 2023-2024

The goals and strategic objectives above are established to guide the EDC's efforts over the next three to five years. The EDC will annually determine the specific objectives and tactics that are most urgent and/or have the greatest potential impact. Below are the 2023-2024 strategic objectives and tactics that the EDC will pursue.

Housing Development 2023-2024

TACTICS

1. Share housing studies with communities and entities throughout Kandiyohi County.
2. Outreach and discussion with at least 50% of incorporated communities in the county via city council, economic development, or other community gatherings.
 - Participate in follow-up discussions regarding specific housing opportunities for at least three communities.
 - Help interested communities evaluate and improve zoning requirements to allow expanded opportunities, such as accessory dwelling units, smaller lot sizes, and other innovative solutions.
3. Work with communities to explore opportunities and resources for maximizing the use and quality of existing housing stock.
 - Work with developers/property owners to incentivize rehabilitation of existing stock.
4. Provide support to and awareness of the Willmar Housing Task Force as they study and determine the features of a countywide, public-private housing development coalition that would best serve the interests of all Kandiyohi County cities.

PROJECTED OUTCOMES

- At least 50% of communities in the county are informed through housing study data.
- At least three communities receive focused support to plan for specific housing opportunities.
- At least two communities/developers explore programs to help rehabilitate existing housing stock.

Broadband Development 2023-2024

TACTICS

1. Facilitate collaborative efforts related to recent grant funding for broadband efforts in the county (i.e., Border-to-Border Grant projects, Line Extension Grant, etc.).
2. Provide information and awareness to communities, townships, and residents on how these efforts apply to them and determine potential needs for education/training.
3. Continue to support the execution of broadband initiatives occurring in Kandiyohi County.

PROJECTED OUTCOMES

- Support of broadband projects currently in process/funded and/or awaiting funding notifications and development (serving a total of nearly 4,500 locations).
- Speed maps reflect 50% of Kandiyohi County at 100 Mbps down/20 Mbps up.
- Communities have begun to identify educational/training needs to advance broadband use.
- Equal access to education, healthcare, business, and spiritual opportunities is advanced.

Workforce Development 2023-2024

TACTICS

1. Expand awareness of local careers by supporting at least two job fairs and highlighting workforce opportunities on the EDC website.
2. Work with schools and businesses to expose at least 200 high school students to various businesses and industries in Kandiyohi County.
3. Build an employment/workforce resource web page that showcases the workforce advantages in the County (i.e., cost of living; amenities).
4. Work with area businesses and supporting organizations to develop strategies for retaining, recruiting, and/or planning for the succession of leaders.

PROJECTED OUTCOMES

1. At least 100 individuals and 40 businesses participate in virtual and in-person job fairs.
2. At least 200 high school students indicate that they are more aware of career/work opportunities in Kandiyohi County.
3. A new web page is underway to showcase workforce advantages of Kandiyohi County.
4. At least one collaborative discussion takes place regarding opportunities to assist businesses with employee recruitment, retention or succession.

Child Care Advancement 2023-2024

TACTICS

1. Explore opportunities for collaboration around shared positions to support child care efforts.
2. Determine if a child care development project coordinator position may be needed to shepherd collaborative efforts and if yes, help assess how to fund/structure the position.
3. Support the RCCIP in planning to establish key strategies for addressing child care needs and determine the role of the EDC in supporting these efforts.
4. Assist with a revolving strategy for funding census innovation to be ready for census years.

PROJECTED OUTCOMES

- Community partners have a unified vision and strategies for addressing child care and census needs over the next two to three years.
- Engaged organizations are positioned with the capacity required to coordinate efforts.

Business and Industry Development 2023-2024

TACTICS

1. Continued outreach in Kandiyohi County leads to supporting at least three businesses that have not utilized EDC technical assistance and/or lending services in the past.
2. Expanded outreach increases the total amount of loan funds provided to support the growth/expansion of Kandiyohi County businesses.
3. Enhance and expand the Elevate Community Business Academy by designing the program to also accommodate Somalian entrepreneurs and by increasing the number of participants.
4. Work with agricultural organizations to host and/or support informational session(s) regarding Minnesota's climate legislation/plans.

PROJECTED OUTCOMES

- At least five businesses that have not utilized EDC technical assistance and/or lending services in the past, are supported through technical assistance and/or loan funds.

- The total amount of loan funds distributed by the end of 2023 increases by at least 10% over the previous year.
- Elevate program increases the total number of program students by at least 25% and works to accommodate Somalian entrepreneurs in 2024.
- Informational session(s) inform at least 200 individuals from organizations across the county/region.

Marketing, Communications, and Public Relations 2023-2024

TACTICS

1. Complete updating of the EDC brand/logo/website while ensuring alignment/consistency with other applicable county rebranding efforts.
2. Provide regular and relevant content through social media and a newsletter.
3. Advance outreach efforts in rural cities and townships through invitations to EDC events/meetings and participation in events throughout the county.
4. Develop an activity calendar for the EDC website that links existing economic/workforce development activities/resources.

PROJECTED OUTCOMES

- The EDC is better positioned with a new identity that presents a memorable impression and helps convey the value of the EDC.
- Businesses and community advocates are better informed of the work of the EDC and key economic trends and workforce activities through advanced communications and outreach.

EDC Organizational Development 2023-2024

TACTICS

1. Support staff by providing professional development opportunities to advance skills and knowledge.
2. Restructure committees to align with strategic planning goals and staffing efficiencies.
3. Exploration and planning of near-term staffing needs and discussions with potential partners for shared positions.
4. Determining and acquiring resources to support additional staff, if need is determined.
5. Developing and updating job descriptions, roles, and responsibilities.

PROJECTED OUTCOMES

- Committees best support organizational goals and objectives.
- EDC boasts staff with the expertise and capacity to effectively meet the needs of those they serve.

NEWS LOCAL

Willmar listed as a 2022 top micropolitan community by Site Selection magazine

Willmar was one of two Minnesota cities to be included on the listing. The city will also be featured in an upcoming edition of Business View magazine focused on American Economic Resiliency.



The new FedEx distribution center, constructed in the Willmar Industrial Park along Kandiyohi County Road 5 between Willmar and Trott Avenues Southwest, is one of three projects that led to Willmar being listed as a top 2022 micropolitan community by Site Selection magazine. Macy Moore / West Central Tribune



By Jennifer Kotila

March 15, 2023 at 5:24 PM

WILLMAR(<https://www.wctrib.com/places/WILLMAR>) — The city of Willmar has been listed in the March 2023 edition of [Site Selection magazine](https://siteselection.com/issues/2023/mar/findlay-on-the-move.cfm)(<https://siteselection.com/issues/2023/mar/findlay-on-the-move.cfm>) as one of the top 2022 micropolitan communities in the United States, according to [Kandiyohi County and City of Willmar Economic Development](https://www.wctrib.com/government/kandiyohi-county-and-city-of-willmar-economic-development-commission)(<https://www.wctrib.com/government/kandiyohi-county-and-city-of-willmar-economic-development-commission>) Executive Director Aaron Backman.

“(The magazine) goes out to over 100,000 C-suite executives, site selection consultants, brokers and so forth,” Backman said of the publication, noting the only other Minnesota city listed was Owatonna.

He informed the EDC’s Joint Operations Board of the listing at its March 9 meeting.

Information regarding the designation was distributed to various people with whom Backman interacts, he added.

"Micropolitan" is generally defined as more than 10,000 but less than 50,000 population.

This designation shows certain attributes of the community, such as being business-friendly and reducing the risk to investors by showing that the community is willing to support the business by providing the needed approvals and permits to move forward, Backman explained.

The criteria to be on the list include having commercial or industrial projects that exceed \$1 million, exceed 20,000 square feet in size and create at least 50 jobs.

“We had two — I think it should have been three — based on that criteria,” Backman said, noting FedEx was one of the projects and the other was either CNH Industrial or Northern Radiator.

CNH purchased and renovated the former Buhler building, and Northern Radiator expanded its warehouse by 50%, Backman explained.



CNH Industrial bought the 141,000-square-foot Buhler building in the Willmar Industrial Park to be a receiving and warehousing facility to work in conjunction with its Benson manufacturing facility. The company budgeted \$1.9 million to renovate the facility to meet its needs, according to Benson plant manager Lance Dockter. Jennifer Kotila / West Central Tribune

The FedEx distribution center was a \$30 million project that greatly exceeded the square footage and employment criteria, according to Backman.

The CNH project was approximately \$5 million after factoring in land acquisition and renovations to the building, and Northern Radiator was around a \$3 million project, he added.

Noting that the CNH project added more than 40 jobs, he told the board that he thought it may have been the number of jobs created that posed the hurdle for Northern Radiator not being included as one of the projects that met the criteria for the list.

Joint Operations Board Chairman Art Benson pointed out that Northern Radiator is one of the largest distributors of truck parts with seven or eight warehouses across the United States. Backman added that its headquarters is in Willmar.

Joint Operations Board member Les Heitke asked about Ohio, which had 115 qualifying projects, 32 of them in Findlay. “How do they get 115 projects in one state?”

Backman explained that micropolitan cities closer to metropolitan areas probably have more projects due to being only 20 to 30 miles from the larger city.

“We are kind of in the Goldilocks location,” Backman said. “The reason I say that is, we are just far enough away from the Twin Cities that we have our own independence and we can recruit certain things, but we’re not so far away that we can’t transport things in a fairly good fashion. We’re not in International Falls; we’re not in Caledonia.”

Using Hutchinson as an example, Backman explained that if Willmar were a lot closer to the Twin Cities, it would be competing more for labor force and also running the risk of being “absorbed” by the metropolitan area.

Board member Steve Gardner stated that he heard of another publication that wants to do an article on Willmar, which Backman confirmed.

The city has been contacted by [Business View magazine](https://businessviewmagazine.com/)(<https://businessviewmagazine.com/>) , which has 840,000 subscribers, to do a six-page spread about Willmar for its American Economic Resilience, Best of 2022 edition.

“That is good PR, good PR,” Backman said. “That is a welcome publication.”

MORE BY JENNIFER KOTILA:



↪ Share

📄 News reporting



By **Jennifer Kotila**(<https://www.wctrib.com/jennifer-kotila>)

Jennifer Kotila is a reporter for West Central Tribune of Willmar, Minnesota. She focuses on local government, specifically the City of Willmar, and business.

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2023 Budget		
REVENUES		
County Tax Levy	\$ 578,000	
Fiscal Agent		
Creating Entrepreneurial Opportunities student loan program	\$ 22,000	
Grants		
American Rescue Plan Act (ARPA)	\$ 258,000	
MN Department of Agriculture	\$ 10,000	
MN Department of Employment & Economic Development (DEED)		
Broadband Digital Inclusion Grant	\$ 4,000	
Child Care Grant	\$ 200,000	
Elevate Community Business Academy	\$ 36,000	
First Children's Finance	\$ 30,000	
Insurance dividends	\$ 400	
Interest on investments		
Concorde Bank (Revolving Loan Fund savings account)	\$ 950	
Heritage Bank savings account	\$ 150	
Lake Region Bank - Microenterprise Loan account	\$ 100	
United Prairie Bank \$109,619.23 CD matures October	\$ -	
Loans		
Microenterprise Loan Fund (WAM-BC) repayments interest	\$ 665	
Microenterprise Loan Fund closing fees	\$ 200	
Revolving Loan Fund closing fees	\$ 900	
Revolving Loan Fund repayments interest	\$ 8,500	
Other Income		
Elevate Business Academy - Corporate Donations	\$ 10,000	
SWIF Contributions		
Elevate Business Academy	\$ 15,000	
Main Street Grant reimbursement	\$ 5,000	
Refunds, reimbursements and in-kind contributions (incl. Hwy 23)		
Housing Study	\$ 44,000	
TOTAL REVENUES	\$ 1,223,865	\$ 1,219,865
EXPENSES		
CREATING ENTREPRENEURIAL OPPORTUNITIES STUDENT LOAN EXPENSES		
Advertising/Promotions	\$ 250	
Dinner Event and Silent Auction		
Advertising	\$ 700	
Decorations	\$ 2,000	
Entertainment	\$ 500	
Event Food and Beverages	\$ 8,500	
Silent Auction baskets/gifts	\$ 1,500	
Meals/Meeting refreshments	\$ 600	
Memberships/Dues	\$ 1,000	
Miscellaneous	\$ 1,500	
Supplies	\$ 500	
Transportation/Travel	\$ 250	
Total CEO Loan Expenses	\$ 17,300	
Board Expenses		
Joint Operations Board (includes meals/administrative time)	\$ 3,200	
Joint Powers Board (includes meals/administrative time)	\$ 2,000	
Total Other Expenses	\$ 5,200	



2023 Budget		
Broadband and Advanced Technology		
Conferences/Seminars/Trainings	\$ 800	
Digital Inclusion Grant		
Contracts	\$ 2,424	
Supplies	\$ 1,576	
Marketing	\$ 750	
Meals/Meeting Refreshments	\$ 250	
Mileage/Travel	\$ 750	
Postage/mailling services	\$ 750	
Printing, copying & publishing	\$ 750	
Professional Services		
General Administrative Services	\$ 2,500	
Total Professional Services	\$ 2,500	
Total Broadband and Advanced Technology Committee Expenses	\$ 10,550	\$ 6,550
Business Retention and Expansion/Recruitment		
Childcare Initiative		
Administrative services	\$ 20,000	
Contractual	\$ 67,800	
Equipment	\$ 2,000	
Subgrants	\$ 385,450	
Supplies	\$ 5,000	
Travel	\$ 500	
Total Childcare Initiative	\$ 480,750	
Highway 23 Coalition		
Conferences/Seminars/Trainings	\$ 60	
General Administrative Services	\$ 2,000	
Mileage/Travel	\$ 500	
Supplies	\$ 200	
Total Highway 23 Coalition	\$ 2,760	
Marketing	\$ 500	
Mileage/Travel	\$ 750	
Professional Services		
General administrative services	\$ 3,000	
Housing Study	\$ 48,000	
Total Professional Services	\$ 51,000	
Workforce Development (In-Person/Virtual Job Fairs, Other events)	\$ 6,000	
Total BRE/R Committee Expenses	\$ 541,760	
Finance		
Meals/Lender Seminar	\$ 700	
Mileage/Travel	\$ 100	
Professional services		
General administrative services	\$ 1,500	
Legal services	\$ 400	
Total Professional Services	\$ 1,900	
Total Finance Committee Expenses	\$ 2,700	



2023 Budget		
Professional services		
Accountant fees	\$ 850	
Auditor	\$ 10,600	
Bookkeeping fees	\$ 7,000	
Legal fees	\$ 600	
Total Professional Services	\$ 19,050	
Travel, conference, school	\$ 14,500	
Virtual meetings & promotions	\$ 2,000	
Total Administrative Expenses	\$ 50,995	
OFFICE EXPENSES		
Bank Fees	\$ 75	
Cleaning person	\$ 2,500	
Equipment maintenance and rental		
Software, including Synchronist annual fee	\$ 2,800	
Technology maintenance contract for server and computers	\$ 6,566	
Other	\$ 1,700	
Total Equip Maintenance & Rental	\$ 11,066	
Furniture and equipment		
Xerox lease	\$ 5,307	
Furniture and equipment - Other	\$ 1,800	
Total Furniture and Equipment	\$ 7,107	
Office equipment and miscellaneous	\$ 1,500	
Postage, mailing service	\$ 300	
Printing, copying and publishing	\$ 500	
Professional services:		
Engineering and other professional services	\$ 3,000	
General administrative	\$ 55,000	
Planning session facilitator	\$ 3,000	
Total Professional Services	\$ 61,000	
Rent and storage unit	\$ 24,800	
Rent (water cooler, post office box)	\$ 300	
Supplies	\$ 2,700	
Telephone/Telecommunications	\$ 6,500	
Office Expenses - Other	\$ -	
Total Office Expenses	\$ 118,348	
TOTAL PROGRAM EXPENSES	\$ 1,220,672	\$ 1,216,672



April 13, 2023

Board of Directors and Management
Kandiyohi County and City of Willmar Economic Development Commission

We are engaged to audit the financial statements of the governmental activities and each major fund of Kandiyohi County and City of Willmar Economic Development Commission for the year ended December 31, 2022. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated April 13, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to management's discussion and analysis, the budgetary comparison schedule, and the schedules of proportionate share of net pension liability and employer contributions, which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Planned Scope, Timing of the Audit, Significant Risks, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately June 15, 2023 and issue our report on approximately September 30, 2023. Scott Van Buren is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the board of directors and management of Kandiyohi County and City of Willmar Economic Development Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

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westberg | eischens
advisors and accountants

April 13, 2023

To Board of Directors and Management
Kandiyohi County and City of Willmar Economic Development Commission
PO Box 1783
Willmar, MN 56201

We are pleased to confirm our understanding of the services we are to provide Kandiyohi County and City of Willmar Economic Development Commission for the year ended December 31, 2022.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of Kandiyohi County and City of Willmar Economic Development Commission as of and for the year ended December 31, 2022. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Kandiyohi County and City of Willmar Economic Development Commission's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Kandiyohi County and City of Willmar Economic Development Commission's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Budgetary Comparison Schedule
- 3) Schedules of Proportionate Share of Net Pension Liability and Employer Contributions

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

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Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Kandiyohi County and City of Willmar Economic Development Commission and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Kandiyohi County and City of Willmar Economic Development Commission's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Kandiyohi County and City of Willmar Economic Development Commission in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Kandiyohi County and City of Willmar Economic Development Commission; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Westberg Eischens, PLLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to state agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Westberg Eischens, PLLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the state or federal agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Scott Van Buren is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately June 15, 2023 and to issue our reports no later than September 30, 2023.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will be approximately \$9,700 for the financial statement audit and \$350 for the reporting form. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of Kandiyohi County and City of Willmar Economic Development Commission's financial statements. Our report will be addressed to the Board of Directors and Management of Kandiyohi County and City of Willmar Economic Development Commission. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary,

withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Kandiyohi County and City of Willmar Economic Development Commission is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Kandiyohi County and City of Willmar Economic Development Commission and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Westberg Eischens, PLLP

Westberg Eischens, PLLP

RESPONSE:

This letter correctly sets forth the understanding of Kandiyohi County and City of Willmar Economic Development Commission.

Management signature: _____

Title: _____

Date: _____



Governance signature: _____

Title: _____

Date: _____





westberg | eischens

advisors and accountants

To a Member of the Board of Directors of Kandiyohi County and City of Willmar Economic Development Commission:

Westberg Eischens, PLLP will begin the audit of the financial statements of Kandiyohi County and City of Willmar Economic Development Commission for the year ended December 31, 2022. To assist us in identifying possible fraud risks and to gauge your understanding of the risks of fraud, we ask that you complete the following questionnaire:

1. Are you aware of any actual instances of fraud within the Organization?

Yes or No

If yes, please explain _____

2. Do you have any reason to suspect fraud may be occurring within the Organization?

Yes or No

If yes, where and how? _____

3. Have you received any communications from employees, former employees, regulators, or others alleging fraud?

Yes or No

If yes, please explain _____

4. Have you identified any specific risks of fraud within the Organization?

Yes or No

If yes, please explain _____

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5. If someone were going to steal and cover it up, how would they do it? _____

6. How do you make it clear to employees that fraudulent or unethical behavior will not be tolerated? _____

7. What controls have been implemented to prevent one person from perpetrating and concealing a fraud when segregation of duties is not possible? _____

8. How do you monitor the Organization's antifraud programs and controls to make sure they are working as intended? _____

Completed:

By: _____

Title: _____

Date: _____

Please mail your reply directly to us in the enclosed return envelope. If you have questions, please contact us at 320-235-3727. We sincerely appreciate your timely cooperation with this request.

Very truly yours,

Westberg Eischens, PLLP

Westberg Eischens, PLLP
Willmar, Minnesota

Lodging Tax History

	2015	2016	2017	2018	2019	2020	2021	2022	2023
January	\$ 12,481.92	\$ 16,072.96	\$ 15,411.55	\$ 14,438.84	\$ 14,232.85	\$ 14,148.02	\$ 7,741.02	\$ 17,530.03	\$ 19,479.44
								9 properties 426 rooms	11 properties 548 rooms
February	\$ 13,861.89	\$ 12,644.59	\$ 13,292.01	\$ 13,934.28	\$ 14,552.98	\$ 15,048.46	\$ 9,101.68	\$ 13,032.62	\$ -
								9 properties 426 rooms	
March	\$ 13,268.74	\$ 11,951.98	\$ 14,443.01	\$ 14,696.50	\$ 15,673.47	\$ 9,303.62	\$ 12,363.16	\$ 16,301.29	\$ -
								10 properties 497 rooms	
April	\$ 20,893.77	\$ 16,855.81	\$ 15,757.48	\$ 16,409.14	\$ 17,819.29	\$ 4,588.16	\$ 15,029.77	\$ 19,180.17	\$ -
								10 properties 497 rooms	
May	\$ 27,168.41	\$ 16,576.02	\$ 15,746.72	\$ 20,539.88	\$ 20,001.25	\$ 7,314.51	\$ 17,537.08	\$ 25,997.69	\$ -
								10 properties 497 rooms	
June	\$ 31,353.36	\$ 23,587.69	\$ 26,686.49	\$ 28,342.49	\$ 24,163.13	\$ 12,608.70	\$ 23,624.61	\$ 31,219.70	\$ -
								10 properties 497 rooms	
July	\$ 31,335.96	\$ 21,423.26	\$ 27,584.55	\$ 28,880.56	\$ 26,044.25	\$ 16,449.45	\$ 28,542.94	\$ 34,930.15	\$ -
								10 properties 497 rooms	
August	\$ 26,012.06	\$ 24,542.87	\$ 26,921.27	\$ 26,212.67	\$ 25,113.28	\$ 17,345.10	\$ 28,063.26	\$ 37,198.88	\$ -
								10 properties 497 rooms	
September	\$ 19,337.47	\$ 20,738.25	\$ 21,674.86	\$ 24,656.95	\$ 23,058.37	\$ 16,540.48	\$ 23,485.38	\$ 29,875.49	\$ -
								10 properties 497 rooms	
October	\$ 17,588.17	\$ 19,325.13	\$ 21,137.60	\$ 23,002.47	\$ 22,999.10	\$ 16,290.21	\$ 20,545.88	\$ 32,789.52	\$ -
								10 properties 497 rooms	
November	\$ 13,727.63	\$15,342.87	\$14,726.67	\$17,698.50	\$17,729.37	\$8,651.30	\$17,090.35	\$25,876.14	\$ -
Camping	\$14,785.45	\$15,497.95	\$15,862.70	\$16,275.30	\$15,594.25	\$13,829.45	\$17,917.95	\$15,558.85	
December	\$ 13,694.93	\$13,812.73	\$13,553.46	\$14,020.88	\$14,276.98	\$6,674.59	\$15,743.86	\$21,732.15	\$ -
								11 properties 548 rooms	
Total Lodging tax	\$ 255,509.76	\$ 228,372.11	\$ 242,798.37	\$ 259,108.46	\$ 251,258.57	\$ 158,792.05	\$ 236,786.94	\$ 321,222.68	\$ 19,479.44

April 27, 2023

To: EDC Joint Powers Board of Commissioners

From: Aaron Backman, Executive Director

Last Fall at the EDC's Joint Powers Board meeting in Raymond members discussed the idea of an incentive program for EDC staff similar to the performance pay language with the City of Willmar. The pertinent language I received from LuAnn Sietsema, HR Director for the City of Willmar, states: A base pay increase of up to an additional 4% may be given to an employee based upon the employee's years of service and a satisfactory performance review.

I have undertaken performance reviews of both Sarah Swedburg and Kelsey Olson. I have been pleased with their personal development, generation of resources on behalf of the EDC, problem solving, attitude and overall effectiveness. For instance, during the past year the EDC was responsible for garnering \$7.3 million in five sizeable grants for various projects/programs across Kandiyohi County. Sarah was key participant in getting three of those grants over the finish line. Sarah guides the loan closings through Committee and Board approvals and is managing the new Main Street Economic Revitalization business grant program. She is also instrumental in administering the award-winning Elevate Community Business Academy, amongst other things. Kelsey has gotten the EDC back on track for regular newsletters, social media updates, and updating outdated marketing pieces. She is leading the charge on updating the EDC's website. Moreover, I am tasking her to do things outside her current job description—principally outreach to smaller cities, workforce development and childcare activities. For instance, she is doing the set-up and management of the EDC's Virtual Career Fairs, etc.

Current annual salary for the Business Development Manager is \$78,208, which is based upon a 40-hour week at \$37.60/hour. Current annual salary for the Marketing & Communications Specialist is \$53,560, which is based upon a 32-hour week at \$32.19/hour.

In light of their work for the EDC and their performance, I am recommending to the Board for performance and retention purposes the following:

First, a 4% lump sum incentive payment to be made on May 1st, assuming approval by the Joint Powers Board, to both Sarah and Kelsey. The gross payment amounts would be an estimated \$3,128.32 and \$2,142.40, respectively.

Second, for the 2024 budget year, I recommend a \$2.50 per hour increase effective January 1, 2024 for both Sarah and Kelsey. For the Business Development Manager that change would increase her hourly rate from \$37.60 to \$40.10. The annualized salary impact would be approximately \$5,200. For the Marketing & Communications Specialist that change would increase her hourly rate from \$32.19 to \$34.69. The annualized salary impact would be approximately \$4,160.

At the April 13, 2023 Joint Operations Board meeting the Directors unanimously voted for the incentive recommendations for both Sarah and Kelsey.

TO: Joint Powers Board

FROM: Sarah Swedburg
Business Development Manager

DATE: April 27, 2023

RE: Business Development Manager Updates

Providing a staff report is always a great opportunity to reflect on all of the activity that has taken place over the last several months. The end of 2022 proved favorable for the EDC, as we received several grants, and the beginning of 2023 has been spent preparing for and beginning to execute those grant activities. The following report details notable projects and activity that I have participated or assisted with since the end of October.

- Industrial & Economic Development Real Estate Journal Summit
- Listening Session for SWIF's Deb Brown Presentation
- Assistance with the County's sale of surplus land by Epitopix
- AURI MN Renewable Energy Roundtable (Anaerobic Digestion)
- MAPCED Quarterly Meeting in Bloomington
- Ribbon Cutting in Prinsburg for Arvig Broadband Project
- Ribbon Cutting in Hawick for Vibrant Broadband Project
- Enterprise Minnesota's State of Manufacturing Event
- Elevate Holiday Mixer
- Elevate Graduation (Fall 2022 Class)
- Office of Broadband Development's Internet for All Conference
- EDAM Winter Conference (Emerging Young Leader of the Year Award)
- Ehler's Public Finance Seminar
- Presentation for Vision2040 Leadership (Session 6)
- Leading Economic Transformation Class (UMN Extension)
- Cultivate Her Leadership Panel
- Ridgewater Multicultural Club's Women in Business & Leadership Panel
- Zero Hour Booth at Willmar High School
- ReScape Award Gala
- AURI New Uses Forum
- TigerPath Conference in Hutchinson

In addition to these major events, we continue participating in township and city meetings throughout the county, providing education and updates about child care and broadband activities. I've also been leading interactions with a European ag processing company interested in a Minnesota location, including a community overview event, a second visit to review potential sites, and drafting an RFP for a feasibility study. We continue to see a strong number of new entrepreneur's calling us for assistance.

Main Street Economic Revitalization Program

In 2022, the Southwest Initiative Foundation was awarded \$744,000 for the Main Street Economic Revitalization Program for the City of Willmar, in partnership with the EDC. These grant dollars can be spent on interior and exterior building improvements, and property owners could apply for up to 30% of the cost of a project. We kicked off community meetings in January to educate our downtown, Highway 12, and Business 71 property owners that are in the qualifying corridor for this project. Applications were open for the month of March, and we have been busy processing over 40 applications received. During the first week of May, Scott Marquardt and I will lead a team of five local representatives through the review and selection decisions. We anticipate spending all of the funds in one round of applications.

Child Care Economic Development

At the end of 2022, the EDC was awarded \$200,000 from the State of Minnesota for the Child Care Economic Development Program. Thanks to generous matching dollars from Kandiyohi County, the City of Willmar, and the Southwest Initiative Foundation, we have over \$500,000 to perform critical activity for family child care providers and child care centers in Kandiyohi County. Through stakeholder meetings held during the application process, it was determined that these dollars would be spent on six major categories of activity: forgivable loans and fee reimbursements, mentorship, training, language accommodation, transportation and an Employee Assistance Program. Forgivable loans will be provided on a rolling basis through the end of the year, and other activity continues to be developed for our providers to access.

In order to best support the volume of work this grant is producing for the remainder of the year, staff is currently exploring partnership with United Community Action Partnership to hire a part time program manger to assist us with the day-to-day work related to this grant. It has further been identified that it would best serve the Kandiyohi Rural Child Care Innovation Program team to hire a third-party facilitator to help the group determine the best long-term structure and sustainability of this work, including the identification of new goals. Staff is working to create descriptions and budgets for both of these activities, and will use grant dollars to help cover the cost.



Joint Powers Board Meeting

Willmar, MN

4/27/2023

Marketing and Communications Update

- The spring newsletter themed around industrial hemp was created and published. This included stories with the Lower Sioux Indian Community, Prairie PROducers, and Hemponix. The open rate was 44% which is very good. We had 7% clicks on full articles. The Kandiyohi County Housing Study newsletter was sent out on 3/2 and had an open rate of 45% with a 9% click rate.
- Landing pages have been created for the Child Care Grant, Main Street, and Digital Equity Committee.
- We continue to progress in the website re-design. We will soon be moving onto the page layout process.
- The Child Care Economic Development Grant was launched. This included the creation of applications in four specific areas of support, direct communication to providers and partners, fielding questions, fostering interest, and facilitating conversations for the development of other support areas including UCAP, county licensing, and those interested in creating child care locations.
- Finalization of all marketing materials including a child care grant information sheet and new business and loan document
- Created a schedule of guest presenters to support EDC updates on the KWLM radio slot for economic development, this will include members of the Latino Chamber of Commerce of Minnesota, New London EDA, City of Willmar, developers, grant recipients, and board members!
- The EDC has been able to support widening the accessibility of greater Kandiyohi County to schools outside of Willmar. The EDC made a transportation funding request to SWIF which will allow 4 additional schools to attend, in total 7 schools will be attending.
- The West Central Minnesota Virtual Career Fair will take place on Thursday, May 18th. Partners include Redwood, Renville, Meeker, Swift and Stearns Counties, and Ridgewater College. Promotion includes a robust social media campaign, personal invites, a newsletter invitation and radio show interviews.
- Attended the 10th Annual Diversity training hosted by CarrisHealth in St. Cloud on 4/11. Will attend the TigerPath Conference in Hutchinson on 4/28.