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powered by **PARTNERSHIPS**

2015 annual report



Investing resources
in our communities
for regional success

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015 totals	2014 totals
revenue and other support		
Gross Grants and Donations	\$4,424,691	\$5,037,093
Less: Amounts Received for Agency Funds	(40,000)	(15,100)
Grants and Donations	<u>\$4,384,691</u>	<u>\$5,021,993</u>
Gross Investment Return	\$1,295,098	\$4,725,245
Less: Investment Return for Agency Funds	(12,701)	(41,283)
Investment Return	<u>\$1,282,397</u>	<u>\$4,683,962</u>
Other Income (Expense)	\$117,494	\$128,621
Total Revenue and Other Support	\$5,784,582	\$9,834,576
expenses		
Program Expenses:		
Gross Component Fund	\$2,048,333	\$2,792,225
Less: Grants and Distributions from Agency Funds	(1,773)	(1,650)
Component Fund	<u>\$2,046,560</u>	<u>\$2,790,575</u>
Revolving Loan Fund	332,095	556,869
Grant Funds	1,861,680	1,642,755
Other Special Funds	58,625	44,228
Endowment Fund	(807)	264
Total Program Expenses	<u>\$4,298,153</u>	<u>\$5,034,691</u>
General and Administrative	690,906	655,526
Total Expenses	\$4,989,059	\$5,690,217
CHANGE IN NET ASSETS	\$795,523	\$4,144,359
NET ASSETS, Beginning of Year	58,532,674	54,388,315
NET ASSETS, End of Year	\$59,328,197	\$58,532,674

WCI FISCAL YEAR 2015 REVENUE & SUPPORT



LEARN MORE
ONLINE

Visit us online for complete lists of fiscal year 2015 grants, loans and donors: annualreport.wcif.org
Learn about all of our programs and projects at wcif.org

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2015 AND 2014

	2015 totals	2014 totals
assets		
Cash	\$891,625	\$505,765
Restricted Cash	599,793	373,857
Receivables:		
Grants and Other	565	75
Pledges, Net	1,920,611	2,575,322
Interest	16,314	16,569
Loans, Net	5,468,812	5,540,327
Prepaid Expenses	11,760	16,679
Investments	51,744,561	50,889,167
Property and Equipment, Net	1,145,265	1,188,780
TOTAL ASSETS	\$61,799,306	\$61,106,541
liabilities and net assets		
LIABILITIES:		
Accounts Payable	\$73,937	\$45,710
Accrued Vacation, Payroll and Deferred Compensation	112,568	109,029
Grants Payable	529,533	615,466
Notes Payable	1,280,017	1,379,536
Agency Funds	475,054	424,126
Total Liabilities	\$2,471,109	\$2,573,867
NET ASSETS:		
Unrestricted	\$41,805,955	\$41,331,597
Permanently Restricted	17,522,242	17,201,077
Total Net Assets	\$59,328,197	\$58,532,674
TOTAL LIABILITIES AND NET ASSETS	\$61,799,306	\$61,106,541

WCI FISCAL YEAR 2015 EXPENSES



Donors & Partners
you are the power behind our success!
Thank you for your faith in us, for your collaboration and for your support.

Powered to persevere



WCI PARTNERSHIP HELPS COMPANY SURVIVE RECESSION TO ACHIEVE SUCCESS

When the Great Recession hit DyCast Specialties in Starbuck, President Jon Haavig and Chief Financial Officer Ed Bolas agreed: No layoffs. They cut back on hours, but they still provided paid time off and health insurance and most of their workers stayed with them.

Then they went even further, turning to lean manufacturing practices to boost efficiency. They took advantage of downtime to provide training through West Central Initiative's Workforce 2020 workforce training program. They empowered workers to spot errors throughout the manufacturing process instead of at the very end. They asked customers to forecast their parts needs so that they could supply those parts exactly when the customer needed it. In a very tough economic time, they expanded their customer base.

"We saw it as an opportunity," Haavig said of the downturn.

As a consequence, when the economy started revving up again, DyCast was ready to go.

Now the 48-worker company runs three shifts, five days a week. Their zinc and aluminum parts are used by high-profile brand name companies that include Land Rover, Arctic Cat, John Deere, Harley Davidson and Polaris. They make components that end up in KitchenAid blenders, Milwaukee tools and telecommunications systems. They make parts for the defense industry. Their biggest customer has become the LED lighting industry leader.

This summer, orders arrived so steadily that they ran shifts around the clock, six or seven days a week.

Haavig started the company with his father, Tom Haavig, in the Twin Cities in 1983. In 1990, they relocated the business to Starbuck, and that was when WCI first became involved. WCI provided gap financing to enable them to start production in Starbuck. Eight years later, WCI helped finance DyCast's 18,000-square foot expansion.

In 2008, when the recession hit, WCI worked closely with DyCast on loan repayments.

"It was a tough time," recalled Duane Larson, WCI's loan analyst. "They faithfully kept us informed on a weekly basis what their sales were, whether it was good news or bad, and on a monthly statement where they stood with profitability or losses. We had complete faith in what they were telling us and were happy to work along with them."

Their dedication to transparency and to continue operating led WCI to become "as flexible as we could be," Larson said. "Because we're not a commercial bank regulated by state and federal regulations we were able to delay making payments and so forth until things turned around for them."

The initial loan was paid off, he said, and the expansion loan is on track to be repaid within the coming year.

"I would consider them one of our success stories," he said.

For their part, Bolas said WCI has made a huge difference for DyCast.

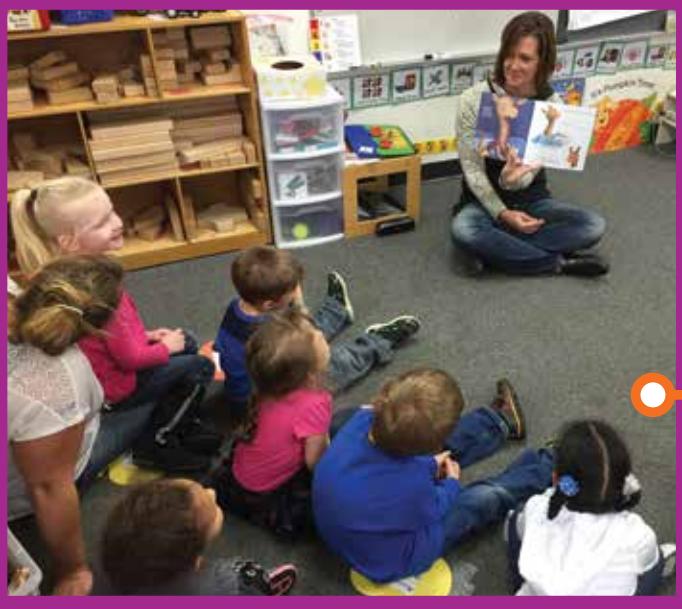
"The WCI fund has been there when we needed them," Bolas said. "Without the Initiative, we would not be where we are today. WCI is one of the unsung heroes of outstate Minnesota."

**LEARN MORE
ABOUT**
business loans
and assistance
for start-ups and
expansion.

Visit loans.wcif.org
or contact
Dale Umlauf
at 800.735.2239 or
dale@wcif.org

WATCH THE VIDEO "DyCast Specialties & WCI: Partners for Success" at vimeo.com/wciminn





Empowered to read

ECI FORGES PARTNERSHIPS TO INSPIRE YOUNG LIVES

Anita Price arrived at a Head Start classroom in Detroit Lakes, books in tow, and sank onto the floor amid the 3-year-olds.

"I'm a mommy," she told them. "I have three children."

She answered their eager questions—how old were her children; was she a grandma—and then the Kiwanis member got to the heart of her visit: she began to read a book to them.

The story was about a jungle party with a new guest arriving on every page.

"Who do you think will arrive next?" she asked the children. And after the story ended, "If you were having a party, who would you invite?"

Price is part of a program called "Today's Readers are Tomorrow's Leaders" that started when West Central Initiative shared a story about a similar project elsewhere in Minnesota. Becker County Early Childhood Initiative (ECI) coordinator Fran Rethwisch thought the local Kiwanis Club would be a good fit, and passed the idea on to them. Kiwanis members happily got on board.

Since last October, Kiwanis volunteers have read to about 760 children from birth to 5 years old, and have distributed about 800 books. This winter they will once again visit home-based child care centers, church programs, Head Start classrooms and other locations. Kiwanis members were especially motivated after hearing from a kindergarten teacher that children sometimes arrive at kindergarten unsure how to hold a book or turn its pages. It's one of many ways the Early Childhood Initiative teams up with local groups to achieve great things for Becker County children.

They work with clinics, service groups, mental health agencies, public health agencies, museums, child care providers and preschools.

"We've had really good partnerships in our community and the people involved are really dedicated to making a difference," Rethwisch said. "The ECI coalition invites people to come to the table and share their ideas with others and make connections. We have people who are really invested in young children in our community."

A few years ago, the ECI connected with the local museum and historical society and a number of individuals and groups to bring to town life-size storybook exhibits from the Minnesota Children's Museum. Recently, they provided books for an Eagle Scout project filling backpacks for children entering the foster care system. Now, they're helping Head Start and the Audubon School raise funds for an early childhood playground in Audubon.

"The really neat thing about the Becker County ECI group is that they have woven literacy into all they do," said Marsha Erickson, Early Childhood Initiative program assistant for WCI, which provides funding for Rethwisch's position and the work she does. "It is easy to buy books and hand them out at an event, but there is no guarantee that anyone will ever read the books to the child. The Becker County ECI has taken it to the next level and has integrated literacy within many areas. It's a way to tell parents and caregivers that literacy is an important part of a child's life."

LEARN MORE ABOUT our Early Childhood Initiatives.

Contact

Nancy Jost or Marsha Erickson at 800.735.2239, njost@wcif.org or marsha@wcif.org, or visit eci.wcif.org.

The power of community

RESIDENTS TAP PARTNERS FOR AMBITIOUS POOL PROJECT

Parkers Prairie, says former newspaper woman Sheryl Myers, is doing it again.

In the 1950s, the city raised funds to build a hospital. In the 1970s, everyone chipped in to build a public swimming pool. Most recently, it used private donations to build a community center.

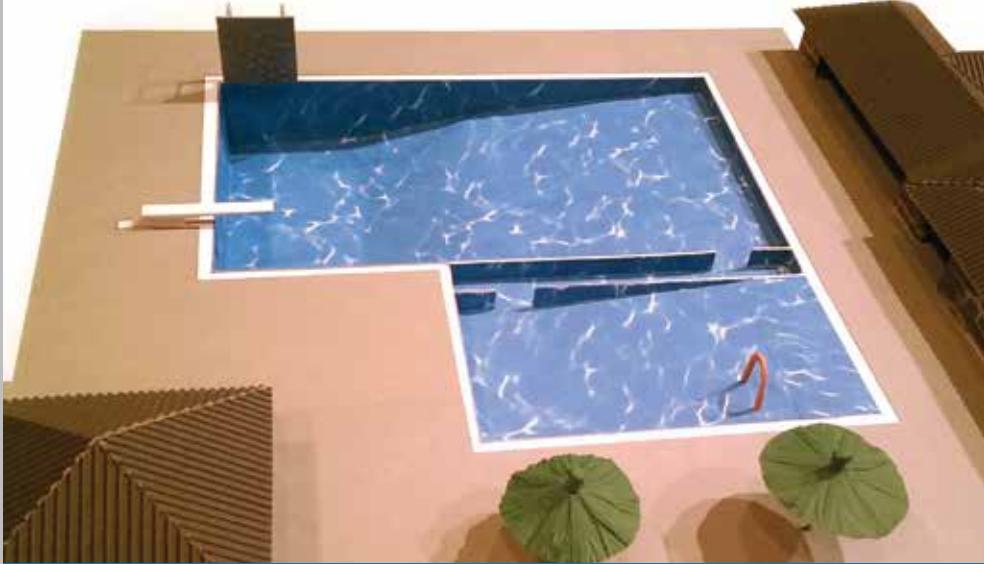
And now, this growing city of 1,000 is coming together to replace the existing swimming pool, which the city realized was reaching the end of its life expectancy.

"A lot of people became very concerned," Myers said. "As a community, one of the things we came to realize is it's one of our biggest assets besides the school."

About 200 children learn to swim there each summer. Myers credits swimming lessons with reducing the number of drownings in area lakes. The pool creates bonding time for grandparents, who bring their grandchildren to swim and play in the next-door park. The pool also draws visitors to the community, many of whom stop to eat, fill up their gas tanks and maybe do a little shopping.

The city selected a \$1.8 million design that elevates the pool to an aquatic center, complete with a shallow, wheelchair-accessible pool that ramps down to a Junior Olympic-sized pool, plus fun features like pop jets, a water dome, slides, a diving board and climbing wall, depending on how much is raised.

Myers leads the steering committee tasked with replacing the pool.



After the design work, Myers needed help with fundraising. Several people recommended West Central Initiative, and she reached out to WCI Development Officer Kim Embretson.

Embretson began a feasibility study, speaking privately to potential donors in order to learn what the community thought about replacing the pool.

"I'm interested in attitudes and perceptions. Is the story persuasive? If it is, at what level are people willing to support?" he said.

He learned that the community wanted more information about the project before supporting it. Because Myers' daughters owned the local newspaper, it was fairly easy to start disseminating useful information. And when the steering committee launched its fundraising drive, it was able to answer donors' key questions about cost and location.

WCI provided marketing advice and also set up a component fund to accept tax-deductible donations on the city's behalf. WCI sends out thank-you letters and reminders, and allows donors to contribute online at <http://wcif.org/give/givetofund.html>.

Now the city is within \$400,000 of its goal, aided by a \$1 million challenge grant from the Lloyd and Beverly Paulson Family Foundation. The city just demolished the old pool and hopes to open the new pool in June 2016, Myers said.



LEARN MORE ABOUT

making a difference in your community through a component fund, charitable giving or estate planning. Visit giving.wcif.org, or contact Tom McSparron or Kim Embretson at 800.735.2239, tom@wcif.org or kim@wcif.org



**West Central
Initiative**

Investing resources
in our communities
for regional success

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Confirmed in Compliance with National Standards for U.S. Community Foundations.

2015 by the numbers

26 business loans closed, totaling \$1,658,747

19 business start-ups financed

240 people received one-on-one business assistance

124 licensed child care openings created or retained through a WCI loan or grant

517 grants approved totaling \$2,965,589

4 community mobilization grants awarded to develop plans that address community issues

85 people participated in one of the WCI-supported leadership programs in our region

826 workers trained through WCI's Workforce 2020 or Competitive Workforce Grant programs

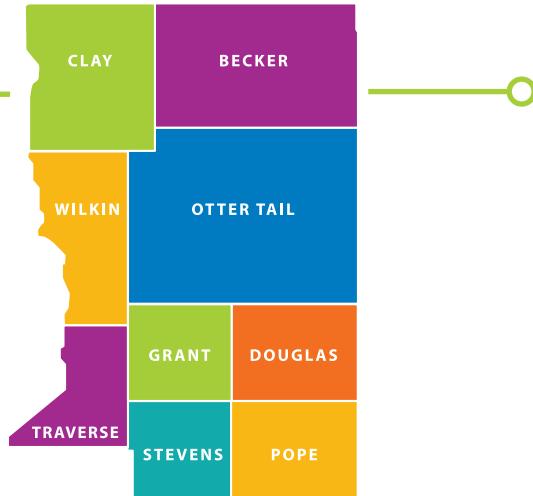
2,340 component fund donors gave \$2,372,692

4 component funds established

100 donors contributed to the WCI Endowment

5 Safe Routes to Schools plans initiated by WCI for regional school districts

6 communities applied for Transportation Alternatives Program grants with WCI assistance



West Central Initiative

serves as a regional foundation for nine counties in west central Minnesota. Our number one goal is to help strengthen the economy of our region, so our families, businesses and communities prosper. We use many resources, like business loans, grants, regional planning assistance and promoting philanthropy to help create a better tomorrow for west central Minnesota.

wcif.org

218.739.2239 // 800.735.2239 // wci@wcif.org