

ANNUAL REPORT

East Central Regional Development Commission

Fiscal Year 1993

July 1, 1992 to June 30, 1993



HT 393 .M62 E18ax 1992/93

Serving Local Government in East Central Minnesota

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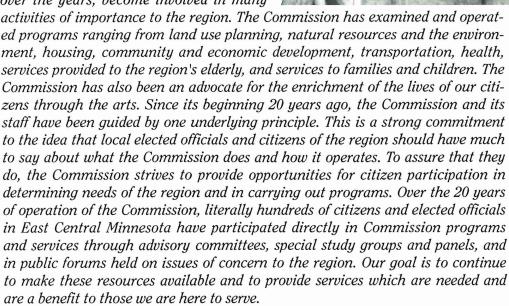
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STATE LEGISLATORS LOCAL ELECTED OFFICIALS CITIZENS OF CENTRAL MINNESOTA

It is with pleasure that I submit the Annual Report of the East Central Regional Development Commission. This report is printed and distributed in fulfillment of the Regional Development Act of 1969, as amended.

1993 marked the 20th Anniversary of the Commission. Formed by resolution of local governments in 1973, the Commission has, over the years, become involved in many



As always, we welcome comments and suggestions which can assist us in achieving our goals.

Laurence Collin Chairman

Commission Membership

(As of June 30, 1993)

Chisago County Representatives

RUSSELL GOUDGE, County Commissioner DICK ANDERSON, Municipalities GENE OLSON, Townships NORA HOLT, Public Interest

Isanti County Representatives

GLENN JOHNSON, County Commissioner CLELL BONE, Municipalities AL BAXTER, Townships LAURENCE COLLIN, Public Interest CLARK JOHNSON, School Board (southern)

Kanabec County Representatives

STAN COOPER, County Commissioner WALLY GOLDSMITH, Municipalities BOB MONSON, Townships DICK NEHRING, Public Interest KAREN KIRSCHNER, School Board (northern)

Mille Lacs County Representatives

DICK JACKSON, County Commissioner VACANT, Municipalities ART McMULLEN, Townships CAROLYN BRAUN, Public Interest

Pine County Representatives

EVERETTE KOECHER, County Commissioner WAYNE OAK, Municipalities LARRY MASER, Townships WAYNE WHITE, Public Interest

Personnel & Budget Subcommittee

AL BAXTER, Mille Lacs County LAURENCE COLLIN, Isanti County CLARK JOHNSON, Isanti County GLENN JOHNSON, Chisago County EVERETTE KOECHER, Pine County ART McMULLEN, Mille Lacs County.

Officers

LAURENCE COLLIN, Chairman CLARK JOHNSON, Vice Chairman GLENN JOHNSON, Secretary/Treasurer

Executive Director

ROGER J. AMES

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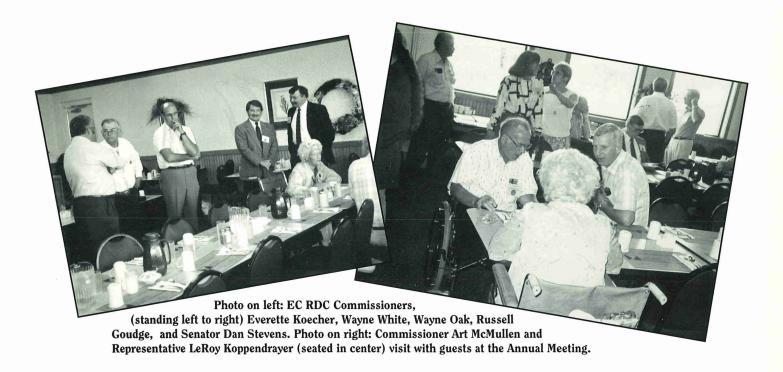


ANNUAL MEETING HELD Officers Elected FY 94 Budget Adopted

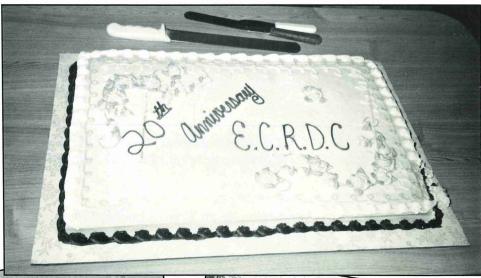
On June 28th, the EC RDC held its Annual Meeting. The site of this year's dinner meeting was MJ's Restaurant in Milaca. Guests at the meeting and dinner included spouses of Commission members, Advisory Committee members and spouses, as well as Senator Dan Stevens and Representative LeRoy Koppendrayer.

Newly elected
EC RDC officers,
(left to right)
Laurence Collin,
Chairman,
Dick Jackson,
Vice-chairman, and
Glenn Johnson
Treasurer.





Commission
Members, Advisory
Committee
Members,
Legislators and
Guests exchange
ideas and talk
about past-year
activities at Annual
Dinner and
Meeting.





Char Sonnichsen, Sid Sonnichsen. Photo on right: Senator Dan Stevens (standing) talks with guests about legislative concerns.

Community and Economic Development Services

During fiscal year 1993 the East Central Regional Development Commission (EC RDC) continued an active program of community and economic development services. The Commission completed a five year update of the region's Overall Economic Development Program Plan (OEDP) which was submitted to the Federal Economic Development Administration (EDA) for approval. Approval of the OEDP by the EDA allows units of government and others in the region to be eligible to receive federal funds for needed projects. As a result of the Commission's OEDP Project, applicants requesting funding through the EDA are eligible to receive a ten percent "bonus" in EDA funding; EDA funds may be used to pay sixty percent (60%) of total eligible project costs rather than fifty percent (50%). The five year OEDP update includes a list of priority projects within the region which may apply for EDA funding.

A major project carried out through the Commission's economic development section was completion of an application to the EDA requesting more than \$300,000 in federal funds to establish a regional revolving loan fund to assist start-up or expansion of businesses or industries within the region. The primary objective of the revolving loan fund is job creation. More than \$100,000 in local matching funds were pledged by cities and counties wanting to participate in the program. If the application is approved by the EDA, the Commission will begin implementation of the program next fiscal year.

During fiscal year 1993, the Commission carried out an active program of local technical assistance in the area of community/economic development and land use planning. Following is a partial listing of these services.

- Assisted Pine County in completion of an Environmental Impact Statement for the Hinckley Grand Casino and Development Project.
- Assisted the City of Wyoming with a Wastewater Treatment Facility Project/possible EDA grant funding (ongoing).
- Assisted in the formation of and participate on the Board of the North Pine County Economic Development Corporation (ongoing).
- Assisted a business in Ogilvie in obtaining local governmental sponsorship to obtain a \$48,000 grant from the Central Minnesota Initiative Fund for equipment purchase.
- Assisted the City of Willow River in research of preliminary financing of public water/sewer systems and local development questions.
- Assisted the City of Isanti with review of Tax Increment Financing policies, assisted in working with housing developer, reviewed possible housing sites.

- Provided staff technical assistance to formation of a Joint Planning Board among the City of Hinckley, and Hinckley and Barry Townships; provided technical assistance in completion of a Comprehensive Land Use Plan and Zoning Ordinance (ongoing).
- Provided staff assistance to Brook Park Township in completion of a Land Use Plan/Zoning Ordinance.
- Provided technical grantsmanship services to the City of Shafer in completion of an application to the Federal Economic Development Administration and Farmer's Home Administration requesting more than \$700,000 to make improvements to the city's wastewater treatment and water facilities. The project supports 117 projected new jobs to be created by businesses/industries located within the city (ongoing).
- Provided technical planning assistance to the City of Grasston in land use planning and development activities (ongoing).
- Assisted in formation of a local development group in the city of Princeton (ongoing).

Other Activities:

During fiscal year 1993, the Commission completed implementation of the Rural Rehabilitation Pilot Project Program, funded by the State Department of Trade and Economic Development. Funds were used to start a hydroponic tomato production operation, to fund a family farm counseling project, and to provide more than forty (40) scholarships for area farmers to complete farm management courses at Pine Technical College.

As a result of passage of H.F. 168, the Commission contracted with the State Department of Trade and Economic Development for completion of a Regional Economic "Blueprint" which will, when completed, be used by the Department in development of agency policies and legislative initiatives to meet unique needs of the region.

OEDP Committee Membership (June 30)

Name:

CLARK JOHNSON, Chairman, Businessman, Insurance AL BAXTER, Township Rep., Agriculture. LAURENCE COLLIN, Public Interest, Agriculture WESLEY GEURKINK, Banker JAMES HAUSAUER, Banker GLENN JOHNSON, County Commissioner, Businessman, Insurance **EVERETTE KOECHER, County** Commissioner, Agriculture ART McMULLEN, Township Rep. Retired NANCY A. NORR, Econ. Dev., Professional KEVIN JOHNSON, Banker DICK JACKSON, County Commissioner

Primary Staff: ROGER AMES JOHN SULLIVAN

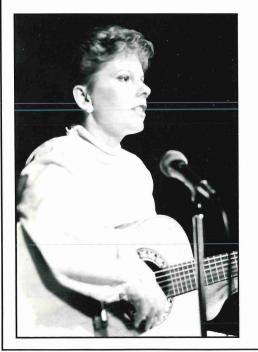
East Central Arts Council Program

The East Central Arts Council worked in FY 1993 to attain its goal of developing the arts in the region. The ECAC allocated significant resources to promote, develop, and encourage arts and cultural activities in the five county area. Both arts organizations and individual artists benefitted from the ECAC work program.

A major focus in FY 93 was the establishment of the new Artists-In-Schools & Commu-

nities program. This program links local and regional artists with schools and groups needing their services. More than 80 programs were offered by artists in sites in and adjacent to the region. These were high quality programs offered at an affordable rate.

Additional highlights included sponsoring Philomusica, formerly the Minneapolis Chamber Symphony, in Kanabec County. This project pro-



Chisago County musician Mary Hall participated in the highly popular Artists-In-Schools and **Communities** Program of the **East Central** Arts Council. Ms. Hall presented programs in a number of communities throughout the region.



Professional orchestra "Philomusica" performed in Mora with a local community Choir. This activity was made possible by funding from the Arts Council.

vided an educational experience for 1600 students as well as a significant concert with a local community choir.

A number of individual artist grant awards were given during this second year of the Mini-Fellowship program. These small but critical grants support the work of artists pursuing a career in art.

The Image Art Exhibition, held in Princeton, featured the works of 82 artists from around the region. This judged exhibition provides an opportunity for visual artists to be recognized. This year the exhibition also featured a number of performing artists, thus making the show a true Showcase of the arts found in the region.

The *Arts Quarterly* newsletter continued to be published and served as an arts resource for the region.

In FY 93 the work of the Arts Council grew significantly and efforts were successful to increase the state allocation for the arts in FY 94.

Grant awards through the regional arts program provided significant support for local arts activities. A summary follows:

Sponsor Assistance:

- \$500 Chisago Lakes CAPP to sponsor a poetry residency for students.
- \$500 Pine City Arts Council to present concert pianist Andreas Kline.
- \$450 Cambridge CAPP for a creative writing project featuring children's stories.
- \$2500 Mora School District #332 for an educational and community concert project with professional orchestra Philomusica (formerly Minneapolis Chamber Symphony).
- \$1250 Braham CAPP to sponsor a two residency program with Minnesota Opera.
 - \$673 Isanti County Historical Society to create and display a Swedish mural.

Production Assistance:

- \$1700 North Pine County Alliance for the Arts for production of *The King and I* in the summer of 1993.
- \$1700 Pine City Heritage Players for productions of *The Music Man* and *You Can't Take It With You*.
- \$1300 East Central Community Arts for production of *Fiddler on the Roof* in Braham.
- \$2050 Lakes Country Players for support of three plays and a workshop in its initial season.

McKnight Projects:

- \$400 Mille Lacs Community Theatre to develop an operations manual for theatre productions.
- \$1100 North Branch Schools/Chamber Fine Arts Committee to establish a music concert series featuring Greater Twin Cities Youth Symphony in the first season.
- \$2500 St. Croix Valley Orchestra for general operating support.
- \$3000 Lakes Country Players operating support for its initial season.
- \$330 Regional Artists Network to hold an informational meeting about establishing an arts center.
- \$820 Pines & Prairie Writers to encourage regional writers by producing an anthology.

Showcase Funding:

- \$100 Pine City Arts Council to feature three local artists at Art Fest.
- \$200 Princeton Schools for local artist Marilyn Taus to work with students to create a wall mural.

Mini-Fellowships:

- \$500 Jan Thurston-Davis to support her efforts in sculpture and develop promotional materials.
- \$500 Marilyn Taus to develop marketing packages for children's programs and schools.
- \$500 Amy Jensen to provide an opportunity to participate in the Women's Art Registry of Minnesota's mentor/protege program.
- \$500 Mary Kay O'Neill to mentor with a professional piano instructor through Augsburg College.

Total Grants to Organizations (State funded and McKnight). . . \$21,073.00

Individual Mini-Fellowships. . . \$2,000.00 Total Grants Allocated . . . \$23,073.00

East Central Arts Council

JEFF AUDETTE, Chisago County
SHANTEL DOW, Isanti County
DIANE HANDLOS, Chisago County
STEPHAN HODDER, Mille Lacs
County
NORA HOLT, Isanti County
DAVID MOFFATT, Pine County
SHARON SHIMEK, Mille Lacs County
SUZI TVEIT, Kanabec County
SYBIL WICKSTROM, Mille Lacs
County
PAT ZIESMER, Kanabec County

Primary Staff: BOB BOLLENBECK

East Central Area Agency on Aging Program



The EC RDC Area Agency on Aging supports an active Advisory Committee which is involved in all aspects of the program. The committee meets monthly and has representation from all counties in the region.

Area Agency on Aging Advisory Committee

MARY ANDERSEN, Isanti County BOB ANDERSON, Chisago County CLIFFORD ANDERSON, Chisago County SARAH BENTLEY, Isanti County EDIE BRADY, Mille Lacs County STAN COOPER, Kanabec County GLENN DANELSKI, Pine County GENE HELFINSTINE, Mille Lacs County DICK JACKSON, Mille Lacs County GEORGE LARSON, Isanti County ART McMULLEN, Mille Lacs County LYDIA MISHLER, Pine County STEVE MORK, Chisago County LOLITA PAQUETTE, Kanabec County ROGER SELLMAN, Chisago County ERV SKAAR. Isanti Countu SID SONNICHSEN, Mille Lacs County BETH STEEN, Mille Lacs County CONNIE SRANDBERG, Kanabec County WENDY THOMPSON, Kanabec County PAT VISKOE, Chisago County FRED WAHLSTROM, Kanabec County

Primary Staff HERMAN BAKKER

During Fiscal Year 1993, the East Central Regional Development Commission continued to provide services and resources to the region's elderly and agencies that provide services to this segment of the population. The EC RDC is designated as the Area Agency on Aging (AAA) for the five county area by the Minnesota Board on Aging. Responsibilities as an Area Agency on Aging include identifying needs of the elderly and developing an Area Plan for programs on aging which, when approved, provides funds which the EC RDC awards out in the form of grants to provide needed services. Other activities of the East Central AAA include carrying out an active legislative program of advocacy to make legislators and other officials aware of the needs of older persons in our area. An active Advisory Council on Aging is supported through the program which provides opportunities for older persons to become actively involved in decisions that impact their lives.

During FY '93, the Area Agency on Aging published/distributed a quarterly newsletter entitled "Seasoned Citizens Advance." The AAA helped update and fund a resource guide for seniors in Isanti County.

Based on the recommendations of the Advisory Council on Aging, the EC RDC approved state and federal funds for the following programs for CY 1993:

| Program | Federal Administration on Aging | USDA | State | Local | Project Income | Total Persons Served |
|--|---------------------------------------|----------|----------|-----------|-------------------|----------------------------|
| Catholic Charities Senior Dining | \$204,348 | \$68,277 | \$69,940 | \$36,061 | \$188,502 | 4,218 |
| Catholic Charities Meals on Wheels | \$97,150 | \$22,993 | \$7,450 | \$17,144 | \$58,874 | 526 |
| South Chisago County Meals on Wheels | \$6,273 | \$5,211 | \$342 | \$9,409 | \$22,032 | 113 |
| Rush City Mobile Meals | \$2,949 | \$2,043 | \$243 | \$4,486 | \$6,300 | 30 |
| Mille Lacs Co. Senior Transportation | \$2,820 | | | \$1,880 | \$3,450 | 80 |
| Legal Assistance to Older Americans | \$40,000 | | | \$21,539 | \$500 | 210 |
| Onamia-Isle Information & Referral | \$3,378 | | | \$5,760 | \$160 | 300 |
| Chisago Co. Heartland Express Nutr Transportation | ition \$6,152 | | | \$9,227 | \$530 | 55 |
| Isanti County Chore Service | \$9,125 | | | \$6,083 | \$420 | 120 |
| Chisago County Chore Service | \$16,000 | | | \$30,026 | \$400 | 100 |
| Isanti County Information & Referr | al \$5,647 | | | \$1,412 | | 200 |
| Rum River Community Hospice | \$12,500 | | | \$7,834 | | 40 |
| Catholic Charities Friendly Visiting | \$7,485 | | | \$ 1,871 | | 100 |
| TOTALS | \$413,827 | \$98,524 | 77,975 | \$152,732 | 281,168 | 6,09 |

Transportation Planning

During Fiscal Year 1993 the Commission's planning activities related to transportation increased significantly. Funds provided by the Minnesota Department of Transportation enabled the Commission to be involved in a variety of regional and statewide efforts. The Transportation Advisory Committee's recommendations provided a basis for the Commission's actions and work program accomplishments.

A number of items related to roads and bridges were addressed. First, ISTEA (Intermodal Surface Transportation Efficiency Act) required a new Functional Classification study and National Highway System plan. Working through the TAC these studies were completed and recommendations of significance to the region sent to Mn/DOT. In addition, Trunk Highway #47 was studied and recommendation sent to Mn/DOT to make this a priority for Mn/DOT under the Safety category. Staff also began participation in the Highway 8 (Chisago) Task Force formed to address issues concerning that roadway.

Due to ISTEA, Areawide Transportation Partnerships (ATP) were formed to determine a comprehensive Transportation Improvement Program for Mn/DOT Districts for FY 94-96. Region 7E representatives included Richard Larson, Mille Lacs Highway Engineer; Ralph Bloomgren, TAC Chairperson; Jackie Forner, Heartland Express; and Bob Bollenbeck, staff. Executive Director Roger Ames became involved in this effort as well. A number of meetings concerning the process and the actual determination of projects were held. This process was the first attempt to integrate transportation funding decisions into a single plan including roads, bridges, transit, enhancements, and Mn/DOT projects.

Transit in the region received attention this year too. Jackie Forner, Chisago County Heartland Express, was added to the TAC representing transit. In early FY 93 the Commission participated in some local transit planning for the region. Three meetings were held to get an overview of the needs of transit. Results of these meetings and a survey formed the basis for the Region 7E recommendations in the Greater Minnesota Transit Plan. Local efforts to work with groups in Pine and Isanti counties on transit issues were begun.

The Commission also participated in the Section 16 vehicle program. Technical assistance was provided to the Kanabec County Commission on Aging in completing a grant application to the Section 16 program to procure a small van. Preliminary results indicate the grant was approved. In addition, the Commission completed a grant monitoring program for vehicles in Regions 7E and 7W. Each organiza-

tion's Section 16 vehicle(s) was assessed for condition and usage.

Transportation Advisory Committee

AL BAXTER, Mille Lacs County
WAYNE BEESAW, Kanabec County
RALPM BLOOMGREN, Isanti County
HAROLD EKLUND, Isanti County
JACKIE FORNER, Chisago County
RICHARD HEILMAN, Isanti County
DON HUBERT, Mn/DOT, Brainerd
RICHARD LARSON, Mille Lacs County
ART McMULLEN, Mille Lacs County
GREG NIKODYM, Kanabec County
PHILLIP BERGEM, Pine County

Primary Staff: BOB BOLLENBECK The Commission continued to participate in the Minnesota Transportation Alliance network. Staff participated in two transportation conferences this year, in St. Cloud and Duluth.

The TAC continued to provide review for projects such as proposed bridges. Also work with Mn/DOT's Office of Strategic Planning gave representatives of the region a forum to dialogue about the future needs of transportation.

Due to the successes in this fiscal year, the transportation program will be in position to address the challenges of transportation planning for Fiscal Year 1994.

Information and Data Center

Fiscal Year 1993

The EC RDC Information and Data Center provides census data as well as other information/statistical data. The Data Center includes information from the U.S. Census Bureau, the Minnesota Economic Development Center at St. Cloud State University, Datanet (a computerized system through Minnesota Planning), the State Demographer's Office, and Minnesota Jobs and Training. Also, a computerized program through Minnesota Project Outreach Corporation is provided to those needing technical assistance in solving a wide variety of problems ranging from marketing, production, plant layout, and operations. The EC RDC is a member of Minnesota Economic and Business Information Network (EBIN) which is an information referral service, offering a wide range of federal and state data through a statewide network of public and private affiliates.

During 1993 the Data Center responded to approximately 185 requests for data. It is estimated that 65% of these requests were from local units of government, with another 25% from private business, 5% from individuals, and 5% being referrals from the Minnesota Census Data Center. Requests dealt with data on population, employment, income, housing, education, etc.

Primary Staff: Mary Schwartz

Budget, Management and Compliance Section

ROGER AMES, Executive Director DOROTHY JONES, Financial Officer DEE PRAX, Secretary/Receptionist

Statement of Revenues and Expenditures Year Ending June 30, 1993

| | FY 1993 Budget | FY1993 Actual (Unaudited) | FY1994 Adopted Budget |
|---|-------------------|---------------------------------|-----------------------------|
| Revenues: | | | |
| Taxes | \$ 117,365 | \$ 117,637 | \$ 117,365 |
| MN Board on Aging (includes pass-through funds) | 643,713 | 560,780 | 643,197 |
| EDA | 59,141 | 58,330 | 55,000 |
| DHS—Family Resource Ctr. | 1,324 | 1,324 | 0 |
| State Arts Board (includes pass-through funds) | 55,057 | 49,835 | 49,493 |
| State Transportation | 27,000 | 22,903 | 27,000 |
| County Support—RLF | 24,228 | 0 | 24,228 |
| Contracts for Services | 15,014 | 11,591 | 7,216 |
| Interest/Other | 12,620 | 13,467 | 6,000 |
| Private Foundations | 21,753 | 19,011 | 18,000 |
| County Courts | 4,250 | 4,250 | 0 |
| Registrations (includes pass-through funds) | 9,520 | 9,779 | 0 |
| State of MN—Rural Dev. Board | 16,095 | 16,095 | 0 |
| MN/DOT—Federal Transit | 6,694 | 5,108 | 0 |
| Proceeds from Loan | | 11,093 | 0 |
| FY '92 Fund Balance | 14,054 | 15,546 | 0 |
| TOTAL REVENUES | \$1,027,828 | \$ 916,749 | \$ 947,499 |
| Expenditures: | | | |
| Personnel | \$ 165,210 | \$ 164,888 | \$ 151,573 |
| Fringe | 38,093 | 38,144 | 35,264 |
| Telephone | 4,996 | 5,245 | 5,507 |
| Postage | 7,976 | 7,254 | 8,500 |
| Legal Notices | 100 | 0 | 500 |
| Printing/Publications | 7,496 | 6,505 | 7,200 |
| Copying | 1,000 | (421) | 1,500 |
| Audit | 6,500 | 6,500 | 7,200 |
| Vehicle Expense | 2,000 | 1,976 | 2,000 |
| Insurance/Bonds | 3,600 | 3,568 | 4,000 |
| Office Supplies | 3,700 | 2,381 | 3,000 |
| Maintenance of Equipment | 200 | 310 | 200 |
| Staff Travel | 19,999 | 13,255 | 12,118 |
| Registration/Conference Fees | 1,495 | 1,157 | 2,050 |
| Miscellaneous | 560 | 670 | 700 |
| Rent | 13,429 | 13,429 | 12,000 |
| Service/Tech. Consultants | 48,936 | 62,554 | 31,000 |
| Advisory Committee | 5,090 | 3,630 | 5,000 |
| Commissioner's Expense | 7,700 | 8,723 | 9,200 |
| Membership/Subscriptions | 5,471 | 5,087 | 6,125 |
| Workshops/Seminars | 125 | 209 | 500 |
| Aging Annual Meeting | 607 | 763 | 600 |
| Capital Outlays—Equipment | 787 | 11,647 | 787 |
| Lease of Equipment/Car Payment | 7,753 | 7,918 | 3,383 |
| Aging Leg. Subcommittee | 569 | 258 | 569 |
| GAL Expense | 6,574 | 5,717 | 0 7 |
| Revolving Loan Fund | 24,228 | 0 | 24,228 |
| Aging—Pass-thru Grants | 590,802 | 512,381 | 583,717 |
| Arts—Pass-thru Grants | 34,516 | 28,952 | 29,078 |
| Rural Rehab. Project —Pass-thru | 16,095 | 16,095 | 0 |
| Aging Conference | 2,221 | 2,221 | 0 |
| TOTAL EXPENDITURES | \$1,027,828 | \$ 931,016 | \$ 947,499 |



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS REQUIRED BY GOVERNMENT AUDITING STANDARDS

September 24, 1992

Board of Directors
East Central Regional Development Commission
Mora, Minnesota

Members of the Board:

We have audited the general purpose financial statements of East Central Regional Development Commission as of and for the year ended June 30, 1992, and have issued our report thereon dated September 24, 1992.

We conducted our audit in accordance with generally accepted auditing standards and <u>Government Auditing Standards</u>, 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to East Central Regional Development Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of East Central Regional Development Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, East Central Regional Development Commission complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that East Central Regional Development Commission had not complied, in all material respects, with those provisions.

We noted certain immaterial instances of noncompliance that we have reported to the management of East Central Regional Development Commission in a separate letter dated September 24, 1992.

This report is intended for the information of the audit committee, management, the cognizant audit agency, and other audit agencies. However this report is a matter of public record and its distribution is not limited.

Mu Mahon Hentmann amunds on - Ce

911 North 18th Street • Box 1067 • St. Cloud, Minnesota 56302-1067 St. Cloud (612) 251-4266 • Toll Free 1-800-642-5506 • Fax (612) 251-1428



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH MINNESOTA LEGAL COMPLIANCE AUDIT GUIDE FOR LOCAL GOVERNMENT

September 24, 1992

Board of Directors East Central Regional Development Commission Mora, Minnesota

Members of the Board:

We have audited the general purpose financial statements of East Central Regional Development Commission as of and for the year ended June 30, 1992, and have issued our report thereon dated September 24. 1992.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Minnesota Legal Compliance Audit Guide for Local Government, promulgated by the Legal Compliance Task Force pursuant to Minnesota Statutes §6.65. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

General Purpose Financial Statements

Compliance with laws, regulations, contracts, and grants applicable to the East Central Regional Development Commission is the responsibility of the Commission's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicated that, with respect to the items tested, the East Central Regional Development Commission complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing cam to our attention that caused us to believe that the Commission had not complied, in all material respects, with those provisions.

911 North 18th Street • Box 1067 • St. Cloud, Minnesota 56302-1067 St. Cloud (612) 251-4266 • Toll Free 1-800-642-5506 • Fax (612) 251-1428 East Central Regional Development Commission September 24, 1992 Page Two

Legal Compliance

The <u>Minnesota Legal Compliance Audit Guide for Local Government</u> covers five main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, and claims and disbursements. Our study included all of the listed categories.

The results of our tests indicate that for the items tested the East Central Regional Development Commission complied with the material terms and conditions of applicable legal provisions. Further, for the items not tested, based on our audit and the procedures referred to above, nothing came to our attention to indicate that the Commission had not complied with such legal provisions.

This report is intended solely for the use of the East Central Regional Development Commission and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

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