



**Executive Committee  
Meeting Agenda  
June 2, 2010**  
Workforce Alliance Offices, 2<sup>nd</sup> Floor  
Mayor Kristey Williams, Chairman

**1. Welcome: Mayor Kristey Williams**

**2. REAP 2009 Financial Correction: Mr. Joe Yager**

*Staff has discovered an error regarding consultation and technical assistance from the 2009 final quarter invoice and suggests corrective action be taken.*

***Recommended Action: Approve payment in the amount of \$5,000 to the Hugo Wall School for consultation and technical assistance.***

**3. REAP Senior Consultation for Summer 2010: Mr. Joe Yager**

*REAP established funding for consultation and technical assistance in the adopted budget through Wichita State University or other sources. Staff asks that the Committee consider the use of these funds for senior consultation during the months of May, June, July, and August.*

***Recommended Action: Take appropriate action.***

**4. Revision of REAP Fiscal Procedures: Mr. Joe Yager**

*Due to actions taken by REAP, including the new REAP Water Resources Committee assessment structure, amendments to the REAP Fiscal Procedures are necessary.*

***Recommendation: Amend the REAP Fiscal Procedures to reflect changes in assessments.***

**5. REAP Assessments for 2011: Mr. Joe Yager**

*In order to align both the REAP and Water Resources Committee annual assessments, official population figures used for state purposes, as recorded by the Kansas Secretary of State, must be updated.*

***Recommendation: Update the REAP and REAP Water Resources Committee annual assessments for 2011 at 2009 State certified population levels, in accord with the REAP bylaws and fiscal procedures.***

**6. Staffing Update: Ms. Misty Bruckner**

*An update will be provided on the search for a new Executive Officer for Water Resources position.*

**7. Other Business: Members of the Committee**

**8. Next Committee Meeting: Mayor Kristey Williams**

*The REAP Executive Committee is scheduled to meet on Wednesday, July 7, 2010 to discuss proposals for the Kansas Affordable Airfares Program for fiscal year 2011.*

**9. Adjourn**

## **Agenda Report 2**

### **REAP 2009 Financial Correction**

*The Executive Committee is charged to serve as the treasury for REAP, collect all REAP revenues, make disbursements in accord with the budget adopted by REAP, and conduct financial management of REAP assets in accord with REAP fiscal procedures.*

#### **REAP 2009 Budget Correction**

##### **Background**

In the Adopted 2009 Budget, REAP established funding for consultation and technical assistance through Wichita State University or other sources. In addition, with the official designation of Dr. Ed Flentje, Wichita State University, as the REAP Senior Consultant, Dr. Flentje was approved to provide assistance through the University during the school year and utilize a portion of his salary to provide this assistance. However, due to the structure of contracts with the University, Dr. Flentje was not regularly compensated during the summer months and would not be available to REAP based on the original agreement.

The line item for consultation and technical assistance in the 2009 budget was funded at \$10,000. A similar item was placed in the Water Resources 2009 budget and funded at \$5,000.

REAP took action at the April 13, 2009 meeting to utilize the consultation and technical assistance funds for senior consultation during the months of May, June, July, and August in the amount of \$10,000. It was the consensus to utilize these funds for both REAP and the Water Resources Committee to retain and compensate Dr. Ed Flentje for Senior Consultation during these months. The funds were charged at the same level of \$5,000 each, which were then paid during the 2<sup>nd</sup> Quarter of 2009.

##### **Correction**

Staff has discovered an error from the 2009 final quarter invoice. In going back through 2009 budget expectations, notes indicated that the other half (\$5,000) for consultation and technical assistance was to be included in the REAP 4th quarter invoice for assistance received through the Hugo Wall School, including use of Dr. John Wong's economic analysis, time, and other staff functions.

Evaluation of the funds indicate available funds to cover this cost and a final statement has been provided for review. Staff suggests correcting this error and authorizing payment.

**Recommended Action: Approve payment in the amount of \$5,000 to the Hugo Wall School for consultation and technical assistance.**

## REAP 2009 Year-End Financials

### Actual Year-End REAP Revenues for 2009

| Revenues                           | Projected        | Actual           | Description                                      |
|------------------------------------|------------------|------------------|--|
| Annual Membership Assessments      | \$105,596        | \$105,850        | Membership dues                                  |
| Special Assessments                | \$0              | \$0              | Special assessments                              |
| Workforce Agreement                | \$15,000         | \$17,000         | CEOB oversight duties                            |
| Kansas Affordable Airfares Program | \$25,000         | \$0              | KAAP administration                              |
| Other Revenues Received            | \$1,874          | \$5,476          | Interest and other revenues received (estimated) |
| Carryover Funds                    | \$2,900          | \$20,092         | Prior-year carryover (estimated)                 |
| <b>Total</b>                       | <b>\$150,370</b> | <b>\$148,418</b> |  |

### Actual Year-End REAP Operating Budget for 2009

| Expenditures               | Adopted          | Actual             | Description                                     |
|----------------------------|------------------|--------------------|---|
| <b>Staffing</b>            |                  |                    |   |
| Executive Officer          | \$73,250         | \$73,250           | Compensation and benefits                       |
| Graduate assistant         | \$15,130         | \$15,130           | Compensation and benefits                       |
| <i>Staffing Subtotal</i>   | <i>\$88,380</i>  | <i>\$88,380.00</i> |   |
| <b>Operating</b>           |                  |                    |   |
| Current office expense     | \$8,840          | \$8,840            | Computing, telephone, fax, equipment, etc.      |
| Consultation & tech assist | \$10,000         | \$10,000           | Addtl assistance through WSU or other sources   |
| Other operating—general    | \$6,110          | \$6,482            | Meeting expense, memberships, travel, etc.      |
| Other operating—KAAP       | \$2,500          | \$0                | Accounting, auditing, reporting, legal counsel  |
| Legislative liaison        | \$25,000         | \$33,259           | Topeka-based representation, receptions, travel |
| Project funds              | \$9,540          | \$424              |   |
| <i>Operating Subtotal</i>  | <i>\$61,990</i>  | <i>\$59,005</i>    |   |
| <b>Total</b>               | <b>\$147,385</b> | <b>\$147,385</b>   |   |

### Total Actual Year-End REAP Operating Budget for 2009

| Total Revenues | Total Expenditures | Total Remaining Balance |
|----------------|--------------------|-------------------------|
| \$148,419      | \$147,385          | \$1,033                 |

Subject: General Statement on REAP Fiscal Procedures  
Effective: 6/7/10

## **REGIONAL ECONOMIC AREA PARTNERSHIP (REAP) FISCAL PROCEDURES**

### **OBJECTIVE:**

To provide REAP with fiscal procedures.

### **PROCEDURES:**

REAP fiscal procedures establish a framework for the overall financial management of the organization. Operating independently of changing circumstances and conditions, the procedures assist the decision-making process of the organization and one drawn from long-standing principles, traditions, and practices that guide the organization and help to maintain its financial stability.

#### **ASSESSMENT OF REAP MEMBERSHIP FEES**

1. Annual fees for membership in REAP are assessed each calendar year, in accord with REAP Bylaws as follows:

##### *Cities*

- *Cities with population above 10,000: \$3,000 plus \$.065 per capita.*
- *Cities with population between 3,000 and 10,000: \$1,000 plus \$.065 per capita.*
- *Cities with population under 3,000: \$200 plus \$.065 per capita.*

##### *Counties*

- *Counties with population above 50,000: \$3,000 plus \$.025 per capita*
- *Counties with population less than 50,000: \$1,500 plus \$.025 per capita*

Determination of Population: Official population figures used for state purposes, as recorded by the Kansas Secretary of State, shall be used in assessing fees for member cities and counties of REAP.

Members in Good Standing: Member cities and counties of REAP will be assessed annually by invoice, and assessments for the upcoming calendar year will be due as of January 1. Members that have paid their assessments by March 31 will be considered members in good standing. Any member that has not paid its assessment by March 31 will be considered in arrears and will lose all voting privileges on the REAP governing body as of April 1.

2. REAP Assessments for the upcoming year will be mailed annually to member jurisdictions no later than December 31.
3. REAP Assessments will be deposited in the REAP Operating Fund.

Subject: General Statement on REAP Fiscal Procedures  
Effective: 6/7/10

**ASSESSMENT OF WATER RESOURCES COMMITTEE MEMBERSHIP FEES**

1. Annual fees for membership in the REAP Water Resources Committee are assessed each calendar year, in accord with REAP Bylaws as follows:

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| <i>Assessment Category</i>                        | <i>Assessment Level</i> |
|---|-------------------------|
| <i>Category 1 (population 50,000+)</i>            | <i>\$32,000</i>         |
| <i>Category 2 (population 25,000-50,000)</i>      | <i>\$8,000</i>          |
| <i>Category 3 (population 8,000-25,000)</i>       | <i>\$4,000</i>          |
| <i>Category 4 (population 2,500-8,000)</i>        | <i>\$1,500</i>          |
| <i>Category 5 (all other cities and counties)</i> | <i>\$400</i>            |

*Cities*

- *Cities with population above 20,000: \$4,000 plus \$.075 per capita.*
- *Cities with population between 10,000 and 20,000: \$3,000 plus \$.075 per capita.*
- *Cities with population between 3,000 and 10,000: \$1,000 plus \$.075 per capita.*
- *Cities with population under 3,000: \$300 plus \$.075 per capita.*

*Counties*

- *Counties: \$800 flat base assessment*

Determination of Population: Official population figures used for state purposes, as recorded by the Kansas Secretary of State, shall be used in assessing fees for member cities and counties of REAP.

Members in Good Standing: Member cities and counties of the Water Resources Committee will be assessed annually by invoice, and assessments for the upcoming calendar year will be due as of January 1. Members that have paid their assessments by March 31 will be considered members in good standing. Any member that has not paid its assessment by March 31 will be considered in arrears and will lose all voting privileges on the Committee as of April 1.

2. Water Assessments for the upcoming year will be mailed annually to member jurisdictions no later than December 31.
3. Water Assessments will be deposited in the REAP Water Resources Fund.

**SELECTION OF DEPOSITORY**

1. On the recommendation of the Treasurer, the Executive Committee shall designate a depository to secure all funds and money of REAP required for current operations or special programs.
2. The selection will be in accordance with all applicable Kansas state laws and regulations.

**ESTABLISHMENT AND OVERSIGHT OF FUNDS**

1. The Executive Committee of REAP shall establish an Operating Fund for current operations.
2. The Executive Committee of REAP shall establish additional funds as required by specific programs.
3. All funds and money of REAP required for current operations or special programs shall be placed in demand deposits in the official REAP depository.
4. All funds shall be under the joint care of the Chair, Vice-Chair and Treasurer of REAP and shall

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be held in the custody of a state or national bank or trust company and shall be held in the name of REAP.

5. The interest accrued on deposits shall be credited pro rata to the fund or funds of REAP from which the monies originated.

#### **DISPERSAL OF FUNDS**

1. Transfer or withdrawal shall be permitted only upon the written instruction of at least two REAP officers (Chair, Vice-Chair and/or Treasurer) and prior consent of the REAP Executive Committee and shall identify the purpose of the transfer or withdrawal.
2. Transfers or withdrawals shall be in accord with the adopted operating budget by REAP.

#### **ADOPTION OF OPERATING BUDGET**

1. The REAP Executive Officer shall recommend an operating budget for the upcoming year to the REAP Executive Committee for review no later than November 30.
2. At the regular December meeting of REAP, the Executive Committee shall recommend an operating budget to REAP for adoption.
3. Amendments to the operating budget may occur throughout the year and shall be brought to the attention of the Executive Committee and recommended by the Executive Committee to REAP at a meeting of the full membership.

#### **ACCOUNTING, AUDITING, AND FINANCIAL REPORTING**

1. The Executive Committee shall appoint an independent auditor at the request of the Treasurer.
2. An independent audit shall be performed at any time on request of REAP.
3. The Chief Executive Officer will provide REAP with quarterly and annual financial reports.