

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
July 12, 2018
EDC Office, Willmar

Present: Art Benson, Rollie Boll, Donna Boonstra, Les Heitke, Kerry Johnson and Kelly TerWisscha

Excused: Robert Carlson and Bruce Peterson

Ex Officio: Roger Imdieke

Staff: Aaron Backman, Executive Director and Connie Schmoll, Business Development Specialist

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

President Donna Boonstra called the meeting to order at approximately 11:04 a.m. and declared a quorum was present.

AGENDA—Removed from the Agenda was the 2017 Audit.

IT WAS MOVED BY Rollie Boll, SECONDED BY Kerry Johnson, to approve the revised Agenda and Consent Agenda.

CONSENT AGENDA—

Approve: 1. Minutes of June 14, 2018 meeting
2. Financial reports as of June 30, 2018
3. Payment of \$2,750.00 to FMG Publishing, Inc. to be shared with Willmar Municipal Utilities and City of Willmar

Accept: Committee/Subcommittee Minutes
1. Ag Marketing Subcommittee 5/23/2018
2. Business Retention and Expansion/Recruitment (BRE) 6/1/2018
3. Marketing and Public Relations 5/29/2018
4. Leisure Travel 4/2/2018

MOTION CARRIED.

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Aaron Backman reported on the following:

- update on the Willmar Wye project, including discussion of possible groundbreaking this fall. Roger Imdieke stated the south end of the project was not included in the Wye project so funding needs to be found to complete that section.
- EDC staff and Bruce Peterson have interacted with a potential pasteurization facility for the northeast part of Willmar, southeast of MinnWest Technology Campus (MWTC) close to the bypass for a \$10 million investment. Les Heitke recommended the school district be informed of this potential project; and
- interacting with CBRE, a real estate company, as to a location for a logistics company in the Willmar Industrial Park.

Connie Schmoll reported she attended a meeting about organizing a downtown Willmar group.

Highway 23 Coalition. Backman gave an update on the Highway 23 Coalition, including:

- thank you ads were placed in the *West Central Tribune* and *St. Cloud Times*;
- he submitted Form 1024 to the Internal Revenue Service to obtain 501(c)(4) status;
- MnDOT developed and posted on its website the “Gaps” Frequently Asked Questions (see attached);
- the board reaffirmed the dues structure for 2019 and started discussions of expanding the end points of membership to Sioux Falls, South Dakota, and Duluth;
- he started giving presentations to governmental units for membership renewal and approached Benton County to become a new member;
- a Federal Freight Corridor working group was formed to begin seeking the designation; Donna Boonstra reported will meet with MnDOT officials as to what official designations are available for use.

Schmoll reported she met with representatives of APEX in Duluth about joining the Coalition.

2018 Goals.

Childcare. Schmoll reported the group will meet July 27th with 20 representatives attending. Southwest Initiative Foundation (SWIF) just received an \$88,000 grant to invest in early childhood issues.

Diverse Business Initiative. Schmoll attended a training held by NDC (Neighborhood Development Center) on helping low-income entrepreneurs. NDC provides technical assistance to entrepreneurs before they open their business. SWIF is interested and would help cover the fee for technical assistance training.

Opportunity Zones. Schmoll has participated in webinars that have been geared for investors on the potential risks and tax breaks. Participants are still awaiting direction from the U.S. Treasury. Minnesota will discuss the topic during the next legislative session. Backman has been approached by a developer about doing a project in the downtown Willmar area.

Transportation Infrastructure. Nothing in addition to the Highway 23 Coalition report.

Business Visits and Meetings. Backman reported Thor Figenskau's highlights are being able to work on projects, such as educational updates. Figenskau has been good to work with and has been helping with the Ag Talent & Technology workshop and doing social media ads. He has also been interviewing superintendents and students to update the EDC's educational information and assisting local retailers with their social media presence. Backman and Schmoll highlighted information from their reports (see attached). Schmoll reported she was selected to attend a FAM tour with site selectors in Chicago, Illinois. SWIF will pay for her airfare to Chicago. Schmoll and Figenskau attended the Pennock City Council meeting and she also attended the Prinsburg City Council meeting this week. The EDC and MWTC co-hosted a Critical Business Transitions workshop, which was attended by 35 people. A comment from the workshop was to give new businesses a tour of the community, which Schmoll has done. Backman believes ERC closed its Willmar office as it had challenges recruiting staff. ERC declined the Job Creation Fund grant. Kandiyohi Power Cooperative is looking at reuse possibilities for the building that ERC leased.

NEW BUSINESS

Willmar Area Multicultural Business Center Microenterprise Loan Fund Acquisition. Backman reported members of the EDC Finance Committee reviewed the outstanding loans held by the Willmar Area Multicultural Business Center (WAM-BC). The subcommittee found five loans are performing, two of which will be paid off this fall; three loans require the lien be perfected; and two were recommended to go to Conciliation Court. If WAM-BC's loan fund is transferred to the EDC, the Finance Committee will discuss the terms of the loan fund.

[Roger Imdieke was excused from the meeting.]

The Finance Committee recommends the EDC accept transfer of WAM-BC's loan portfolio.

IT WAS MOVED BY Rollie Boll, SECONDED BY Art Benson, to recommend the Kandiyohi County and City of Willmar Economic Development Commission receive transfer of the Willmar Area Multicultural Business Center's Microenterprise Loan Fund and remaining assets and assist the Willmar Area Multicultural Business Center with dissolution. MOTION CARRIED.

Backman stated WAM-BC initially had four funding sources. Kelly TerWisscha thanked the Finance Committee for their work on reviewing the loans. Backman will continue to work with WAM-BC board members, who have volunteered to pursue collection of the two non-performing loans.

2019 Budget. The board reviewed the preliminary 2019 budget, which includes a balanced budget with revenues of \$583,613 and expenses of \$582,900. Changes include an increase of 2.7% to the county tax levy, the lowest increase in three years; addition of Childcare Initiative and Workforce Development under the BRE Committee; 3.6% increase to Schmoll's salary based upon a good annual review and an 8.3% cap on an increase in health insurance premiums. Backman addressed questions related to the proposed budget, including the need for a reserve balance. Backman stated the EDC has a \$25,000 credit line with Heritage Bank to cover any expenses should the county tax levy not be received and funds are low. Kerry Johnson voiced concern with increasing the tax levy. The board discussed providing meals at no cost and discontinue membership in

WORKUP unless a tangible return is received. Rather than zeroing out WORKUP in one year, Backman suggested reducing the WORKUP membership in half for 2019 and eliminating membership in 2020.

Schmoll reported John Soderholm is interested in becoming a SCORE counselor and is doing some training.

IT WAS MOVED BY Art Benson, SECONDED BY Kelly TerWisscha, to recommend to the Joint Powers Board that it approve the 2019 budget as proposed with the reduction of the WORKUP membership to \$2,700 and staff speaking with committees about meals and to adjust the tax levy by the amount reduced. MOTION CARRIED.

Backman stated he will obtain the opinion of the Joint Powers Board as to providing lunches to the boards and committees.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development. Schmoll reported the Talent & Technology event is August 13, 2018. Board members were encouraged to register to attend.

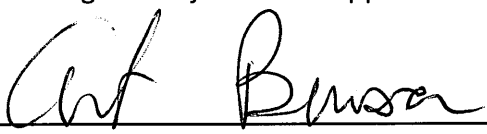
Broadband and Advanced Technology. Schmoll reported there are no border-to-border funds this year. The chair and vice chair will attend a broadband conference that Schmoll cannot attend.

BRE. Backman reported the BRE Committee heard a presentation by Jennifer Mendoza, the new Navigator for CLUES.

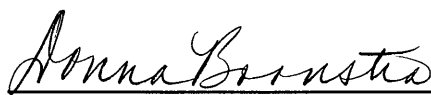
Marketing and Public Relations. Backman reported the committee is looking at a new ad in the *Business In Focus* magazine. A full page ad was offered at the same price as last year's half-page ad. A draft of the proposed ad was shown (see attached).

NEXT MEETING—The next board meeting is **11:00 a.m., Thursday, August 9, 2018.**

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:02 p.m.


Art Benson, Secretary

APPROVED: 8/9/2018:


Donna Boonstra, President

Highway 23 “Gaps” Frequently Asked Questions (FAQs)

What are the Highway 23 “Gaps” Projects?

The segment of Highway 23 between Willmar and Interstate 94 is a distance of approximately 53 miles. Of these 53 miles, all but approximately 16 miles have been constructed as a four lane roadway. The approximately 16 miles of existing two-lane roadway are known as the Highway 23 “Gaps”. The ultimate vision for Highway 23 between Willmar and Interstate 94 is a continuous four-lane rural highway.

The first segment of two-lane is between New London and Paynesville and is referred to as the south gap. The second segment is between Paynesville and Richmond. It is referred to as the north gap.

What is the Corridors of Commerce program?

In 2013, the Minnesota Legislature created the Corridors of Commerce program to provide additional highway capacity on segments where there are bottlenecks in the system and to improve the movement of freight and reduce barriers to commerce. Projects must meet the eligibility requirements identified within the law. Projects, including the Highway 23 “Gaps”, were selected in Greater Minnesota and the metro area based on their Corridor of Commerce scores. For more information on the Corridors of Commerce program visit www.mndot.gov/corridorsofcommerce.

How are the projects being funded?

Corridors of Commerce projects (selected in 2018), seven in all, are paid for using bonds. Bonds are borrowed money, and there is a limit on the amount of money that MnDOT can borrow in any given year. Because of this, all seven projects cannot be constructed at the same time.

Who will be the project lead?

MnDOT District 8 will be the lead on both gaps.

What is the project cost?

The cost estimate used for the Corridors of Commerce scoring process was \$105 million. MnDOT will gain financial efficiencies by selecting the lowest cost pavement alternative and by utilizing as much of the existing roadway as we possibly can.

What does it take to develop large projects like the Hwy 23 “Gaps”?

It takes several years to develop and deliver large projects (such as the Hwy 23 south and north gaps).

Prior to construction, generally speaking, there are two main phases in project development:

1. Highway layout development and environmental review (social, environmental and economic impacts)
2. Purchasing property (right-of-way), design and obtaining permits

By taking advantage of earlier funding through Corridors of Commerce, District 8 was able to complete the environmental review and study layout (approximately 2 years of work completed) for both the north and south gaps. Detailed design, permitting, utility coordination and right of way acquisition are the next steps for both projects. It will take approximately 3 years to complete the remaining work before the project is ready to be constructed.

When will construction start?

Based on when we can access bonds we are anticipating a 2022 start date for construction. The two projects will not be built at the same time. They will be bid separately.

Each project will take 2 years to construct. Funds to construct the first project are anticipated to become available in 2022 and the second project would start in 2024. Currently, we do not know which of the “gaps” will be constructed first, but they will likely be constructed sequentially.

When will MnDOT start purchasing property (right-of-way)?

Purchasing property for each project will start 2-3 years prior to construction. MnDOT will work with affected homeowners and landowners throughout the process. MnDOT anticipates acquiring property starting in 2019.

Will the project require a detour?

Yes, both projects will require a detour. MnDOT will explore what portions of construction can be done under traffic.



Joint Operations Board Meeting

Aaron Backman Report

July 12, 2018

Highway 23 Coalition

During the past month several actions have been accomplished—ads thanking Hwy 23 Coalition members for their financial support and efforts were placed in the West Central Tribune (June 16th) and the St. Cloud Times (June 23rd). After working with the Coalition's accountant, Jim Ruff, the EDC submitted the Form 1024 application to the IRS for 501(c)4 status.

MnDOT posted a FAQs document on their website on June 26th. It indicates that all seven of the Corridors of Commerce projects approved in May of 2018 (inc. the two Hwy 23 gaps) will be paid by bonds. Because there is a limit of how much MnDOT can borrow each year, the projects cannot be constructed simultaneously. MnDOT District will be the lead on both gaps, and both gaps will be bid separately. Each project will take about 2 years to construct. Funds to construct the first project are anticipated to become available in 2022 and the second project would start in 2024. Purchasing property (right-of-way) will start 2 to 3 years prior to construction. MnDOT expects acquiring property to start in 2019.

The Hwy 23 Coalition Board met on June 27th. Among the highlights was a presentation by Patrick Weidemann, Director of Corridors of Commerce, MnDOT, in St. Paul who provided a presentation and update on the program. Susann Karnowski, Asst. District 8 Engineer, and Ryan Barney, Hwy 23 Coordinator for District 8, discussed next steps regarding the two gaps. At the Board meeting David Turch and Amanda Stephenson, representing a Washington, DC lobbying firm introduced themselves and offered their services. The Board also re-affirmed the membership dues structure for 2019, and began discussions regarding extending membership along the corridor to include government and business members north of Waite Park and south of Marshall.

The membership renewal process began with a presentation to the Willmar City Council on June 18th. On July 3rd I presented to the Benton County Commissioners encouraging them to join the Hwy 23 Coalition. It appears they will do so. Presentations to other units of government are also scheduled for Kandiyohi County, and the cities of Spicer, New London, Paynesville, and we are beginning discussions with Duluth.

WAM-BC Loan Portfolio

There have been a number of meetings during the past several months regarding the Willmar Area Multicultural Business Center (WAM-BC), its future and status of its microenterprise loan program. WAM-BC, a 501(c)3 non-profit organization that has been active since 2009, has been subleasing



space from the EDC since February of 2017. The WAM-BC Board of Directors met on June 9th at the EDC Boardroom and approved the following:

- 1) Requesting the EDC to assume the WAM-BC Microenterprise Loan Fund, accepting the good and bad loans (there are 5 loans that are in good standing and 2 loans that are not performing). Their first choice was the EDC, their second choice was the Southwest Initiative Foundation.
- 2) Approving a motion to dissolve WAM-BC, and requesting that the EDC assist in the dissolution process. The process, which includes filing notice of intent with the MN Secretary of State, filing with the MN Attorney General's office, and filing the articles of dissolution, will take several months to complete.
- 3) Supporting the creation of an Advisory Committee that could help the EDC with current and new loan recipients from this fund. Several of the current WAM-BC Board members are willing to serve on a future Loan Advisory Committee.
- 4) The transfer of assets to the EDC would include: a loan fund balance of \$46,874.70 (cash), approximately \$26,295 in current loans, and approximately \$24,055 in non-current loans. WAM-BC also has approximately \$4,000 in generating operating funds that would be used to pay current bills and to file the 990 tax return for 2018.

The EDC's Finance Committee at its June 12th meeting discussed at length the WAM-BC Board request. The Committee members unanimously recommended to the EDC Boards that the EDC accept the assets; assume administration of the WAM-BC Microenterprise Revolving Loan Fund and all loans; that the EDC assist in the process and expenses of dissolution of WAM-BC (with the exception of the 990 tax return); and three members of the Committee volunteered to review the loan files with EDC staff and WAM-BC representatives prior to formal action by the EDC Boards. Mike Burgett, the EDC's attorney, estimates the cost to the EDC, for assisting WAM-BC dissolution to be \$1,000 to \$2,000.

The subcommittee of Jeff Welker, Nick Dalton, and Matt Behm meet at the EDC on July 5th to review the WAM-BC loan files. They looked at the history of loan repayments and the completeness of each loan file. Two of the loans will pay off in 2018 and do not require additional action by the EDC. Understanding that the EDC needs to secure collateral, committee members indicated that probably three of the loans will require "perfecting the lien". That is, filing a binding document (e.g. UCC filing or a vehicle registration, etc.) allowing for a legal claim to seize assets if a loan borrower defaults. The members also suggested pursuing small claims court for the two non-performing loans.

As part of this transfer from WAM-BC, in addition to the \$26,295 in current loans, the EDC would receive about \$47,000 in cash in the Microenterprise Loan Fund, and potentially anything recovered from the non-performing loans (\$24,000). The EDC would also receive any remaining funds in WAM-BC's general operating balance, currently \$3,500 (less current debts and 990 filing). Bottomline, the Finance subcommittee recommends proceeding with the WAM-BC transfer.

Business Meetings (June 15th – July 12th)

1. Willmar Chamber Connection – ProCore Technologies
2. Presentation to Willmar City Council re Hwy 23 Coalition Update on June 18th
3. Weekly development meetings with Bruce Peterson at City Hall
4. Mtg. w/business reps re proposed pasteurization facility (1st Phase 36,000 sq. ft.) in NE Willmar south of MWTC near the Bypass. Potential \$10 million investment in city; follow-up meeting on July 5th
5. Mtgs. w/Mel Odens re Federal Freight Corridor designation for Hwy 23
6. Attended MWTC Open House on June 19th
7. Attended Meet & Greet for new YMCA CEO, Jenny Holweger
8. Presided over MAPCED Quarterly Meeting in Park Rapids, MN on June 21-22
9. Presentation to Stearns County re Hwy 23 Coalition Membership Renewal on June 26th
10. Presentation at Mid-Year Review for Chamber Board
11. Willmar Chamber Connection—Vista Prairie/Copperleaf
12. Participated in Open Mic w/Bruce Peterson at KWLM
13. Mtg. w/WAM-BC Board Chair re loan portfolio questions
14. Participated in planning for a Hiring Immigrant Workforce event at Willmar Chamber
15. Conference Calls w/CBRE reps for logistics company looking at locating in Willmar
16. Presentation to Benton County re Hwy 23 Coalition Membership on July 3rd
17. Mtg. w/Marcus Construction re potential housing project in Willmar
18. EDC Finance Subcommittee reviewing WAM-BC loan files
19. Mtg. w/Fargo housing developer re 96 unit multi-family housing project near Lakeland Drive
20. Attended Critical Business Transitions Business Owner Seminar at MWTC on July 10th
21. Interview with FMG re follow-up article in Business in Focus magazine.

Business Visits

1. Tour of Simply Shrimp near Svea
2. Tour of Lettuce Abound near New London
3. Ag Professionals Tour/Meal at Model Citizen in New London
4. Tour of West Central Steel's new building in Willmar
5. Meetings w/owner of Spurs Restaurant re status of construction completion
6. Mtg w/rep at Doherty Staffing Solutions at new location in Willmar

**Operations Board Meeting
Connie Schmoll Report
July 12, 2018**

Broadband

The Governor's veto of the 2018 Supplemental Bill put an end to planning for a Border-to-Border grant application opportunity this year. The committee will continue to plan for a project in the county with Hiawatha Broadband Company as a provider.

West Central Angel Fund I

The EDC has informed the leaders of the West Central Angel Fund about Opportunity Zones and will keep them updated as new information is released. Their marketing flyer is now available for distribution. The EDC assisted in the costs of creating the marketing piece. I have kept them informed about webinars opportunities to learn more about Opportunity Zones.

Agriculture Renewable Energy Development Committee

Marketing materials are complete for the August 13, 2018 Talent and Technology Workshop for Ag Producers. The morning workshop will begin at 7:30 a.m. and will include four speakers on the subjects of securing and retaining workforce for ag producers, regulations regarding employees, technology in crop farming today and use of data collected with precision agriculture equipment. The event will be held at the Little Crow Resort by New London.

Committee members met the goal of securing \$6,000 in sponsorships to cover costs. The sponsors are as follows:

Kandiyohi County Corn and Soybean Growers	\$ 1,000
MinnWest Technology Campus	\$ 1,000
Central Counties Cooperative	\$ 1,000
Ag Country FCS	\$ 1,000
Christianson CPAs and Accountants	\$ 500
Heritage Bank	\$ 500
Haug Implement	\$ 500
Kandiyohi Power Cooperative	\$ 500

Child Care

United Community Action Partnership (UCAP) has been awarded a Rural Child Care Innovation Program Grant to provide a representative from First Children's Finance (FCF) to facilitate community conversations around the need for additional child care options in the Kandiyohi County area. The first meeting with First Children's Finance will be a six-hour meeting scheduled for Friday, July 27th.



Business Meetings and Events

1. Changing Times Changing Faces Seminar on workforce diversity as an asset for local employers
2. FAM Tour application and planning
3. Marketing for Ag Event – Talent & Technology Workshop
4. MinnWest Open House
5. Aggie Open for Chamber Agri-Business Committee at Little Crow Resort
6. Neighborhood Development Center Workshop – 2 days St. Cloud – creative business development for low-income entrepreneurs
7. EDAM Summer Conference – Nisswa
8. Business Presentation - Family Roots Chiropractic
9. U of M Showcase Planning
10. Networking meeting with Chamber – Joint planning of speaker on international trade
11. Work with Intern, Thor Figenskau
 - a. Flyer- marketing education options in our community
 - b. Social media posting of ag event and direct calling of ag producers
 - c. Plans to attend city council meetings outside of Willmar

Business Visits

1. Simply shrimp
2. Lettuce Abound
3. Model Citizen
4. Coffee & More
5. Doherty Staffing Solutions



	Proposed 2019	As of 6/30/2018	2018 Budget	2017 Actuals
REVENUES				
County Tax Levy	\$ 528,600	\$ 295,551	\$ 514,600	\$ 498,765
Ag Events Sponsorships/Fundraising	\$ 7,000	\$ 6,144	\$ 1,000	\$ 750
Creating Entrepreneurial Opportunities student loan program	\$ 28,000	\$ 19,400	\$ 30,000	\$ 32,861
Grants	\$ 7,500	\$ -	\$ 7,500	\$ 15,000
Insurance dividends	\$ 1,000	\$ -	\$ 1,200	\$ 1,162
Interest on investments				
Concorde Bank (Revolving Loan Fund savings account)	\$ 200	\$ 220	\$ 200	\$ 212
Concorde Bank CD matures at .76% matures 9/28/2018	\$ -	\$ -	\$ 1,000	\$ 1,572
North American State Bank CD at 1.06% matures 5/12/18	\$ -	\$ 802	\$ 800	\$ 401
Heritage Bank savings account	\$ 141	\$ 267	\$ 60	\$ 96
United Prairie Bank \$104,592.73 CD @ 1.5% matures 10/3/2018	\$ 780			
United Prairie Bank \$75,000 CD @ 1.75% matures 5/22/2019	\$ 1,300			
US Bank CD (Tourism Development Account) at .690% matures 2/20/2018	\$ -	\$ 379	\$ -	
Loans				
ELGP loan application fees	\$ 200	\$ -	\$ 300	\$ -
Microenterprise Loan Fund repayments interest (WAM-BC)	\$ 101			
Revolving Loan Fund application fees	\$ 600	\$ 300	\$ 800	\$ 426
Revolving Loan Fund filing fee reimbursements	\$ 100	\$ 135	\$ 80	\$ 40
Revolving Loan Fund repayments interest	\$ 8,091	\$ 5,019	\$ 8,500	\$ 9,282
Other Income				
Refunds, reimbursements and in-kind contributions (inc. Hwy 23)		\$ 16	\$ 3,500	\$ 13
WAM-BC rent	\$ -	\$ (750)	\$ 3,000	\$ 5,250
Total Revenues	\$ 583,613	\$ 327,483	\$ 572,540	\$ 565,830
EXPENSES				
Revolving Loan Fund Expenses				
Bank Fees	\$ 48	\$ 21		\$ 1
Recording Fees		\$ 46		\$ 40
Other		\$ 69		
Total Revolving Loan Fund Expenses	\$ 48	\$ 136		\$ 41
Economic Development Community Contributions	\$ 1,000		\$ 1,000	
Sponsor Fees				
Ag & Animal Science Conference	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
U of M Technology Showcase	\$ 500	\$ -	\$ 500	\$ 147
Vision 2040	\$ 2,000	\$ 2,500	\$ 2,000	\$ 2,000
Other	\$ 1,500	\$ 500	\$ 1,500	\$ 750
Total Contributions and Sponsor Fees	\$ 6,500	\$ 4,500	\$ 6,500	\$ 4,397
Other Expenses:				
Joint Operations Board (includes meals/administrative time)	\$ 2,900	\$ 1,605	\$ 2,800	\$ 3,461
Joint Powers Board (includes meals/administrative time)	\$ 2,100	\$ 1,264	\$ 1,900	\$ 1,708
SCORE (cell phone and email account)	\$ 750	\$ 370	\$ 400	\$ 728
Total Other Expenses	\$ 5,750	\$ 3,239	\$ 5,100	\$ 5,897
Countywide Business Development				
CEO Student Program Administration	\$ 800	\$ 395	\$ 750	\$ 375
TIGER II Grant - Willmar Industrial Park	\$ 35,000	\$ -	\$ 35,000	\$ -
Miscellaneous countywide business development	\$ 6,000	\$ 514	\$ 6,000	\$ 1,798
Total Countywide Business Development	\$ 41,800	\$ 909	\$ 41,750	\$ 2,173



	Proposed 2019	As of 6/30/2018	2018 Budget	2017 Actuals
COMMITTEE EXPENSES				
Agriculture and Renewable Energy Development				
Ag Producer BRE Survey		\$ -		\$ 5,622
Conferences/Seminars/Trainings	\$ 1,100	\$ 754	\$ 1,100	\$ 1,229
Marketing	\$ 3,000	\$ 805	\$ 1,500	\$ 949
Meals/Meeting Refreshments	\$ 1,500	\$ 388	\$ 600	\$ 525
Mileage/Travel	\$ 1,200	\$ 569	\$ 1,200	\$ 1,181
Professional Services				
General Administrative Services	\$ 2,000	\$ 1,434	\$ 2,000	\$ 4,635
Professional Services - Other	\$ 1,000	\$ 548	\$ 1,000	\$ 380
Supplies (office or program)	\$ 250	\$ -	\$ 250	\$ 26
Total Ag Committee Expenses	\$ 10,050	\$ 4,498	\$ 7,650	\$ 14,547
Broadband and Advanced Technology				
Conferences/Seminars/Trainings	\$ 500	\$ 150	\$ 500	\$ 255
Marketing	\$ 200	\$ -	\$ 200	\$ 2,587
Meals/Meeting Refreshments	\$ 1,000	\$ 645	\$ 900	\$ 1,452
Mileage/Travel	\$ 550	\$ 382	\$ 500	\$ 776
Postage	\$ 50	\$ -	\$ 50	\$ 52
Printing, copying & publishing	\$ 350	\$ -	\$ 350	\$ 508
Professional Services				
General Administrative Services	\$ 1,030	\$ 810	\$ 880	\$ 2,932
Total Broadband and Advanced Technology Committee Expenses	\$ 3,680	\$ 1,987	\$ 3,380	\$ 8,562
Business Retention and Expansion/Recruitment				
Childcare Initiative	\$ 1,200			
Conferences/Seminars/Trainings	\$ 1,000	\$ 12	\$ 750	\$ 155
Highway 23 Coalition		\$ 4,129	\$ 3,000	\$ 4,064
Conferences/Seminars/Trainings	\$ 200			
General Administrative Services	\$ 2,000			
Meals/Meeting Refreshments	\$ 200			
Mileage/Travel	\$ 500			
Other	\$ 100			
Total Highway 23 Coalition	\$ 3,000			
Marketing	\$ 150	\$ -	\$ 150	\$ 4
Meals/Meeting Refreshments	\$ 200	\$ 56	\$ 200	\$ 220
Mileage/Travel	\$ 700	\$ 275	\$ 700	\$ 694
Printing, copying & publishing	\$ 150	\$ -	\$ 150	\$ 52
Professional services				
General administrative services	\$ 1,200	\$ 622	\$ 1,100	\$ 1,221
Professional services - Other	\$ 300	\$ -	\$ 300	\$ 50
Supplies (office or program)	\$ 200	\$ -	\$ 200	
Workforce Development (Job Fair, CLUES, etc.)	\$ 2,500			
Grants	\$ 5,000	\$ -	\$ 6,500	\$ 713
General administration	\$ -	\$ -		\$ 472
Total BRE/R Committee Expenses	\$ 15,600	\$ 5,094	\$ 13,050	\$ 7,645
Finance				
Marketing	\$ 100	\$ -	\$ 100	
Meals/Meeting Refreshments	\$ 500	\$ 190	\$ 500	\$ 345
Mileage/Travel	\$ 50	\$ 5	\$ 100	\$ 36
Professional services				
General administrative services	\$ 900	\$ 583	\$ 800	\$ 1,258
Legal services	\$ 400	\$ -	\$ 350	\$ -
Total Finance Committee Expenses	\$ 1,950	\$ 778	\$ 1,850	\$ 1,639



	Proposed 2019	As of 6/30/2018	2018 Budget	2017 Actuals
Marketing and Public Relations				
Meals/Meeting refreshments	\$ 800	\$ 406	\$ 700	\$ 718
Media	\$ 900	\$ 215	\$ 1,100	\$ 547
Mileage/Travel	\$ 100	\$ 24	\$ 100	\$ 102
Advertisements	\$ 800	\$ -	\$ 1,350	\$ 3,297
Special projects	\$ 1,200	\$ 433	\$ 2,400	\$ 1,082
Professional services				
General administrative services	\$ 1,800	\$ 938	\$ 1,600	\$ 1,698
REDstar Creative/Newsletters				
General Marketing	\$ 6,200	\$ 1,409		
E-Newsletter	\$ 3,500	\$ 1,348		
Social Media	\$ 3,500	\$ 1,589		
Website	\$ 1,700	\$ 843		
West Central Angel Fund	\$ 100	\$ 1,292		
Other	\$ 1,500	\$ 270		
REDstar Creative Total	\$ 16,500	\$ 6,751	\$ 18,000	\$ 15,208
Total Marketing and Public Relations Committee Expenses	\$ 22,100	\$ 8,767	\$ 25,250	\$ 22,652
Tourism/Leisure Travel				
CVB Tourism Partnership Agreement	\$ 34,000	\$ 34,000	\$ 34,000	\$ 34,000
Meals/Meeting refreshments	\$ 100	\$ 32	\$ 100	\$ 40
Mileage/Travel	\$ 100	\$ 33	\$ 100	\$ 60
Total Tourism/Leisure Travel Committee	\$ 34,200	\$ 34,065	\$ 34,200	\$ 34,100
Total Committee Expenses	\$ 87,580	\$ 55,189	\$ 85,380	\$ 89,145
EMPLOYEE COMPENSATION				
Executive Director				
Director's salary	\$ 113,300	\$ 55,000	\$ 110,000	\$ 100,000
Director's health insurance	\$ 13,000	\$ 5,993	\$ 12,000	\$ 10,239
Director's payroll taxes (FICA = 6.20%; Medicare = 1.45%)	\$ 8,670		\$ 8,415	\$ 291
Director's pension (PERA) employer rate is 7.5%	\$ 8,498	\$ 4,125	\$ 8,250	\$ 7,500
Total Executive Director's Compensation	\$ 143,468	\$ 65,118	\$ 138,665	\$ 118,030
Business Development Specialist's position				
Business Development Specialist's salary	\$ 72,500	\$ 35,000	\$ 70,000	\$ 62,815
Business Development Specialist's health insurance	\$ 13,000	\$ 5,993	\$ 12,000	\$ 8,447
Business Development Specialist's payroll taxes	\$ 5,546	\$ -	\$ 5,353	
Business Development Specialist's PERA	\$ 5,438	\$ 2,625	\$ 5,250	\$ 4,711
Total Business Development Specialist's Compensation	\$ 96,484	\$ 43,618	\$ 92,603	\$ 75,973
Summer Intern	\$ -	\$ 938		
Accrued vacation and sick expense				
Executive Director	\$ 8,000	\$ 5,814	\$ 7,000	\$ 9,243
Business Development Specialist	\$ 3,000	\$ 335	\$ 2,000	\$ (360)
Employer payroll tax expense		\$ 6,937		\$ 12,567
Employee workers' compensation insurance	\$ 1,000	\$ 593	\$ 900	\$ 433
Total other employee compensation	\$ 12,000	\$ 13,679	\$ 9,900	\$ 21,883
Total Employee Compensation	\$ 251,952	\$ 123,353	\$ 241,168	\$ 215,886



	Proposed 2019	As of 6/30/2018	2018 Budget	2017 Actuals
ADMINISTRATIVE EXPENSES				
MCIT property/casualty insurance	\$ 3,000	\$ 2,359	\$ 3,000	\$ 2,657
Meals not for a committee	\$ 900	\$ 348	\$ 1,200	\$ 478
Memberships, dues, subscriptions				
Subscriptions	\$ 500	\$ 213	\$ 500	\$ 483
Community Venture Network (CVN)	\$ 2,200	\$ -	\$ 2,200	\$ 2,125
EDAM membership	\$ 495	\$ 495	\$ 495	\$ 495
Local organizations	\$ 600	\$ 585	\$ 200	\$ 545
MAPCED membership	\$ 330	\$ 330	\$ 250	\$ 250
MN DEED Marketing Partnership dues	\$ 625	\$ 625	\$ 625	\$ 625
WORKUP membership	\$ 5,400	\$ 2,700	\$ 5,400	\$ 2,250
Other	\$ 400	\$ 410		\$ 150
Professional services:				
Accountant fees	\$ 1,500	\$ 222	\$ 1,500	\$ 1,085
Auditor	\$ 7,000	\$ 800	\$ 7,000	\$ 6,360
Bookkeeping fees	\$ 6,000	\$ 2,705	\$ 6,000	\$ 4,846
Legal fees	\$ 1,800	\$ -	\$ 1,800	\$ 375
Seminars and promotions	\$ 2,750	\$ 1,951	\$ 2,000	\$ 1,176
Travel, conference, school	\$ 12,000	\$ 3,382	\$ 12,000	\$ 6,597
Total Administrative Expenses	\$ 45,500	\$ 17,125	\$ 44,170	\$ 30,497
OFFICE EXPENSES				
Bank Fees	\$ 100	\$ 96		\$ 426
Cleaning person	\$ 2,700	\$ 1,231	\$ 2,700	\$ 2,351
Equipment maintenance and rental				
Software (Synchronist annual fee \$1,200)	\$ 2,000	\$ 1,307	\$ 1,500	\$ 2,250
Toshiba service contract w/Loffler Companies	\$ 2,000	\$ 1,279	\$ 2,000	\$ 2,514
Equipment maintenance and rental - other	\$ 750	\$ 354	\$ 750	\$ 323
Furniture and equipment	\$ 1,300	\$ 888	\$ 1,300	\$ 898
Toshiba digital color copier lease (w/DeLage Financial \$139.59 mo.)	\$ 1,700	\$ 836	\$ 1,700	\$ 1,667
Office equipment and miscellaneous	\$ 2,000	\$ -	\$ 2,000	\$ 1,012
Postage, mailing service	\$ 300	\$ 61	\$ 300	\$ 172
Printing, copying and publishing	\$ 300	\$ 16	\$ 1,000	\$ 470
Professional services:				
Engineering and other professional services	\$ 4,000	\$ (2,800)	\$ 6,000	\$ 5,370
General administrative	\$ 62,850	\$ 19,132	\$ 61,900	\$ 47,388
Planning session facilitator	\$ 2,500	\$ 2,740	\$ 2,400	\$ 1,300
Website hosting and maintenance	\$ 450	\$ 180	\$ 450	\$ -
Rent and storage unit	\$ 23,400	\$ 11,700	\$ 23,400	\$ 23,300
Rent (water cooler, post office box)	\$ 220	\$ 135	\$ 200	\$ 148
Supplies	\$ 3,500	\$ 2,078	\$ 3,500	\$ 5,457
Telephone/Telecommunications	\$ 5,700	\$ 2,728	\$ 5,700	\$ 5,384
Total Office Expenses	\$ 115,770	\$ 41,961	\$ 116,800	\$ 100,430
CREATING ENTREPRENEURIAL OPPORTUNITIES STUDENT LOAN EXPENSES			\$ 30,000	
Advertising/Promotions	\$ 200	\$ -		\$ 829
Dinner Event and Silent Auction				
Advertising	\$ 1,500	\$ 1,659		\$ 731
Decorations	\$ 2,000	\$ 2,200		\$ 1,904
Entertainment	\$ 1,000	\$ -		\$ 1,200
Event Food and Beverages	\$ 7,400	\$ 5,206		\$ 9,422
Equipment	\$ 7,500	\$ -		\$ 8,570
Meals/Meeting refreshments	\$ 2,300	\$ 1,116		\$ 2,776
Miscellaneous	\$ 1,500	\$ 1,567		\$ 772
Scholarships	\$ 1,500	\$ -		\$ 1,000
Supplies	\$ 100	\$ 90		
Tradeshow	\$ 2,500	\$ 558		\$ 2,157
Transfer loan repayments		\$ -		\$ 2,258
Other	\$ 500	\$ 611		
Total CEO Loan Expenses	\$ 28,000	\$ 13,007	\$ 30,000	\$ 31,619
TOTAL PROGRAM EXPENSES	\$ 582,900	\$ 259,419	\$ 570,868	\$ 480,085

WEST CENTRAL MINNESOTA'S BUSINESS HUB



JOIN OUR GROWING BUSINESS HUB!

From startups to national and global leaders, Kandiyohi County has become a destination location for these key industries.



Ag Technology



Advanced
Manufacturing



Medical



Retail /
Restaurants



OPEN *for* **BUSINESS**

866.665.4556

Kandiyohi.com/business

