

KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION (EDC)
JOINT OPERATIONS BOARD OF DIRECTORS (OB) MEETING
MINUTES
September 13, 2018
Spurs Bar & Grill, Willmar

Present: Art Benson, Rollie Boll, Donna Boonstra, Robert Carlson, Les Heitke and Kelly Terwisscha

Excused: Robert Carlson, Roger Imdieke and Kerry Johnson

Ex Officio: Bruce Peterson

Guests: Pablo Obregon, Southwest Initiative Foundation; Jim Ruff, Ruff & Company CPAs, Inc.; and Sarah Swedburg, Planner, City of Willmar

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

Media: Carolyn Lange, West Central Tribune

Secretarial: Diane Beck, Legal & Administrative Assistants, Inc. (LAA)

Prior to the meeting, Aydee Lopez, owner of Spurs Bar & Grill, provided a tour of her new facility in the Historic 313 Building.

President Donna Boonstra called the meeting to order at approximately 11:16 a.m. and declared a quorum was present.

AGENDA—

IT WAS MOVED BY Les Heitke, SECONDED BY Kelly TerWisscha, to approve the Agenda as emailed and following Consent Agenda. MOTION CARRIED.

CONSENT AGENDA—

Approve: 1. Minutes of August 9, 2018 meeting; and
2. Financial reports as of August 31, 2018.

Accept: Committee/Subcommittee Minutes
1. Agriculture and Renewable Energy Development 7/19/2018
a. Ag Marketing Subcommittee 8/20/2018
2. Business Retention and Expansion/Recruitment 8/3/2018

PROGRESS REPORTS

Willmar/Willmar Industrial Park. Backman shared the new Industrial Park flyer prepared by the EDC's Marketing and Public Relations Committee. Backman reported that Jones Development Company (JDC) is reviewing a purchase agreement for one full block in the Willmar Industrial Park to construct a 100,000 sq. ft. building for a logistics company in 2019. The purchase agreement was reviewed by Bruce Peterson and the City Attorney and will be sent to JDC. Kwik Trip on South Business 71 will open soon. Backman reported and shared photographs of the site work that began for 15th Street Flats, a four-story 47-unit multi-family affordable housing project. A groundbreaking ceremony will be held on September 17th for the new Co-op Credit Union at 5th Street and 19th Avenue Southeast in Willmar. Peterson reported there will be a four-unit development built on the old Dairy Queen site on South Business 71 in Willmar. Sarah Swedburg stated a triangle-type curb structure will be installed. Peterson reported the cleanup of the gas station is complete and plans have been submitted. He also reported the city is having discussions with a developer for a 280-unit housing project on 15 acres located north of Willmar near the Living Word Church. The project will be mostly market-rate housing and the developer has requested tax increment financing in four phases from the City of Willmar. The Willmar City Council will review the request. Peterson reported the city is dealing with a business to construct a large sales and service facility next spring along South Highway 71 west of Arnold's. Peterson mentioned a good number of single-family homes are being constructed in Willmar.

Heitke inquired about the reason Mills is selling its property to the south and if it plans to build a Fleet Farm. Peterson commented he believes when the business was sold, Mills' focus changed to strictly vehicle sales. He does not foresee a Fleet Farm coming into Willmar due to the presence of Runnings. President Boonstra inquired about the Kandi Mall, and in particular, Herberger's returning to the area. Backman reported Herberger's may re-open stores east of Minnesota, i.e., Wisconsin, Indiana, etc. Peterson mentioned there are some businesses remain interested in the former Kmart site and reported a recreation-type business is interested in space at the Kandi Mall.

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

- He and Schmoll have been presenting for 2019 memberships to units of government and cities; Mille Lacs and Benton Counties may become members. Backman distributed a Highway 23 Coalition membership map showing current and possible counties and a map showing the Highway 23 Corridor (see attached);
- Distributed a flyer (see attached) for the Community Forum on Transportation Issues sponsored by Minnesota Public Transit Association and Willmar Lakes Area Chamber of Commerce to be held at 11:30 a.m., Thursday, September 20th, at The Oaks at Eagle Creek in Willmar;
- The Minnesota Department of Transportation (MnDOT) sent an RFP to hire a consultant to provide engineering services and deliverables for the North Gap. Once the responses to the RFP have been reviewed, a consultant will be hired by late this year or January 2019. Backman received a call from John Chiglo, WSB, inquiring if the EDC would like to partner on the public engagement activities over the next one to two years at a rate of \$15,000 the first year and \$20,000 the second year. Backman stated if the EDC accepts the partnership, the EDC would need to hire a half-time person as the staff is at capacity with its current workload and additional work on the childcare initiative, potential National Development Center (NDC) activities and a planned BRE survey. Backman mentioned as the former WAM-BC office is now vacant, there is space for additional staff. A part-time/contract person could work 20 hours per

week. Chiglo would like a response by Friday, September 14th. Peterson feels it will be a challenge to find the appropriate person and Rollie Boll felt it may be a conflict of interest with the Highway 23 Coalition. TerWisscha commented as the EDC is a governmental entity, it may be a conflict of interest and he feels the EDC should focus on economic development activities and is not in favor of the public engagement contract. Peterson concurred with TerWisscha's concerns and commented the project would be out of the EDC's focus. Heitke suggested MnDOT contact Mid-Minnesota Development Commission (MMDC). Peterson added MMDC's work program is based on contracts, including for governmental entities. President Boonstra felt the response time is too quick of a turn around. A suggestion was made that WSB hire a consultant to work on the public engagement process.

It was the consensus of the board that the EDC not pursue a public engagement partnership with WSB as to the Highway 23 North Gap project. Backman stated the EDC will be available for questions from MnDOT and the consultant.

[The agenda was taken out of order.]

NEW BUSINESS—

2017 Audit. Jim Ruff presented the Draft Annual Financial Report December 31, 2017 (see attached) and noted the following areas:

- the report is a good and fair picture of activities over the past 12 months.
- it is a positive report and no deficiencies were identified.
- the EDC is doing an excellent job and recommends that staff spend additional efforts in ensuring budgeted information is as complete and accurate as possible. Ruff complimented the EDC on the use of best practices, i.e., segregation of activities.
- the EDC has a healthy balance sheet.
- he noted Undesignated Reserves are for funds with no immediate plan for use; Unreserved Designated are earmarked funds for future use. Plans for the funds can be changed. Reserved Funds are funds that have strings attached and normally cannot be changed, i.e., for the Revolving Loan Fund, etc.
- Ruff highlighted the footnotes as to the Financial Statements and suggested the EDC watch its bank balances as only \$250,000 in cash and savings accounts are insured. He discussed ways to work around the issue. Ruff reported the high quality of administrative functions and processes and stewardship fiduciary responsibilities.
- Heitke inquired as to the reason administrative expenses are lower than 2016. Backman stated it was budgeted versus actuals as to the possibility of hiring another staff person.

Backman reported the EDC Joint Powers Board passed that in 2019 a reserve from of \$100,000 be added for the Willmar Area Multicultural Business Center (WAM-BC) loan fund and that reserves for the EDC's Revolving Loan Fund be increased from \$224,052 to \$300,000.

IT WAS MOVED BY Rollie Boll, SECONDED BY Kelly TerWisscha, to approve the draft Annual Financial Report as of December 31, 2017. MOTION CARRIED.

The draft 2017 Audit will be presented to the EDC Joint Powers Board on October 25, 2018.

PROGRESS REPORTS CONTINUED

2018 Goals.

Childcare. Schmoll reported United Community Action Partnership (UCAP) held meetings on July 27th and September 7th. Schmoll shared the aggressive goals identified and mentioned a delegation of state senators hosted a comment and listening session in Willmar regarding the childcare shortage in Minnesota. The EDC is participating on the childcare issue in partnership with various entities, i.e., Bethesda, First Children's Finance, Jennie-O, Kandiyohi County Health & Human Services and the Southwest Initiative Foundation (SWIF). SWIF has committed an award of a \$5,000 grant to the EDC for a childcare initiative.

Diverse Business Initiative. Backman shared information on the dissolution of WAM-BC. The EDC Joint Powers Board voted to accept WAM-BC's assets, assume administration of the Microenterprise Revolving Loan Fund and assist in the dissolution of WAM-BC. The EDC's attorney prepared the Intent to Dissolve for filing with the Minnesota Secretary of State and Attorney General's office. Appropriate signatures were received from WAM-BC and the EDC and submitted this week.

Opportunity Zones. Schmoll provided a brief update and reported additional information will be available soon.

Transportation Infrastructure. Backman shared a Willmar Chamber Connection was held at the Willmar Municipal Airport in August. Peterson provided information on Oasis Aero, Fixed Based Operations (FBO) and plane maintenance operations. He commented the City of Willmar is happy to have Oasis Aero at the airport. The airport will hold a fly-in on October 6, 2018 from 11:00 a.m. to 3:00 p.m.

Neighborhood Development Center (NDC). Schmoll presented information on NDC, a nonprofit community development financial institution started 25 years ago in the Twin Cities area, that believes residents of low-income, inner-city neighborhoods have the entrepreneurial talent and energy to revitalize their communities (see attached). Prior to receiving loans, entrepreneurs receive training and are required to complete business plan. Kimberle Nagle, a business owner, trainer and coach with NDC presented information to the EDC Finance Committee at its September 11th meeting. Nagle has offered to conduct a Level 3 training session in Willmar. Schmoll attended a Level 4 training session in St. Cloud in July. Several legislators, including Rep. Dave Baker, are working to secure funds to locate NDC's in greater Minnesota. The Finance Committee will discuss the matter further and if the EDC decides to participate in the program, additional staff may be needed. Schmoll suggested including the WAM-BC funds for small business loans for the program. Backman feels it is an opportunity. SWIF has offered funding to help with training fees for those who are not able to pay.

Ag Talent & Technology Event Feedback. Schmoll reported 59 people attended the Ag Talent & Technology event on August 13th. Speakers included Mike Henke of Henke, Inc., Kristie Haefner of

Christianson PLLP, Lyle Mangen of CNH and Mike Massey of Ridgewater College. The evaluations were positive.

Chicago Site Selector Familiarization (FAM) Tour. Schmoll recently attended the 2018 FAM Tour in Chicago and reported this was the best FAM Tour of the four she has attended. It was extremely well organized and informative. The FAM Tour consists of commercial real estate developers interested in new business sites. She made many valuable connections and follow-up contacts.

Business Visits and Meetings. Backman highlighted information from his report (see attached):

- he attended a Community Venture Network (CVN) session on August 10th and visited with a person from Fargo interested in redevelopment of downtown areas, who may visit Willmar;
- he attended the Association of Minnesota Counties Board Strategic Planning Session in Duluth on August 16th;
- he attended the grand opening for the Little Crow Golf Resort; and
- the EDC's Business Retention and Expansion/Recruitment (BRE/R) Committee held its September meeting at Spurs Bar & Grill.

Schmoll highlighted information from her report (see attached):

- she attended a meeting at the Community Integration Center and discussed issues with Somali representatives concerning lack of larger housing units. Schmoll mentioned the 15th Street Flats housing project will have three and four-bedroom units. Also discussed the need for training sessions to help their culture in the job market.
- a new smart phone app is available that gives police officers information about vulnerable people during a crisis to improve their interactions with them. A relative or care giver signs up for the app and supplies relevant information. Officers receive an alert when they are near someone who has a profile in the app. The cost for the app is approximately \$10 per police officer. The West Central Angel Fund may be interesting in providing funding for the business that produces and sells the app.

UNFINISHED BUSINESS

WAM-BC Acquisition Update. This information was shared earlier in the meeting.

COMMITTEE REPORTS

Agriculture and Renewable Energy Development. Schmoll reported in place of the regular September committee meeting, members are encouraged to attend the International Trade & Tariffs event to be held Thursday, September 20th at the Willmar Conference Center (see attached). The EDC will pay committee members' registration fees.

Broadband and Advanced Technology. Schmoll reported Mark Erickson of RS Fiber Cooperative gave an interesting presentation on the successful fiber project in Sibley County. Phase One construction began in 2015 with the final 4 of 10 communities connected to the Fiber-To-Home (FTTH) Gigabit

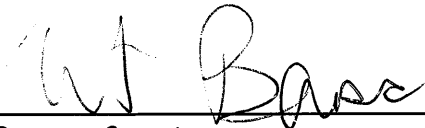
began in 2015 with the final 4 of 10 communities connected to the Fiber-To-Home (FTTH) Gigabit network, including fixed wireless solution for 17 townships. Committee members will research and provide summaries of various broadband options that will be discussed at the next meeting.

BRE/R. Schmoll reported the committee is interested in conducting another BRE survey.

Marketing and Public Relations. Backman reported the committee is creating a new Education flyer.

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

ADJOURNMENT—There being no further business, the meeting was adjourned at approximately 1:10 p.m.



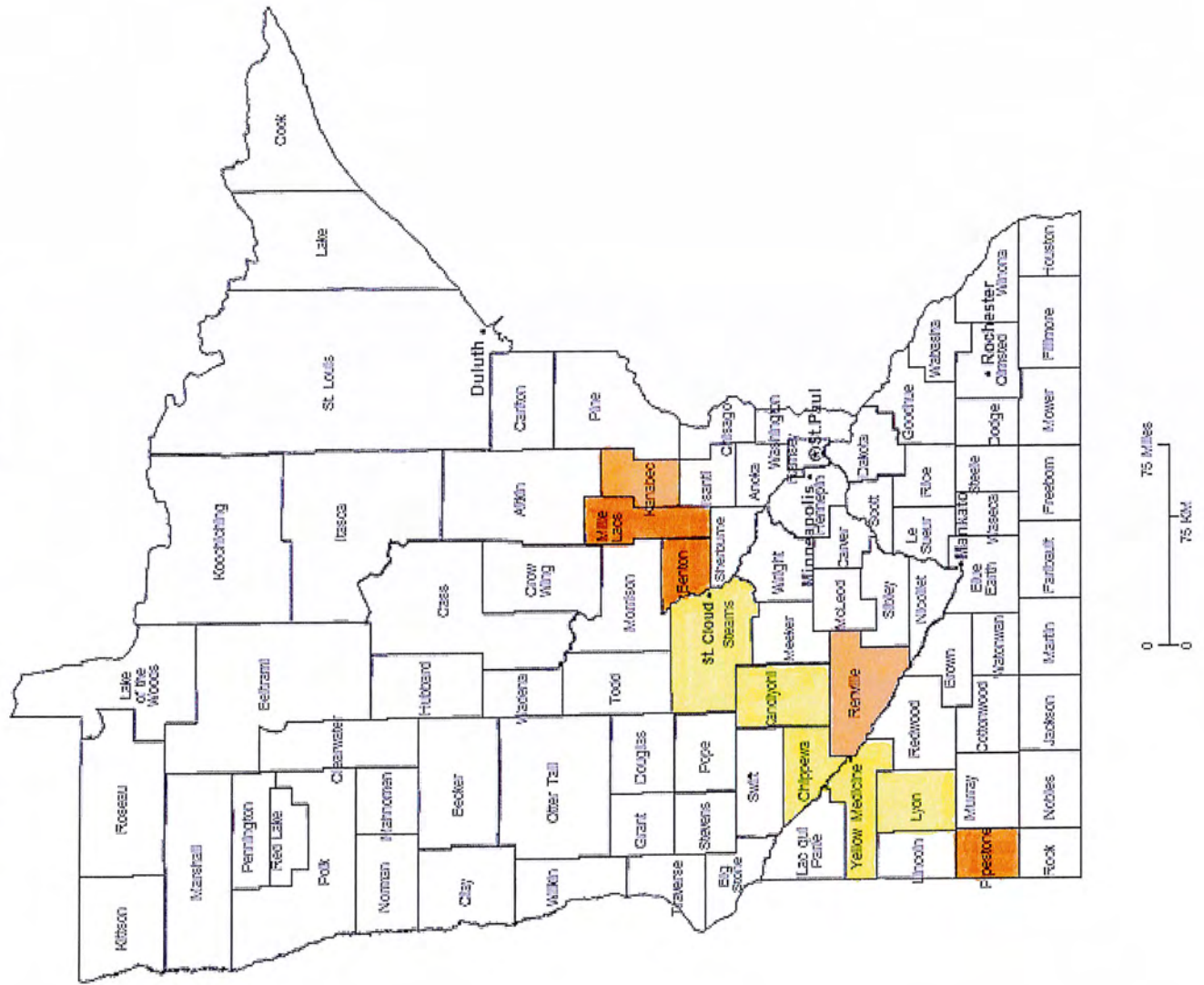
Art Benson, Secretary

APPROVED: 10/11/2018:



Donna Boonstra, President

Highway 23 Coalition Membership



Connecting Greater MN from border to border



Highway 23 Corridor

highway23coalition.com

Aaron Backman
Secretary/Treasurer
aaron@kandiyohi.com



MINNESOTA PUBLIC TRANSIT ASSOCIATION

Progress In Motion

Transportation For A Strong Minnesota



Are Happy to Host A

Community Forum on Transportation Issues

Thursday, September 20th at 11:30 AM

at The Oaks at Eagle Creek 1000 26th Ave NE, Willmar, MN 55620

The objective of the event is to bring business and community leaders together, including candidates for elected office, to talk about local transportation needs, and possible solutions. If you wish to Explore ideas for improving roads, bridges, transit and other parts of the transportation system to attract and retain businesses to improve the local economy – you should attend this event!

By doing so, we will ensure that local elected officials, including local legislators and candidates, understand the community's needs and are prepared to go to work to help solve them.

We intend to invite and engage local news media in order to build momentum for policy changes heading into the 2019 Legislative Session. *Join us for lunch!*



**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION**

ANNUAL FINANCIAL REPORT

December 31, 2017

DRAFT

JAMES M. RUFF, INC.
Certified Public Accountant and Consultants
Willmar, Minnesota

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
WILLMAR, MINNESOTA**

ANNUAL FINANCIAL REPORT

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**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION**

BOARD OF DIRECTORS

December 31, 2017

	<u>Name</u>	<u>Term Expires</u>	<u>Representing</u>
Board of Directors - Joint Powers Board			
Chair	Harlan Madsen	12/31/17	City of Willmar
Vice Chair & EDCOB Liaison	Kathy Schwantes	12/31/17	Kandiyohi Co.
Secretary	Roland Nissen	12/31/17	Kandiyohi Co.
Treasurer	Andrew Plowman	12/31/17	City of Willmar
Board Members:	Roger Imdieke	12/31/17	Kandiyohi Co.
	Fernando Alvarado	12/31/17	City of Willmar

Board of Directors - Operations Board

Voting

President	Donna Boonstra	12/31/19
Vice President	Gary Gilman	12/31/17
Secretary	Art Benson	12/31/18
Treasurer	Roland Boll	12/31/18
Board Member	Robert Carlson	12/31/18
Board Member	Lester Heitke	12/31/19
Board Member	Kelly Terwisscha	12/31/17

Non-voting (Ex-Officio)

Board Member	Bruce Peterson	Annually
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Staff

Executive Director	Aaron Backman
Business Development Director	Connie Schmoll

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Kandiyohi County and City of Willmar Economic Development Commission (EDC) as of and for the year ended December 31, 2017, which collectively comprise the EDC's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the EDC's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Kandiyohi County and City of Willmar Economic Development Commission as of December 31, 2017, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2018 on our consideration of the Kandiyohi County and City of Willmar Economic Development Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Kandiyohi County and City of Willmar Economic Development Commission has omitted a Management's Discussion and Analysis that the Governmental Accounting Standards Board (GASB) has determined is necessary to supplement, although not required to be part of the basic financial statements. Such information, although not part of the basic financial statements, is considered by GASB to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our report on the basic financial statements is not affected by this missing information.

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION
WILLMAR, MINNESOTA**

**GENERAL FUND BALANCE SHEET AND
GOVERNMENTAL ACTIVITIES - STATEMENT OF NET ASSETS
WITH ADJUSTMENTS TO CONVERT MODIFIED TO FULL ACCRUAL**

December 31, 2017

	<u>General Fund</u>	<u>Adjustments</u>	<u>Governmental Activities</u>
ASSETS			
Cash	\$ 393,884	\$ -	\$ 393,884
Certificates of deposit	197,634	-	197,634
Taxes receivable	16,030	-	16,030
Prepaid expenses	2,056	-	2,056
Rent deposits	3,600	-	3,600
Loans receivable, net of \$7,767 allowance	218,232	-	218,232
Capital assets, net of depreciation	-	12,124	12,124
Total Assets	<u>\$ 831,436</u>	<u>\$ 12,124</u>	<u>\$ 843,560</u>
LIABILITIES			
Accounts payable	\$ 3,158	\$ -	\$ 3,158
Vacation and sick leave benefits payable	17,280	-	17,280
PERA and payroll taxes payable	-	-	-
Deferred revenue - tax levy income	-	16,030	16,030
Rent deposit	250	-	250
Total Liabilities	<u>20,688</u>	<u>16,030</u>	<u>36,718</u>
FUND BALANCE			
Reserved for			
Revolving loan fund - County (\$175,082 loans outstanding)	269,814	(269,814)	
Loan receivable - HRA of Willmar	25,750	(25,750)	
Tourism development	13,262	(13,262)	
KCEO program	20,769	(20,769)	
	<u>329,595</u>	<u>(329,595)</u>	
Unreserved - Designated			
Entrepreneur's loan fund guarantees (50% reserve)	45,762	(45,762)	
Undesignated	435,391	(435,391)	
Total Fund Balance	<u>810,748</u>	<u>(810,748)</u>	
Total Liabilities and Fund Balance	<u>\$ 831,436</u>		
NET ASSETS			
Invested in capital assets		12,124	12,124
Restricted for economic development		329,595	329,595
Unrestricted		465,123	465,123
Total Net Assets		<u>806,842</u>	<u>806,842</u>
Total Liabilities and Net Assets		<u>\$ 12,124</u>	<u>\$ 843,560</u>

The adjustments to convert from modified to full accrual include the addition of capital assets and reporting earned but deferred revenue.

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION
WILLMAR, MINNESOTA**

**GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE AND GOVERNMENTAL ACTIVITIES-STATEMENT OF ACTIVITIES
WITH ADJUSTMENTS TO CONVERT MODIFIED TO FULL ACCRUAL**

For The Year Ended December 31, 2017

	<u>General Fund</u>	<u>Adjustments</u>	<u>Governmental Activities</u>
REVENUES			
Taxes	\$ 496,827	\$ 1,900	\$ 498,727
Interest on investments and loans	11,600	-	11,600
Charges for services	466	-	466
Grants and miscellaneous	15,763	-	15,763
Events and programs	37,861	-	37,861
Refunds and reimbursements	1,162	-	1,162
Total Revenues	<u>563,679</u>	<u>1,900</u>	<u>565,579</u>
EXPENDITURES			
Administration	353,470	-	353,470
Committees and special projects	57,318	-	57,318
Events and programs	23,049	-	23,049
Capital outlays	4,398	(4,398)	-
Depreciation	-	2,649	2,649
Grants and donations	55,759	-	55,759
Loan guarantees	-	-	-
Total Expenditures / Expenses	<u>493,994</u>	<u>(1,749)</u>	<u>492,245</u>
Net Change in Fund Balance / Net Assets	69,685	3,649	73,334
Fund Balance / Net Assets, Beginning	<u>741,063</u>	<u>(7,555)</u>	<u>733,508</u>
Fund Balance / Net Assets, Ending	<u>\$ 810,748</u>	<u>\$ (3,906)</u>	<u>\$ 806,842</u>

Adjustments to convert modified accrual to full accrual basis of accounting:

In the fund, under the modified accrual basis, receivables not available for expenditures are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment is the increase (decrease) in revenues deferred as unavailable.

\$ 1,900

The fund does not report depreciation expense as an expenditure, but expenses capital outlays as incurred.

(2,649)

The fund reports capital outlays as an expenditure. In the statement of activities, the cost of capital assets is allocated over their useful lives as depreciation expense.

4,398

The fund records grant revenue when received. In the statement of activities, grant revenue is recorded as income when earned.

-

Total adjustment between change in fund balance and change in net assets

\$ 3,649

**KANDIYOHI COUNTY AND CITY OF WILLMAR ECONOMIC DEVELOPMENT COMMISSION
WILLMAR, MINNESOTA**

**STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGETARY COMPARISON**

For The Year Ended December 31, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>With Budget</u>
REVENUES				
Taxes	\$ 498,750	\$ 498,750	\$ 498,727	\$ (23)
Interest on investments and loans	9,120	9,120	11,600	2,480
Charges for services	1,180	1,180	466	(714)
Grants and miscellaneous	4,200	22,700	15,763	(6,937)
Events and programs	30,000	30,000	32,861	2,861
Rents, refunds and reimbursements	1,250	4,250	6,162	1,912
Total Revenues	544,500	566,000	565,579	(421)
EXPENDITURES / EXPENSES				
Administration	387,695	389,375	353,470	(35,905)
Committees and special projects	46,805	50,305	57,318	7,013
Events and programs	30,000	30,000	23,049	(6,951)
Depreciation	-	-	2,649	2,649
Grants and donations	80,000	96,700	55,759	(40,941)
Loan guarantees	-	-	-	-
Total Expenditures / Expenses	544,500	566,380	492,245	(74,135)
Net Change in Fund Balance / Net Assets	-	(380)	73,334	73,714
Fund Balance / Net Assets, Beginning	733,508	733,508	733,508	-
Fund Balance / Net Assets, Ending	\$ 733,508	\$ 733,128	\$ 806,842	\$ 73,714

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial reporting policies of the Kandiyohi County and City of Willmar Economic Development Commission (EDC) conform to generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the Kandiyohi County and City of Willmar EDC are discussed below.

A. Financial Reporting Entity

The Kandiyohi County and City of Willmar EDC was established by resolution on July 1, 2003, by a joint-powers agreement between Kandiyohi County and the City of Willmar pursuant to Minn. Laws 2003, ch. 127, art.12, § 30, subd.1. The Kandiyohi County and City of Willmar EDC has all of the powers of an economic development authority under Minn. Stat. §§ 469.090 to 469.107.

The Kandiyohi County and City of Willmar EDC is governed by a six-member Board. The Kandiyohi County Board of Commissioners appoints three members and the Willmar City Council appoints three members. Each member is appointed to serve three years. The Kandiyohi County and City of Willmar EDC elects a chair, vice-chair, secretary, and a treasurer from its members. These officers serve a one-year term of office.

Property taxes represent a substantial portion of the Kandiyohi County and City of Willmar EDC's revenue. The Kandiyohi County and City of Willmar EDC is a political subdivision of the State and a special taxing district as defined by Minn. Stat. § 275.066, clause (25), with the power to adopt and certify a property tax levy to the Kandiyohi County Auditor.

The Kandiyohi County and City of Willmar EDC is a separate entity independent of the city and the county which formed it. In accordance with generally accepted accounting principles, the Kandiyohi County and City of Willmar EDC's financial statements are not included in either the City of Willmar's or Kandiyohi County's financial statements. Neither Kandiyohi County nor the City of Willmar retain control over the operations, has oversight responsibility, or is financially accountable for the Kandiyohi County and City of Willmar EDC.

KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basic Financial Statements

The financial statements combine fund level financial statements (General Fund column) and government-wide financial statements (Governmental Activities column). These statements include the financial activities of the Kandiyohi County and City of Willmar EDC overall.

The government-wide columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Kandiyohi County and City of Willmar EDC's net assets are reported in three parts: (1) invested in capital assets; (2) restricted net assets; and (3) unrestricted net assets. The Kandiyohi County and City of Willmar EDC first utilizes restricted resources to finance qualifying activities.

The Kandiyohi County and City of Willmar EDC reports one governmental fund. The General Fund is the Kandiyohi County and City of Willmar EDC's primary operating fund. It accounts for all financial resources of Kandiyohi County and City of Willmar EDC.

C. Measurement Focus and Basis of Accounting

The governmental activities columns are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund columns (General Fund) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available if collected within 60 days after the end of the current period. Interest is considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred. When both restricted and unrestricted resources are available for use, it is the Kandiyohi County and City of Willmar EDC's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Reconciliation of Government-Wide and Fund Financial Statements

The financial statements include an adjustment column to reconcile the General Fund to the governmental activities. The details of the adjustments are:

Balance Sheet to Statement of Net Assets

Amounts reported for governmental activities are different from those reported in General Fund because capital assets, net of depreciation, of \$12,124, and deferred revenue of \$16,030 are not considered financial resources and, therefore, are not reported in the General Fund.

Statement of Activities

Amounts reported for governmental activities in the Statement of Activities differ from the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance because of the differences in reporting capital assets and unavailable revenues.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

Statements of Activities (continued)

General Fund reports capital asset purchases as expenditures while governmental activities reports depreciation expense, which allocates the cost of capital assets over their estimated useful lives. The difference, if any, is reported as an adjustment to expenditures.

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the General Fund. A decrease in revenues of \$1,900 is shown for the decrease in the long-term tax levy receivable.

E. Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The Kandiyohi County and City of Willmar EDC's deposits and investments include demand deposits, savings, and certificates of deposit.

Capital Assets

Capital assets, which consist of equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Kandiyohi County and City of Willmar EDC as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's lives are not capitalized.

Equipment of the Kandiyohi County and City of Willmar EDC is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computers, furniture, and equipment	5 to 7
Leasehold improvements	10

Deferred Revenue

The Kandiyohi County and City of Willmar EDC's General Fund and the government-wide financial statements defer revenue for resources that have been received, but not yet earned. Governmental funds also report deferred revenue in connection with receivables for revenues not considered to be available to liquidate liabilities of the current period.

Fund Equity

In the fund financial statements, governmental funds report reservations of the fund balance for amounts not available for appropriation or legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans subject to change.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

F. Budget

The EDC is required to annually send its budget to the Kandiyohi County Board of Commissioners and City of Willmar Council for review and approval.

NOTE B: DETAILED NOTES ON ALL FUNDS

Assets

1. Cash and Investments

The EDC's cash and investments as of December 31, 2017 and 2016 are summarized as follows:

Restricted:	2017	2016
Cash on Deposit	\$ 145,679	\$ 153,733
Certificates of deposit	13,262	18,262
	<u>158,941</u>	<u>171,995</u>
Unrestricted: (Designated and Undesignated)		
Cash on Deposit and certificates of deposit	432,577	346,806
	<u>\$ 591,518</u>	<u>\$ 518,801</u>

Deposits - Cash

In accordance with Minnesota statutes, the EDC is authorized to designate a depository for public funds and to invest in certificates of deposits. The Minnesota statutes require that all EDC deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged shall be at least ten percent more than the amount on deposit plus accrued interest at the close of the financial institution's banking day, not covered by insurance or bonds.

Authorized collateral includes treasury bills, notes, and bills issued by U.S. government agencies; general obligations rated "A" or better and revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

At December 31, 2017, the EDC's deposits had a carrying amount of \$591,518 and bank balances of \$598,592. Of the bank balances, \$553,632 was covered by federal depository insurance and \$44,960 in deposits were required to be collateralized by standby letters of credit.

Investments

Minnesota statutes generally authorize the following types of investments as available to the EDC:

1. Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as "high risk" by Minnesota Statute.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE B: DETAILED NOTES ON ALL FUNDS (Continued)

Assets (continued)

1. Cash and Investments (continued)

Investments (continued)

2. Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments.
3. General obligations of the State of Minnesota and its municipalities, and certain state agencies and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service.
4. Bankers' acceptances of United States banks.
5. Commercial paper issued by the United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less.
6. Repurchase agreements, securities lending agreements, joint powers in investment trusts and guaranteed investment contracts, with certain restrictions.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Concentration of Credit Risk

As of and during the year ended, December 31, 2017 the EDC was not subject to custodial credit risk due to cash and certificates of deposits held in excess of federal depository insurance limits and related collateral pledged.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE B: DETAILED NOTES ON ALL FUNDS (Continued)

Assets (continued)

2. Taxes Receivable

Taxes receivable consist of uncollected taxes payable by property owners. On the Kandiyohi County and City of Willmar EDC's governmental fund balance sheet, taxes receivable are offset by deferred revenue to indicate they are not available for spending in the current period. No provision has been made for estimated uncollectible amounts because such amounts are not expected to be material. Property taxes are collected by Kandiyohi County and distributed to the Kandiyohi County and City of Willmar EDC three times a year.

Kandiyohi County collected \$8,233 and \$7,342 from taxpayers for tax years December 31, 2017 and 2016 respectively, related to the Kandiyohi County and City of Willmar EDC's tax levy, which was not remitted to the Kandiyohi County and City of Willmar EDC until 2018 and 2017, respectively.

3. Accounts Receivable - Accrued Interest

Interest earned on Certificates of Deposit and loans receivable but not collected until the following year.

4. Loans Receivable

HRA of Willmar

The loan receivable from the HRA of Willmar is a term note dated June 1, 1998 for \$25,750. The note has no stated interest rate, is unsecured, non-guaranteed, and is due in full on June 1, 2028.

	2017
	\$ 25,750

Revolving Loan Fund

Various Term notes in the initial amounts of \$25,000 to \$50,000 each (\$250,500 total), dated December 2011 through November 2017, requiring 60 monthly payments of \$475 to \$950 including interest at 5.25 to 6.25%. Matures December 2016 through November 2022.

175,082

Entrepreneurs Loan Guarantee Program

Note receivable in the original amount of \$7,980 with \$250 monthly payments including interest at 5.5% (currently in default).

7,767

KCEO Student Loans

Loans to student entrepreneurs in amounts of \$250 to \$600 for small business development payable within one year, non interest bearing.

17,400

TOTAL LOANS RECEIVABLE

225,999

RESERVE FOR UNCOLLECTIBLE LOANS

(7,767)

NET LOANS RECEIVABLE

\$ 218,232

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE B: DETAILED NOTES ON ALL FUNDS (Continued)

Assets (continued)

5. Capital Assets

Capital assets activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets depreciated				
Leasehold improvements, furniture, and equipment	\$ 37,342	\$ 4,398	\$ -	\$ 41,740
Less: accumulated depreciation for				
Leasehold improvements, furniture, and equipment	(26,967)	(2,649)		(29,616)
Total Capital Assets, Net	<u>\$ 10,375</u>	<u>\$ 1,749</u>	<u>\$ -</u>	<u>\$ 12,124</u>

Depreciation expense of \$2,649 was charged to the Kandiyohi County and City of Willmar EDC's economic development function.

Liabilities

1. Operating Lease

Effective December 2014, the EDC relocated to new facilities with \$1,800 payable monthly for 60 months, maturing December 2019. Included in this lease are real estate taxes, building insurance, maintenance, and utilities. The lease is renewable for an additional 36 months. The future minimum lease payments are as follows:

Year Ending December 31	Amount
2018	21,600
2019	19,800

2. Risk Management

The Kandiyohi County and City of Willmar EDC is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Kandiyohi County and City of Willmar EDC is a member of the Minnesota Counties Insurance Trust. The Kandiyohi County and City of Willmar EDC retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements.

There were no significant reductions in insurance from the prior year. There was a \$1,162 and \$1,265 refund for 2017 and 2016 premiums in excess of insurance coverage for past fiscal years.

KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE B: DETAILED NOTES ON ALL FUNDS (Continued)

Liabilities (continued)

3. Pension Plans

All full-time and certain part-time employees of the Commission are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF), the Public Employees Police and Fire Fund (PEPFF), and the Local Government Correctional Service Retirement Fund (LGCSRF) which are cost-sharing, multiple employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age and years of credit at termination of service.

Two methods are used to compute benefits for PERF's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and for PERF members whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A normal annuity is a lifetime annuity that ceases upon death of the retiree -- no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
NOTES TO FINANCIAL STATEMENTS
December 31, 2017**

NOTE B: DETAILED NOTES ON ALL FUNDS (Continued)

Liabilities (continued)

3. Pension Plans (continued)

PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained by writing to PERA, 60 Empire Drive, Suite 200, St. Paul, MN 55103-2088 or by calling 651-296-7460 or 800-652-9026.

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Minn. Stat. ch. 353 sets the rates for employer and employee contributions. These statutes are established by the State Legislature. The Kandiyohi County and City of Willmar EDC makes annual contributions to the pension plans equal to the amount required by state statutes. Public Employees Retirement Fund Basic Plan members and Coordinated Plan members are required to contribute 9.10 and 6.0 percent, respectively, of their annual covered salary. The Kandiyohi County and City of Willmar EDC is required to contribute the following percentages of annual covered payroll:

Public Employees Retirement Fund	
Basic Plan Members	11.78 %
Coordinated Plan Members	7.25 %

The Kandiyohi County and City of Willmar EDC's contributions for the years ended December 31, 2017 and 2016 were \$12,211 and \$13,777 respectively.

4. Contingent Liabilities

The Kandiyohi County and City of Willmar EDC has entered into various loan guarantee agreements in relation to its Partial Loan Guarantee Program. Under the terms of the agreement, the EDC has guaranteed 80% of these \$25,000 (\$50,000 for 2013 and following years) loans to private businesses. Total outstanding loan balances under this loan program are \$91,523 at December 31, 2017 with the EDC establishing a reserve of 50% of the guarantee amount, or \$45,762.

5. Compensated Absences

The EDC allows certain full-time employees to accumulate and carryover vacation and sick leave into the next year. The policy establishes rates of pay and limits amounts allowed for carryover.

6. Future Commitments

The EDC approved during 2015 a three-year partnership agreement for \$34,000 annually to fund the Willmar Lakes Area Convention and Visitors Bureau for tourism-related services. Prior to year end the EDC had committed to a \$30,000 Revolving Loan Fund to be disbursed during 2018.

7. Line of Credit Agreement

The EDC has an unused line of credit agreement limited to \$25,000 dated August 2017 & maturing August 2018.

NOTE C: EVALUATION OF SUBSEQUENT EVENTS

The Kandiyohi County and City of Willmar EDC has evaluated subsequent events through September 10, 2018, the date the financial statements were available to be issued.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Joint Powers Board and Operations Board
Kandiyohi County and City of Willmar
Economic Development Commission

We have audited the financial statements of Kandiyohi County and City of Willmar Economic Development Commission as of and for the year ended December 31, 2017, and have issued our report thereon dated September 10, 2018.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Kandiyohi County and City of Willmar Economic Development Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

However, we identified certain deficiencies in internal control over financial reporting described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting which are not considered material weaknesses. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kandiyohi County and City of Willmar Economic Development Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Minnesota Legal Compliance

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. Accordingly, the audit included tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our study included all of the listed categories, except that we did no tests of compliance in: 1) contracting and bidding because the EDC did not enter into any contract or make any purchases requiring bids; 2) public indebtedness, because the EDC had no bonded debt transactions; and 3) tax increment financing.

The results of our tests indicate that, for the items tested, Kandiyohi County and City of Willmar Economic Development Commission complied with the material terms and conditions of the applicable legal provisions.

Kandiyohi County and City of Willmar Economic Development Commission's written responses to the significant deficiencies, material weaknesses and legal compliance findings identified in our audit have not been subjected to any auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This report is intended solely for the use of management and State Agencies, and is not intended to be and should not be used by anyone other than these specified parties.

JAMES M. RUFF, INC.

September 10, 2018

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES**

YEAR ENDED DECEMBER 31, 2017

**I. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Criteria:

A control deficiency exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent or detect misstatements of the financial statements on a timely basis. A control deficiency that typically is considered significant is the identification by the auditor of a material misstatement in the financial statements that was not initially identified by the entity's internal control.

Finding 2016-1, 2015-1 and 2014-1

Condition:

Non-budgeted expenses, commitments, and recurring revenues - for 2016 and prior budget years the EDC has not budgeted for all significant anticipated revenues and expenses.

Questioned Costs:

None

Context:

Budgeted revenues did not include the receipt of anticipated grants, interest income, and program income. Budgeted expenses failed to include all expected grant disbursements. Total revenues and expenses from actual to budget are misrepresented.

Effect:

Budgeted revenues and expenses are understated as compared to anticipated actual revenues and expenses.

Cause:

Budgeted revenues and expenses include basic operations only.

Recommendation:

We recommend that staff spend additional efforts in ensuring budgeted information is as complete and accurate as possible.

CORRECTIVE ACTION PLAN (CAP)

Finding 2016-1, 2015-1 and 2014-1

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

During 2017 and future years the budget will be revised to ensure completeness.

Officer Responsible for Ensuring CAP:

Executive Director, Assistant Director, Treasurer, and fiscal host.

Planned Completion Date:

Monthly during 2017.

Plan to Monitor Completion of CAP:

Responsible officers to report to JOINT BOARD.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES**

YEAR ENDED DECEMBER 31, 2017

**I. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS (CONTINUED)**

Finding 2016-2, 2015-2 and 2014-2

Condition:

During our audit, we proposed numerous adjustments that resulted in significant changes to the Commission's financial statements.

Questioned Costs:

None

Context:

As examples during 2016, 2015, 2014, and prior years, certain expenditures (e.g. loan write off of \$23,254 for 2016, accrued sick and vacation for 2015 and 2014) were posted directly to fund balance or reserve accounts. During 2015, 2014, and prior years, certain receipts or transfers from Kandiyohi County were not reported as revenues in the statement of activities.

Effect:

The commission had numerous unrecorded transactions or untimely accounting adjustments that caused the interim and year end financial statements to be materially misstated.

Cause:

Lack of communication between fiscal host and management. Misinterpretation of generally accepted accounting policies.

Recommendation:

We recommend that the Commission insure the completeness of records and supporting documentation for the new fiscal host and that accounting adjustments be made on a regular and recurring basis. All revenues and expenditures should be posted to the statement of activities.

CORRECTIVE ACTION PLAN (CAP)

Finding 2016-2, 2015-2 and 2014-2

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

Monthly balance sheets and income statements will be reviewed by the Joint Operations Board. All revenues and expenditures will be posted directly to the Statement of Activities. During 2012 an outside independent contractor (LAA) was hired to act as fiscal host. Auditor will work with new fiscal host (LAA) to ensure completeness and accuracy of year end statements for 2017 and future years.

**KANDIYOHI COUNTY AND CITY OF WILLMAR
ECONOMIC DEVELOPMENT COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES**

YEAR ENDED DECEMBER 31, 2017

**I. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS (CONTINUED)**

Finding 2016-2, 2015-2 and 2014-2 (continued)

Officer Responsible for Ensuring CAP:

Executive Director, Assistant Director, Treasurer, and fiscal host (LAA).

Planned Completion Date:

Monthly during 2017.

Plan to Monitor Completion of CAP:

Balance Sheets and the Statement of Activities will be monitored monthly by the Executive Director, Treasurer, and fiscal host to encourage adjustments during the year to fully conform to fund accounting.

**II. FINDINGS RELATED TO FINANCIAL STATEMENTS AUDITED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

PREVIOUSLY REPORTED ITEMS NOT RESOLVED

Finding 2000-2 -- Internal Control/Segregation of Duties

Management is responsible for establishing and maintaining internal control. This responsibility includes the internal control over the various accounting cycles, the fair presentation of the financial statements and related notes, and the accuracy and completeness of all financial records and related information. Adequate segregation of duties is a key internal control in an organization's accounting system. The size of the Kandiyohi County and City of Willmar Economic Development Commission and its staffing, limits the internal control that management can design and implement into the EDC. Management should be aware that segregation of duties is not adequate from an internal control point of view.

Management is responsible for the accuracy and completeness of all financial records and related information. Also, management is responsible for controls over the year-end financial reporting process, including controls over procedures used to enter transaction totals into the general ledger; initiate, authorize, record, and process journal entries into the general ledger; and record recurring and nonrecurring adjustments to the financial statements.

Management has requested that we prepare the annual financial statements and related notes. This arrangement is not unusual for an organization the size of the EDC. These decisions were based on the availability of the EDC's staff and the cost/benefit of using our expertise.

During our audit, we proposed numerous adjustments to convert the EDC's financial records to the financial statements as reported. Those adjustments were made to report receivables and revenue (deferred revenue in the fund) for interest and to reclassify various revenues.

September 10, 2018

The Joint Powers Board and
The Operations Committee
Kandiyohi County and the City of Willmar
Economic Development Commission

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Kandiyohi County and the City of Willmar Economic Development Commission (EDC) for the year ended December 31, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 10, 2018. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the EDC are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the Kandiyohi County & City of Willmar EDC during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the EDC's financial statements was (were):

- a) useful lives of equipment for computing depreciation expense and
- b) the loan reserve for the loan guarantee program.

Management's estimate of the useful lives of property and equipment is based on estimated economic or useful life. We evaluated the key factors and assumptions used to develop the determination of useful life in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the loan loss reserve is based on historical experience. We evaluated the key factors and assumptions used to develop the loss reserve in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was (were):

The disclosure of FDIC insurance and collateral in Note B to the financial statements regarding credit risk associated with cash funds at financial institutions. The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 10, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the EDC's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the EDC's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the use of The Joint Powers Board, The Operations Committee and management of the Kandiyohi County and the 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,

James M. Ruff, Inc.

DRAFT



Sharing NDC's Innovative Approach in Greater MN (Update & Future Vision)



GOAL

Share the NDC approach with communities across Greater Minnesota.



SUMMARY

Currently moving forward with training and capacity building with self-selected communities. NDC's work has been supported by MN Legislature funding for three years, and from the Otto Bremer Foundation.



CHALLENGE

Determine interest, relevance, and adaptability of NDC's approach for rural MN communities and within the Native American Nations, while first learning about their community, activities and vision.

PROCESS	RESULTS
Meet with at least 50 local communities across Greater Minnesota	Engaged 107 communities and 8 Tribal Nations
Continue in-depth discussions with at least 25 interested communities	64 communities / community-based organizations
Seek at least 10 communities that will add elements of NDC's approach	Hosted two training sessions in Duluth and Crookston
Continue work with at least 4 communities / begin the process of providing the components locally	Nine communities participated in the advanced workshop in St. Cloud in June 2018
At least 2 communities (pilot) the full NDC approach for local residents and receive intensive technical assistance and matching funds	St. Cloud has developed a project, while Duluth is in the organizational development stage. Two additional projects could emerge

We believe in the power, drive and daring of local entrepreneurs to transform their lives and revitalize their neighborhoods.



What we have learned:

1. Availability of entrepreneurial development resources (training, technical assistance, lending and incubator spaces) varies throughout the state.
2. Communities of color and low-income people experience disparities accessing resources in many communities.
3. Program delivery costs are increased by travel distance between services and the entrepreneur.
4. Communities have varying levels of access to financial resources to support program delivery in rural areas.
5. Collaborative partnerships to coordinate delivery of services vary across the state.
6. Organizations need assistance in building capacity to deliver quality training, technical assistance and loans.

Future Vision:

The NDC approach appears to be relevant in certain rural communities, based on strong interest shown by certain communities and regions of Minnesota.

A designated NDC team will focus on communities committed to advanced workshops, as they prepare for and implement their programs.

We will assess WHERE our approach has the best chance of success, considering issues that affect opportunity (i.e. population density).

We will assess WHICH ORGANIZATIONS AND PARTNERSHIPS have the most potential for success, considering issues such as organizational mission, capacity and funding.

We see ourselves as a supporter of rural efforts to fund the programs in their community.

We see ourselves as an advocate for this type of approach, with public officials and funders.

Communities implementing our approach will be eligible to join NDC's National Build from Within Alliance.

We will continue to provide basic information and training as possible to communities participating in workshops and implementing our approach via our consulting team and future 'NDC Academy'.

Neighborhood Development Center (NDC) is a non-profit, community development financial institution that believes that residents of low-income, inner-city neighborhoods have the entrepreneurial talent and energy to revitalize their communities. NDC provides entrepreneur training, small business lending, business services and real estate incubators to start and grow vital small businesses—which in turn create jobs, provide needed goods and services, revitalize blighted properties, create community gathering places, and develop community role models...building neighborhood economies from within.



Joint Operations Board Meeting

Aaron Backman Report

September 13, 2018

Highway 23 Coalition

The membership renewal process for the Hwy 23 Coalition is well underway. We have been reaching out to units of government because this is the time of the year when counties and cities are working on their 2019 budgets. Thus far Connie and I have reached out to 22 units of government and have presented at about 75% of them. The responses from existing members has been good, and we have picked up four new units of government members. The membership renewal process for businesses will commence later in the Fall.

WAM-BC Loan Portfolio

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; and that the EDC assist in the process and expenses of dissolution of WAM-BC (with the exception of the 990 tax return).

Following approval by the EDC's Joint Operations Board of the WAM-BC proposal on July 12th, the EDC's Joint Powers Board considered the matter at its regular meeting on July 26th. The Joint Powers Board members unanimously approved accepting the WAM-BC assets, assuming the administration of the Microenterprise Revolving Loan Fund and all loans, and assisting in the WAM-BC dissolution process. This action was communicated to WAM-BC representatives and Mike Burgett, the EDC's attorney. Following discussions with the EDC, WAM-BC did file in small claims court regarding the two non-performing loans. It is expected the court will consider those filings in October of 2018.

The EDC's attorney has prepared the Intent to Dissolve document for the MN Sec. of State, the Intent to Dissolve document for the MN Attorney General, and a cover letter for the AG's Office. They are expected to be submitted this week.

15th Street Flats, et al

15th Street Flats, the affordable housing project consisting of 47 multi-family rental units to be constructed near Pizza Ranch, continues to move ahead. Commonwealth Development closed on the funding with the State of Minnesota on August 31, 2018. Commonwealth, the developer, gave the notice to proceed with construction on September 4th to the general contractor, Project One Construction of Kimball, MN. Shortly thereafter the contractor began site work removing the top soil at the site.



Site work begins on 15th Street Flats!

As a result of this project and other developments in Willmar, I believe, several other housing developers have taken notice of the community and have been exploring and planning other housing projects. One developer from Fargo is considering a 100-unit market-rate housing project off Lakeland Drive near the Bypass. Another developer from Fergus Falls is considering a 280-unit multi-family housing project (over four phases) in the northwest side of the side along CR5. And there are other housing projects in the works.

Business Meetings (August 10th – September 13th)

1. Attended Community Venture Network session in West St. Paul on August 10th
2. Attended the Ag Talent & Technology event at Little Crow Resort on August 13th
3. Made Hwy 23 Coalition membership presentations to the City of Raymond (8/13), Pipestone County (8/14/18), Mille County (8/21/18), Kanabec County (8/22/18), and Yellow Medicine County (9/11/18); and met with reps from the City of Pipestone (8/14) and Duluth (8/16).
4. Participated in Federal Freight Corridor Mtg. at Kandiyohi Co. Public Works
5. Mtg. w/Dr. Holm re multi-family housing project near Lakeland Elementary
6. Attended AMC Board Strategic Planning Session in Duluth on August 16th and 17th
7. Attended Willmar City Council Mtg. re logistics company prospect LOI on August 20th

Business Visits

1. Attended Little Crow Resort Grand Opening near New London
2. Conference call with Dan McKinney, RockStep and Dale Odom, Ken Inselmann, and Chad Kallstrom, Kandi Mall prospects
3. Mtg. w/representatives of mini-golf business and Knockerball business
4. Willmar Chamber Connection meeting at Oasis Aero/LifeLink
5. Mtg. w/Sergio Fuentes, Royal Barber, re financing and tour of potential locations
6. Mtg. w/Abdirahman Hussen, ADC re proposed Child Care Center, etc.
7. Meetings w/owner of Spurs Restaurant re status of construction completion
8. Meeting with reps of Willmar, ADC, and EDC regarding potential Willmar Child Care Center sites.
9. Mtgs w/Owner of Spurs Restaurant in Hist. 313 re partnership and working capital
10. EDC's BRE Committee meeting held at Historic 313 Building; Tour w/Aydee Lopez, owner of Spurs Restaurant



**Joint Operations Board Meeting
Connie Schmoll Report
September 13, 2018**

Agriculture/Renewable Energy Development Committee

The August 13, 2018 Talent and Technology Workshop for Ag Producers had an attendance of 59 people. The Little Crow Resort facility worked well for an educational setting and for showcasing the platinum level sponsors/vendors at the event. The breakfast was superb. Evaluations rated all speakers as excellent. Evaluations also showed an interest in future similar events and the participants provided topics to consider. Some changes to make include printing out the presentations for participants and providing a well-defined call-in option for registration. Total Income was \$6,708, and expenses \$6,022 for a net profit of \$686.

The September Committee Meeting will be attendance at the September 20th discussion on International Trade & Tariffs. In November, Harold Stanislawski of AURI will attend the committee meeting to speak on opportunities for industrial hemp production and processing.

Child Care

United Community Action Partnership (UCAP), with a 2018 Technical Assistance grant, hosted the first Kandiyohi County Child Care Innovation Project planning meeting on July 27th with over 20 core team leaders in attendance. The second meeting took place on Friday, September 7th. First Children's Finance (FCF) staff member, Jessica Beyer led an action-packed, two-hour discussion and planning process. Decisions were made and core team leaders took on tasks to plan and implement the following:

1. Conduct a Child Care Provider Appreciation event tentatively scheduled for October 30, 2018.
2. Conduct surveys on child care with parents, employers, and providers including past providers, with a collection deadline of November 1, 2019.
3. Conduct a Town Hall meeting inviting interested people from the entire county tentatively scheduled for November 29, 2018.

The end result of survey, town hall meeting and follow-up planning will be creating a community action plan.

In addition to the Child Care Innovation Project, on August 13th, 6 to 8 p.m., a delegation of state senators visited Willmar for a community listening session on the statewide child care shortage. The EDC made arrangements for an informal discussion prior to the community discussion, with community child care leaders and business representatives. The meeting took place at the Jennie-O corporate headquarters training room. Child care professionals, business leaders, social services, healthcare and school personnel were in attendance as well as four senators and several senate committee staff members. The evening community discussion was well attended with more than 60 community participants and six state senators. Discussion included challenges in providing child care with concerns raised by providers of both publicly and privately owned centers and home child care providers. Issues that rose to the top were maximum number of children allowed and costly regulations. After-school children count in overall numbers and make it difficult for providers to assist them.

The City of Willmar Council members heard from Bradley Peterson from the Coalition of Greater Minnesota Cities at their planning meeting on September 4th. Peterson brought up child care as one of the top concerns cities are facing.

Business Meetings and Events

1. EDC and Willmar Lakes Area Chamber, joint planning of community discussion on international trade
2. Work with Intern, Thor Figenskau
3. Ag Event set up and event
4. Senator Bill Weber Child Care Access Workgroup and community discussion
5. Sunburg Café community discussion and planning
6. SCORE training with new volunteer, John Soderholm
7. Clara City Council Meeting on Highway 23 Coalition
8. Workforce Center celebration for Hospitality Training Graduates
9. Neighborhood Development Centers conference call
10. FAM Tour in Chicago
11. Cold Spring City Council on Highway 23
12. Community Integration Center – discussion on jobs, housing and secondary education options for Somali residents with Willmar area Somali leaders, Ridgewater administration, CIC Executive Director, Abdirahman and EDC.
13. U of M Showcase Planning
14. Networking with African Development Center (ADC), Abdirahin Hussen, regional manager, on five new businesses and two start-ups pending

Business Visits

1. Three new start-ups initial meetings
2. Collaborative work with City of Willmar on three businesses seeking space for expansion
3. Assisted a new start-up that presented at One Million Cups with an application for West Central Angle Funds

2018 FAM Tour

Designed to bring familiarization of Minnesota and communities across the state including Kandiyohi County and the City of Willmar to site selectors nationwide, the 2018 Minnesota Site Selectors FAM Tour may have been the most effective tour in the four years I have been part of this organization.

In 2015, the FAM Tour included one site selector, Linda Burns, coming to Willmar for one day to tour the area and visit with business leaders. During the other three days that Ms. Burns was in Minnesota, she spent one day in Windom making similar contacts and two days in Minneapolis with several other site selectors and economic development leaders from across the state. The 2015 tour afforded time to

showcase what our community has to offer on a one-to-one basis with one site selector. At events in Minneapolis, including a Twins baseball game, we were given opportunity to speak with other site selectors.

The 2017 FAM Tour was arranged differently. Site selectors came and stayed in Minneapolis. Economic development representatives (E.D.s) from across the state went to Minneapolis for the three-day tour to meet with the visitors and tour metro-area businesses alongside the site selectors. Welcoming events and a Twins baseball game offered opportunity to talk one-to-one with the site selectors that were in attendance.

The 2018 FAM Tour featured yet another way to meet with Site Selectors. This year, DEED staff and economic development leaders from across Minnesota, 23 in total, went as a group to Chicago, Illinois to meet with site selectors at their business locations. I went to represent Willmar and Kandiyohi County with funding in the amount of \$1,000 from SWIF to support my efforts. All Minnesota E.D.s were allowed to send a pdf document about the opportunities in our community to the event planners to put together on a flash drive to provide to the site selectors. We were asked to bring only one handout or flyer along and that it should work to build interest in a specific site. I brought along our Industrial Park Flyer and tucked the MinnWest Technology Campus Flyer in my luggage just in case.

The 23 participants were given appointment assignments in teams of 3 to 5 people, each assignment with changing membership. Each team included a DEED staff member. Altogether 17 business visits were conducted by the teams. Some of the E.D.s set up independent visits in addition. Each appointment included a presentation of Minnesota as a state and roundtable time for each community representative to share about local opportunities for new or expanding businesses. The site selectors generally gave information about the kind of businesses they typically assist, giving opportunity to speak directly about similar industries in our areas.

While debriefing each afternoon, team members reported on comments received from the site selectors. Generally, the site selectors complimented our work to market the state together, as the Minnesota Marketing Partnership. They expressed gratitude for our coming to Chicago, requiring only an hour of their valuable time to meet and allowing that hour to focus completely on the information we provided. Some shared that they see little in marketing of the state of Minnesota, validating the FAM tour process in Chicago at this time.

I attended meetings as follows:

Joe Pilewski – Pilewski and Associates: High interest in steel and fabrication. He enjoyed hearing about the latest expansion at West Central Steel (WCS). He said he hopes to retire to northern Minnesota as he loves the state and the north woods. His daughter has the University of Minnesota on the top of her list of colleges to attend. He mentioned a need for a plug and play call center facility. I sent him a flyer about the KPC building and my v-card when I returned, and invited him for a tour of our area, specifically the West Central Steel facility.

Rachel Gradner – CBRE: located on the 16th story in a newly renovated office complex overlooking the Chicago River with views of Lake Michigan. CBRE often has ten or more projects in different planning stages in Minnesota and any given time. One project is presently in Willmar. Ms. Gradner asked a great deal about workforce and special projects that are utilized to recruit and retain workforce in the state and at the local

communities. I spoke of our KCEO program, the Ridgewater College Customized Training programs, CLUES, and the recent Hospitality Training program presented by the workforce Center and CMJTS.

My third agency appointment with a team of four was with Tracey Bosman, Managing Director and Kyle Syers, Senior Consultant of Biggins Lacy Shapiro, a location economics consultant agency housed in a co-working business park in downtown Chicago. This agency works closely with data centers, manufacturing companies and much more. Tracey and Kyle appreciated our coming to their office and the materials and information we presented. They were interested in the food processing businesses and industrial parks in rural Minnesota. They were familiar with our Certified Shovel Ready site listings.

In addition to team meetings, a Thursday luncheon at Harry Caray's Steakhouse was arranged to meet with international representatives working to connect global partners with business opportunities in the United States. I sat by representatives from Germany and Israel. Gerrit Ahlers of the German American Chamber of Commerce told me that German companies look for opportunities to buy large companies in the states. Kirsten Gustafson of the same agency is interested in the agriculture base in rural Minnesota. She has referred me to an international discussion platform to stay on top of global agriculture issues.

The 2018 FAM Tour did not leave out the Twins game mixer. On my first night in Chicago, the entire group of 23 E.D.s plus several Chicago agency representatives gathered in a suite at the Guaranteed Rate Stadium to watch the Twins and White Sox game. It was a mix of cheers as in the last inning, the Twins finally broke a tied up score with three last minutes runs for a final score of Twins, 5 and White Sox, 2. The game provided opportunity to talk informally with site selectors representing Chicago-based agencies that were in attendance.

The contacts I made with significant site selection/business advisors was an important avenue to bring attention to what Kandiyohi County and the City of Willmar has to offer to new or expanding businesses. I appreciate the opportunity to represent the EDC in Chicago for the 2018 FAM Tour.

Public Welcome with RSVP



International Trade & Tariffs—What's the Impact for You?

Thursday, September 20th, 2018

7:00-9:00 am

Cost \$15

Willmar Conference Center

(240 23rd St SE, Willmar)

Acting Consul General of Canada, Suzanne Cormie, and Jeff Phillips, from the Minnesota Department of Agriculture, will discuss the importance of trade within North America and around the globe. They will provide useful information on their offices, roles, and responsibilities. Participants can expect to learn more about the impacts of tariffs on ag producers, area businesses across industries, and consumers. An interactive Q and A and comment session will follow.

7:00-7:30 am

Breakfast & Networking

7:30-8:30 am

Suzanne Cormie

Consul General of Canada (acting)

Jeff Phillips

International Trade Manager for MN Department of Agriculture

8:30-9:00 am

Moderated Q&A Session

With Doug Loon, President Minnesota Chamber of Commerce



RSVP

chamber@willmarareachamber.com

Deadline September 18th