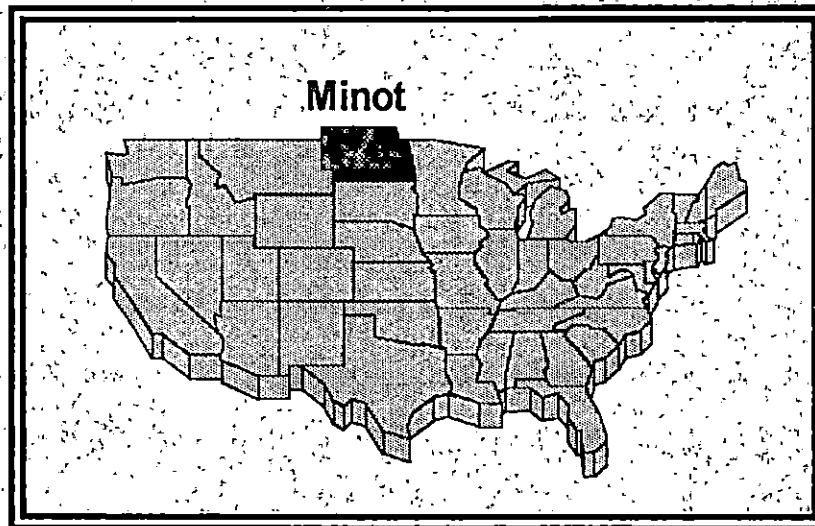


MAGIC FUND ANNUAL REPORT



***For the period
January 1993 - December 1993***

***With historical analysis from
the period July 1990 - December 1993***

Compiled By:

**Robert W. Lower, Director
Minot State University's
Business and Community Assistance Center**

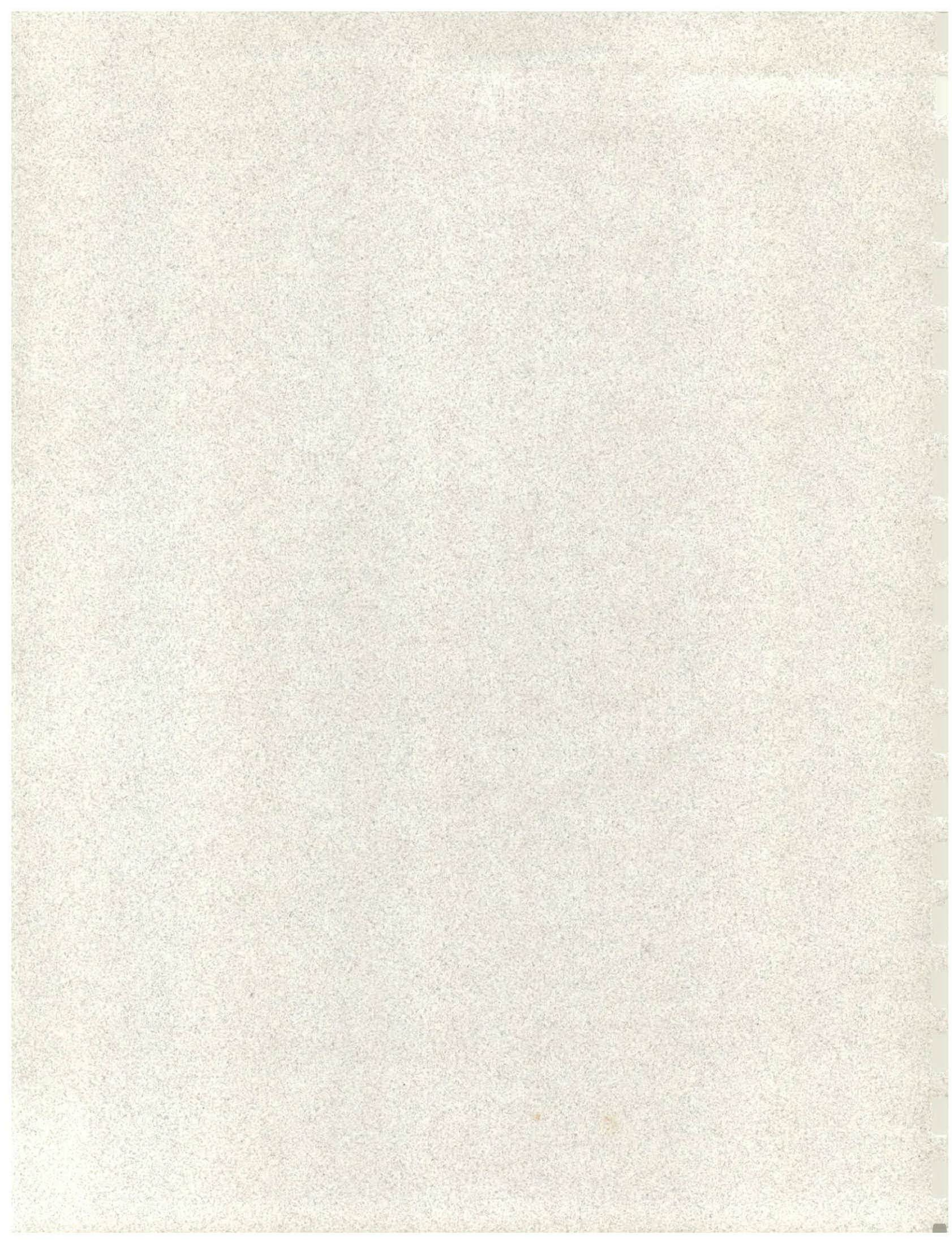


TABLE OF CONTENTS

Volume I

EXECUTIVE SUMMARY

i-xii

Volume II

I. PROPOSAL SUMMARY	1-4
II. APPLICATION SUMMARY	5-13
III. MARKETING MATCH PROGRAM	14-20
IV. JOBS CREATED/RETAINED	21-32
V. ANALYSIS OF WAGES FOR JOBS CREATED/RETAINED	33-35
VI. FINANCIAL PACKAGING REPORT	36-39
VII. FINANCIAL REPAYMENT REPORT	40-41
VIII. REPORT OF MAGIC FUND BUSINESSES ASSISTED THAT HAVE SOLD, FAILED, OR MOVED TO DATE	42
IX. REPORT OF ACTIVITIES FUNDED WITH MAGIC FUNDS WHICH ARE ADMINISTERED BY THE SOURIS BASIN REVOLVING LOAN FUND	43-44
X. GRAND RECAP OF FUNDING ASSISTANCE PROVIDED (PROGRAM/PROJECT) TO COMMUNITIES IN THE MINOT TRADE AREA TO DATE	45-46
XI. REPORT LIMITATIONS	47

EXECUTIVE SUMMARY

BACKGROUND:

The MAGIC Fund General Policy Guidelines, as approved by the Minot City Council, require an annual report of the activities of the MAGIC Fund. The MAGIC Fund Committee has contracted with the Minot State University Business and Community Assistance Center for compilation of this report as of the end of each calendar year. In compiling this report, the author has attempted to ensure that every comparative measure of program performance was examined and evaluated. The following report details the job creation activities of the MAGIC Fund for 1993, then compares the results with the previously reported periods. It is believed that this comparison provides insights to the maturation process of the MAGIC Fund.

PROPOSALS PROCESSED:

During 1993 the MAGIC Fund processed a total of 33 proposals from candidates requesting business funding assistance.

- ◆ 27 of these proposals were approved and applications were invited.
- ◆ 6 of the proposals were disapproved or failed for lack of an acceptance motion.

This brings the total number of proposals processed since July 1990 to 142. Of those proposals:

- ◆ 120 have been approved and applications were invited.
- ◆ 22 have been disapproved or failed for lack of an acceptance motion. These disapproval's are detailed in Part I, Section D.

As a matter of historical reference, 84.5% of all proposals presented resulted in an invitation to apply for funding.

APPLICATIONS PROCESSED:

Invitations extended resulted in submission of 21 applications for job creation project funding during 1993.

- ◆ 21 of the applications were approved.
- ◆ 0 applications were disapproved.

This brings the total number of applications processed since July 1990, to 87. Of those applications:

- ◆ 85 have been approved for funding.
- ◆ 2 have been disapproved or failed for lack of an approval motion. These disapproval's are detailed in Part II, Section E.

Approval of these 85 applications has resulted in the obligation of \$3,465,262 of MAGIC Funds.

The historic application approval rate for the MAGIC Fund was 97.7%.

There have been 21 additional projects that requested funding for a variety of feasibility, planning, and consulting projects since 1990. These projects were ancillary to the MAGIC Fund's primary job creation/retention mission. Only two of these requests have been disapproved. Approvals in this category have obligated \$135,398. The disapproved actions are detailed in Part II, Section I.

RURAL COMMUNITY MARKETING ASSISTANCE:

During 1993, the MAGIC Fund continued to contribute to the economic development efforts of Northwestern North Dakota by providing from \$500 to \$2,000 directly to 38 community's. A total of \$56,000 was disbursed from this program in 1993 utilizing a funding matrix. This matrix allocates funds based upon the communities requested match amount, community population, and the distance of the community from Minot. To date, \$131,400 has been disbursed to 40 communities. A community specific accounting of funding provided is contained in Part III, Section B1, 2, and 3.

The MAGIC Fund Community Contracts require that rural communities match the MAGIC Fund's contribution dollar for dollar. Because of the wide variety of marketing uses the communities found for these funds, a detailed report of their uses has been included in Part III, Section C.

Six additional communities in the Minot trade area have expressed an interest in receiving an invitation to participate in this program in 1994. These communities are Grenora, Maddock, Anamoose, Butte, Drake, and Karlsruhe.

JOB CREATION PROJECT ASSISTANCE:

During 1993, the MAGIC Fund provided direct job creation assistance to 21 projects.

- ♦ A total of \$480,398 was obligated to 10 job creation projects in the immediate Minot area.
- ♦ A total of \$167,560 was obligated to 11 job creation projects in 10 rural communities.

MAGIC Fund project assistance totals since fund inception in 1990 are:

- ♦ A total of \$2,712,121 has been obligated to 38 job creation projects in the immediate Minot area.
- ♦ A total of \$753,141 has been obligated to 42 job creation projects in 30 rural communities.

JOB CREATION EXPECTATIONS:

Applicants who have received MAGIC Fund funding were required to indicate the number of jobs that would be created as the result of the funded business project. A list of individual projects and the number of jobs intended by each business funded is detailed in Part IV, Section A. The following is a summary of job creation activity:

- ♦ Employers intention to create jobs by year of intended creation:

INTENDED JOBS

<u>AREA</u>	<u>1991 FTE</u>	<u>1992 FTE</u>	<u>1993 FTE</u>	<u>199X FTE</u>	<u>TOTAL AMOUNT MAGIC FUNDED</u>
Rural	30.00	112.50	280.75	670.75	\$753,141
Minot	<u>281.00</u>	<u>532.00</u>	<u>1,135.00</u>	<u>1,374.00</u>	<u>\$2,712,121</u>
<i>TOTAL</i>	311.00	644.50	1,415.75	2,044.75	\$3,465,262

Business ventures funded since July 1990 have indicated their intent to provide a total of 2,044.75 FTE jobs on or before 1997. Minot utilized 78.2% of the total project funding provided by the MAGIC Fund to create 67.2% of the total intended jobs. Communities outside Minot utilized 21.8% of the total project funding to create 32.8% of the total intended jobs. These figures resulted in a per job creation cost as follows:

PER JOB CREATION COSTS

<u>AREA</u>	<u>1991 (BASE YEAR)</u>	<u>1992</u>	<u>1993</u>
Rural	\$2,519	\$1,172	\$1,112
Minot	\$2,350	\$2,453	<u>\$1,974</u>
<i>AVERAGE TO DATE:</i>			\$1,694

As the MAGIC Fund matures, its per-job creation costs continue to decrease. The rural communities decrease in per job creation costs is an extremely positive reflection of the participating communities continued uses of both local and state funding sources. The MAGIC Fund's philosophy of requiring the financial participation of the host community, coupled with the use of state and federal funding sources, is ensuring that to the greatest degree possible, the financial risk of job creation ventures is being shared among those who stand to benefit.

ORGANIZATIONAL SIZE OF FUNDED VENTURES:

An analysis of the number of jobs intended in projects assisted, indicates that 32 (45.7%) of the ventures funded by the MAGIC Fund intend to create between zero and ten jobs in their firms. Twenty two firms (31.4%) have indicated their intent to establish organizations employing between eleven and twenty five. A complete break out of funded ventures by intended work force size is contained in Part IV, Section C.

EMPLOYER'S INTENTION VERSUS ACTUAL JOBS CREATED/RETAINED:

An analysis of the funding recipient's intention to create jobs, and the jobs that they actually created or retained, is contained in Part IV, Section E. The following figures depict specific information that is most descriptive of the comparative results of the MAGIC Fund's job creation efforts.

- ♦ Intended jobs vs. jobs actually created/retained.

MAGIC FUND FTE SUCCESS RATE

RURAL:

<u>YEAR</u>	<u>EMPLOYEES INTENDED</u>	<u>EMPLOYEES ACTUAL</u>	<u>PERCENT SUCCESS</u>
1991	40.00	32.00	80.0%
1992	112.50	96.75	86.0%
1993	280.75	218.50	77.8%

MINOT:

<u>YEAR</u>	<u>EMPLOYEES INTENDED</u>	<u>EMPLOYEES ACTUAL</u>	<u>PERCENT SUCCESS</u>
1991	281.00	259.00	92.2%
1992	636.00	567.25	89.2%
1993	1,135.00	879.50	77.5%

Again, we see the general maturation process at work. The MAGIC Fund has funded job creation projects which have created or retained 77.5% of the jobs envisioned by the funded applicants. This is a specific measure of the high quality of applicants being approved by this fund and thoroughness of the service providers who are packaging the projects. While there are no state or national averages for success in this area, a 60% success rate is generally considered by development professionals to be extremely high.

- ♦ Intended salaries vs. actual salaries provided:

***EMPLOYERS AVERAGE INTENDED WAGE LEVELS
VERSUS ACTUAL WAGE LEVELS (PER HOUR)***

RURAL:

<u>YEAR</u>	<u>EMPLOYEES INTENDED</u>	<u>EMPLOYEES ACTUAL</u>	<u>PERCENT SUCCESS</u>
1991	6.23	5.56	89.2%
1992	7.05	6.47	91.8%
1993	7.64	8.31	108.8%

MINOT:

<u>YEAR</u>	<u>EMPLOYEES INTENDED</u>	<u>EMPLOYEES ACTUAL</u>	<u>PERCENT SUCCESS</u>
1991	6.98	6.77	97.0%
1992	7.27	7.29	100.3%
1993	9.04	9.28	102.7%

Wage rates are one of the absolute measures of economic vitality. They are also a measure of business commitment to the community. It is clear that funded ventures are, on average, experiencing the kind of success that fosters wage level development. This is material evidence that the MAGIC Fund's focus on recruiting and retaining "quality" projects has been successful. The idea of quality jobs is further supported by the number of jobs that have fringe benefit packages. In fact, of the jobs created/retained with MAGIC Fund assistance:

- 72.8% have health coverage
- 44.1% have dental coverage
- 45.2% have life insurance
- 29.5% have other fringe benefits

- ♦ Community wage impact of ventures funded.

**COMMUNITY IMPACT OF JOBS CREATED/RETAINED
(COMPUTED AVERAGE - WAGES ONLY)**

<u>AREA</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>WAGE IMPACT TOTAL TO DATE</u>
Rural	\$370,074	\$1,302,023	\$3,776,729	\$5,448,826
Minot	<u>\$3,633,053</u>	<u>\$8,601,325</u>	<u>\$16,813,225</u>	<u>\$29,047,603</u>
TOTAL:	\$4,003,127	\$9,903,348	\$20,589,954	\$34,496,429

The exponential nature of job creation projects and their wage impact over time, are evident here. To date, the MAGIC Fund has returned \$9.95 in wages for every \$1.00 in MAGIC funding obligated. A yearly summary of wages created for every \$1.00 in MAGIC funding obligated is detailed in Part V, Section C.

- ♦ Recap of funding support for both projects and programs:

**FUNDING PROVIDED TO RURAL COMMUNITIES
(CUMULATIVE)**

<u>YEAR</u>	<u>TOTAL MAGIC FUNDS PROVIDED RURAL COMMUNITIES (CUMULATIVE)</u>
1991	Not Tracked
1992	\$689,331
1993	\$884,541

A report of the funds that have been provided to each community to pursue economic development goals is contained in Part X.

FINANCIAL PACKAGING AND COMPLIANCE:

The following figures summarize how the MAGIC Fund Committee has been able to share the risk of job development by leveraging available MAGIC Fund monies with other funding sources.

- ♦ MAGIC Fund project financial participation rates:

MAGIC FUND FINANCIAL LEVERAGE ANALYSIS

<u>AREA</u>	<u>MAGIC FUND CONTRIBUTION</u>	<u>FUNDS FROM OTHER SOURCES</u>	<u>LEVERAGE RATIO</u>
Rural	\$753,141	\$8,295,916	\$1 to \$11.01
Minot	<u>\$2,712,121</u>	<u>\$12,774,743</u>	<u>\$1 to \$4.71</u>
<i>TOTAL:</i>	\$3,465,262	\$21,070,659	\$1 to \$6.08

The fact that the MAGIC Fund has been able to leverage \$6.08 for each dollar spent, is material proof that public funds are being applied in a manner consistent with sound fiscal principles. On average, the MAGIC Fund provides 14.1% of the financing on projects in which it participates. The percent of financial contribution of the MAGIC Fund relative to the total cost of each project, has averaged 8.3% for rural projects, and 17.5% for the projects in the immediate Minot area.

- ◆ Types of funding obligations undertaken by the MAGIC Fund:

***FINANCIAL COMMITMENT BY MAJOR CATEGORY
OF JOB CREATION ASSISTANCE (CUMULATIVE)***

<u>CATEGORY OF ASSISTANCE</u>	<u>MAGIC FUND AMOUNT</u>
Loans	\$1,150,400
Grants	\$1,206,735
Equity Investments	\$102,000
Loan Guarantees	\$475,500
Interest Buy Downs	\$330,436
Rent Subsidies	\$200,191
Misc. Projects/Feasibility Studies	<u>\$135,398</u>
<i>TOTAL:</i>	\$3,600,660

The MAGIC Fund has continued to be sensitive to the need to create an investment climate that recognizes its responsibility to optimize the use of public funds. In creating jobs and wages, committee members have financially packaged the projects to insure that 48.4% of the funds obligated, were obligated in a fashion that requires their return, or cancellation of the obligation, within the statutory life of the MAGIC Fund.

- ♦ Satisfaction of MAGIC Fund project obligations:

RATE OF REPAYMENT OF MAGIC FUNDS

<u>YEAR</u>	<u>REPAYMENTS REQUIRED</u>	<u>REPAYMENTS RECEIVED</u>	<u>REPAYMENT EFFECTIVENESS RATE</u>
1991	\$0.00	\$0.00	0%
1992	\$10,559.00	\$8,023.00	76%
1993	\$83,407.22	\$56,784.00	68%

The repayment schedule for 14 firms commenced during this period. Nine of the 14 firms obligated contractually to commence repayment, did so. Five firms were delinquent for a total of \$31,622.22.

PROJECT FOLLOW-UP (BUSINESS FRIENDS PROGRAM):

A system of business follow-up was initiated in 1991. This program is jointly administered by the Minot Area Development Corporation and Minot State University's Business and Community Assistance Center. Business visitations were conducted in a variety of ways with varying frequencies. These visits are intended to insure that funded companies continue to remain viable economic entities. This program has continued to be a source of connection to businesses funded. The 1993 visitation resulted in the need for several follow-on visits by area service providers. All of those visits are in progress at this writing.

CONCLUSION:

The MAGIC Fund continues to serve as a catalyst for the industrial development of the Minot trade area. It is eminently clear that the MAGIC Fund's job creation success rate, coupled with its delivery of promised wages, and the quality of the jobs being created, make it one of the most successful funds of its kind. In addition, the relationships forged with state agencies, regional communities, development groups, and businesses, indicates that the MAGIC Fund will continue to be a major contributor to the economic health and vitality of Northwestern North Dakota.

Finally, in her graduate thesis, Ms. Brenda Folden, Research Assistant, in this office, undertook a project to determine the general public view of the MAGIC Fund and its likelihood of continuation past its 7 year life. In her unpublished manuscript dated March 14, 1994, she reports the following results of her scientific survey of the Minot area.

- ◆ 64.6% of those responding had heard of the MAGIC Fund.
- ◆ 72.9% of those who had heard of the MAGIC Fund indicated that if a referendum were held tomorrow they would vote for the tax which created the MAGIC Fund.

These results speak to the base of support the MAGIC Fund has gained in its short existence.

ACKNOWLEDGMENTS:

For Report Preparation Assistance:

Bob Frantsvog, Minot City Finance Director
Lois Mackey, MADC/Business Friends Program Manager
Don Longmuir, SBPC/Community Development Specialist
Thom Bowsher, MSU/BCAC, MAGIC Fund Reports Manager
Jennifer Huston, MSU/BCAC, Administrative Support

For Report Editing:

Bob Schempp, Minot City Manager
Lee Peterson, MADC, President
Dr. Earl Robinson, MSU/Dean, College of Business
Brenda Folden, MSU/BCAC
Joan Houston, College of Business, Faculty Fellow

For Use Of Her Graduate Thesis, a special thanks to:

Brenda Folden, MSU/BCAC

PART I - PROPOSAL SUMMARY

A. Proposals Processed (1993):

MONTH	PROCESSED	DISAPPROVED	APPROVED
January	0	0	0
February	3	0	3
March	1	1	0
April	5	2	3
May	2	1	1
June	3	0	3
July	9	2	7
August	2	0	2
September	2	0	2
October	0	0	0
November	2	0	2
December	4	0	4
<i>TOTAL:</i>	33	6	27

B. PROPOSALS PROCESSED TO DATE:

MONTH	PROCESSED	DISAPPROVED	APPROVED
January	13	5	8
February	9	0	9
March	9	2	7
April	9	2	7
May	7	1	6
June	15	1	14
July	15	2	13
August	22	2	20
September	15	3	12
October	12	1	11
November	7	1	6
December	9	2	7
<i>TOTAL:</i>	142	22	120

C. INVITATION TO APPLY RATE:

<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>HISTORICAL AVERAGE</u>
78.7%	93.8%	81.8%	84.5%

D. PROPOSALS DISAPPROVED/RETURNED WITHOUT ACTION (1993):

<u>COMPANY</u>	<u>AMOUNT REQUESTED</u>	<u>REASON FOR DISAPPROVAL</u>
Creative Media	\$ 10,000	No motion
Sheriden County EDC	100,000	City of Bismarck should carry a substantial portion of the loan guarantee
Dakota Rabbit Company	10,000	Money to be used for marketing. Only hiring 1 or 2 people for \$10,000.
Equipment Chase	15,000	Lack of Equity
Bottineau Winter Park	1,500	No motion
Prairie Produce	50,000	No manufacturing related to producing produce.

E. PROPOSALS DISAPPROVED/RETURNED WITHOUT ACTION TO DATE:

<u>COMPANY</u>	<u>AMOUNT REQUESTED</u>	<u>REASON FOR DISAPPROVAL/RETURN</u>
Antler Press	\$5,000	Insufficient detail on project
Bear Contracting	Undetermined	Referred to venture capital group
Bottineau Winter Park	1,500	No motion
Creative Media	10,000	No motion
Dakota Brand Manufacturing	65,000	Need details on management & outside investors (returned)
Dakota Rabbit Company	10,000	Money to be used for marketing. Only hiring 1 or 2 people for \$10,000.
Eslinger Motors	100,000	Failed for lack of motion
Equipment Chase	15,000	Lack of equity
FORS-TEL	10,000	Retail type product competition issue
Furball Factory	25,000	Insufficient equity
Generation Systems Business	60,000	Retail type
International Trade Development Service	5,000	No equity position by owners
Jackets By Price	10,000	Competition issue
Kid Cope, Inc.	4,000	Lack of motion
McKenzie JDA	50,000	Did not fit within the established guidelines
Mercer Engineering	37,000	Competition to other businesses - Failed for lack of motion
Minot Wrecking	175,000	Failed for lack of motion
Prairie Produce	50,000	No manufacturing related to producing produce.
Sheriden County EDC	100,000	City of Bismarck should carry a substantial portion of the loan guarantee
Railroad Museum	240,000	Did not meet MAGIC Fund criteria
Rolette Theater	10,000	Entertainment ventures not within guidelines
Souris Basin Employees	15,000	Failed for lack of motion
Valleyview Falls	14,166	Entertainment ventures not within guidelines

PART II - APPLICATION SUMMARY

A. Applications Processed (1993):

MONTH	PROCESSED	DISAPPROVED	APPROVED
January	0	0	0
February	2	0	2
March	2	0	2
April	1	0	1
May	1	0	1
June	1	0	1
July	2	0	2
August	5	0	5
September	3	0	3
October	0	0	0
November	2	0	2
December	2	0	2
<i>TOTAL:</i>	21	0	21

B. APPLICATIONS PROCESSED TO DATE:

MONTH	PROCESSED	DISAPPROVED	APPROVED
January	4	0	4
February	5	0	5
March	4	0	4
April	3	0	3
May	4	0	4
June	10	0	10
July	7	1	6
August	11	0	11
September	15	0	15
October	5	0	5
November	10	1	9
December	9	0	9
<i>TOTAL:</i>	87	2	85

C. APPLICATION APPROVAL RATE:

<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>HISTORICAL AVERAGE</u>
94.1%	100.0%	100.0%	97.7%

D. APPLICATIONS DISAPPROVED (1993):

<u>COMPANY</u>	<u>AMOUNT REQUESTED</u>	<u>REASON FOR DISAPPROVAL</u>
NONE		

E. APPLICATIONS DISAPPROVED TO DATE:

<u>COMPANY</u>	<u>AMOUNT REQUESTED</u>	<u>REASON FOR DISAPPROVAL</u>
Furnipa	\$18,750	No commitment from financial institutions
Aggregate Computers	\$30,000	Competition - Income tax preparation

**F. APPLICATIONS WITHDRAWN BY COMPANY AFTER FUNDING
APPROVED BY MAGIC FUND TO DATE:**

<u>COMMUNITY/COMPANY</u>	<u>REASON FOR WITHDRAWAL</u>
<i>WATFORD CITY</i> DBK, Inc.	Other funding did not materialize
<i>BOTTINEAU</i> Dakota Optical	Other funding did not materialize

G. COMMUNITY PROJECTS FUNDED TO DATE:

<u>COMMUNITY/COMPANY</u>	<u>FUNDS APPROVED/OBLIGATED</u>	<u>REMARKS</u>
<i>BERTHOLD</i>		
Patchwork Enterprises	\$ 10,000	Loan Guarantee
<i>BOTTINEAU</i>		
Dakota Optical		<i>Withdrawn After Approval</i>
Rodeo Shop Chaps	10,000	Interest Buy Down
Bottineau Winter Park	5,000	Grant
North Central Cattle Feeders	50,000	Loan Guarantee
<i>BOWBELLS</i>		
Bowbells Inn	10,000	5 Year Loan
<i>BURLINGTON</i>		
Yale Hoppers	4,000	3 Year Loan
<i>CARPIO</i>		
Carpio EDC (Cafe)	1,250	Interest Buy Down
<i>CROSBY</i>		
Quality Pork Co-Op	25,000	3 Year Line of Credit
<i>DES LACS</i>		
Ag-Mate	20,000	Loan Guarantee
	60,000	Loan Guarantee
<i>DEVILS LAKE</i>		
Sagen, Inc.	500	Grant
<i>DUNSEITH</i>		
Image Systems, Inc.	20,000	Grant
<i>ESMOND</i>		
City of Esmond (SCI)	30,000	5 Year Loan
<i>FESSENDEN</i>		
Nilles Drug	1,500	Rent Subsidy Grant
<i>GARRISON</i>		
Golden Age Aviation	5,000	5 Year Loan

<u>COMMUNITY/COMPANY</u>	<u>FUNDS APPROVED/OBLIGATED</u>	<u>REMARKS</u>
<i>GLENBURN</i>		
Mickey's Kitchen	2,200	Grant
<i>HARVEY</i>		
Dakota Seasonings	2,500	Grant
Harvey Farmers Elevator	10,000	5 Year Loan
Harvey Tire Center	2,000	Interest Buy Down
<i>HAZEN</i>		
Brite Flite	30,000	5 Year Loan
<i>KENMARE</i>		
Creative Industries	10,000	Interest Buy Down
	21,180	Interest Buy Down
Kenmare EDC	68,000	5 Year Loan
(Pro Entry)	15,000	Grant
Kenmare Dental Clinic	4,000	Grant
<i>LANSFORD</i>		
Lansford Betterment	1,010	Grant
(Beauty Shop)		
M. Gates Manufacturing	20,000	Loan Guarantee
<i>LIGNITE</i>		
City of Lignite	8,000	Loan Guarantee
(Medical Clinic)		
<i>MAX</i>		
S & H Market	15,000	No Interest Loan
<i>MINOT</i>		
Abacus Accounting, Inc.	100,000	2 Year Loan
Banton Ind.	35,000	5 Year Loan
Behren's Construction	35,000	Loan Guarantee
Bobco	30,000	Rent Subsidy
	20,000	Relocation Grant
	1,525	Business Plan Grant
Cal Dak Cabinets	15,000	5 Year Loan
Central Machine & Pump	39,803	Interest Buy Down
	7,000	Loan
	25,000	Loan Guarantee
Choice Hotels	400,000	Grant
	100,000	Loan Guarantee

<u>COMMUNITY/COMPANY</u>	<u>FUNDS</u>	
	<u>APPROVED/OBLIGATED</u>	<u>REMARKS</u>
Cloverdale Foods	17,356	Interest Buy Down
DD Schmidt	20,000	Loan
	30,000	Equity Investment
Dakota Custom Furniture	10,000	Loan
Diversified Industries	87,000	Rent Subsidy
	13,000	Interest Buy Down
Edu-Craft	30,000	5 Year Loan
Faxx Foods	<i>Withdrawn After Approval</i>	
Fold-N-Form	75,000	5 Year Loan
Gold Star Parts	18,312	Interest Buy Down
Interstate Brands	150,000	Grant
Jackets By Price	35,415	Interest Buy Down
Lite Form, Inc.	100,000	5 Year Loan
Miller Sheet Metal	3,900	Interest Buy Down
Minot Restaurant Supply	10,246	Interest Buy Down
Oral Logic	150,000	5 Year Loan
	50,000	Loan Guarantee
Pet Chef/GTZ	30,000	5 Year Loan
Pro-Entry	30,000	Subordinated Loan
	20,000	Pace Interest Buy Down
	72,000	Equity Investment
ProMark One	300,000	Grant
	75,000	Grant
RFI, Inc.	19,336	Interest Buy Down
	21,500	Relocation Assistance Grant
Scherr's Cabinet	7,488	Interest Buy Down
Science & Nature Int., Inc.	50,000	4 Year Loan
Soaring Eagle Outerwear	100,000	1 Year Loan
	76,800	Rent Subsidy
	50,000	Loan Guarantee
	40,000	Grant
Souris Basin Planning	135,000	Grant - Revolving Loan Fund
Terhorst Manufacturing	15,135	Interest Buy Down
	34,805	Interest Buy Down
	26,500	
MOHALL		
Accel Dakota	22,500	Loan Guarantee
Midwest Telemark	2,560	Interest Buy Down
PLAZA		
Plaza Betterment, Inc.	10,000	5 Year Loan

<u>COMMUNITY/COMPANY</u>	<u>FUNDS APPROVED/OBLIGATED</u>	<u>REMARKS</u>
RAY Pro Link	10,500	5 Year Loan
RUGBY City of Rugby (Robodyne)	130,000	5 Year Loan
SAWYER Punkin Patch Pheasant Ranch	500	Grant
STANLEY IGF Insurance Stanley EDC (Jack & Jill)	6,391 25,000	Lease Buy Down 1 Year Loan
TOWNER Kelly Publishing Towner CDC (Dairy Project)	7,500 2,550 12,500	Grant Interest Buy Down Interest Buy Down
TURTLE LAKE Jesz Recycling	4,000	Grant
VALLEY CITY Heartland Products, Inc.	25,000	5 Year Loan
WATFORD CITY DBK, Inc. Iron Steer Ent., Inc.	<i>Withdrawn After Approval</i> 5,000	5 Year Loan
WESTHOPE Deva Lifewear	7,100 \$20,900	Interest Buy Down 10 Year Loan
TOTAL RURAL FUNDED:	\$753,141	
TOTAL MINOT FUNDED:	\$2,712,121	
GRAND TOTAL:	<u>\$3,465,262</u>	

H. MISCELLANEOUS PROJECTS FUNDED TO DATE:

<u>FACILITY</u>	<u>PROJECT</u>	<u>AMOUNT FUNDED</u>
Abacus	Independent Study	\$9,833
Aerospace Conference	Paid From Marketing Funds	6,000
Area Hospital Study	Study of Rural Hospitals	4,000
Central North American Trade Corridor	Start-up Assistance	10,000
Dairy Incentive Retention Program	Paid From Marketing Funds	5,940
Dairy Retention	Paid From Marketing Funds	5,000
Dakota Catalyst	Feasibility Study	20,000
		(Not Used)
Joint Studies	Seminar	500
Joint Studies Center	NorDak Ambassadors	1,000
MSU/BCAC	Rural Development Workshop	2,000
MSU/BCAC	Community Incubator	5,625
Manufacturing Incubator	Feasibility Study	2,500
Minot Area Development Corporation	Canadian Marketing Grant	1,500
		(Not Used)
Minot Chamber of Commerce	Horse Racing Feasibility Study	2,000
North Central Cattle Feeders	To Determine The Economic Development Potential Of Back Grounding Cattle Through A Co-Op	1,000
Northwest Bird Seed	Feasibility Study	2,000
Postal Retention Project	Fund Postal Retention Efforts	50,000
Ryan's Yogurt	Feasibility Study	1,500
Sawyer Beef	Slaughter Plant Feasibility Study	2,500
Soaring Eagle Outerwear	Management Consulting Service	2,500
	TOTAL:	<u>\$135,398</u>

I. MISCELLANEOUS PROJECTS NOT FUNDED TO DATE

<u>PROJECT</u>	<u>REASON</u>
CVC Broiler Production Feasibility Study	Did Not Fit Within The MAGIC Fund Guidelines
Lewis and Clark Regional Development	Revolving Loan Fund - Out of Area

J. PROJECTS WITHDRAWN BY THE CLIENT WHILE IN PROCESS:

A-Just-A-Table
Dakota Catalyst
Samson Outfitters

PART III - MARKETING MATCH FUNDING FOR RURAL COMMUNITIES IN THE MINOT TRADE AREA.

A. FUNDING FORMULA:

In 1992, the MAGIC Fund adopted a funding formula for the Marketing Match Program that recognizes the funded communities distance from Minot and population. In this funding formula, the MAGIC Fund approves a base figure, and the percentages indicated in the following population/distance matrix is applied to each community's request. This formula was continued in 1993.

If the Community Has a POPULATION of:	And the Distance from Minot is: UP TO 60 MILES	61 MILES TO 90 MILES	91 MILES TO 120 MILES
1 to 499	75.00%	62.50%	50.00%
500 to 999	87.50%	75.00%	62.50%
1000 Plus	100.00%	87.50%	75.00%

(Percent of base figure authorized for payment)

1993 Base Figure: \$2,000

B. MARKETING MATCH FUNDING LEVEL TO DATE:**1. TOWNS WITHIN 60 MILES OF MINOT**

<u>COMMUNITY</u>	<u>1991 MATCH</u>	<u>1992 MATCH</u>	<u>1993 MATCH</u>	<u>TOTAL MATCH</u>
Berthold	\$1,500	\$1,500	\$1,500	\$4,500
Burlington	500	800	800	2,100
Carpio	0	500	500	1,000
Coleharbor	0	1,500	1,500	3,000
Garrison	1,500	2,000	2,000	5,500
Glenburn	1,500	1,500	1,500	4,500
Granville	0	0	1,500	1,500
Kenmare	1,500	2,000	2,000	5,500
Lansford	1,500	1,500	1,500	4,500
Makoti	1,500	1,500	1,500	4,500
Max	1,500	1,500	1,500	4,500
Mohall	0	0	1,750	1,750
Newburg	0	1,500	1,500	3,000
Parshall	0	1,750	1,750	3,500
Powers Lake & Battle View	0	0	1,250	1,250
Riverdale	0	1,500	1,500	3,000
Rugby	1,500	2,000	2,000	5,500
Sawyer	1,500	1,500	1,500	4,500
Sherwood	0	0	1,250	1,250
Stanley	1,500	2,000	2,000	5,500
Towner	1,100	1,750	1,500	4,350
Turtle Lake	1,500	1,500	1,500	4,500
Underwood	0	500	1,700	2,200
Velva	0	1,750	1,750	3,500
Westhope	0	1,750	1,750	3,500
TOTAL:	\$18,100	\$31,800	\$38,500	\$88,400

2. TOWNS WITHIN 61-90 MILES OF MINOT

<u>COMMUNITY</u>	<u>1991 MATCH</u>	<u>1992 MATCH</u>	<u>1993 MATCH</u>	<u>TOTAL MATCH</u>
Bottineau	\$1,500	\$1,750	1,750	\$5,000
Bowbells	1,500	1,000	1,250	3,750
Harvey	1,500	1,750	1,750	5,000
Lignite	0	0	1,000	1,000
New Town	1,500	1,500	0	3,000
Tioga	0	1,750	1,750	3,500
TOTAL:	\$6,000	\$7,750	\$7,500	\$21,250

3. TOWNS WITHIN 91-120 MILES OF MINOT

<u>COMMUNITY</u>	<u>1991 MATCH</u>	<u>1992 MATCH</u>	<u>1993 MATCH</u>	<u>TOTAL MATCH</u>
Alexander	\$1,500	\$1,000	\$1,000	\$3,500
Columbus	0	0	1,000	1,000
Crosby	1,500	1,500	1,500	4,500
Esmond	0	0	1,000	1,000
Hazen	0	1,500	1,500	3,000
Leeds	0	1,250	1,250	2,500
Ray	0	500	1,250	1,750
Watford City	1,500	1,500	1,500	4,500
TOTAL:	\$4,500	\$7,250	\$10,000	\$21,750
GRAND TOTAL:	\$28,600	\$46,800	\$56,000	\$131,400

C. RURAL MARKETING MATCHING FUND USES (1993):

COMMUNITY

REMARKS

ALEXANDER

Developed an Upper Missouri Pro Guide Service and utilized remaining funds to advertise their community.

BERTHOLD

Initial planning work on an elderly housing project study that has been completed and an architect has been hired.

BOWBELLS

Developed a marketing plan insert, used a portion of match to recruit a company in Iowa. That company is looking like it has potential.

BOTTINEAU

Trade Show travel and area promotion. Business recruiting visits - potential 19 jobs.

BURLINGTON

Funding used to complete a city wide survey on economic development potential in the community.

CARPIO

Finished cafe project. Used additional funds for community advertising.

COLEHARBOR

Funds not yet used.

COLUMBUS

No funds expended to date. July 1, 1994 expect to receive ownership of vacated school. Efforts will begin then.

CROSBY

New community brochure designed and produced. Will be utilized for development mailings.

ESMOND

Community survey project. Also funded community bulletin board. Funded a feasibility study for both a bed and breakfast establishment and a palletizing plant.

GARRISON

Community Profile researched, developed, and produced. Circulated to businesses with relocation potential.

COMMUNITY**REMARKS**

<i>GLENBURN</i>	Funds have not yet been used. Holding for the right prospect.
<i>GRANVILLE</i>	Completed community booklets, produced monthly calendars, and other promotional material.
<i>HARVEY</i>	New project promotion and community advertising. Also completed new community brochure and slide presentations.
<i>HAZEN</i>	Funds used to develop and print a new four color brochure.
<i>KENMARE</i>	Brochure mailings, business recruiting, and partial funding of economic development director. All funds matched by community.
<i>LANSFORD</i>	Assistance of local business by purchasing equipment. Completed a new community brochure. Updated community sign on Highway 83.
<i>LEEDS</i>	Purchased land for an industrial park. Also completed a new brochure for the community. Industrial sight now has one business which will employ 3 people in April.
<i>LIGNITE</i>	Monies were utilized to complete a community development survey and retain the medical clinic.
<i>MAKOTI</i>	Purchased new highway signs for community - 1/2 MAGIC Fund, 1/2 Community.
<i>MAX</i>	Utilized matching funds to pursue relocation of several companies. This has resulted in relocation of one company with an anticipated three jobs.
<i>MOHALL</i>	Completed community data profile and working on a community marketing video.

COMMUNITY**REMARKS**

<i>NEWBURG</i>	Completed community brochures and initiated yearly fund raising day.
<i>PARSHALL</i>	Community signs on Highway 23. Used for advertising community via TV ads. Some funds held over for 1994.
<i>POWERS LAKE - BATTLE VIEW</i>	Funds have not yet been spent. Currently working on a community brochure and advertising campaign.
<i>RAY</i>	No money spent to date. Money has been allocated to new city signs which are being designed.
<i>RIVERDALE</i>	Marketing community and community advertising to view available lots and attract business - 1/2 community and 1/2 MAGIC Fund.
<i>RUGBY</i>	Combination of recruitment and promotional materials . Six jobs have been created.
<i>SAWYER</i>	Promotion of municipal airport. Funded interest buy down on pheasant farm. Currently pursuing container manufacturing plant.
<i>SHERWOOD</i>	Assisted community rural health clinic. Created 2 jobs. Alumni mailing project completed.
<i>STANLEY</i>	New community brochure. Currently working with telemarketing company. Several projects pending.
<i>TIOGA</i>	Produced a city video, community signs, and stationery. Used to fund the visit of potential manufacturing firm being recruited. Used some for contract with lead consultant.
<i>TOWNER</i>	Feasibility study, recruitment, and relocation of a business employing 5 individuals.

COMMUNITY**REMARKS*****TURTLE LAKE***

Produced 20,000 community booklets and distributed them to targeted businesses and groups. These have resulted in increased traffic and spending in the community.

UNDERWOOD

Used to purchase community signs and to print and mail brochures on the community.

VELVA

Market survey for business expansion. Preparation of new community brochure.

WATFORD CITY

Travel to an industrial trade show to promote area. Assisted a machine shop in marketing development. Resulted in creating 3 jobs.

WESTHOPE

Improve signage on highway. Also used to put Deva Lifewear, Inc. project together. Impact: Potentially 50 jobs.

PART IV - JOBS CREATED/RETAINED

A. EMPLOYER'S INTENTION (FULL-TIME EQUIVALENT) TO DATE:

<u>COMMUNITY/COMPANY</u>	<u>1991 FTE</u>	<u>1992 FTE</u>	<u>1993 FTE</u>	<u>199X FTE</u>
<i>BERTHOLD</i>				
Patchwork	5.00	5.00	5.00	5.00
<i>BOTTINEAU</i>				
Bottineau Winter Park	0.00	0.00	0.00	0.00
Dakota Optical		<i>Withdrawn After Approval</i>		
North Central Cattle Feeders	0.00	0.00	0.00	17.00
Rodeo Chaps	4.00	5.00	5.00	5.00
<i>BOWBELLS</i>				
Bowbells Inn	0.00	3.00	3.00	3.00
<i>BURLINGTON</i>				
Yale Hoppers	0.00	1.00	1.00	3.00
<i>CARPIO</i>				
Carpio EDC (Cafe)	0.00	1.50	1.50	1.50
<i>CROSBY</i>				
Quality Pork Co-Op	0.00	0.00	3.00	4.00
<i>DES LACS</i>				
Ag-Mate Manufacturing	11.00	15.00	15.00	15.00
<i>DEVILS LAKE</i>				
Sagen, Inc.	0.00	0.00	1.00	1.00
<i>DUNSEITH</i>				
Image Systems, Inc.	0.00	0.00	23.00	29.00
<i>ESMOND</i>				
City of Esmond (SCI)	0.00	0.00	26.00	45.00
<i>FESSENDEN</i>				
Nilles Drug	0.00	1.00	1.00	1.00
<i>GARRISON</i>				
Golden Age Aviation	0.00	1.50	2.00	2.00

<u>COMMUNITY/COMPANY</u>	<u>1991 FTE</u>	<u>1992 FTE</u>	<u>1993 FTE</u>	<u>199X FTE</u>
<i>GLENBURN</i>				
Mickey's Kitchen	0.00	5.50	<i>Sold</i>	0.00
<i>HARVEY</i>				
Dakota Seasonings	0.00	3.00	3.00	3.00
Harvey Farmers Elevator	0.00	0.00	5.50	9.50
Harvey Tire Center	0.00	1.0	2.00	2.00
<i>HAZEN</i>				
Brite Flite	0.00	0.00	10.00	15.00
<i>KENMARE</i>				
Creative Industries	4.00	4.00	7.00	9.00
Kenmare EDC (Pro-Entry)	0.00	23.00	23.00	23.00
Kenmare Dental Clinic	0.00	4.00	4.00	4.00
<i>LANSFORD</i>				
Lansford Betterment (Beauty Shop)	1.00	2.00	2.00	2.00
M. Gates Manufacturing	0.00	2.00	3.00	3.00
<i>LIGNITE</i>				
City of Lignite (Medical Clinic)	0.00	0.00	0.25	0.25
<i>MAX</i>				
S & H Market	1.00	1.00	<i>Sold</i>	0.00
<i>MINOT</i>				
Abacus Accounting, Inc.	0.00	4.00	4.00	62.00
Banton Ind.	0.00	0.00	0.00	21.00
Behren's Construction	4.00	4.00	4.00	4.00
Bobco	24.0	24.00	24.00	24.00
Cal Dak Cabinets	0.00	5.00	10.00	11.00
Central Machine & Pump	8.00	13.00	16.00	22.00
Choice Hotels	115.00	150.00	150.00	150.00
Cloverdale Foods	0.00	0.00	0.00	14.00
DD Schmidt	11.00	14.00	14.00	14.00
Dakota Custom Furniture	3.00	6.00	6.00	6.00
Diversified Industries	7.00	40.00	52.00	52.00
Edu-Craft	0.00	2.00	5.00	10.00
Faxx Foods		<i>Withdrawn After Approval</i>		
Fold-N-Form	0.00	0.00	0.00	50.00
Gold Star Parts	3.00	3.00	8.00	8.00

<u>COMMUNITY/COMPANY</u>	<u>1991 FTE</u>	<u>1992 FTE</u>	<u>1993 FTE</u>	<u>199X FTE</u>
Jackets By Price	3.00	12.00	12.00	17.00
Lite Form, Inc.	0.00	12.00	19.00	19.00
Miller Sheet Metal	2.00	3.00	3.00	3.00
Minot Restaurant	8.00	8.00	12.00	12.00
Oral Logic	0.00	45.00	155.00	165.00
Pet Chef/GTZ	0.00	10.00	15.00	15.00
Pro-Entry	17.00	77.00	77.00	77.00
ProMark One	0.00	0.00	194.00	244.00
RFI, Inc.	28.00	28.00	28.00	28.00
Scherr's Cabinet	2.00	2.00	2.00	2.00
Science & Nature Int., Inc.	0.00	17.00	26.00	33.00
Soaring Eagle	43.00	50.00	50.00	50.00
Souris Basin RLF	0.00	0.00	0.00	0.00
Terhorst Manufacturing	3.00	3.00	4.00	16.00
<i>MOHALL</i>				
Accel Dakota	0.00	0.00	4.50	17.00
Midwest Telemark	0.00	0.00	0.00	21.00
<i>PLAZA</i>				
Plaza Betterment, Inc.	0.00	7.00	10.00	10.00
<i>RAY</i>				
Pro-Link	0.00	0.00	0.00	25.50
<i>RUGBY</i>				
City of Rugby (Robodyne)	0.00	0.00	50.00	278.00
<i>SAWYER</i>				
Punkin Patch Pheasant Farm	0.00	0.00	2.00	6.00
<i>STANLEY</i>				
IGF Insurance	0.00	5.00	10.00	10.00
Stanley EDC (Jack & Jill)	0.00	4.00	11.00	11.00
<i>TOWNER</i>				
Kelly Publishing	4.00	5.00	10.00	10.00
Towner CDC (Dairy Project)	0.00	0.00	0.00	8.00
<i>TURTLE LAKE</i>				
Jesz Recycling	0.00	13.00	13.00	13.00

<u>COMMUNITY/COMPANY</u>	<u>1991 FTE</u>	<u>1992 FTE</u>	<u>1993 FTE</u>	<u>199X FTE</u>
VALLEY CITY				
Heartland Products, Inc.	0.00	0.00	20.00	20.00
WATFORD CITY				
DBK, Inc.		<i>Withdrawn After Approval</i>		
Iron Steer Ent., Inc.	0.00	0.00	4.00	10.00
WESTHOPE				
Deva Lifewear	0.00	0.00	0.00	29.00
TOTAL:	311.0	644.50	1,415.75	2,044.75

B. PER JOB CREATION/RETENTION COSTS (INTENDED):

	<u>1991 (BASE YEAR)</u>	<u>1992</u>	<u>CUMULATIVE TO DATE</u>
RURAL	\$2,519	\$1,172	\$1,112
MINOT	\$2,350	\$2,453	\$1,974

C. JOB CREATION PROJECTS BY NUMBER OF JOBS TO DATE:

<u>NUMBER OF JOBS INTENDED</u>	<u>NUMBER OF FIRMS ASSISTED</u>	<u>PERCENT</u>
0-10	32	45.7%
11-25	22	31.4%
26-50	7	10.0%
51-100	3	4.3%
101-150	1	1.4%
151-200	2	2.9%
201 or more	3	4.3%
TOTAL:	70	100.0%

**D. EMPLOYER'S ACTUAL FULL-TIME EQUIVALENT JOBS
CREATED/RETAINED TO DATE:**

<u>COMMUNITY/COMPANY</u>	<u>1991 ACTUAL FTE</u>	<u>1992 ACTUAL FTE</u>	<u>1993 ACTUAL FTE</u>
BERTHOLD			
Patchwork	5.0	5.00	1.00
BOTTINEAU			
Bottineau Winter Park	0.0	6.00	1.50
Dakota Optical		<i>Withdrawn After Approval</i>	
North Central Cattle Feeders	0.0	0.00	0.50
Rodeo Chaps	3.0	3.00	3.25
BOWBELLS			
Bowbells Inn	0.0	4.00	2.00
BURLINGTON			
Yale Hoppers	0.0	1.50	1.00
CARPIO			
Carpio EDC (Cafe)	0.0	3.00	4.25
CROSBY			
Quality Pork Co-Op	0.0	1.00	3.50
DES LACS			
Ag-Mate Manufacturing	9.0	12.00	15.00
DEVILS LAKE			
* Sagen	0.0	0.0	0.00
DUNSEITH			
* Image Systems, Inc.	0.0	0.00	0.00
ESMOND			
City of Esmond (SCI)	0.0	0.00	22.00
FESSENDEN			
Nilles Drug	0.0	3.75	1.75
GARRISON			
Golden Age Aviation	0.0	1.00	1.00

<u>COMMUNITY/COMPANY</u>	<u>1991 ACTUAL FTE</u>	<u>1992 ACTUAL FTE</u>	<u>1993 ACTUAL FTE</u>
<i>GLENBURN</i>			
Mickey's Kitchen	0.0	3.50	<i>Sold</i>
<i>HARVEY</i>			
Dakota Seasonings	0.0	0.00	3.50
Harvey Farmers Elevator	0.0	5.50	30.75
Harvey Tire Center	0.0	5.00	1.00
<i>HAZEN</i>			
Brite Flite	0.0	0.00	6.75
<i>KENMARE</i>			
Creative Industries	6.0	7.25	8.75
Kenmare EDC (Pro-Entry)	0.0	0.00	0.00
Kenmare Dental Clinic	0.0	4.00	3.00
<i>LANSFORD</i>			
Lansford Betterment (Beauty Shop)	1.0	1.00	1.00
M. Gates Manufacturing	0.0	3.00	6.25
<i>LIGNITE</i>			
City of Lignite (Medical Clinic)	0.0	0.00	1.00
<i>MAX</i>			
S & H Market	1.0	3.00	<i>Sold</i>
<i>MINOT</i>			
Abacus Accounting, Inc.	0.0	4.00	1.25
Banton	0.0	0.00	.50
Behren's Construction	1.0	1.00	.50
Bobco	4.0	12.00	8.00
Cal Dak Cabinets	0.0	10.00	18.00
Central Machine & Pump Repair	9.0	11.00	18.00
Choice Hotels	115.0	182.50	185.25
Cloverdale Foods	0.0	0.00	11.00
DD Schmidt	13.0	16.00	13.00
Dakota Custom Furniture	0.0	0.00	4.50
Diversified Industries	17.0	0.00	0.00
Edu-Craft	0.0	2.00	0.00
Faxx Foods		<i>Withdrawn After Approval</i>	

<u>COMMUNITY/COMPANY</u>	<u>1991 ACTUAL FTE</u>	<u>1992 ACTUAL FTE</u>	<u>1993 ACTUAL FTE</u>
* Fold-N-Form	0.0	0.00	0.00
Gold Star Parts	5.0	5.50	5.00
Interstate Brands	0.0	0.00	205.00
Jackets By Price	4.0	14.00	18.00
* Lite Form, Inc.	0.0	6.00	0.00
Miller Sheet Metal	1.5	1.50	.50
Minot Restaurant Supply	8.0	8.00	7.25
Oral Logic	1.0	25.00	33.00
Pet Chef/GTZ	0.0	1.00	0.00
Pro-Entry	1.0	7.75	22.50
ProMark One	0.0	0.00	228.75
RFI, Inc.	27.0	16.75	0.00
Scherr's Cabinet	2.5	5.00	5.00
Science & Nature Int., Inc.	0.0	4.00	1.00
Soaring Eagle	46.0	110.00	73.25
Souris Basin Revolving Loan		<i>See Part IX</i>	
Terhorst Manufacturing	3.0	19.25	20.25
<i>MOHALL</i>			
Accel Dakota	0.0	0.00	4.50
Midwest Telemark	0.0	0.00	0.00
<i>PLAZA</i>			
Plaza Betterment, Inc.	0.0	4.50	3.50
<i>RAY</i>			
Pro-Link	0.0	0.00	45.00
<i>RUGBY</i>			
City of Rugby (Robodyne)	0.0	0.00	5.25
<i>SAWYER</i>			
Punkin Patch Pheasant Ranch	0.0	0.00	2.25
<i>STANLEY</i>			
IGF Insurance	0.0	3.00	4.00
Stanley EDC (Jack & Jill)	0.0	6.00	5.75

<u>COMMUNITY/COMPANY</u>	<u>1991 ACTUAL FTE</u>	<u>1992 ACTUAL FTE</u>	<u>1993 ACTUAL FTE</u>
<i>TOWNER</i>			
Kelly Publishing	4.0	7.75	7.75
Towner CDC (Dairy Project)	0.0	0.00	5.00
<i>TURTLE LAKE</i>			
Jesz Recycling	4.0	3.00	5.50
<i>VALLEY CITY</i>			
* Heartland Products, Inc.	0.0	0.00	0.00
<i>WATFORD CITY</i>			
DBK, Inc.		<i>Withdrawn After Approval</i>	
Iron Steer Ent., Inc.	0.0	0.00	8.25
<i>WESTHOPE</i>			
Deva Lifewear	0.0	0.00	3.00
<i>TOTAL:</i>	291.0	559.00	1098.00

Source: *Primary* - North Dakota Employer's Wage and Contribution Report. *Secondary* - MAGIC Fund Jobs Creation Reports and personal verification.

* Actual Job Creation reflected under Terhorst.

NOTE: All jobs relating to the Faxx Foods project have been removed from this chart.

**E. EMPLOYER'S INTENDED VS. ACTUAL FULL-TIME EQUIVALENT JOBS
CREATED/RETAINED TO DATE:**

<u>COMMUNITY/COMPANY</u>	<u>FTE INTENDED</u>	<u>FTE ACTUAL</u>	<u>FTE DIFFERENCE</u>
BERTHOLD			
Patchwork	5.00	1.00	-4.00
BOTTINEAU			
Bottineau Winter Park	0.00	1.50	+1.50
Dakota Optical		<i>Withdrawn After Approval</i>	
North Central Cattle Feeders	0.00	0.50	+0.50
Rodeo Chaps	5.00	3.25	-1.75
BOWBELLS			
Bowbells Inn	3.00	2.00	-1.00
BURLINGTON			
Yale Hoppers	1.00	1.00	0.00
CARPIO			
Carpio EDC (Cafe)	1.50	4.25	+2.75
CROSBY			
Quality Pork Co-Op	3.00	3.50	+0.50
DES LACS			
Ag-Mate Manufacturing	15.00	15.00	0.00
DEVILS LAKE			
* Sagen, Inc.	1.00	0.00	-1.00
DUNSEITH			
* Image Systems, Inc.	23.00	0.00	-23.00
ESMOND			
City of Esmond (SCI)	26.00	22.00	-4.00
FESSENDEN			
Nilles Drug	1.00	1.75	+0.75
GARRISON			
Golden Age Aviation	2.00	1.00	-1.00

<u>COMMUNITY/COMPANY</u>	<u>FTE INTENDED</u>	<u>FTE ACTUAL</u>	<u>FTE DIFFERENCE</u>
GLENBURN			
Mickey's Kitchen		<i>Sold</i>	
HARVEY			
Dakota Seasonings	3.00	3.50	+0.50
Harvey Farmers Elevator	5.50	30.75	+25.25
Harvey Tire Center	2.00	1.00	-1.00
HAZEN			
Brite Flite	10.00	6.75	-3.25
KENMARE			
Creative Industries	7.00	8.75	+1.75
Kenmare EDC (Pro-Entry)	23.00	0.00	-23.00
Kenmare Dental Clinic	4.00	3.00	-1.00
LANSFORD			
Lansford Betterment (Beauty Shop)	2.00	1.00	-1.00
M. Gates Manufacturing	3.00	6.25	+3.25
LIGNITE			
City of Lignite (Medical Clinic)	0.25	1.00	+0.75
MAX			
S & H Market		<i>Sold</i>	
MINOT			
Abacus Accounting, Inc.	4.00	1.25	-2.75
Banton	0.00	0.50	+0.50
Behren's Construction	4.00	0.50	-3.50
Bobco	24.00	8.00	-16.00
Cal Dak Cabinets	10.00	18.00	+8.00
Central Machine & Pump	16.00	18.00	+2.00
Choice Hotels	150.00	185.25	+35.25
Cloverdale Foods	0.00	11.00	+11.00
DD Schmidt	14.00	13.00	-1.00
Dakota Custom Furniture	6.00	4.50	-1.50
Diversified Industries	52.00	0.00	-52.00
Edu-Craft	5.00	0.00	-5.00
Faxx Foods		<i>Withdrawn After Approval</i>	
* Fold-N-Form	0.00	0.00	0.00

<u>COMMUNITY/COMPANY</u>	<u>FTE INTENDED</u>	<u>FTE ACTUAL</u>	<u>FTE DIFFERENCE</u>
Gold Star Parts	8.00	5.00	-3.00
Interstate Brands	245.00	205.00	-40.00
Jackets By Price	12.00	18.00	+6.00
* Lite Form, Inc.	19.00	0.00	-19.00
Miller Sheet Metal	3.00	0.50	-2.50
Minot Restaurant Supply	12.00	7.25	-4.75
Oral Logic	155.00	33.00	-122.00
Pet Chef/GTZ	15.00	0.00	-15.00
Pro-Entry	77.00	22.50	-54.50
ProMark One	194.00	228.75	+34.75
RFI, Inc.	28.00	0.00	-28.00
Scherr's Cabinet	2.00	5.00	+3.00
Science & Nature Int., Inc.	26.00	1.00	-25.00
Soaring Eagle	50.00	73.25	+23.25
Souris Basin RLF		<i>See PART IX</i>	
Terhorst Manufacturing	4.00	20.25	+16.25
<i>MOHALL</i>			
Accel Dakota	4.50	4.50	0.00
Midwest Telemark	0.00	0.00	0.00
<i>PLAZA</i>			
Plaza Betterment, Inc.	10.00	3.50	-6.50
<i>RAY</i>			
Pro-Link	0.00	45.00	+45.00
<i>RUGBY</i>			
City of Rugby (Robodyne)	50.00	5.25	-44.75
<i>SAWYER</i>			
Punkin Patch Pheasant Ranch	2.00	2.25	+0.25
<i>STANLEY</i>			
IGF Insurance	10.00	4.00	-6.00
Stanley EDC (Jack & Jill)	11.00	5.75	-5.25
<i>TOWNER</i>			
Kelly Publishing	10.00	7.75	-2.25
Towner CDC (Dairy Project)	0.00	5.00	+5.00

<u>COMMUNITY/COMPANY</u>	<u>FTE INTENDED</u>	<u>FTE ACTUAL</u>	<u>FTE DIFFERENCE</u>
<i>TURTLE LAKE</i>			
Jesz Recycling	13.00	5.50	-7.50
<i>VALLEY CITY</i>			
* Heartland Products, Inc.	20.00	0.00	-20.00
<i>WATFORD CITY</i>			
DBK, Inc.		<i>Withdrawn After Approval</i>	
Iron Steer Ent., Inc.	4.00	8.25	+4.25
<i>WESTHOPE</i>			
Deva Lifewear	0.00	3.00	+3.00
<i>TOTAL:</i>	<u>1,415.75</u>	<u>1,098.00</u>	<u>-317.75</u>

Source: *Primary* - North Dakota Employer's Wage and Contribution Report. *Secondary* - MAGIC Fund Jobs Creation Reports and personal verification.

* Actual Job Creation is at Terhorst.

PART V - ANALYSIS OF WAGES FOR JOBS CREATED/RETAINED

A. EMPLOYER'S WAGE LEVELS INTENDED/ACTUAL ACHIEVED:

1. EMPLOYER'S INTENDED AVERAGE WAGE LEVELS

	<u>1991</u>	<u>1992</u>	<u>1993</u>
RURAL	\$6.23	\$7.05	\$7.64
MINOT	\$6.98	\$7.27	\$9.04
TOTAL:	<u>\$6.89</u>	<u>\$7.22</u>	<u>\$8.59</u>

2. EMPLOYER'S ACTUAL AVERAGE WAGE LEVELS

	<u>1991</u>	<u>1992</u>	<u>1993</u>
RURAL	\$5.56	\$6.47	\$8.31
MINOT	\$6.77	\$7.29	\$9.28
TOTAL:	<u>\$6.65</u>	<u>\$7.17</u>	<u>\$9.09</u>

3. REPORT OF JOBS CREATED/RETAINED INVOLVING ACTUAL FRINGE BENEFITS BY CATEGORY

<u>YEAR</u>	<u>HEALTH</u>	<u>DENTAL</u>	<u>LIFE</u>	<u>RETIREMENT</u>	<u>OTHER</u>
1991		NOT	REPORTED		
1992		NOT	REPORTED		
1993	72.8%	44.1%	45.2%	41.1%	29.5%

NOTE: Other includes vacation, sick leave, vision insurance, and employee discounts.

B. COMMUNITY WAGE IMPACT OF VENTURES (Actual Salaries Only):

	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>WAGE IMPACT TOTAL TO DATE</u>
RURAL	\$ 370,074	\$1,302,023	\$ 3,776,729	\$ 5,448,826
MINOT	\$3,633,053	\$8,601,325	\$16,813,225	\$29,047,603
TOTAL:	<u>\$4,003,127</u>	<u>\$9,903,348</u>	<u>\$20,589,954</u>	<u>\$34,496,429</u>

**C. WAGES CREATED FOR EACH \$1.00 IN MAGIC FUND OBLIGATED
(CUMULATIVE AS OF THE END OF THE YEAR):**

	<u>1991</u>	<u>1992</u>	<u>1993</u>
RURAL	\$1.32	\$2.35	\$5.01
MINOT	\$2.10	\$3.19	\$5.67
TOTAL AVERAGE:	<u>\$2.31</u>	<u>\$3.05</u>	<u>\$5.54</u>

**D. EMPLOYERS JOBS INTENDED VS. JOBS ACTUALLY CREATED
(CUMULATIVE SUCCESS RATE - TO DATE):**

1991

	<u>INTENDED</u>	<u>ACTUAL</u>	<u>PERCENT SUCCESS</u>
RURAL	40	32	80.0%
MINOT	281	259	92.2%
TOTAL:	<u>321</u>	<u>291</u>	<u>90.7%</u>

1992

	<u>INTENDED</u>	<u>ACTUAL</u>	<u>PERCENT SUCCESS</u>
RURAL	112.50	96.75	86.0%
MINOT	636.00	567.25	89.2%
TOTAL:	<u>748.50</u>	<u>664.00</u>	<u>88.7%</u>

1993

	<u>INTENDED</u>	<u>ACTUAL</u>	<u>PERCENT SUCCESS</u>
RURAL	280.75	218.50	77.8%
MINOT	1,135.00	879.50	77.5%
TOTAL:	<u>1,415.75</u>	<u>1,098.00</u>	<u>77.6%</u>

**NOTE: PERCENT OF FIRMS WHO WERE AT OR ABOVE JOB CREATION
EXPECTATIONS AS OF DECEMBER 31, 1993: 48.4%**

PART VI - FINANCIAL PACKAGING REPORT

A. FINANCIAL PACKAGING DATA TO DATE:

<u>COMMUNITY/COMPANY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>	<u>MAGIC FUND'S PERCENTAGE OF PARTICIPATION</u>
BERTHOLD			
Patchwork	\$ 10,000	\$ 22,000	31.3
BOTTINEAU			
Bottineau Winter Park	5,000	29,500	14.5
Dakota Optical		<i>Withdrawn After Approval</i>	
North Central Cattle Feeders	50,000	700,000	6.7
Rodeo Chaps	10,000	60,000	14.3
BOWBELLS			
Bowbells Inn	10,000	32,000	23.8
BURLINGTON			
Yale Hoppers	4,000	12,200	24.7
CARPIO			
Carpio EDC (Cafe)	1,250	13,233	8.6
CROSBY			
Quality Pork Co-Op	25,000	875,000	2.8
DES LACS			
Ag-Mate Manufacturing	20,000	280,800	19.0
	60,000	60,000	
DEVILS LAKE			
Sagen, Inc.	500	10,000	4.8
DUNSEITH			
Image Systems, Inc.	20,000	280,000	6.7
ESMOND			
City of Esmond (SCI)	30,000	1,258,000	2.3
FESSENDEN			
Nilles Drug	1,500	80,000	1.8

<u>COMMUNITY/COMPANY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>	<u>MAGIC FUND'S PERCENTAGE OF PARTICIPATION</u>
<i>GARRISON</i>			
Golden Age Aviation	5,000	14,950	25.1
<i>GLENBURN</i>			
Mickey's Kitchen	2,200	22,800	8.8
<i>HARVEY</i>			
Dakota Seasonings	2,500	83,692	2.9
Harvey Farmers Elevator	10,000	194,000	4.9
Harvey Tire Center	2,000	225,500	0.9
<i>HAZEN</i>			
Brite Flite	30,000	331,500	8.3
<i>KENMARE</i>			
Creative Industries	31,180	403,440	7.2
Kenmare EDC (Pro-Entry)	83,000	30,000	73.5
Kenmare Dental Clinic	4,000	178,000	2.2
<i>LANSFORD</i>			
Lansford Betterment (Beauty Shop)	1,010	2,510	28.7
M. Gates Manufacturing	20,000	266,950	7.0
<i>LIGNITE</i>			
City of Lignite (Medical Clinic)	8,000	11,300	41.5
<i>MAX</i>			
S & H Market	15,000	47,370	24.1
<i>MINOT</i>			
Abacus Accounting, Inc.	100,000	400,000	20.0
Banton	35,000	388,000	8.3
Behren's Construction	35,000	350,000	9.1
Bobco	51,525	357,500	12.6
Cal Dak Cabinets	15,000	24,700	37.8
Central Machine & Pump	71,803	383,000	15.8
Choice Hotels	500,000	800,000	38.5
Cloverdale Foods	17,356	204,242	7.8
DD Schmidt	50,000	50,000	50.0

<u>COMMUNITY/COMPANY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>	<u>MAGIC FUND'S PERCENTAGE OF PARTICIPATION</u>
Dakota Custom Furniture	10,000	200,000	4.8
Diversified Industries	100,000	552,500	15.3
Edu-Craft	30,000	110,000	21.4
Faxx Foods	<i>Withdrawn After Approval</i>		
Fold-N-Form	75,000	300,000	20.0
Gold Star Parts	18,312	227,907	7.4
Interstate Brands	150,000	700,000	17.6
Jackets By Price	35,415	200,000	15.0
Lite Form	100,000	312,000	24.3
Miller Sheet Metal	3,900	133,400	2.8
Minot Restaurant Supply	10,246	218,906	4.5
Oral Logic	150,000	1,000,000	13.0
	50,000	600,000	7.7
Pet Chef/GTZ	30,000	105,000	22.2
Pro-Entry	122,000	165,000	42.5
ProMark One	300,000	995,000	23.2
	75,000	400,000	15.8
RFI, Inc.	40,836	1,959,164	2.0
Scherr's Cabinet	7,488	35,000	17.6
Science & Nature Int., Inc.	50,000	125,000	28.6
Soaring Eagle Outerwear	226,800	350,000	39.3
	40,000	0	
Souris Basin Planning Council	135,000	400,000	25.2
Terhorst Manufacturing	49,940	353,424	12.4
	26,500	375,000	6.6
MOHALL			
Accel Dakota	22,500	45,000	33.3
Midwest Telemark	2,560	215,120	1.2
PLAZA			
Plaza Betterment	10,000	44,000	18.5
RAY			
Pro-Link	10,500	140,000	7.0
RUGBY			
City of Rugby (Robodyne)	130,000	201,650	39.2
SAWYER			
Punkin Patch Pheasant Ranch	500	36,000	1.4

<u>COMMUNITY/COMPANY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>	<u>MAGIC FUND'S PERCENTAGE OF PARTICIPATION</u>
STANLEY			
IGF Insurance	6,391	6,391	50.0
Stanley EDC (Jack & Jill)	25,000	187,000	11.8
TOWNER			
Kelly Publishing	10,050	97,900	9.3
Towner CDC (Dairy Project)	12,500	750,000	1.6
TURTLE LAKE			
Jesz Recycling	4,000	68,110	5.5
VALLEY CITY			
Heartland Products, Inc.	25,000	25,000	50.0
WATFORD CITY			
DBK, Inc.		<i>Withdrawn After Approval</i>	
Iron Steer Ent., Inc.	5,000	115,000	4.2
WESTHOPE			
Deva Lifewear	\$28,000	\$840,000	3.2
RURAL	<u>\$753,141</u>	<u>\$8,295,916</u>	<u>8.3%</u>
MINOT	<u>\$2,712,121</u>	<u>\$12,774,743</u>	<u>17.5%</u>
TOTAL:	\$3,465,262	\$21,070,659	14.1%

**B. MAGIC FUND LEVERAGE RATIOS FOR EACH \$1.00 OBLIGATED
(CUMULATIVE):**

	<u>1991</u>	<u>1992</u>	<u>1993</u>
RURAL	\$7.25	\$6.59	\$11.01
MINOT	\$5.61	\$7.26	\$ 4.71
TOTAL:	<u>\$5.88</u>	<u>\$7.15</u>	<u>\$ 6.08</u>

PART VII - FINANCIAL REPAYMENT REPORT

A. REPORT OF FINANCIAL COMMITMENTS BY MAJOR CATEGORY OF JOB CREATION ASSISTANCE TO DATE:

<u>CATEGORY</u>	<u>AMOUNT</u>
Loans	\$1,150,400
Grants	1,206,735
Equity Investments	102,000
Loan Guarantees	475,500
Interest Buy Downs	330,436
Rent Subsidies	200,191
Misc. Projects/Feasibility Studies	135,398
<i>TOTAL:</i>	\$3,600,660

B. PROJECT FUNDS RETURNABLE TO MAGIC FUND DURING ITS LIFE (CUMULATIVE FOR EACH YEAR SHOWN):

	<u>1991 BASE</u>	<u>1993</u>
Total Funding	\$1,730,762	\$3,600,660
Returnable	\$ 804,990	\$1,741,500
Return To Fund	46.5%	48.4%

C. REPORT OF LOAN REPAYMENT FOR ACTIVITIES FUNDED TO DATE:

<u>BUSINESS</u>	<u>REPAYMENT DUE</u>	<u>PAYMENT RECEIVED</u>	<u>DIFFERENCE</u>
Abacus, Inc.	\$8,333.67	0	(\$8,333.67)
Bowbells Inn	682.77	682.77	0
Brite Flite	1,800.00	1,800.00	0
Cal Dak Cabinets	3,600.00	3,600.00	0
Central Machine & Pump	3,591.00	3,591.00	0
Dakota Custom Furniture	4,880.35	1,450.00	(3,430.35)
DD Schmidt	4,755.60	4,359.30	(396.30)
Edu-Craft	7,665.00	0	(7,665.00)
Golden Age Aviation	406.64	406.64	0
Lite Form	25,000.00	25,000.00	0
Max Community Enterprises	4,300.00	4,300.00	0
Pro Entry	8,866.01	8,866.01	0
Science and Nature	14,000	0	(14,000)
Stanley EDC	1,660.08	1,660.08	0
Yale Hoppers	1,366.10	1,068.20	(297.90)
TOTAL:	\$83,407.22	\$56,784.00	(\$34,123.22)

D. RATE OF RETURN OF MAGIC FUNDS FOR JOB CREATION PROJECTS TO DATE:

<u>YEAR</u>	<u>REPAYMENTS REQUIRED</u>	<u>REPAYMENTS RECEIVED</u>	<u>REPAYMENT EFFECTIVENESS RATE</u>
1991	\$0.00	\$0.00	0%
1992	\$10,559.00	\$8,023.00	76%
1993	\$83,407.22	\$56,784.00	68%

**PART VIII - REPORT OF MAGIC FUND BUSINESSES
ASSISTED THAT HAVE SOLD, FAILED, OR
MOVED TO DATE**

A. BUSINESS FAILURES:

<u>BUSINESS</u>	<u>ASSISTANCE RECEIVED</u>	<u>REASON</u>
Fjeld Manufacturing	\$50,000 Loan Guarantee	Bankruptcy
S&H Market	\$15,000 No Interest Loan To Community Development Organization	Sold
Mickey's Kitchen	\$2,200 Grant	Sold

PART IX - REPORT OF ACTIVITIES FUNDED WITH MAGIC FUNDS WHICH ARE ADMINISTERED BY THE SOURIS BASIN REVOLVING LOAN FUND

<u>COMPANY</u>	<u>AMOUNT/TYPE ASSISTANCE PROVIDED</u>	<u>TOTAL VALUE OF PACKAGE</u>	<u>CITY</u>
ABACUS, Inc.	\$37,500 EDA \$12,500 MAGIC Fund Working Capital	\$425,000	Minot
* Step II, Inc.	\$37,500 EDA \$12,500 MAGIC Fund Equipment	\$825,000	Minot
Edu-Craft	\$7,500 EDA \$2,500 MAGIC Fund Working Capital	\$120,000	Minot
Dakota Optical	\$56,250 EDA	\$1,297,600	Bottineau
Accel Dakota	\$15,000 EDA \$5,000 MAGIC Fund Equipment & Working Capital	\$60,000	Mohall
Oral Logic	\$18,750 EDA \$6,250 MAGIC Fund Equipment	\$400,000	Minot
Central Machine & Pump Repair	\$30,940 EDA \$10,310 MAGIC Fund	\$125,000	Minot
Oral Logic	\$37,500 EDA \$12,500 MAGIC Fund Working Capital	\$300,000	Minot
* Davy Pottery	\$5,000 EDA \$1,666 MAGIC Fund Equipment	\$20,000	Burlington

<u>COMPANY</u>	<u>AMOUNT/TYPE ASSISTANCE PROVIDED</u>	<u>TOTAL VALUE OF PACKAGE</u>	<u>CITY</u>
Midwest Telemark	\$37,500 EDA \$12,500 MAGIC Fund Building	\$210,000	Mohall
* Gartner's Jack & Jill	\$30,000 EDA \$10,000 MAGIC Fund	\$120,000	Kenmare

* Jobs added to MAGIC Fund total. All other projects were directly funded by the Magic Fund.

PART X - GRAND RECAP OF FUNDING ASSISTANCE PROVIDED (PROGRAM/PROJECT) TO COMMUNITIES IN THE MINOT TRADE AREA TO DATE

<u>COMMUNITY</u>	<u>TOTAL MAGIC FUNDS PROVIDED</u>
Alexander	\$ 3,500
Berthold	14,500
Bowbells	13,750
Bottineau	70,000
Burlington	6,100
Carpio	2,250
Coleharbor	3,000
Columbus	1,000
Crosby	29,500
Esmond	31,000
Des Lacs	80,000
Devils Lake	500
Dunseith	20,000
Fessenden	1,500
Garrison	10,500
Glenburn	6,700
Granville	1,500
Harvey	19,500
Hazen	33,000
Kenmare	123,680
Lansford	25,510
Leeds	2,500
Lignite	9,000
Makoti	4,500
Max	19,500
Mohall	26,810
New Town	3,000
Newburg	3,000
Parshall	3,500
Plaza	10,000
Powers Lake	1,250
Ray	12,250
Riverdale	3,000
Rugby	135,500
Sawyer	5,000
Sherwood	1,250
Stanley	36,891
Tioga	3,500
Towner	26,900

COMMUNITY**TOTAL MAGIC FUNDS PROVIDED**

Turtle Lake	8,500
Underwood	2,200
Valley City	25,000
Velva	3,500
Watford City	9,500
Westhope	<u>31,500</u>

TOTAL: \$884,541

TOTAL NUMBER OF COMMUNITIES: 45

PART XI - LIMITATIONS

1. Any company that was considered more than once by the MAGIC Fund is carried in this report by the final result of the considerations i.e., if a company was considered three times and the end result was approval of the request, the company was shown as approved in all job/wage portions.
2. All full time equivalent (FTE) jobs and wage average figures, are based upon a 2,080 hour work year.
3. The two proposals that were returned without action before entering the MAGIC Fund process were not counted, although listed for the City Council.

