

# ***MAGIC FUND YEAR END REPORT***

***FOR THE PERIOD  
JULY 1990 - DECEMBER 1991***

**COMPILED BY: MINOT STATE UNIVERSITY'S  
BUSINESS AND COMMUNITY ASSISTANCE CENTER**

***MARCH 13, 1992***

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**EXECUTIVE SUMMARY:**

The MAGIC Fund General Policy Guidelines that were approved by the Minot City Council on August 6, 1990, require an annual report of the activities of the MAGIC Fund. The MAGIC Fund Committee has contracted with the Business and Community Assistance Center for compilation of this report as of the end of each calendar year. The BCAC wishes to thank the Minot City Manager's Office, the Minot City Finance Director, and the staff of the Minot Area Development Corporation for their help in formatting and compiling this first year report. The following is a summary of this year's report.

**PROPOSALS AND APPLICATIONS PROCESSED:**

During this reporting period, the MAGIC Fund processed a total of 61 proposals from candidates requesting business funding assistance.

-48 of the proposals were approved and the individuals were invited to submit applications for funding.

-13 of the proposals were disapproved or failed for lack of an acceptance motion. A list of these proposals has been included in the report as required by MAGIC Fund Policy. This list is contained on page 2.

The 48 application invitations resulted in submission of 34 applications for job creation project funding.

-32 of the applications were approved.

-2 applications were disapproved. A list of the disapproved applications has been included in this report as required by MAGIC Fund policy. This list is contained on page 6.

There were 12 additional projects that requested funding for feasibility studies, training workshops and conferences, and construction of a community incubator facility. Only one of these requests was disapproved. That request is detailed on page 7.

**RURAL COMMUNITY MARKETING ASSISTANCE:**

During this period, The MAGIC Fund contributed to the economic development efforts of 20 rural communities by providing from \$500 to \$1,500 directly to each of their marketing budgets. The MAGIC Fund contracts for these funds required 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 has been included on pages 8 through 11. It should be noted that 28 rural communities have requested inclusion in the 1992 marketing match program. This is a 40% increase in the number of rural communities participating.

- The 28 communities participating in 1992 have asked for \$54,300 in MAGIC Fund match.
- Towner, which participated in 1991, has no project for 1992, and therefore does not desire 1992 participation.

**JOB CREATION PROJECT ASSISTANCE:**

During the first 18 months of existence, the MAGIC Fund has provided direct job creation project assistance to 10 communities. A complete list of projects listed by community is contained on pages 4-5.

- A total of \$1,451,130 was obligated to 18 job creation projects in the immediate Minot area.
- A total of \$279,632 was obligated to 12 projects in 9 rural communities.

**JOB CREATION EXPECTATIONS:**

Applicants who 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 on pages 12 and 13. The following summary is provided:

**-Rural 12 projects:**

--Businesses receiving the \$279,632 in funding obligation stated their intention to create 111 FTE Jobs not-later-than 1993.

---Computed MAGIC Fund rural job creation cost is \$2,519 per job.

**-Immediate Minot area:**

--Businesses receiving the \$1,316,130 in funding obligation stated their intention to create or retain 560 FTE jobs not-later-than 1994.

---Computed MAGIC Fund Minot immediate area job creation cost is \$2,350 per job.

-Total MAGIC Fund expected job creation cost for this period is \$2,378 per job.

-These figures do not include the \$135,000 Small Business Planning Council loan pool grant. (See Limitation 3, page 20)

**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 on pages 14 and 15. Chart One below summarizes the Full-time Equivalent (FTE) jobs created/retained, and Chart Two summarizes the wage levels created. Chart Three indicates a summary of the computed financial impact (Primary) of the jobs/wages created. It should be noted that some companies received funding late in this reporting period, and therefore could not initiate the jobs they had intended in 1991.

**-Chart One: Jobs Created/Retained Summary:**

<u>AREA</u>	<u>INTENDED FTE JOBS</u>	<u>ACTUAL FTE JOBS</u>	<u>+/-</u>	<u>SUCCESS %</u>
Rural	40	32	- 8	80.0
Minot	281	259	-22	92.2
<b>TOTAL:</b>	<b>321</b>	<b>291</b>	<b>-30</b>	<b>90.7</b>

**-Chart Two: Wages Created/Retained Summary:**

<u>AREA</u>	<u>INTENDED WAGE AVERAGE</u>	<u>ACTUAL WAGE AVERAGE</u>	<u>SUCCESS PERCENT</u>
Rural	\$6.23	\$5.56	89.2
Minot	6.98	6.77	97.0
<b>AVERAGE FOR AREA:</b>	<b>\$6.89</b>	<b>\$6.65</b>	<b>96.5</b>

**-Chart Three: Financial Impact of Jobs/Wages (Computed for 1 work year)**

<u>AREA</u>	<u>CREATED JOBS</u>	<u>AVERAGE WAGE</u>	<u>COMPUTED IMPACT</u>
Rural	32	\$5.56	\$ 370,074
Minot	258	\$6.77	\$3,633,053
<b>TOTAL WAGE IMPACT:</b>			<b>\$4,003,127</b>

**FINANCIAL PACKAGING:**

The following chart summarizes how the MAGIC Fund Committee was able to share the risk of job development by leveraging available fund monies for the projects approved.

<u>AREA</u>	<u>MAGIC FUND CONTRIBUTION</u>	<u>FUNDS FROM OTHER SOURCES</u>	<u>LEVERAGE RATIO</u>
Rural	\$ 279,632	\$2,026,152	\$1 To \$7.25
Minot	\$1,451,130	\$8,145,801	\$1 To \$5.61
<b>TOTAL:</b>	<b>\$1,730,762</b>	<b>\$10,171,953</b>	<b>\$1 TO \$5.88</b>

**FOLLOW-UP:**

As required by MAGIC Fund policy, a system of business follow-up was initiated during this period--a "Business Friends" program. This program was undertaken in concert with The Minot Area Development Corporation and The Minot State University/Business and Community Assistance Center. Several community meetings were held to solicit volunteers for assignment to these very important duties. After fielding an initial cadre of 60 volunteers, a training workshop was held and members were matched to MAGIC Fund funded organizations. The names, and company matches of the current group of Business Friends is contained on page 19.

**SUMMARY:**

The most significant figures that emerge from this report are:

1. Participation in the Rural Community Marketing Program is up by 40%.
2. The MAGIC Fund per-job creation costs for Rural and Minot projects are comparable at \$2,519 and \$2,378, respectively.

3. MAGIC Fund Recipients have delivered 90.3% of the jobs promised within this reporting period.
4. The average wage of those jobs created/retained during this period was \$6.65, which represents 96.5% of the levels promised.
5. On an average, the MAGIC Fund Committee was able to match every \$1.00 obligated on job development projects with \$5.88 of Federal, State, Venture, Community, Bank, or Equity money.
6. For every \$1.00 in MAGIC Fund obligation provided, \$2.51 in actual wages were created.
7. Of the \$1,730,762 in MAGIC Funds obligated, \$804,990 were obligated in a manner which will require return of these funds by the business during the life of the MAGIC Fund. The rate of return of these funds will be the subject of an added portion of this report for future years.
8. A "Business Friends" concept was organized. Sixty volunteers were fielded and trained. Visitations are scheduled to begin in 1992.
9. There were no business failures among funding recipients during this period.

The following pages detail the information used in preparation of the Executive Summary.

**PART I - PROPOSAL SUMMARY**

**A. PROPOSALS PROCESSED**

<u>MONTH</u>	<u>PROPOSALS PROCESSED</u>	<u>PROPOSALS DISAPPROVED</u>	<u>APPLICATIONS INVITED</u>
AUG 90	8	2	6
SEP 90	6	3	3
OCT 90	0	0	0
NOV 90	0	0	0
DEC 90	0	0	0
JAN 91	8	4	4
FEB 91	1	0	1
MAR 91	2	0	2
APR 91	0	0	0
MAY 91	0	0	0
JUN 91	8	1	7
JUL 91	2	0	2
AUG 91	7	0	7
SEP 91	3	0	3
OCT 91	10	1	9
NOV 91	2	0	2
DEC 91	4	2	2
<b>TOTAL:</b>	<b>61</b>	<b>13</b>	<b>48</b>

**B. PROPOSALS DISAPPROVED/RETURNED WITHOUT ACTION**

<u>COMPANY</u>	<u>AMOUNT REQUESTED</u>	<u>REASON FOR DISAPPROVAL</u>
DAKOTA BRAND MFG.	\$ 65,000	NEED DETAILS ON MGMT. & OUTSIDE INVESTORS
INTERNATIONAL TRADE DEVELOPMENT SERVICE	5,000	NO EQUITY POSITION BY OWNERS
FORS-TEL	10,000	RETAIL TYPE PRODUCT COMPETITION ISSUE
RAILROAD MUSEUM	240,000	DID NOT MEET MAGIC FUND CRITERIA
FURBALL FACTORY	25,000	INSUFFICIENT EQUITY
MCKENZIE COUNTY JOB DEVELOPMENT	50,000	DID NOT FIT WITHIN THE ESTABLISHED GUIDELINES
ESLINGER MOTORS	100,000	FAILED FOR LACK OF MOTION
MINOT WRECKING	175,000	FAILED FOR LACK OF MOTION
MERCER ENGINEERING	37,000	COMPETITION TO OTHER BUSINESSES - FAILED FOR LACK OF MOTION
ROLETTE THEATER	10,000	ENTERTAINMENT VENTURES NOT WITHIN GUIDELINES
VALLEYVIEW FALLS	14,166	ENTERTAINMENT VENTURES NOT WITHIN GUIDELINES
QUALITY PORK COOP	75,000	RETURNED FOR CLARIFICATION OF IMPACT ON NON-MEMBERS
BEAR CONTRACTING	UNDETERMINED	REFERRED TO VENTURE CAPITAL GROUP
GENERATION SYSTEMS	60,000	RETAIL TYPE BUSINESS
SOURIS BASIN EMPLOYEES	15,000	FAILED FOR LACK OF MOTION

**PART II - APPLICATION SUMMARY**

**A. APPLICATIONS PROCESSED**

<u>MONTH</u>	<u>APPLICATION PROCESSED</u>	<u>APPLICATION DISAPPROVED</u>	<u>APPLICATION APPROVED</u>
AUG 90	0	0	0
SEP 90	2	0	2
OCT 90	0	0	0
NOV 90	0	0	0
DEC 90	2	0	2
JAN 91	1	0	1
FEB 91	0	0	0
MAR 91	1	0	1
APR 91	0	0	0
MAY 91	1	0	1
JUN 91	5	0	5
JUL 91	2	1	1
AUG 91	3	0	3
SEP 91	7	0	7
OCT 91	4	0	4
NOV 91	5	1	4
DEC 91	1	0	1
<b>TOTAL:</b>	<b>34</b>	<b>2</b>	<b>32</b>

**B. COMMUNITY PROJECTS FUNDED BY THE MAGIC FUND**

<u>COMMUNITY/COMPANY</u>	<u>FUNDS APPROVED/ OBLIGATED</u>	<u>REMARKS</u>
BERTHOLD PATCHWORK ENTERPRISES	\$10,000	LOAN GUARANTEE
BOTTINEAU RODEO SHOP CHAPS	10,000	INTEREST BUY DOWN
BOTTINEAU WINTER PARK	5,000	GRANT
DES LACS AG-MATE I AG-MATE II	20,000 60,000	LOAN GUARANTEE LOAN GUARANTEE
KENMARE CREATIVE INDUSTRIES	10,000 21,180	INTEREST BUY DOWN ON LINE OF CREDIT INTEREST BUY DOWN
KENMARE DEVELOPMENT	68,000 15,000	5 YR LOAN (PRO ENTRY) GRANT (PRO ENTRY)
LANSFORD LANSFORD BETTERMENT	1,010	GRANT (BEAUTY SHOP)
M. GATES MFG.	20,000	LOAN GUARANTEE
MAX S & H MARKET	15,000	NO INTEREST LOAN
MINOT GOLD STAR PARTS	18,312	INTEREST BUY DOWN
DD SCHMIDT	20,000	LOAN
MILLER SHEET METAL	3,900	INTEREST BUY DOWN
DAKOTA CUSTOM FURNITURE	10,000	LOAN
CHOICE HOTELS	400,000 100,000	GRANT REC LOAN GUARANTEE
PRICE'S JACKETS	35,415	INTEREST BUY DOWN
BEHREN'S CONSTRUCTION	35,000	LOAN GUARANTEE
SCHERR'S CABINET	7,488	INTEREST BUY DOWN
DIVERSIFIED IND.	87,000 13,000	RENT SUBSIDY PACE INTER. BUY DOWN

**B. COMMUNITY PROJECTS FUNDED BY THE MAGIC FUND (CONTINUED)**

<u>COMMUNITY/COMPANY</u>	<u>FUNDS APPROVED/ OBLIGATED</u>	<u>REMARKS</u>
<b>MINOT (CONTINUED)</b>		
SOARING EAGLE	76,800 50,000	RENT SUBSIDY LOAN GUARANTEE
CENTRAL MACHINE	39,803 7,000 25,000	INTEREST BUY DOWN LOAN LOAN GUARANTEE
TERHORST	34,805	INTEREST BUY DOWN
MINOT REST. SUPPLY	10,246	INTEREST BUY DOWN
PRO-ENTRY	30,000 20,000	SUBORDINATED LOAN PACE INTEREST BUY DOWN
RFI, INC.	19,336 21,500	INTEREST BUY DOWN RELOCATION ASSISTANCE GRANT
BOBCO	30,000 20,000 1,525	RENT SUBSIDY RELOCATION GRANT BUSINESS PLAN GRANT
FJELD MANUFACTURING	50,000	LOAN GUARANTEE X
ORAL LOGIC	150,000	5 YEAR LOAN
SOURIS BASIN	135,000	GRANT - REVOLVING X LOAN FUND
<b>TOWNER</b>		
KELLY PUBLISHING	7,500 2,550	GRANT PACE INTER. BUY DOWN
<b>TURTLE LAKE</b>		
JESZ RECYCLING	4,000	GRANT
<b>WATFORD CITY</b>		
DBK, INC.	10,392	INTEREST BUY DOWN
<b>TOTAL MINOT FUNDED: \$1,451,130</b>		
<b>TOTAL RURAL FUNDED: \$ 279,632</b>		

**C. APPLICATIONS DISAPPROVED BY MAGIC FUND**

<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

**D. MISCELLANEOUS PROJECTS FUNDED**

<u>FACILITY</u>	<u>PROJECT</u>	<u>AMOUNT</u>	<u>TOTAL PROJECT</u>
JOINT STUDIES	SEMINAR	\$ 500	\$ 500
DAIRY RETENTION	MARKETING	5,000	80,750
MSU/BCAC	RURAL DEVELOPMENT WORKSHOP	2,000	4,000
SAWYER BEEF	SLAUGHTER PLANT FEASIBILITY STUDY	2,500	25,000
RYAN'S YOGURT	FEASIBILITY STUDY	1,500	15,750
MSU/BCAC	COMMUNITY INCUBATOR	5,625	22,490
NW BIRDSEED	FEASIBILITY STUDY	2,000	20,000
MINOT CHAMBER OF COMMERCE	HORSE RACING FEASIBILITY STUDY	2,000	6,950
DAKOTA CATALYST	FEASIBILITY STUDY	20,000 (NOT USED)	20,000
AEROSPACE CONFERENCE	MARKETING	6,000	8,000

**E. MISCELLANEOUS PROJECTS  
NOT FUNDED**

CVC BROILER PRODUCTION  
FEASIBILITY STUDY

**REASON**

DID NOT FIT WITHIN THE  
MAGIC FUND GUIDELINES

**F. PROJECTS WITHDRAWN IN PROCESS**

A-Just-A-Table  
Dakota Catalyst

**PART III** - COMMUNITIES WITH CITY COUNCIL APPROVED  
ASSISTANCE FROM THE MAGIC FUND (M=MAGIC FUND/  
C=COMMUNITY)

**A. MARKETING CONTRACTS**

<u>COMMUNITY</u>	<u>1991 FUNDS AMOUNT</u>	<u>REMARKS</u>
ALEXANDER	\$1,500	Advertise, Relocation of company, Trade shows, Promotion of Alexander JOB IMPACT: not stated 1992 MATCH REQUESTED: \$1,500
BERTHOLD	1,500	Promo. Video M: \$1,500 C: \$1,603 JOB IMPACT: not stated 1992 MATCH REQUESTED: \$2,500
BOTTINEAU	1,500	Pro-Entry proposal Dakota Optical Dentist Tech-Crete in Bottineau Pamida Center Wildlife Museum Veterinarian Replacement Water slide proposal BOTT-500 fund raising Highway sign Send information Attend meetings Follow-up projects JOB IMPACT: 84 JOBS 1992 MATCH REQUESTED: \$2,500
BOWBELLS	1,500	Highway signs M: \$1,491 C: 1,492 JOB IMPACT: not stated 1992 MATCH REQUESTED: \$1,000
BURLINGTON	500	Have not used funds JOB IMPACT: not stated 1992 MATCH REQUESTED: \$800
COLEHARBOR	0	1992 MATCH REQUESTED: \$2,000

A. MARKETING CONTRACTS (CONTINUED)

<u>COMMUNITY</u>	<u>1991 FUNDS AMOUNT</u>	<u>REMARKS</u>
CROSBY	\$1,500	Quality Pork M: \$200 C: \$250,000 Microbusiness alliance M: \$500 C: \$500 Alternate Crop Research M: \$200 C: \$800 Community Video M: \$200 C: \$1,150 Promotion & Advertising M: \$400 C: \$400 JOB IMPACT: not stated 1992 MATCH REQUESTED: \$4,500
GARRISON	1,500	Membership Drive M: \$500 C: \$500 Bio-Sunn Corp. M: \$1,000 C: \$2,000 City Video C: \$1,000 JOB IMPACT: 80 Jobs expected at Bio-Sunn 1992 MATCH REQUESTED: \$2,500
GLENBURN	1,500	Highway sign M: \$800 C: \$800 Brochure of city M: \$600 C: \$600 Community Center sign M: \$100 C: \$125 JOB IMPACT: not stated 1992 MATCH REQUESTED: \$1,500
HARVEY	1,500	Harvey area promotional guide M: \$1,500 C: \$1,500 JOB IMPACT: 0 1992 MATCH REQUESTED: \$2,000
HAZEN	0	1992 MATCH REQUESTED: \$1,500
KENMARE	1,500	Saskatchewan mailout M: \$400 C: \$400 Community profile booklet M: \$100 C: \$100 Pro-Entry M: \$1,000 C: \$6500 JOB IMPACT: 15-40 1992 MATCH REQUESTED: \$2,500

COMMUNITY		1991 FUNDS	REMARKS	AMOUNT	MARKETING CONTRACTS (CONTINUED)
LANSFORD	HIGHWAY SIGN	\$1,500	CITY PAMPHLET		JOB IMPACT: not started 1992 MATCH REQUESTED: \$1,500
LEEDS	Brochure	0	Funds not used		JOB IMPACT: not started 1992 MATCH REQUESTED: \$1,500
MAKOTI	Brochure	1,500			JOB IMPACT: not started 1992 MATCH REQUESTED: \$1,500
MAX	Brochure M: \$375 C: \$1,125	1,500	Remodel grocery store M: \$294		Attract pro-futry M: \$511 1992 MATCH REQUESTED: \$2,500
NEWBURG	Grocery Store Travel Expenses	0	M: \$320 C: \$320		Attract pro-futry M: \$511 1992 MATCH REQUESTED: \$2,000
NEW TOWN	New Town promotional booklet	1,500	M: \$1,500 C: \$1,500		JOB IMPACT: not started 1992 MATCH REQUESTED: \$1,500
PARSHALL	1992 MATCH REQUESTED: \$2,000	0			1992 MATCH REQUESTED: \$2,000
RAY	1992 MATCH REQUESTED: \$ 500	0			1992 MATCH REQUESTED: \$ 500
RIVERDALE	1992 MATCH REQUESTED: \$5,000	0			1992 MATCH REQUESTED: \$5,000
RUGBY	1,500	Community profit C: \$398	M: \$398 Arden kitchens frozen foods C: \$237		Community profit C: \$398 M: \$237 Community slide series M: \$152 C: \$152 trips to bring MFG people to rugby M: \$786
					JOB IMPACT: not started 1992 MATCH REQUESTED: \$1,500

COMMUNITY	AMOUNT	1991 FUNDS	REMARKS	1992 MATCH REQUESTED	0	WESTHOFE
SAWYER	\$1,500		Advantages trail park	Road signs	KBK Enterprises interested in move into building	
STANLEY	1,500		Community Coordinator	M: \$400 C: \$400	Brochure of town	JOB IMPACT: not stated
TOWNER	1,500		Keilly Publishing M: \$1,500	C: \$10,000 reserved	Pro-Tech C: \$248	JOB IMPACT: 1 retained
TURTLE LAKE	1,500		Turtle Lake promotional	3-10 created	3-10 created	1992 MATCH REQUESTED: \$2,000
UNDERWOOD	0		Booklets	Jobs	Jobs	1992 MATCH REQUESTED: \$0
WATFORD CITY	1,500		Advertisers Turtle Lake's	hunting, fishing, whole some	hunting, fishing, USA championship	JOB IMPACT: not stated
UNDEERWOOD	0		Turtle Lake races	hunting, fishing, whole some	hunting, fishing, USA championship	1992 MATCH REQUESTED: \$1,500
WATFORD CITY	1,500		Printed materials, advertised	nationally, developed and	promoted reward system,	JOB IMPACT: not stated
WESTHOFE	0		Videos.	video.	video.	1992 MATCH REQUESTED: \$1,500

**PART IV - JOBS CREATED/RETAINED**

**A. EMPLOYER'S INTENTION (FULL TIME EQUIVALENT)**

<u>COMMUNITY/COMPANY</u>	<u>JOB TOTAL 1991 FTE</u>	<u>JOB TOTAL 1992 FTE</u>	<u>FUTURE JOB TOTAL FTE</u>	<u>YEAR</u>
<b><u>BERTHOLD</u></b> PATCHWORK	5	5	5	1991
<b><u>BOTTINEAU</u></b> RODEO CHAPS WINTER PARK	4 0	5 0	5 0	1992 1991
<b><u>DES LACS</u></b> AG-MATE	11	15	15	1992
<b><u>KENMARE</u></b> CREATIVE IND. KENMARE EDC	4 N/A	4 23	9 23	1992 1992
<b><u>LANSFORD</u></b> LANSFORD BETTERMENT M. GATES	1 0	2 2	2 3	1992 1993
<b><u>MAX</u></b> S & H MARKET	1	1	1	1991
<b><u>MINOT</u></b> GOLD STAR PARTS DD SCHMIDT MILLER SHEET DAKOTA CUSTOM CHOICE HOTELS JACKETS BY PRICE BEHERN'S CONST. SCHERR'S CABINET DIVERSIFIED IND. SOARING EAGLE CENTRAL MACHINE TERHORST MINOT REST. SUPPLY PRO-ENTRY RFI, INC. BOBCO FJELD MFG. ORAL LOGIC	3 11 2 3 115 3 4 2 7 43 8 3 8 17 28 24 0 N/A	3 14 3 6 150 12 4 2 40 50 13 3 8 77 28 24 1 45	8 14 3 6 150 17 4 2 52 50 16 3 12 77 28 24 2 92	1993 1992 1992 1992 1992 1994 1992 1993 1993 1992 1993 1991 1993 1992 1991 1991 1993 1993

A. EMPLOYER'S INTENTION (CONTINUED)

<u>COMMUNITY/COMPANY</u>	<u>JOB TOTAL 1991 FTE</u>	<u>JOB TOTAL 1992 FTE</u>	<u>FUTURE JOB TOTAL FTE</u>	<u>YEAR</u>
<u>TOWNER</u> KELLY PUBLISHING	4	5	10	1993
<u>TURTLE LAKE</u> JESZ RECYCLING	0	13	13	1992
<u>WATFORD CITY</u> DBK, INC.	10	10	25	1993
<b>TOTAL:</b>	<b>321</b>	<b>568</b>	<b>671</b>	<b>1994</b>

**B. EMPLOYER'S INTENTION VS. ACTUAL (JOBS CREATED/RETAINED 1991)**

<u>COMMUNITY/COMPANY</u>	<u>1991 INTENDED FTE</u>	<u>1991 ACTUAL FTE</u>	<u>DIFFERENCE FTE</u>
<b><u>BERTHOLD</u></b> PATCHWORK	5	5	0
<b><u>BOTTINEAU</u></b> RODEO CHAPS BOTTINEAU WINTER PARK	4 N/A	3 0	-1 0
<b><u>DES LACS</u></b> AG-MATE	11	9	-2
<b><u>KENMARE</u></b> CREATIVE INDUSTRIES* KENMARE DEVELOPMENT	4 N/A	6 0	+2 0
<b><u>LANSFORD</u></b> LANSFORD BETTERMENT M. GATES MANUFACTURING	1 0	1 0	0 0
<b><u>MAX</u></b> S & H MARKET	1	1	0
<b><u>MINOT</u></b> GOLD STAR PARTS* DD SCHMIDT MILLER SHEET DAKOTA CUSTOM CHOICE HOTELS JACKETS BY PRICE* BEHERN'S CONSTRUCTION SCHERR'S CABINET DIVERSIFIED INDUSTRIES SOARING EAGLE* CENTRAL MACHINE* TERHORST MINOT RESTAURANT SUPPLY PRO-ENTRY RFI, INC. BOBCO* FJELD MANUFACTURING ORAL LOGIC*	3 11 2 3 115 3 4 2 7 43 8 3 8 17 28 24 0 N/A	5 13 1.5 0 115 4 1 2.5 17 46 9 3 8 1 27 4 0 1	+2 +2 -.5 -3 0 +1 -3 +.5 +10 +3 +1 0 0 -16 -1 -20 0 +1

B. EMPLOYER'S INTENTION VS. ACTUAL (CONTINUED)

<u>COMMUNITY/COMPANY</u>	<u>1991 INTENDED FTE</u>	<u>1991 ACTUAL FTE</u>	<u>DIFFERENCE FTE</u>
<u>TOWNER</u> KELLY PUBLISHING	4	4	0
<u>TURTLE LAKE</u> JESZ RECYCLING*	0	4	+4
<u>WATFORD CITY</u> DBK, INC.*	10	0	-10
<b>TOTAL:</b>	<b>321</b>	<b>291</b>	<b>-30</b>

SOURCE: NORTH DAKOTA EMPLOYER'S WAGE AND CONTRIBUTION REPORT.

\* INDICATES TELEPHONE VERIFICATION. FILING OF JOB SERVICE FORM NDUC-303 WAS NOT CONTRACTUALLY REQUIRED.

**PART V - AVERAGE WAGES FOR JOBS CREATED/RETAINED**

**A. EMPLOYER'S ACTUAL WAGE LEVELS ACHIEVED**

- 1. EMPLOYER'S INTENDED AVERAGE WAGE LEVELS \$6.89**
- 2. EMPLOYER'S ACTUAL AVERAGE WAGE LEVELS \$6.65**

**B. POTENTIAL COMMUNITY WAGE IMPACT OF VENTURES OVER TWELVE MONTHS**

- 1. RURAL \$370,074 (SALARIES ONLY)**
- 2. MINOT \$3,633,053 (SALARIES ONLY)**

**PART VI - FINANCIAL PACKAGING REPORT**

<u>COMMUNITY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>
<b><u>BERTHOLD</u></b> PATCHWORK	\$ 10,000	\$ 22,000
<b><u>BOTTINEAU</u></b> RODEO CHAPS	10,000	60,000
BOTTINEAU WINTER PARK	5,000	29,500
<b><u>DES LACS</u></b> AG-MATE	20,000	280,800
AG-MATE	60,000	60,000
<b><u>KENMARE</u></b> CREATIVE INDUSTRIES	31,180	403,440
KENMARE DEVELOPMENT	83,000	30,000
<b><u>LANSFORD</u></b> LANSFORD BETTERMENT	1,010	2,510
M. GATES	20,000	266,950
<b><u>MAX</u></b> S & H MARKET	15,000	47,370
<b><u>MINOT</u></b> GOLD STAR PARTS	18,312	227,907
DD SCHMIDT	20,000	20,000
MILLER SHEET	3,900	133,400
DAKOTA CUSTOM	10,000	200,000
CHOICE HOTELS	500,000	800,000
JACKETS BY PRICE	35,415	200,000
BEHREN'S CONSTRUCTION	35,000	350,000
SCHERR'S CABINET	7,488	35,000
DIVERSIFIED INDUSTRIES	100,000	552,500
SOARING EAGLE	126,800	350,000
CENTRAL MACHINE	71,803	383,000
TERHORST	34,805	353,424
MINOT RESTAURANT SUPPLY	10,246	218,906
PRO-ENTRY	50,000	165,000
RFI, INC.	40,836	1,959,164
BOBCO	51,525	357,500
FJELD MFG.	50,000	90,000
ORAL LOGIC	150,000	1,350,000
SOURIS BASIN	135,000	400,000

**PART VI - FINANCIAL PACKAGING REPORT (CONTINUED)**

<u>COMMUNITY</u>	<u>MAGIC FUNDS USED/OBLIGATED</u>	<u>OTHER FUNDS</u>
<u>TOWNER</u> KELLY PUBLISHING	10,050	97,900
<u>TURTLE LAKE</u> JESZ RECYCLING	4,000	68,110
<u>WATFORD CITY</u> DBK, INC.	10,392	657,572
<b>TOTAL:</b>	<b>\$1,730,762</b>	<b>\$10,171,953</b>

PART VII - BUSINESS FRIENDS PROGRAM

<u>COMPANY</u>	<u>FRIENDS</u>
1. Behren's Construction	Cory Duckworth, Al Gimse
2. Central Pump and Machining	Don Stokke, Dr. Edward Mundy
3. Choice Hotels	Jim Jensen, Ruby Crites
4. Dakota Custom Furniture	Neil Sharpe, Jim Montgomery
5. DD Schmidt Enterprises	George Youngerman, Shelly Weppler
6. Diversified Industries	Ben Tollefson, Clair Watne
7. Gold Star Parts	Mitt Mittelberg, Lynn Aas
8. Jackets By Price	Mark Jantzer, Bob Frantsvog
9. Miller Sheet Metal	Leo Makelky, Glenn Dehlin
10. Minot Restaurant Supply	Warren Allen, Jim Searcy
11. Oral Logic, Inc.	Bob Lamont, Orlan Tollefson
12. Pro-Entry	Tom Seymour, Morrie Broschat
13. RFI, Inc.	Bob Wheeler, John Stewart
14. Scherrr's Cabinet & Drapery	Bruce Peterson, Wes Krucken
15. Soaring Eagle Outerwear	Gordon Emerson, Art Ekblad
16. Terhorst Manufacturing Co.	Bud Olsen, Steve Velk
17. Bobco Manufacturing, Inc.	Jerry Effertz, Dr. George Christensen
18. Fjeld Manufacturing	Bruce Christianson, Rollie Redland
19. Ag-Mate Manufacturing	Gary Walker, Jim Hatlelid

PART VIII - 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.
2. BECAUSE OF THE SMALL NUMBER OF PART-TIME JOBS CREATED AT LESS THAN ONE-HALF TIME AND THE PROBLEMS ASSOCIATED WITH QUANTIFYING THEIR FULL-TIME EQUIVALENCY, THESE JOBS HAVE NOT BEEN INCLUDED IN THIS REPORT. THIS LIMITATION AFFECTS 15 PART-TIME POSITIONS AT AN AVERAGE WAGE OF \$6.09 PER HOUR.
3. THE \$135,000 ALLOCATED TO THE SOURIS BASIN REGIONAL PLANNING COUNCIL FOR THE FOUNDATION OF A REVOLVING LOAN POOL HAS NOT BEEN INCLUDED IN THE PER-JOB AND WAGE COST ESTIMATES. THIS OBLIGATION WILL BE INCLUDED WHEN THE FUND BECOMES OPERATIONAL.
4. THE TWO PROPOSALS THAT WERE RETURNED WITHOUT ACTION BEFORE ENTERING THE MAGIC FUND PROCESS, WERE NOT COUNTED, ALTHOUGH LISTED ON PAGE 2 FOR CITY COUNCIL INFORMATION.
5. WAGE LEVELS ACHIEVED ARE BASED UPON A 40 HOUR WORK WEEK AND EITHER PERSONAL OR DOCUMENTED VERIFICATION.