

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)  
JOINT POWERS BOARD OF COMMISSIONERS MEETING  
MINUTES  
October 26, 2017  
EDC Office, Willmar, MN

Present: Fernando Alvarado, Roger Imdieke, Harlan Madsen, Rollie Nissen, Andrew Plowman and Kathy Schwantes

Staff: Aaron Backman, Executive Director

Secretarial: Nancy Birkeland, Legal & Administrative Assistants, Inc. (LAA)

Chairperson Harlan Madsen called the meeting to order at approximately 11:42 a.m. and declared a quorum was present. Aaron Backman noted Connie Schmoll and the Joint Operations Board president Donna Boonstra are attending the state broadband meeting today.

#### MINUTES

IT WAS MOVED BY Rollie Nissen, SECONDED BY Kathy Schwantes, to approve the July 27, 2017 minutes of the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board of Commissioners meeting as e-mailed. All present voted unanimously in favor by roll call.

TREASURER'S REPORT—Backman presented the financial reports for periods ending July 31, August 31 and September 30, 2017. The board reviewed the September 30<sup>th</sup> Balance Sheet and Profit & Loss Statement. Backman noted the first half of the county levy (\$275,204.66) was received. The Broadband Committee is over its budgeted expenditures, however, overall, the EDC is doing well on its budget.

IT WAS MOVED BY Kathy Schwantes, SECONDED BY Roger Imdieke, to accept the Kandiyohi County and City of Willmar Economic Development Commission financial reports for periods ending July 31, August 31 and September 30, 2017, subject to audit. All present voted unanimously in favor by roll call.

#### PROGRESS REPORTS

Willmar Industrial Park. Backman reported Kyle Jordan regional business development representative for the Minnesota Department of Employment and Economic Development did a site visit of Willmar's shovel-ready Industrial Park and was very pleased with the tour and the construction going on in the Industrial Park.

BNSF Railroad Wye Project. It was reported ongoing discussions continue on the Master Agreement for the Wye project. Backman stated BNSF wants the City of Willmar to pay the costs of approximately \$12,000 to survey the land being transferred to the city and suggested the EDC instead pay this expense as part of its \$35,000 contribution that has been budgeted. The EDC's contribution has not been allocated to any particular expense.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Fernando Alvarado, to approve the Kandiyohi County and City of Willmar Economic Development Commission (EDC) paying survey expenses, not to exceed \$15,000, for the transfer of property from the City of Willmar to BNSF Railway from the EDC's \$35,000 budgeted for the TIGER II grant. All present voted unanimously in favor by roll call.

Historic 313 on Fourth Street Building. Backman reported on the Preservation Alliance of Minnesota's most recent financials. Foxhole Brewhouse completed its expansion and the Spurs restaurant is working on final renovations with plans to open in late November.

Legacy on First Project. Backman reported a public hearing on Legacy on First's request for tax increment financing (TIF) was held October 16. A decision was tabled by the Willmar City Council and will be reconsidered on November 6, 2017. Backman noted members of the EDC's Joint Operations Board commented on the order of this project. Backman noted the property owner will pay property taxes. Board members commented TIF assistance for 15 years is a long period for a retail project.

Midtown Plaza. Backman reported renovation of Midtown Plaza is moving forward and Ain-U-Shams grocery store may move in by mid-November.

Glacial Ridge Hospitality. Backman reported approximately 150 attended the groundbreaking for the Glacial Ridge Hospitality project. The project has equity investors of \$2.4 million. Rollie Nissen attended the groundbreaking on behalf of the EDC.

[Jim Ruff joined the meeting and the agenda was taken out of order.]

## NEW BUSINESS

2016 Audit. Jim Ruff presented the 2016 Annual Financial Report (see copy on file), which he will also present to the Joint Operations Board. Ruff reported the EDC's financials are a clean audit. As in the past, there are some deficiencies with the EDC's internal control due to its size. Ruff stated the 2016 budget process is the most comprehensive and clean as it has ever been. Ruff informed the board that he makes changes to the EDC's raw bookkeeping to bring it up to audit standards and to conform with current standards for reporting; he noted the adjustments for 2016 were fewer in number. He also changes the financials from a cash basis to an accrual basis.

Ruff stated at the end of 2016, there was approximately \$519,000 in cash on hand. The 2015 budget showed anticipated use of reserves and was underspent. Payouts to Steve Renquist and

Jean Spaulding of accrued vacation and sick leave impacted the cash on hand in 2015. Ruff stated the reserved or restricted funds are approximately \$172,000; designated, but not restricted funds are approximately \$346,000; and loan receivables are approximately \$208,000. The note with Pep's Barber Shop is noted as uncollectible until proven. Unpaid bills of approximately \$1,500 at year end were mostly accrued vacation and sick leave and PERA. There was approximately \$18,000 of uncollected back taxes. Ruff suggested Kandiyohi County Creating Entrepreneurial Opportunities (KCEO) review its policies as the program appears to be grants rather than loans. The reserves of 50% of the 80% loss guaranty for the Entrepreneurs Loan Guaranty Program is more than comfortable. Ruff noted salary was underspent last year due to the Executive Director position not being filled for the entire year. True unrestricted funds are \$443,646. Backman stated the Joint Operations Board recommended designating some of the unrestricted funds and suggested this board address this at its next meeting, as well as addressing the KCEO program. Ruff noted budgeting use of reserve funds would be good.

Ruff reported revenue was higher than budgeted due to collection of delinquent taxes. Ruff stated it was a fairly tight budget with actual revenues of \$580,566 and actual expenses of \$560,865. Ruff noted historically the committees have underspent their budgets and may not have met their goals. Chair Madsen noted the committees did not do as much work due to the shortage in staff. Ruff stated the budgeting process is a management tool for day-to-day operations and right-sizing reserves. The EDC has a very good performance in 2016 and recommended the EDC continue working with the budgeting process to keep it as tight as the board feels necessary.

Ruff stated attempts should be made to collect the KCEO loans, but if they are not collectable, they should be written off. The KCEO should have consequences for not paying a loan. Chair Madsen asked the board to consider the KCEO program and discuss it as to financials and budgeting. Capital assets total \$37,342. The EDC has a line of credit available, but has not used it.

Madsen thanked Ruff for his work with the EDC as an auditor and financial advisor.

IT WAS MOVED BY Andrew Plowman, SECONDED BY Rollie Nissen, to authorize the Kandiyohi County and City of Willmar Economic Development Commission Joint Powers Board chair to sign the representation letter. All present voted unanimously in favor by roll call.

IT WAS MOVED BY Roger Imdieke, SECONDED BY Andrew Plowman, to accept the 2016 Annual Financial Report as prepared by Jim Ruff. All present voted unanimously in favor by roll call.

[Ruff was excused from the meeting.]

Highway 23 Coalition. Backman reported he and Schmoll have made presentations to several units of government encouraging membership in the Coalition. Backman commented on an article in the October 14<sup>th</sup> issue of the *West Central Tribune* on the Transportation Rally where

the Minnesota Department of Transportation (MnDOT) Commissioner, Charles Zelle, was a guest. Membership currently includes 4 counties, 2 townships and 11 businesses at the platinum level. Total funds committed are \$40,300, which is over the amount budgeted. Imdieke suggested contacting Anderson Trucking Services to become a member, as well as Landwehr Construction and Blattner Energy. Imdieke noted Zelle's visit included a tour of the Wye project and local representatives did a good job of tying it into completing the four-lane project. Zelle was impressed with the number of members in the Coalition. Jon Huseby indicated to Backman that the Coalitions will be asked to make a presentation to MnDOT in December. Backman reported the Joint Operations Board approved the EDC being a gold member at \$500.

Progress on 2017 Goals. Backman reviewed the progress on the EDC's four overarching goals for 2017 (see attached). Backman reported that Don McGrath, the main SCORE counselor, officially retired and a new counselor is being sought.

[Imdieke was excused from the meeting.]

Backman provided a schedule for the 15<sup>th</sup> Street Flats project to be completed in 2018.

[Alvarado was excused from the meeting.]

Business Visits and Meetings. Backman showed aerial photos he had taken of various construction projects being done in the county, including Magnum Trucking, Schwieters Chevrolet, West Central Steel, Willmar Surgery Center and Lakeland Elementary School.

Joint Operations Board members. Backman informed the board that the terms of two members of the Joint Operations Board end this year. He has met with both members. Gary Gilman has indicated he is not interested in being reappointed, but Kelly TerWisscha is interested in being reappointed.

Marketing. Board members had good comments on the *Business In Focus* article. Backman stated the *Impact* magazine published by the West Central Tribune and featuring local agriculture was an excellent publication. The board was shown the new pull-up banners the EDC will use at tradeshow.

Ratify Action by Joint Operations Board. Chairperson Madsen read the motion passed by the Joint Operations Board as to use of the funds in the Tourism Development Account. The account has had no activity in the past decade, but historically, the funds have been used for tourism marketing and promotion and not infrastructure. Backman stated there are opposing views on use of the funds for kayak launches. Madsen indicated water trail signs may be a better use.

IT WAS MOVED BY Rollie Nissen, SECONDED BY Harlan Madsen, to ratify the recommendation that the Certificate of Deposit for the Tourism Development Account be cashed in when it matures and that a portion of the funds be used as follows: Silver Walleye sponsorship by the Kandiyohi County and City of Willmar

Economic Development Commission for the 2018 Governor's Fishing Opener in the amount of \$5,000 and \$3,750 to cover the purchase and installation of three bike trail signs by the Willmar Lakes Area Convention & Visitors Bureau at a cost of \$1,250 per sign. All present voted unanimously in favor by roll call.

Reinvestment of Certificate of Deposit.

IT WAS MOVED BY Kathy Schwantes, SECONDED BY Rollie Nissen, to ratify that the Certificate of Deposit in the amount of \$103,186.13 that matured at Concorde Bank on September 28, 2017, be reinvested with United Prairie Bank for six months at the rate of 1.20%. All present voted unanimously in favor by roll call.

Loan to Urban Escape Boutique, LLC. Backman provided information on the Urban Escape Boutique and the owner Eryn Hannig's intent to purchase the Marketing Concepts building in Spicer.

IT WAS MOVED BY Kathy Schwantes, SECONDED BY Andrew Plowman, to ratify the Finance Committee's approval of a five-year \$30,000 loan under the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund Program to Urban Escape Boutique, LLC with interest at 2% over the prime rate at the time of closing with a ten-year amortization and the loan to be closed within 180 days or no later than March 12, 2018. All present voted unanimously in favor by roll call.

IT WAS MOVED BY Andrew Plowman, SECONDED BY Kathy Schwantes, to ratify the Finance Committee's approval of a \$12,600 loan from the Kandiyohi County and City of Willmar Economic Development Commission's Revolving Loan Fund Program to Diane Harms, doing business as Coffee & More, with a seven-year amortization, interest at 6.25% and a shared third position with Southwest Initiative Foundation and the Spicer Economic Development Authority, subject to financing being approved by the other three financial entities, assignment of a life insurance policy on the life of Diane Harms and approval of an SBA Express guarantee of the loan with United Prairie Bank. All present voted unanimously in favor by roll call.

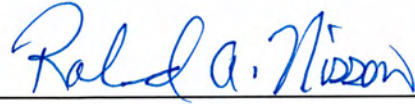
Proposed Amendments to the Policies and Procedures Manual. Chairperson Madsen presented proposed changes to the Policies and Procedures Manual (see attached).

IT WAS MOVED BY Andrew Plowman, SECONDED BY Rollie Nissen, to approve the amendments to the EDC's Policies and Procedures Manual as presented. All present voted unanimously in favor by roll call.

Announcement. Backman informed the board there will be an open house on the Willmar Municipal Airport Master Plan on Thursday, November 16 from 4:00-6:00 p.m. at the Willmar Airport.

**ADJOURNMENT**—There being no further business, the meeting was adjourned at approximately 1:47 p.m.

**NEXT MEETING**—The next meeting is the annual meeting at 11:30 a.m., Thursday, January 25, 2018, at the EDC office.



Secretary

APPROVED: 1/25/2018



Vice Chairperson



## 2017 Goals

The EDC's boards identified four overarching goals on which to focus their efforts.

### 1. The EDC will strengthen partnerships and connections with existing businesses to be a catalyst and build capacity for organic growth.

- Completed the Diverse BRE Program, surveyed 18 businesses and prepared Final Report. Partnership with Southwest Initiative Foundation and the African Development Center.
- WorkUp partnership to assist business startups and promote marketing of the area.
- MinnWest Technology Campus partnership to support existing businesses—Mr. B's Chocolates, and invite new businesses—Community Venture Network. Monthly meetings are held to coordinate business development for Willmar.
- Mid-Central Research and Outreach Center partnership to utilize resources offered by the University of Minnesota—planning the November 2017 University of Minnesota Showcase.
- Work closely with Willmar City Council's Planning Committees and EDA's in Raymond, New London, Spicer, Blomkest, Willmar and Atwater (on behalf of TimeWorn).
- Work with the Small Business Development Center (SBDC) and SCORE to assist with business planning, business plans and financial documents for new startups.
- In the spring of 2017, the EDC worked with Commonwealth Development, a multi-family housing developer based in Wisconsin, regarding a workforce housing project on the southeast side of Willmar.
  - In June, the City of Willmar approved a resolution supporting the project. The project entails a four-story structure with 51 units, the majority of which will be two- and three-bedroom units.
  - To make the project feasible, the \$9 million project depends on a housing tax credit from the Minnesota Housing Finance Agency. The tax credits will be announced on October 19, 2017.

### 2. The EDC will explore and increase operations to support efforts to improve the tax base by attracting new residents with higher income and educational levels.

- In May, a group of over 30 interested people indicated they wanted to formalize the Highway 23 Coalition, elected officers and discussed priorities for the Coalition. Since that time, the group has established a membership dues structure, elected a Board of Directors of nine members and begun a membership drive.
  - Currently there are 49 committed members of the Coalition, including 4 counties, 9 cities, 2 townships, 6 organizations/individuals and 28 businesses. The Highway 23 Coalition is focusing its first efforts on a continuous four-lane connection from Willmar to I-94.

- On October 13<sup>th</sup> the Coalition hosted Minnesota Department of Transportation Commissioner Charlie Zelle at a Transportation Rally at Johnny O'Neil's in Spicer.
- Participation, including as a member of the planning committee, for the spring and fall West Central Minnesota Area Job Fair.
- Through a partnership with CLUES, a non-profit Latino organization in the Twin Cities, Bethesda, Rice Memorial Hospital and Ridgewater College, a workforce training program has been established. The partners signed a contract and hired Amelia Amor as the Workforce Initiative Navigator for the program.
  - An open house was held on September 7<sup>th</sup> announcing the partnership. The first training program involves a Certified Nursing Assistant (CNA) initiative.
  - Coursework for the CNA program began on October 2<sup>nd</sup> with 12 people (the class was designed for 10 to 15 people). It is anticipated that the CLUES partnership will provide a pipeline of trained people for the partners.

**3. The EDC will position and market itself as the expert in business development and be a conduit of information, resources and making connections.**

- Marketing the EDC through a magazine article, FAM (familiarization) tour flyer and attendance at a FAM tour.
- EDC Revolving Loan Fund loans to businesses, help to create business plans and present to bank.
- Conduit to refer startups and early stage businesses to West Central Angel Fund I. West Central Angel Fund I launched a website and distributed business cards to promote applications for investment funds. A press release has been prepared and will be released soon.
- In September, a six-page article regarding the Willmar area was printed in the *Business in Focus* magazine, a national publication with a circulation of over 460,000. There were only four other Minnesota communities highlighted in that magazine. The EDC participated in the cost of a half-page ad (\$2,709) that was split between the EDC, Willmar Municipal Utilities and the City of Willmar.
- In September, attended the 2017 PROCESS EXPO in Chicago to make connections and invite businesses to expand in Kandiyohi County.
- Submitted site proposal for the Willmar Industrial Park to potential business.
- New banners and ads created and utilized to showcase our area for Expanding Ag Innovation & Technology, Growing Industrial Development and Building Entrepreneurial Culture.
- The West Central Tribune's *Impact* publication showing the agriculture industry in Kandiyohi County was promoted and supported by the EDC's Agriculture and Renewable Energy Development Committee.



**4. EDC staff and board members will work intentionally with data to drive decision-making and investments.**

- Prepared and presented a 2014 and 2015 Retail Trade Analysis Report working with Minnesota Extension.
- Broadband statistics and data were used throughout the broadband project planning to determine project areas, identify areas that are “unserved” and contacted people in the service area.
- County and township data was used to identify the producers to contact. The 2017 Ag Producers Survey is providing data to be used to guide work done by the Agriculture and Renewable Energy Development Committee and to target industries to meet producers’ needs to diversify and find markets for their products.
- To assist startup businesses, industry data has been sought and provided by Luke Greiner. Community data used for the FAM tour—site selectors, trade show, business prospects.
- Broadband data continually sought and mapped as new companies and expanded services become available to residents and businesses.



**Kandiyohi County & City of Willmar**  
**ECONOMIC DEVELOPMENT COMMISSION**

# **POLICIES AND PROCEDURES MANUAL**

## **PROPOSED CHANGES**

**ADOPTED BY JOINT OPERATIONS BOARD 2/14/2013**  
**RATIFIED BY JOINT POWERS BOARD 4/25/2013**

## TABLE OF CONTENTS

	<u>Page</u>
<b>I. General Information</b>	
A. Intent.....	1
B. Mission Statement.....	1
C. Purpose.....	1
D. Goals.....	2
1. Five-Year.....	1
2. Annual.....	1
<b>II. Boards</b>	
A. EDC Joint Powers Board Member Terms and Appointments.....	2
B. EDC Joint Operations Board Member Terms and Appointments.....	2
C. Removal.....	2
D. Liability.....	2
E. Conflicts of Interest.....	2
F. Confidentiality.....	2
<b>III. Committees</b>	
A. Standing Committees.....	3
B. Subcommittees and Special Committees.....	3
C. Member Terms and Appointments.....	3
D. Regular Meetings.....	3
E. Annual Meetings.....	3
F. Quorum.....	3
G. Removal.....	3
H. Compensation.....	3
I. Budget Preparation.....	3
J. Expense Reimbursement.....	3
<b>IV. Other Policies</b>	
A. Annual Levy.....	4
B. Budget Preparation.....	4
C. Approval of Budgeted Expenditures.....	4
D. Reports to EDC Joint Powers Board.....	4
E. Job Descriptions.....	4
F. Federal Trade Commission Red Flag Rules.....	4
G. Data Privacy Policy.....	4
H. Financial Policies.....	5
I. Credit Card Policy.....	5
J. Policy Adoption, Amendment or Repeal.....	5
<b>V. Programs</b>	
A. Funding Requests and Guidelines.....	6
B. Industrial Initiatives Loan Program Operation.....	6
1. Operation.....	6
2. Transfer From Willmar Opportunities, Inc.....	6

C. Entrepreneurs' Loan Guarantee Program Operation. ....	6
1. Operation.....	6
D. Revolving Loan Fund. ....	6
1. Operation.....	6
E. Bond Policy.....	6
<b>Appendix.....</b>	<b>7</b>

**RECEIPT AND ACKNOWLEDGMENT OF  
KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION  
POLICIES AND PROCEDURES MANUAL**

This Policies and Procedures Manual is an important document intended to help you become acquainted with the Kandiyohi County and City of Willmar Economic Development Commission, (EDC). This Manual will serve as a guide; it is not the final word in all cases. In the case of a conflict, the Bylaws govern. The contents of this Manual may be changed at any time at the discretion of the EDC boards. Please read the following statements and sign below to indicate your receipt and acknowledgment of the Manual.

I have received and read a copy of the Manual. I understand the policies, rules and the benefits described in it are subject to change at the sole discretion of the EDC at any time. I understand that this Manual replaces all other previous manuals for the EDC.

I understand that should the content be changed in any way, the EDC may require an additional signature from me to indicate that I am aware of and understand any new policies.

Printed Name: \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_

**I.**  
**GENERAL INFORMATION**

A. **INTENT.** The Kandiyohi County and City of Willmar Economic Development Commission (EDC), acting through its Joint Powers Board of Commissioners (Joint Powers Board) and its Joint Operations Board of Directors (EDCOB), recognizes the need for written policies and procedures that will assure continuity of function, both internal and external, and will serve to:

Give direction to officers, board members, committees and staff in carrying out the mission of the organization.

Policies shall be a declaration of intent and an adoption of a course of action by the EDC Joint Powers Board and the institution of policy shall be a function of the Board of Commissioners. Commissioners, directors, committees and staff personnel shall implement and execute the requirements of policy.

B. **MISSION STATEMENT.** To be a catalyst for economic growth of the greater Kandiyohi County area.

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

D. **PURPOSE.**

1. Provide leadership for an effective volunteer network that will act as both liaison and enabler developer between industry and communities within the county.
2. Develop an effective and varied method of marketing the county and communities within.
3. Develop a means to retain existing industry, including an ongoing communication with industries.
4. Develop a means to assist existing industry to expand and new industry start up.
5. Develop target markets and contact industry outside of the county.
6. Set up long-term economic plan.
7. Facilitate educational opportunities in economic development for board members, volunteers, local community leaders and local industries.
8. Promote and administer the Revolving Loan Fund, the Industrial Initiatives Loan fund, the Entrepreneurs' Loan Guarantee Program and other finance vehicles.

E. **GOALS.**

1. **Five-Year.** Five-year goals shall be established or reviewed at a planning session of the EDC boards at least every five years. (see Appendix C)
2. **Annual.** Annual goals shall be established at a planning session each calendar year. (see Appendix D)

## II. BOARDS

A. **EDC JOINT POWERS BOARD MEMBER TERMS AND APPOINTMENTS.** The EDC Joint Powers Board of Commissioners shall consist of six members. Each member shall be appointed to serve for three years or until a successor is appointed and qualified. Kandiyohi County and the City of Willmar shall each appoint three elected representatives to serve on the EDC. Any vacancy must be filled for the unexpired term in the manner in which the original appointment was made. A vacancy shall occur when a member is no longer an elected member of the County Board of Commissioners or the Willmar City Council. **In the case of a conflict, the Joint Powers Agreement governs** (see Appendix B).

B. **EDC JOINT OPERATIONS BOARD MEMBER TERMS AND APPOINTMENTS.** The EDCOB shall consist of seven members. The EDCOB shall be appointed by the EDC Joint Powers Board of Commissioners and shall include representation from communities throughout the county, education providers, business and consumer groups. The terms of the EDCOB shall be for three years **or until their replacement is appointed**, ~~it being provided however, that in the first year of appointment a sufficient number of members shall be appointed to one- and two-year terms to assure that no more than five members' terms expire in any given year.~~ The EDCOB members shall be limited to three full three-year terms. **In the case of a conflict, the Bylaws Joint Powers Agreement governs** (see Appendix B ~~E~~).

C. **REMOVAL.** Board members may be removed by the appointing board(s) for inefficiency or neglect of duty, or misconduct in office, a board member may be removed by the governing body of the municipality. The board member must be given a copy of the charges at least 10 days prior to a hearing at which the board member has the opportunity to be heard in person or by counsel. When charges in writing have been preferred against a board member, pending final action thereon the governing body may temporarily suspend the board member. If it is found that those charges have not been substantiated, the board member shall immediately be reinstated to the board. When any board member is removed, a record of the proceedings, together with the charges and findings thereon, shall be filed.

D. **LIABILITY.** Board members shall have no personal liability for corporate obligations of the EDC Joint Powers Board or EDCOB or the methods of enforcement and collection thereof. **In the case of a conflict, the Bylaws govern** (see Appendix E).

E. **CONFLICTS OF INTEREST.** Board members shall avoid real or apparent organizational conflicts of interest. No board member shall be an officer, employee, director, shareholder or member of any corporation, firm or association with which the EDC has entered into any operating or lease agreement. This section shall not apply to the deposit of funds of the agency in any bank in which a board member shall have an interest, if the funds are deposited and protected in accordance with M.S.A. § 118A (see Appendices F and G).

In instances other than those covered by the above paragraph, where a board member has a real or apparent conflict of interest, that board member shall declare the conflict of interest for the record and shall abstain from any vote or discussion of the matter.

F. **CONFIDENTIALITY.** Confidentiality is essential to economic development work. Verbal and/or written information received by board members concerning individuals and/or businesses working with the EDC must be kept confidential unless authorization is obtained from the businesses or individuals to release information for public dissemination.

### III. COMMITTEES

A. **STANDING COMMITTEES.** The following standing committees are set forth by the EDCOB and reviewed annually:

Agriculture and Renewable Energy Development  
Broadband and Advanced Technology  
Business Retention and Expansion/Recruitment  
Finance  
Marketing and Public Relations

Each standing committee shall include an EDCOB member, who shall report to the EDCOB. A chairperson shall be appointed annually.

B. **SUBCOMMITTEES AND SPECIAL COMMITTEES.** Subcommittees and special committees may be determined by the boards of directors as they deem fit. Each subcommittee and special committee shall be composed of a chairperson and members who shall report to the EDC Joint Powers Board and/or EDCOB.

C. **MEMBER TERMS AND APPOINTMENTS.** Committee members shall be appointed by the EDCOB to serve for a term of one year or for as long as they agree to serve. The appointment of committee members shall be made to reflect representation of the entire county by population.

D. **REGULAR MEETINGS.** Committee chairpersons shall call regular meetings of the committees at least quarterly or more often as needed. Written notice stating the place, day and hour of the meeting shall be sent to the members.

E. **ANNUAL MEETINGS.** Committee chairpersons shall call annual meetings within a reasonable time following January 1 of each year. At this meeting, committees shall set their goals and plan for the calendar year.

F. **QUORUM.** At all committee meetings a majority of the members shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting in which there is a quorum shall be the act of the committee.

G. **REMOVAL.** Committee members may be removed by the appointing board(s) for inefficiency, neglect of duty or misconduct. Members who are absent three meetings in a row may be eliminated from the committee by EDCOB action.

H. **COMPENSATION.** Committee members shall receive no compensation for serving on a committee.

I. **BUDGET PREPARATION.** The annual budget expenditures for each committee shall be prepared by the chairperson and Executive Director upon receipt of the annual committee budget set by the EDCOB and submitted to the EDCOB for approval.

J. **EXPENSE REIMBURSEMENT.** Committee members can be reimbursed for their expenses per the Expense Reimbursement Guidelines adopted by the EDCOB. (see Appendix H)



#### IV. OTHER POLICIES

A. **ANNUAL LEVY.** The EDC Joint Powers Board will submit a proposed levy amount to the Kandiyohi County Auditor/Treasurer by September 15 of each year.

B. **BUDGET PREPARATION.** An annual budget shall be prepared by the Executive Director with assistance from the President and the Treasurer using the following time lines:

1. Submit single preliminary levy amount to the EDC Joint Powers Board no later than September 1.
2. Final budget approved by EDCOB at its October board meeting.
3. Present final budget to the EDC Joint Powers Board after it is approved by the EDCOB, but no later than the EDC Joint Powers Board's October board meeting.

C. **APPROVAL OF BUDGETED EXPENDITURES.** Budgeted expenditures that do not exceed \$1,000 accumulative in one month may be paid without prior approval of the board, but a list of these bills paid will be presented to the board at each meeting.

D. **REPORTS TO EDC JOINT POWERS BOARD.** Oral and/or written reports on EDCOB activities shall be presented to the EDC Joint Powers Board at least ~~monthly~~ **quarterly**.

E. **JOB DESCRIPTIONS.** A current job description shall be on file for every staff member. Job descriptions shall be reviewed annually.

F. **FEDERAL TRADE COMMISSION RED FLAG RULES.** The EDC will comply with the Federal Trade Commission's Red Flag Rules, which require businesses and organizations to implement a written identity theft prevention program. The EDC has identified itself at low risk for identity theft because there is little confidential data retained at the EDC and files containing confidential information are kept within easy sight of employees and are locked in a secure location when the office is unattended. Additionally, the EDC infrequently is requested to supply confidential information nor does it regularly request and retain such information. Also, the EDC is generally familiar with its customers and rarely receives or provides confidential information to those unfamiliar with the organization. The EDC has identified the following items that could contain confidential information, such as names, address, birthdays, social security numbers, federal ID numbers: corporate books, loan program binders and personnel binder. This information is not released without specific written authority of the individual and/or business. The policy of identification protection states that all files containing the confidential information identified above will be locked in a secured location when the office is unattended. The Executive Director and Assistant Director are designated to administer the program and train other employees on the policy. This policy will be reviewed and tested annually. Should a red flag or other identification of theft occur, the staff member involved will make a written documentation of the occurrence and supply the documentation to the designated staff person responsible for responding to Red Flags (the executive in charge of administration). The policies and procedures under this section are required to be modified if any indication of identity theft or other Red Flag Rule violation occurs.

G. **DATA PRIVACY POLICY.** The EDC adopts the Government Data Practices Act, Minnesota Statutes, Chapter 13, as amended.

H. **FINANCIAL POLICIES.** The EDC adopts the most recent Financial Policies of Kandiyohi County (see Appendix I).

I. **CREDIT CARD POLICY.** The EDC adopts the most recent Credit Card Policy of Kandiyohi County (see Appendix J).

J. **POLICY ADOPTION, AMENDMENT OR REPEAL.** Policies may be adopted, amended or repealed by the EDCOB at any regular meeting. The date a policy is adopted, amended or repealed shall be included for each policy.

**V.**  
**PROGRAMS**

A. **FUNDING REQUESTS AND GUIDELINES.** Funding requests shall be processed by a Committee and the EDCOB in accordance with the guidelines adopted by the EDC boards (see Appendix K).

B. **INDUSTRIAL INITIATIVES LOAN PROGRAM OPERATION**

1. **Operation.** The Industrial Initiatives Loan Program should be operated in accordance with the Manual adopted March 10, 1998 and amended December 14, 1999, May 14, 2001 and June 11, 2001 (see Appendix L).
2. **Transfer From Willmar Opportunities, Inc.** The Kandiyohi County Economic Development Partnership, Inc. (KCEDP), at its January 9, 1990 meeting, officially accepted the transfer of the Industrial Initiatives I and II programs as of January 1, 1990.

C. **ENTREPRENEURS' LOAN GUARANTEE PROGRAM OPERATION.**

1. **Operation.** The Entrepreneurs' Loan Guarantee Program should be operated in accordance with the Manual adopted October 14, 2004 (see Appendix M).

D. **REVOLVING LOAN FUND.**

1. **Operation.** The Revolving Loan Fund program should be operated in accordance with the Manual adopted by the Kandiyohi County Economic Development Partnership, Inc. Board November 10, 1998 and adopted by the EDC Joint Operations Board on 5/13/2010 and ratified by the EDC Joint Powers Board on October 28, 2010 (see Appendix N).

E. **BOND POLICY.** The EDC will act as a conduit bond issuer in accordance with the Bond Policy adopted May 10, 2007 (see Appendix O).



## **APPENDIX**

The following pages contain copies of the  
original documents for the establishment of the EDC

**A MASTER COPY OF THE POLICIES AND PROCEDURES MANUAL, INCLUDING ORIGINALS OF THE APPENDICES  
WILL BE MAINTAINED AT THE EDC OFFICE**

Appendix

Minnesota Senate Bill, S.F No. 1505, 3<sup>rd</sup> Engrossment: 83<sup>rd</sup> Legislative Session  
(2003-2004), Article 12, Section 30..... A

Joint Powers Agreement, Kandiyohi County and City of Willmar Economic Development Commission  
Dated: July 1, 2003. .... B

Five-Year Goals (2011-2015). .... C

Annual Goals. .... D

Amended Bylaws  
Dated: ~~January 23, 2014~~ **July 23, 2015**. .... E

Chapter 118A, Section 118A.02. Depositories; investing; sales, proceeds, immunity  
[Relative to section V, paragraph I, Conflicts of Interest]. .... F

Minnesota Statutes, Section 469.113. Conflict of interest  
[Relative to section V, paragraph I, Conflict of Interest]. .... G

Expense Reimbursement Guidelines. .... H  
Adopted March 8, 2012 by EDCOB and ratified April 26, 2012 by Joint Powers Board

Financial Policies of Kandiyohi County  
Adopted: April 2010. .... I

Kandiyohi County Credit Card Policy..... J  
Adopted: 3-03-09

Funding Request Guidelines and Application..... K  
Adopted: March 8, 2012 by EDCOB and ratified April 26, 2012 by Joint Powers Board  
**Revised: 8/14/2014 by EDCOB**

Industrial Initiatives Loan Program Manual  
Amended: November 12, 2009 by EDCOB. .... L

Entrepreneurs’ Loan Guarantee Program Manual  
Adopted: October 14, 2004 by EDCOB and 4/28/2005 by Joint Powers Board  
Revised: August 13, 2009 **and April 12, 2012** by EDCOB **and ratified 4/26/2012 by Joint Powers Board**. .... M

Revolving Loan Fund Manual  
Adopted May 13, 2010 by EDCOB and ratified October 28, 2010 by EDC Joint Powers Board  
**Revised: 2/13/2014 and 1/12/2016 by EDCOB and ratified 2/11/2016 by Joint Powers Board**. .... N  
[Kandiyohi County Economic Development Partnership, Inc. Board Adopted November 10, 1998]

Bond Policy. .... O  
**Adopted: 5/10/2007 by EDCOB and 7/26/2007 by Joint Powers Board**

Current EDC Joint Powers Board Member List..... P

Current EDCOB Member List. . . . . Q  
Past EDC Joint Powers Board Member List. . . . . R  
Past EDCOB Member List. . . . . S  
Sources of Information Used for Development of Policies and Procedures Manual. . . . . T