

NWRegional Development Commission



ANNUAL REPORT

Fiscal Year 1990

Northwest Regional Development Commission, 525 Brooks Avenue South, P.O. Box E, Thief River Falls, MN 56701 Telephone #: (218) 681-2637

It is with great pleasure that I present the 1990 Annual Report of the Northwest Regional Development Commission to the citizens and governments of northwest Minnesota. As you read through the report you will again see that we have had another very busy and productive year. Whether writing block grants, preparing new reports or providing leadership training, the NWRDC has committed its resources to improving the economy, infrastructure and quality of life in northwest Minnesota.

NWRDC's economic and community development programs continue to be of great service to the region. This year Leon and Carol developed the Northwest Minnesota Visitor and Recreation Guide that has been in high demand throughout western Minnesota. The Overall Economic Development Plan was updated and provides an excellent overview of the region's economy. NWRDC continues to be actively involved in the growth of new industry in the region through our sponsorship of the Northwest Regional Enterprise Fund.

The NWRDC received funding from the Northwest Area Foundation to initiate a new program of international trade called the Red River Trade Corridor program. This program is working to develop new opportunities for trade with Canada and around the globe. It is encouraging to see us take a leadership role in establishing this cooperative effort by northwest Minnesota, eastern North Dakota and southern Manitoba to strengthen our region's economy through international trade.

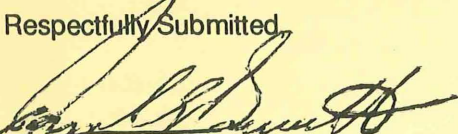
The Northwest Area Agency on Aging continues to be a leader in serving the needs of seniors in the region. The nutrition, transportation, home health care, Leadership program and legal advocacy services funded by the NWAAA are a great benefit to the seniors. Faith is very active in ensuring that we are always aware of and looking for ways to respond to the concerns of seniors. The NWAAA Aging Services Directory was also updated and reprinted this year.

With Linda Nelson's guidance the Northwest Regional Arts Council continues to be responsive to the needs of the arts community in the region. This past year the Arts Council published the Northwest Regional Arts Council Artist Directory, continued its support of the very popular artist/mentor program, and sponsored a series of leadership training programs for community groups involved with the arts.

The Transportation Advisory Committee worked with all seven counties to prepare a road users survey for the region. The survey will be a good resource for the Committee, our transportation planner Heidi Bauman and the county's engineers as we advocate for quality roads in the region. Heidi is also our natural resources planner. She completed two years of work on the Comprehensive Local Water Plans. The quality of these plans is a testament to Heidi's hard work.

As I look over this letter it is clear that the NWRDC is an organization of hard working people dedicated to serving northwest Minnesota. I sincerely hope that each of you reading this report will take a minute to thank the hard working and dedicated staff, Commissioners and committee members that together make up the NWRDC.

Respectfully Submitted,


Dr. Joseph E. Bouvette
Chairperson

Pursuant to Mn Stat 462.393, sd 1

COMMISSION BUDGET

<u>REVENUES</u>	<u>FY'90</u>	<u>PROJECTED FY'91</u>
FEDERAL		
ECONOMIC DEVELOPMENT ADMIN.	47,057	53,600
DHHS - AREA AGENCY ON AGING	<u>510,420</u>	<u>514,900</u>
	557,477	568,500
STATE		
LEGISLATIVE APPROPRIATION	40,976	40,976
MN/DOT	32,846	30,000
205J ABANDON WELL STUDY	6,760	0
STATE ARTS BOARD	48,310	51,935
MN RESOURCE CENTER FOR ARTS	13,466	13,100
STATE RED RIVER TRADE	<u>0</u>	<u>30,000</u>
	142,358	166,011
PRIVATE FOUNDATIONS		
MCKNIGHT FOUNDATION - ARTS	6,000	6,000
NWMIF LEADERSHIP PROJECT	29,315	6,106
NWMIF REVOLVING LOAN FUND	56,713	0
NW FOUNDATION - RED RIVER TRADE	<u>12,082</u>	<u>4,514</u>
	104,110	16,620
LOCAL GOVERNMENTAL		
LOCAL LEVY*	106,400	115,741 *
MISCELLANEOUS LOCAL CONTRACTS	33,258	11,250
FY'90 CARRY-IN	0	716
	139,658	127,707
MISCELLANEOUS		
NORTHWEST ENTERPRISE FUND	29,495	33,000
INTEREST	11,847	11,650
CONFERENCE REGIST./PIC/MISC.	<u>13,980</u>	<u>4,250</u>
	55,322	48,900
TOTAL REVENUES	<u>998,925</u>	<u>927,738</u>

<u>EXPENDITURES</u>	<u>FY'90</u>	<u>PROJECTED FY'91</u>
SALARY/FRINGE	300,299	302,967
STAFF TRAVEL & REGISTRATIONS	32,544	31,480
COMMISSION/COMMITTEE TRAVEL/PER DIEM	32,414	32,205
PROFESSIONAL FEES	57,779	30,570
OFFICE EXPENSES	<u>80,716</u>	<u>71,193</u>
TOTAL ADMINISTRATIVE	503,752	468,415
REGRANTED	460,998	467,823
FIXED ASSETS	5,253	
DEPRECIATION	<u>(11,925)</u>	<u>(8,500)</u>
	(6,672)	(8,500)
TOTAL EXPENDITURES	<u>958,078</u>	<u>927,738</u>

* Estimated - Actual levy to be determined on 7/24/90



NWRDC Board of Directors

Front Row L to R:

Joe Bouvette
Eugene Mattson
Delray Larson

Back Row L to R:

Charles Lindberg
Floyd Hovland
Alvin Jensen
Kermit Finstad
Rudee Anderson

NWRDC Commission Members

Kittson County

County.....*Charles Lindberg
Municipalities.....George Wikstrom, Jr.
Townships.....William Gatheridge
Public Interest - Industry.....**Joe Bouvette
Public Interest - Financial Institutions.....John Carpenter
School District.....Janice Hanson

Marshall County

County.....*Delray Larson
Municipalities.....Vernon Gunderson
Townships.....Marville Magnusson
Public Interest - Agriculture.....Norma Hanson

Norman County

County.....Don C. Anderson
Municipalities.....*Floyd Hovland
Townships.....Cary Sip

Pennington County

County.....Donald Grabanski
Municipalities.....Karen Young
Townships.....*Kermit Finstad
Public Interest - Minorities.....Geri Sollom
Public Interest - Labor.....Ray Beauchamp
School District.....Harry Sjulson

Polk County

County.....*Eugene Mattson
Municipalities.....Duane Knutson
Townships.....Gary Letness
Public Interest - Vocational Schools.....Mark Bohn
Public Interest - Women.....Bernie Solberg
Public Interest - Business.....Harold Thomforde

Red Lake County

County.....*Alvin Jensen
Municipalities.....Harold Vathauer
Townships.....Ralph Berg
Public Interest -
Soil & Water Conservation.....Ronald Anderson
Public Interest - Senior Citizens.....Roy Jorgenson
Public Interest - Low IncomeLowell Enerson

Roseau County

County.....Glenn Darst
Municipalities.....Gary Hendrickson
Townships.....Donald Fast
Public Interest -
Watershed District.....*Rudee Anderson

Officers

Chairperson.....Joe Bouvette
Vice-Chairperson.....Delray Larson
Secretary/Treasurer.....Eugene Mattson

*Board of Directors
**Chairperson

Transportation Planning

The Commission continued to assist the Minnesota Department of Transportation (MN/DOT) with local aspects of transportation planning. The Commission's Transportation Advisory Committee (TAC) is responsible for making recommendations to the Minnesota Department of Transportation District 2 on their construction program, review of the Minnesota Department of Transportation activities that affect local governments, as well as working to improve all aspects of transportation in the region.

A major activity of the past year has been the Road Users Survey. This was a survey of the residents of Region 1 on their opinions on the quality of service and road conditions on the state, county, and township systems. This study was done in conjunction with the county engineer in each county and some of the counties in Region 2. The information will be used by the county engineers and commissioners to make decisions on work to be done in the county. It will also be used by the TAC when making recommendations to the Minnesota Department of Transportation on construction priorities. The information has also been provided to the Minnesota Department of Transportation staff and the members of the Transportation Study Board to use in the work they are doing on state wide transportation issues.

Additional activities include the update of the Highway Jurisdictional Study, assisting Roseau and Kittson Counties with getting transit services into their counties, and assisting the Minnesota Department of Transportation with the development of the Market Artery System and Highway System of National Significance. The Jurisdictional Study Update showed that almost no jurisdictional changes had been made in the past three years. Roseau County will receive their first bus this summer and hope to have service going by August. Kittson County has contracted with Tri-Valley Opportunity Council to provide limited service on a temporary trail basis. The Market Artery System was used to develop the recommendations from the Minnesota Department of Transportation to the United States Department of Transportation on a Highway System of National Significance.

Finally the update of the Regional Transportation Plan was begun at the end of the fiscal year and will carry over into FY 1991 as a major project of the year. The Transportation Plan reviews all the available transportation modes and systems in the region and uses that information to determine where the region is lacking, needs improvement, or should be left alone. There are a couple of new areas that the plan will encompass such as intermodal connections and tying into the MN/DOT 20 Year Plan for the District.

Fiscal Year 1990 Transportation Advisory Committee:

Joe Bouvette
Adrian Johnson
Leonard Stoltman
John Rusling Sr.
Ronald Rasmusson
Cary Sip
Donald Jensen
Tom Kozojed
Harold Thomforde - Chairman
Eugene Mattson
Eugene Ulring
Clarence Vathauer
Bob Marvin
Glenn Darst

Kittson County
Kittson County
Marshall County
Marshall County
Norman County
Norman County
Pennington County
Pennington County
Polk County
Polk County
Red Lake County
Red Lake County
Roseau County
Roseau County

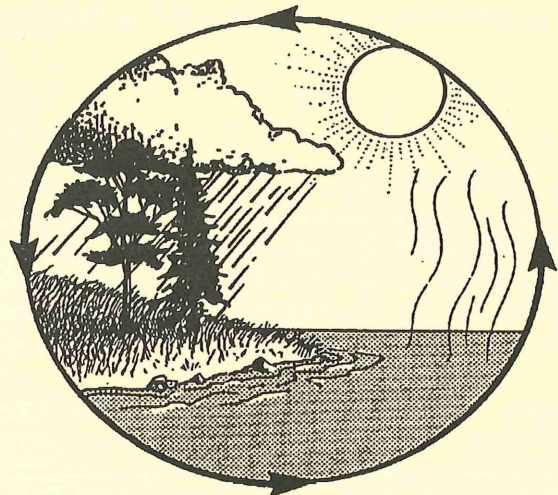
Natural Resources

Comprehensive Local Water Planning

The seven counties in Region 1 completed their Comprehensive Local Water Plans this year in October 1989. They were sent to the Minnesota Board of Water and Soil Resources to be reviewed in November 1989 and all of them were approved on or about March 1, 1990.

The counties are at a point where they must decide if they are going to implement their plans and if they are willing to levy in order to receive grants from the Minnesota Board of Water and Soil Resources. Between what they will be asked to levy and a grant from the Minnesota Board of Water and Soil Resources the counties could receive \$37,500 to use for implementation of their water plans.

The Northwest Regional Development Commission will be assisting one county with implementation and may assist two other counties. The NWRDC will provide planning, coordination, and facilitation of meetings as well as assisting with finding funding sources for implementation.



Natural Resources Continued...

Other Areas

The NWRDC staff is also involved in a ground water study being conducted by the United States Geological Survey, Polk County, Red Lake County, Pennington County, and Marshall County. This is a four year project that will begin this summer by studying the surficial aquifers in the area, their interconnections, quality, quantity, recharge areas, and discharge areas. Any and all groups with an interest or knowledge of groundwater are involved in the process and all hope to gain valuable information from the study.

The NWRDC is involved in assisting the City of Crookston with a flood control study. They are currently working with the United States Army Corps of Engineers to determine their needs and the NWRDC will assist them with finding funding sources, if necessary.

The NWRDC also maintains working relationships with a variety of state and federal agencies in order to help local government with natural resources related problems and projects.

Regional Arts Council

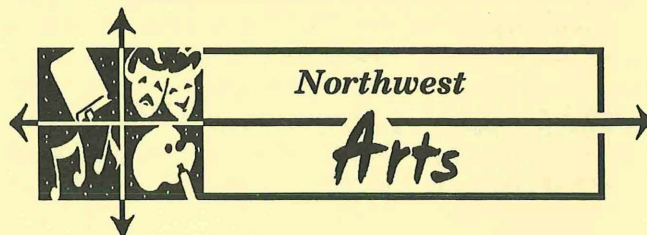
Planning for Fiscal Year 1990 for the Northwest Regional Arts Council began with a needs assessment which was conducted in 1989. With an increase in funding from the Minnesota State Legislature, the Council was able to develop new projects to meet the needs expressed in the assessment while expanding the basic arts grant program:

****An Artist Registry/Directory** was developed as a service for artists and people needing to contact artists.

****Matching grants** of up to \$3,000.00 were provided to organizations for art projects. Local/Regional Arts Development funds in the amount of \$19,049.00 were awarded for fifteen production assistance and sponsorship projects.

****A new Small Arts Grant Program** provided \$1,820.00 for eight projects. Under this program, organizations could apply for up to \$500.00 in matching funds for projects not exceeding \$1,000.00 in total cost.

****An arts newsletter, Northwest Arts**, began publication as an insert into the NWRDC newsletter. Frances Karlsson of Roseau was the \$100.00 winner of the Logo Contest for Northwest Arts.



Funding from the McKnight Foundation's Art Funding Plan in the amount of \$4,100.00 provided assistance with capital expenditures to three arts organizations. Additionally, capacity building and organizational development workshops were conducted for arts and other non-profit organizations.

During the summer of 1989, the Artist/Mentor Program was supported in part by the Minnesota Center for Arts Education for the third year. Twenty-six students from sixteen high schools worked with practicing artists during that time.

The National Endowment for the Arts' "Locals" program provided a new initiative for arts organizations to obtain funds from local units of government. Arts Council staff will continue to work with the Association of the French of the North of Red Lake Falls, 42nd Street Song and Dance Company of Kennedy, and the Fosston Library and Art Center in administering the matching funds they will receive over the next three years from the National Endowment, the State Legislature, and the local units of government.

Local/Regional Arts Development Grants:

Grantee	Activity	Award
AFRAN, Red Lake Falls	Chautauqua Folk Artists	\$ 770
U of M, Crookston	Minneapolis Chamber Symphony	3,000
Warroad Summer Theater	<u>Mass Appeal</u>	1,600
Trinity Lutheran Church, Crookston	Frank Wiens Concert	515
Crookston Development Authority	Arts Needs Assessment	1,690
ComPAC, East Grand Forks	"Broadway Melody"	1,945
Civic Music League, Crookston	Premiat Trio Concert	1,317
NCC, Thief River Falls	Frank Benciscutto Concert	655
Thief River Falls School	Ethnic Dance Theater	1,145
Oklee Community Theater	<u>Alice's Adventures in Wonderland</u>	307
ComPAC, East Grand Forks	<u>Tintypes</u>	1,055
Middle River Comm. Theater	<u>Hansel and Gretel</u>	850
Warroad Summer Theater	<u>Li'l Abner</u>	1,235
Fosston Art Center	<u>Dracula, the Musical</u>	1,995
Fosston Art Center	<u>The Nerd</u>	970
TOTAL		\$19,049

Small Arts Grants:

Grantee	Activity	Award
Badger School	Lauri Jo Villwock, Dance Residency	250
Community Arts Council, Thief River Falls	<u>A Bad Year for Tomatoes</u>	200
Warren Comm. Arts Board	Herbert Jones Concert	140
Twin Valley School	Grace Moje, Visual Art Residency	385
NCC, Thief River Falls	Steve Thornton Jazz Festival	305
Crookston Squarenaders	Arnold Strebe, Caller	90
Warren Comm. Arts Board	Jun Chun Concert	100
Stephen Arts Council	Visual Art Show	350
TOTAL		\$1,820

McKnight Foundation Arts Funding Grants:

Grantee	Purchase	Award
Warroad Summer Theater	Reel-to Reel Tape Deck	\$1,655
Northland Community College Foundation, Thief River Falls	Drum and Band Uniforms	1,897
Middle River Community Theater	Tools and Set Construction Equipment	548
TOTAL		\$4,100

1989 Artist/Mentor Student Participants

Student	School	Discipline
Eric Swanson	Ada	Music Composition
Jennifer Joop	Borup	Piano
Darrin Hoffman	Stephen	Violin
Eric Hjelle	Stephen	Voice
Rick Kroll	Argyle	Drawing
Laura LaBine	Argyle	Flute
Denise Gajeski	Argyle	Poetry
Margaret Foster	Badger	Saxophone
Wendy Holum	Badger	Voice
John Walsh	Badger	Percussion
Shawn Bicker	Roseau	Watercolors
Amy Hayes	Roseau	Oil Painting
Gena Hasson	Greenbush	Voice
Christopher Skanson	Fertile	Percussion
Tracy Goering	Crookston	Dance
Jami Pagnac	Crookston	Theater
Kari Odland	Crookston	Voice
Shannon Haugen	Erskine	Piano
Martin Jerome	Humbolt-St. Vincent	Theater
Tracy Nelson	Newfolden	Photography
Amy Walker	Red Lake Falls	Saxophone
Stephanie Perreault	Red Lake Falls	Voice
Carla Fjeld	Twin Valley	Voice
Jesse Anderson	Warren	Photography
Michelle Thiessen	Warroad	Poetry
Ruth Krahn	Warroad	Saxophone

Regional Arts Council Members

Erland Erlandson, Kittson Co.	George French, Polk Co.
LaDonna Trudeson, Kittson Co.	Pat Jacklitch, Polk Co.
Kristin Woolcock, Marshall Co.	*Ric Sorenson, Polk Co.
Gene Lysaker, Norman Co.	Lowell Enerson, Red Lake Co.
Ken Swanson, Norman Co.	Roy Jorgenson, Red Lake Co.
Bardulf Ueland, Norman Co.	Mike Swenson, Red Lake Co.
Jack Davidson, Pennington Co.	Carol Hallan, Roseau Co.
Harry Sjulson, Pennington Co.,	Rev. Louis Hermansen, Roseau Co.
Mike Trudeau, Pennington Co.	

*Chairperson

Northwest Area Agency on Aging

The amended Federal Older American's Act of 1965 provides the philosophical base and guidelines for the NWRDC's Area Agency on Aging. It defines our purpose of providing advocacy and assistance for a coordinated and comprehensive system of community options that help older persons maintain independence and dignity. With this as the goal, the NWAAA examines and plans for the needs of local older persons, and assists local governments and service providers through the provision of technical assistance and the allocation of funds for services.

A written needs assessment was distributed and has been compiled and used to develop priorities for the 1991-1992 Area Plan for Aging Programs. The AAA also assisted MBA in organizing a forum for seniors to present concerns about needs and services to state and regional planners. The 1987-1990 Area Plan was amended to delineate how needs and program development activities would take place.



Lt. Governor Marlene Johnson presenting a proclamation for Older Americans Month at the MBA/AAA Needs Hearing

Advocacy on behalf of senior citizens through review and comment on policies that affect older persons was a focus in FY'90. Efforts to develop an Aging Trust Fund began. The AAA co-sponsored a Health Care Forum to provide concerned individuals with the opportunity to discuss the health care crisis. The Legislative Subcommittee on Aging Issues was active in analysis and support of state legislation for seniors. A reception was held to allow seniors to discuss issues with legislators.

Many trainings on how to write a living will were provided throughout the Region for interested seniors. Resources continue to be available. Education and training are an ongoing priority for the AAA.

"Special People, Special Years"

"Feeling Like Something Special" was provided by Keynote Bev Starkey for Region I at the annual Fall Conference on Aging August 29, 1989. Starkey also presented sessions on How to Develop Sense of Humor. Bob Payton entertained at noon with "A Musical Celebration of Aging" as well as two musical workshops. Other workshops covered such topics as: Living Wills, Senior Center Vitality, Hearing Loss, Senior Clout, Relaxation, Ethnic Diversity, Emotional Changes Related to Aging, Medicare Catastrophic Act, and Aging in Small Town Minnesota. Senior Craft items were for sale and service providers displayed information about their agencies.

Senior Leadership Development Project

The Senior Leadership Development Project, funded through a grant from the NW MN Initiative Fund, helped groups throughout the region set and achieve goals. Examples of goals set by senior groups include: establishment of a school reading companion program, development of a friendly visiting project, production and distribution of a county directory of senior services, community center development, training caregiver support volunteers, conducting surveys of community interests and offering a greater variety of activities to respond to needs. Regional training was provided at the Fall Conference on Aging and the Senior Vitality Celebration in Red Lake Falls.

Aging Funds Granted

In FY 1990, the following aging funds were obligated to support community-based services:

Access Services - Title III B

Kittson Co. Sr. Transportation	\$ 2,800
Roseau Senior Medical Travel	\$ 7,400

Advocacy Services - Title III B

NW MN Legal Services-Region I	\$19,000
-------------------------------	----------

In-Home Supportive Services - Title III B

Inter-County Home Health Aide	\$ 4,640
Marshall Co. Home Health Aide	6,760
Norman Co. Home Health Aide	2,000
Polk Co. Home Health Aide	9,500
Roseau Co. Home Health Aide	2,260
Tri-Valley Housekeeping	31,700
Roseau Co. Housekeeping	6,000

In-Home Services - Title III D

Tri-Valley Chore Services	\$ 4,389
---------------------------	----------

Nutrition Services

Sr. Congregate Nutrition	\$198,000
State Nutrition Funds	77,559
Home Delivered Meals	66,000

Senior Center

Oslo Senior Center	\$ 4,000
--------------------	----------



Bob Payton entertaining the senior citizens at the 15th Annual Fall Conference on Aging

Aging Advisory Committee Membership:

Charles Lindberg	Kittson County
James Wollin	Kittson County
Leonard Olson	Marshall County
Kenneth Price	Marshall County
Francis Tangen	Norman County
Bette Gysland	Norman County
Kermit Finstad	Pennington County
Bill Penning	Pennington County
Emil Bagley	Polk County-MBA
Ione Olson	Polk County
Lilja Snyder	Polk County-MBA
Lorraine Strand	Polk County
Roy Jorgenson	Red Lake County
Phyllis Raebel	Red Lake County
Marie Comstock	Roseau County
June Hagen	Roseau County
Monica Douglas	Nutrition Project



Economic and Community Development

Purpose - The Economic and Community Development Programs of the Commission work together to assist both private and public sector efforts to create new jobs and improve the quality of life in Northwest Minnesota.

Funding - Funding for the programs comes from The Federal Economic Development Administration, the local tax levy and contracts with local units of government.

Staff - Leon Heath, Carol Sorenson and John Wynne

Local Input and Direction - Contacts with local government officials, state legislators, government staff, business leaders; manufacturing operators and others are put together with the more formal guidance of NWRDC Commission and Economic Development Planning Committee to complete the annual update of the Overall Economic Development Program (OEDP). This document contains the work program which guides staff over the year. The Economic Development Planning Committee, which serves as the hub of local input, is made up of two persons from each County as appointed by the County Boards.

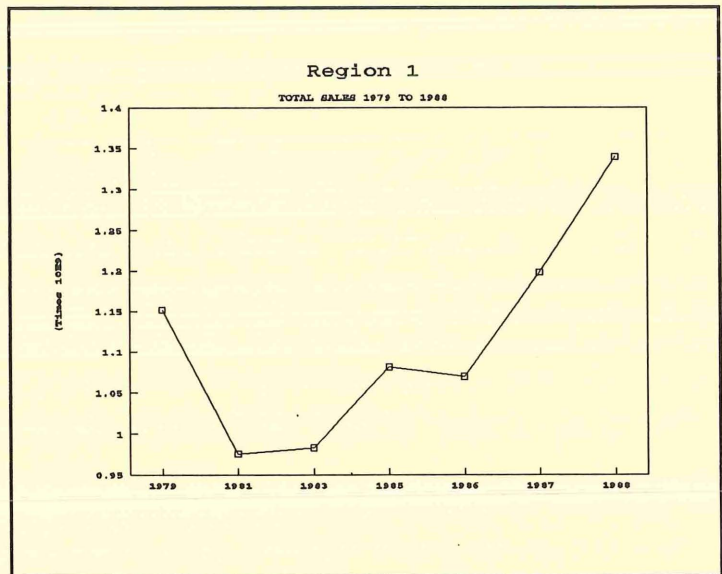
The following is a list of the Committee Members for 1990:

Kim Kraska, Lancaster	Kittson
Cindy Spilde, Kennedy	Kittson
Scottie Peterson, Middle River	Marshall
Lawrence Sundahl, Stephen	Marshall
Rollin Bergman, Ada	Norman
Dennis Thorson, Twin Valley	Norman
Richard Anderson, TRF	Pennington
Dr. Steve Levinson, TRF	Pennington
Arvid Clementson, Fosston	Polk
Del Olson, EGF	Polk
Mark Berg, RLF	Red Lake
Marvin Bronken, Oklee	Red Lake
*Milt Arneson, Sr., Roseau	Roseau
Bernie Burggraf, Roseau	Roseau

Committee members also serve as local development contacts in each of the Counties. Persons with projects can contact committee members as well as staff for information or assistance.

Economic Conditions - Data in the Overall Economic Development Program indicates that economic conditions in Northwest Minnesota have been improving. Unemployment has declined, employment has increased and regional sales

have shown steady improvement. Regional Sales is one of the best indicators of basic economic conditions. It outlines the economic production of the economy and includes retail, manufacturing, wholesale and all other types of sales with the exception of agricultural raw products. The graph below shows total sales for the Region from 1979 to 1988.



Work Activities - The following is a summary of the work activities for 1990 using the major work categories as set in the OEDP:

Regional Planning: The Overall Economic Development Program was updated and County Summaries completed. Staff attended County Board meetings and each of the Counties approved the OEDP for 1991. The Planning Committee was very active in promoting the concepts of "Innovation" and "Home Grown Industry" as the foundation of economic development for the area. Each City in the area was provided a copy of economic information for their county.

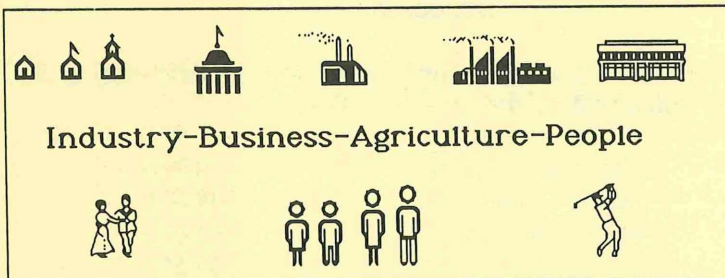
Grant Writing: Staff were involved in both large and small grant writing efforts in a number of communities. Projects included Block Grants in Stephen, Thief River Falls, Halstad, Warren, Plummer, Strandquist and East Grand Forks; Economic Development Administration Grants in Roseau, Warroad and Thief River Falls, an Economic Recovery grant in Grygla, a telecommunication grant for Moose Country (Karlstad, Badger, Lancaster, Middle River and Greenbush), Parks Grants in Lake Bronson, Hallock and Donaldson; and Tourism Grants in Riverland (Thief River Falls, St. Hilaire, Red Lake Falls, Crookston and East Grand Forks) and Roseau

Economic & Community Development Continued...

County. Staff provided information to approximately 90 individuals, organizations and units of government on grants, grant writing and grants administration. Grant writing was the largest single use of time for the year.

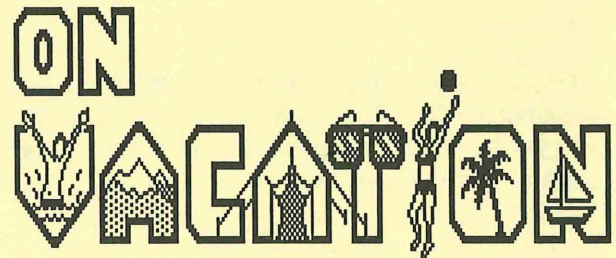
Local Planning: Staff had contacts with over 150 individuals, units of government and groups on a variety of projects and ideas over the year. Some contacts were a phone call while others involved hundreds of hours. Major planning projects included a year long growth management project in Roseau County, completion of County Social Service Plans in Kittson, Marshall, Polk, Red Lake and Roseau and a zoning and land use plan for Norden Township.

Industry: Staff had direct contact with over 100 industries and business during the year. Assistance included information on financing start-ups or expansions, direct assistance with loan applications, help with business planning, referrals to other sources of business assistance, information and advice on new idea development and gathering of local market and statistical information. Some of these contacts involved the creation of new jobs while others helped bring an idea closer to becoming a business or industry. An interesting fact for the year was that, for the first time, at least one new industry was started in each of the seven counties in the Region.

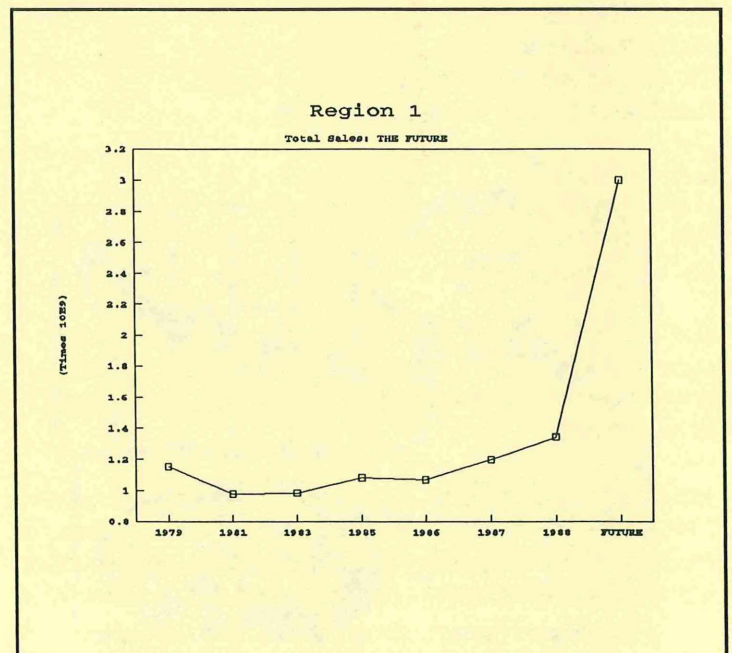


Agricultural Value Added: The Commission provided support to a variety of activities involved in promoting better use of the agricultural production of the area. The continued growth of the vegetable growing and processing industry in Polk and Pennington and Red Lake thru the organization of Northern Produce Inc., the start up of grain packaging in Marshall and Kittson and the development of alfalfa processing in Norman County are good examples of businesses that are getting more return from raw products grown in the area.

Tourism: Work in tourism development during the year included completion of a Regional Tourism and Recreation Guide, on-going work with the Red Lake Riverland Association and new contacts with a number tourism groups. Roseau County snowmobiling, Kittson County catfishing and park related activities in a number of communities added continued support to the concept that everyone can work together on tourism promotion to a mutually beneficial end. This cooperative approach was rewarded with the opening of a MN Department of Tourism branch office serving the Region and located in Thief River Falls.



Looking Ahead - Staff and Committee members are looking forward to new projects and ideas for next year. Work with the Red River Trade Corridor at the NWRDC, the start up of the Business Innovation Center by the Greater Minnesota Corporation, more "Home Grown Industry" and continuing current projects promises to bring an exciting year.



Northwest Regional Enterprise Fund

The Enterprise Fund has had another busy and productive year. Since our last report, four additional projects have been financed, including a \$250,000 loan to Northern Pride, Inc. The capital for this loan was acquired through a Sudden and Severe Economic Dislocation grant from the Economic Development Administration. The addition of this loan brings our total capitalization to over \$1.5 million.

Since the creation of the Enterprise Fund in 1986, 20 new or expanding businesses have received gap financing totaling \$1,324,427. Over 239 jobs have been created by these businesses. The loan program originated through federal funding from the Economic Development Administration in the amount of \$725,000 and with local matching funds of \$248,000.

Our contract with the Northwest Minnesota Initiative Fund to assist in launching their Revolving Loan Program resulted in the funding of eight projects from our region. We are proud to have assisted these businesses in acquiring gap financing of \$678,392.

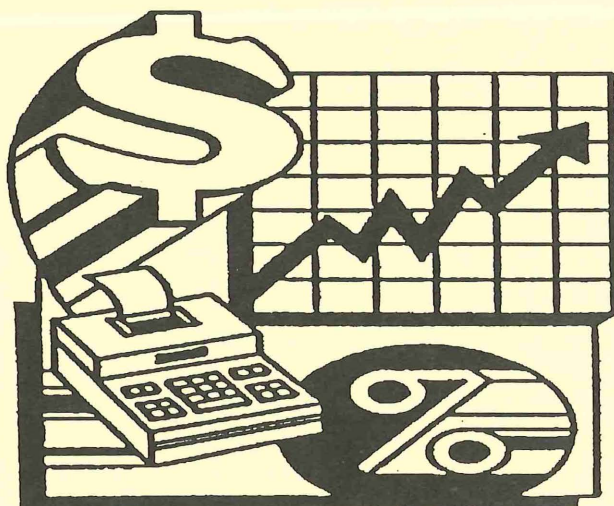
I would like to take this opportunity to thank the members of the Enterprise Fund and the NWRDC staff for their dedicated service.

Please review this report and feel free to contact any of the Committee members or staff for more information.

Sincerely,



O. A. Botner, Chairperson
Northwest Regional Enterprise Fund



Member

*Richard Anderson, TRF
Rollie Boldt, TRF
**Orville Botner, TRF
John Carpenter, Hallock
*Harlan Charon, Hallock
Carolyn Eeg, Greenbush
Fred Grant, TRF
*Rusty Hastad, Halstad
Eric Hoberg, Ada
Delray Larson, Gatzke
Gary Letness, Crookston
Calvin Melgard, Warren
Steve Mercil, Crookston
Mike Moore, Fertile
*William Muldoon, RLF
John Nelson, Gully
*David Paulson, Warroad
Roger Philipp, TRF
James Richter, EGF
Brenda K. Ross, Crookston
Robert Sobolik, Crookston
Vaughn Thorfinnson, RLF
*Ray Tunheim, Newfolden
*Jerry Wendorff, Crookston
Karen Young, St. Hilaire
*Board Member

Representing

Thief River Falls
Minorities
Pennington County
Kittson County
Cities
Women
Econ. Dev. Org.
Business
Norman County
Marshall County
Townships
Marshall County
Crookston
Econ. Dev. Org.
Red Lake Falls
Polk County
Econ. Dev. Org.
Banking
East Grand Forks
Women
Banking
Red Lake County
Business
Polk County
Women

Budget Summary

The following budget summarizes the capitalization and lending activity of the Enterprise Fund:

EDA Grant Funds	\$975,000
Local Match	284,000
MWMIF Match	64,000
Recap Funds*	288,500
Total Funds Available	\$1,611,500
Total Loans Made	1,324,427
Balance Available	\$287,073

*Loan money that has been repaid; one-half the interest earned on the loans and on the savings account.

The Fund's Administration budget for the year is \$29,495. One-half the interest earned on the loans and on the account can be used for covering administration costs in addition to the loan fees collected.

Enterprise Fund Projects Funded

Loan Recipient	Business Type	Loan Amount	Loan Recipient	Business Type	Loan Amount
MARSHALL COUNTY			Fashion Haus East Grand Forks	Retail Women's Clothing	RLF Funds: \$ 30,000 Total Cost: \$ 94,000
LeBlanc Clinic Warren	Health Care Clinic	RLF Funds: \$ 75,000 Total Cost: \$ 300,000	Miller Building Center Fosston	Lumber Yard	RLF Funds: \$ 58,000 Total Cost: \$ 175,000
Mischel Grain & Seed Warren	Commodity Processing & Marketing	RLF Funds: \$ 13,000 Total Cost: \$ 39,000	Mr. Carrot, Inc. Fosston	Carrot Dehydration	RLF Funds: \$ 75,000 Total Cost: \$ 815,000
Valley Spuds, Inc. Stephen	Ag Processing	RLF Funds: \$ 75,000 Total Cost: \$ 455,000	Northern Quilters Crookston	Mfg. Draperies, Bedspreads/Quilts	RLF Funds: \$ 75,000 Total Cost: \$ 275,000
PENNINGTON COUNTY			Red River Recycling East Grand Forks	Garbage Recycling	RLF Funds: \$ 30,650 Total Cost: \$ 92,000
Amundgaard's Sausage Thief River Falls	Potato Sausage & Meat Processing	RLF Funds: \$ 75,000 Total Cost: \$ 73,132	Reliance Telephone East Grand Forks	Telephone Systems	RLF Funds: \$ 38,000 Total Cost: \$ 114,000
Northern Pride Thief River Falls	Turkey Processing	RLF Funds: \$ 75,000 \$ 250,000* Total Cost: \$2,600,000	S & S Development Trail	Ag Processing Plant (Vegetables)	RLF Funds: \$ 75,000 Total Cost: \$ 395,840
Sorvig Partnership St. Hilaire	Wholesale Plumbing & Marketing of Tanks	RLF Funds: \$ 36,600 Total Cost: \$ 110,000	V & V Sales, Inc. East Grand Forks	Assembles Farm Machinery/Sales	RLF Funds: \$ 25,000 Total Cost: \$ 295,000
TIC General Thief River Falls	Market/Mfg. Antenna Rotor System	RLF Funds: \$ 50,000 Total Cost: \$ 110,000	RED LAKE COUNTY		
POLK COUNTY			Homark Co., Inc. Red Lake Falls	Mobile Home Mfg.	RLF Funds: \$ 75,000 \$ 6,700 Total Cost: \$1,419,700
Dee Mfg., Inc. Crookston	Aluminum Casting	RLF Funds: \$ 65,000 Total Cost: \$ 219,000	ROSEAU COUNTY		
Don's Machine Co. Fosston	Remanufactures Engines & Diesel Motors	RLF Funds: \$ 30,000 Total Cost: \$ 80,000	DeMolee Communications Warroad	FM Radio Station	RLF Funds: \$ 47,077 Total Cost: \$ 150,582

*Funds received from Sudden Severe Economic Development

Northwest Minnesota Initiative Fund Revolving Loan Fund Projects Funded

Loan Recipient	Business Type	Loan Amount	Loan Recipient	Business Type	Loan Amount
KITTSOON COUNTY			Olson's Diesel & Air Conditioning Ada	Diesel & Air Conditioning Repair	56,267
MARSHALL COUNTY			PENNINGTON COUNTY		
D&D Commodities Stephen	Process/Package Bird Seed	100,000	Northern Pride Thief River Falls	Turkey Processing Plant	100,000
May Corp. Grygla	Manufactures & Markets Posture Control Seating Devices	100,000	POLK COUNTY		
Mike Jones, Inc. Warren	Manufactures & Markets Specialty Farm Machinery	90,000	Dee Inc. Crookston	Aluminum Casting	100,000
NORMAN COUNTY			TOTAL LOANS CLOSED		
Image Design & Packaging Hendrum	Manufactures & Markets Sawhorse Brackets	50,000	\$678,392		

NWRDC Publications and Special Reports

FY'89 Annual Report - Highlights activities of the Commission and budget information for July 1, 1988 to June 30, 1989.

1990 Amendments to 1987-1990 Area Plan for Aging Programs - AAA goals and objectives, needs description and budget are included.

Arts Council 1990-1991 Biennial Plan - The Arts Plan describes the services offered by the Regional Arts Council to enhance artistic development in northwestern Minnesota. Program information contained in the plan describes the application process for local/regional arts development grants.

Artist Directory - As a directory of artists and arts organization in Region One this registry lists artistic disciplines, specializations and services of those registered.

Directory of Local Units of Government and Service Agencies in Region One - Updated on a yearly basis.

Directory of Resources and Programs for Older Persons in Northwest Minnesota - A directory of services and programs in Region One for older persons and service providers.

NWRDC Newsletter - The Commission's Newsletter The Commission Chronicle, is published quarterly to keep units of government and agencies informed of Commission activities and funding sources.

"Northwest Minnesota Visitor and Recreation Guide" - A directory of tourism and recreation attractions, activities and events. First published in 1990 with annual updates to be completed.

"On Vacation" - An analysis of tourism development and potential in Northwest Minnesota. Published in 1988.

Overall Economic Development Program (OEDP) - Economic and community development plan prepared for the seven county area of the Northwest Regional Development Commission and the Minnesota Region One Federal Economic Development Planning District. Plan contains an extensive statistical look at the economy of the area and the project areas being pursued by the NWRDC to create jobs and improve the local quality of life. The plan is updated each year in June.

County Economic Summaries - An individual summary of the economic data for each of the seven counties. Also contains comments on statistical trends and the economic characteristics of each county.

Road Users Survey - A survey of the residents of Region One on their opinions on the quality of services and road conditions on the state, county and township systems.

FY'91 Work Program - Outlines work activities, goals and objectives of the Commission in each of the program and planning areas.

NWRDC Staff

Executive Director.....Jerry Nagel
 Financial Officer.....Donna Christianson
 Office Manager/MIS.....Carol Sorensen
 Secretary/Receptionist.....Rose Carriere
 Aging Program Director.....Faith Rud
 Regional Arts Council Director.....Linda Nelson
 Economic Development Manager.....Leon Heath
 Community/Economic Development
 Planner.....John Wynne
 Revolving Loan Fund/Economic
 Development Planner.....Suzan Kozojed
 Transportation/Natural Resources
 Planner.....Heidi (Falk) Baumen



Front L to R: Suzan Kozojed, Carol Sorensen, Heidi (Falk) Baumen
 2nd L to R: Donna Christianson, Faith Rud, Rose Carriere
 3rd L to R: Leon Heath, Linda Nelson, Jerry Nagel, John Wynne



ARNE H. CARLSON
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR
SUITE 400
525 PARK STREET
SAINT PAUL 55103

296-2551

INDEPENDENT AUDITOR'S OPINION

The Honorable Joe Bouvette, Chair
Northwest Regional Development Commission
P.O. Box E
525 Brooks Avenue South
Thief River Falls, Minnesota 56701

We have audited the general purpose financial statements of the Northwest Regional Development Commission, as of and for the year ended June 30, 1989, as listed in the table of contents. These general purpose financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 general purpose financial statements. An audit also includes assessing the accounting principles used and 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 opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Northwest Regional Development Commission at June 30, 1989, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

The Northwest Regional Development Commission changed the financial statement presentation from maintaining separate special revenue funds to reporting those transactions within the General Fund, as more fully explained in Note 1.H.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as whole. The individual fund statement listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Northwest Regional Development Commission. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.


ARNE H. CARLSON
State Auditor

October 6, 1989