

2006 ANNUAL REPORT



***Strengthening the economy of South Central Kansas
through joint action of cities and counties.***

**REGIONAL ECONOMIC AREA PARTNERSHIP
OF
SOUTH-CENTRAL KANSAS**

MISSION STATEMENT

Guide state and national actions that affect economic development in the region and adopt joint actions among member governments that enhance the regional economy.

**REAP GOVERNING BODY
2006**

EXECUTIVE COMMITTEE

CHAIRMAN

Commissioner Tom Winters, Sedgwick County

ECONOMIC DEVELOPMENT COMMITTEE

Commissioner Will Carpenter, Butler County

LEGISLATIVE COMMITTEE

Mayor John Waltner, Hesston

OTHER EXECUTIVE COMMITTEE MEMBERS

Mayor Willis Heck of Newton, Immediate Past Chair

Mayor Mike Ledy of Winfield, Treasurer

Mayor Carlos Mayans of Wichita, at-large representative

Commissioner Frances Garcia of Reno County, at-large representative

EXECUTIVE OFFICER

Joseph S. Yager

REAP MEMBER GOVERNMENTS

ANDOVER	HESSTON
ARKANSAS CITY	HUTCHINSON
AUGUSTA	MAIZE
BEL AIRE	MCPHERSON COUNTY
BENTLEY	MULVANE
BENTON	NEWTON
BUTLER COUNTY	PARK CITY
CHENEY	RENO COUNTY
CLEARWATER	ROSE HILL
COLWICH	SEDGWICK
CONWAY SPRINGS	SEDGWICK COUNTY
DERBY	SUMNER COUNTY
EL DORADO	VALLEY CENTER
HALSTEAD	WELLINGTON
HARVEY COUNTY	WICHITA
HAYSVILLE	WINFIELD

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**REGIONAL ECONOMIC AREA PARTNERSHIP
OF
SOUTH-CENTRAL KANSAS**

COMMITTEE REPORTS

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EXECUTIVE COMMITTEE

An Executive Committee has been established to perform the following functions:

- assist the Chair in developing agenda items, policy issues or administrative matters to be presented at regular REAP meetings; and
- handle special tasks, as determined by the Chair of REAP, which require action between regular REAP meetings.

The Executive Committee is also responsible for reviewing and recommending an annual budget and developing or recommending a work plan for REAP. In performing this assignment the Executive Committee is provided a draft annual report, guidance on priorities from the annual REAP planning retreat, and a budget proposal from the executive officer.

REAP adopted a work plan for 2006 assigning specific tasks to each committee. The Executive Committee was directed to address the following items.

- Engage Topeka-based representation.
- Develop method for local governments in REAP to provide financial support to Affordable Air Fares for Kansans program.
- Oversee and report on REAP's involvement in:
 - Greater Wichita Economic Development Coalition;
 - Mid-Continent Airport Advisory Board;
 - Sedgwick County Technical Education and Training Authority;
 - South Central Kansas Water Coalition; and
 - KansasBio.
- Direct Water Coalition to address and report back to REAP on the following issues:
 - Status of wastewater lagoon regulations for confined animal feed operations;
 - Role of local governments in permitting process of Class D landfills; and
 - Funding for study of sandpits in the Equus Beds Aquifer approved by the Kansas Legislature in 2004.
- Carry out public relations and communication strategies about REAP activities to local governments and citizens in South Central Kansas.
- Develop and maintain REAP website.

Activities undertaken by the REAP Executive Committee in 2006 to address the work plan assignments are described below.

Engage Topeka-based representation: The Executive Committee took action in January to award a contract to Mr. Tom Bruno of Bruno and Associates to represent REAP in Topeka during the 2006 legislative session. The initial contract was to provide services for a period of six months, however, due to several legislative issues, most notably the Kansas Affordable Airfares Program, REAP chose to extend the contract in July through the remainder of the year (December). A copy of the agreement is attached in the Reference Information section of this report.

Develop method for local governments in REAP to provide financial support to Affordable Air Fares for Kansans program: In an effort to increase participation in the Affordable Air Fares for Kansans program, REAP adopted the following voluntary assessment model to contribute to the required local match for

affordable air fare funding. From this initiative, REAP was able to collect \$22,050 from the region for affordable air fare funding. The voluntary assessment option is described in the table below.

Air Service Special Voluntary Assessment Option

Flat Fee to each REAP member based on population

Population	Flat Rate	REAP Members	Assessment
30,000 plus-	\$2,500	7	\$17,500
10,000-29,999	\$750	6	\$4,500
3,000-9,999	\$250	10	\$2,500
3,000 or less	\$150	9	\$1,350
REAP Operating Fund			\$5,000
Total			\$30,850

Note: This was a voluntary model. Amounts are maximums of assessment; however, each jurisdiction was encouraged to contribute additional funds.

As REAP has become more recognized over the past several years, REAP members have been asked to serve on a number of committees and boards that influence the regional economy. In 2006 representatives from REAP served on the following boards and committees: *Mid-Continent Airport Advisory Board, Greater Wichita Economic Development Coalition, Sedgwick County Technical Education and Training Authority, and KansasBio*. Additional information is available in this report under Other Involvement in the Committee Reports Section.

Direct Water Coalition to address and report back to REAP on the following issues:

- *Status of wastewater lagoon regulations for confined animal feed operations;*
- *Role of local governments in permitting process of Class D landfills; and*
- *Funding for study of sandpits in the Equus Beds Aquifer approved by the Kansas Legislature in 2004.*

The Executive Committee directed the Water Coalition to address specific issues in 2006. However, in order to accomplish this task it was requested that staff be created for the Coalition. The result of the inquiry into staff led to the request of REAP to study the issue and provide a possible solution. No specific actions were taken to address the requests of reports in 2006. Additional information is available in this report under Other Involvement in the Committee Reports Section.

Carry out public relations and communication strategies about REAP activities to local governments and citizens in South Central Kansas: In an effort to keep the public informed about REAP, notices were sent to area media outlets preceding each REAP meeting, and press releases were sent to report on actions taken at REAP meetings. With the delegated authority of the Kansas Affordable Airfares Program, several articles appeared in newspapers across the region reporting the actions of REAP. In addition, the Executive Officer travels to jurisdictions that request a visit to share with them information on the benefits of membership and updates on REAP. Updates of REAP activities are also provided to the Sedgwick County Association of Cities on a monthly basis and any other organization that requests information.

Develop and maintain REAP website: The REAP website was offline in 2006 while staff began the process of rebuilding and improving access to allow for agendas, changes in membership, updates on information, accomplishments, etc.

Additional activities undertaken by the REAP Executive Committee in 2006 are described below: Under the authority of House Substitute for Senate Bill 475 and the omnibus appropriation bill, Senate Bill 2968, both enacted in the 2006 session of the Kansas Legislature, REAP established the Kansas Affordable Airfares Program (KAAP). The program is designed to provide more air flight options, more competition for air travel, and affordable air fares for Kansas.

The new responsibility of the KAAP prompted organizational changes as detailed below:

- **Revised Interlocal Agreements** – Provided for a formalization of the creation of the entity under State Law by formally creating a unified Interlocal Agreement for passage by each member jurisdiction.
- **Attorney General Approval** – Once Interlocals for more than 10 REAP members had been received, the Interlocals were forwarded to the Kansas Office of the Attorney General for approval, which was received and approved by signature.
- **Bylaws Revisions** – Due to the change in responsibilities several changes were required to make the REAP Interlocal and Bylaws compatible.
- **Fiscal Procedures** – REAP became a pass-through for the KAAP funding, thereby requiring procedures for administering funds.
- **Banking** – In accord with the new responsibilities and fiscal procedures, REAP established a separate bank account for both the KAAP and its own Operating Account.
- **Treasurer** – Established the position of Treasurer and appointed Mayor Mike Ledy (Winfield) from the Executive Committee to oversee the diverse funds and accounts for accountability.
- **Executive Officer duties** – The Executive Officer was charged with the task of providing accounting and financial assistance to the Treasurer.

For the first half of 2006 leadership was provided on the Executive Committee from the following members.

- Mayor Willis Heck of Newton, REAP Chair
- Commissioner Tom Winters of Sedgwick County, Vice Chair and Economic Development Committee Chair
- Commissioner Mike Ledy of Winfield, Immediate Past Chair
- Mayor John Waltner of Hesston, Legislative Committee Chair
- Commissioner Will Carpenter of Butler County, at-large representative
- Commissioner Frances Garcia of Reno County, at-large representative
- Mayor Carlos Mayans of Wichita, at-large representative

For the second half of 2006 leadership was provided on the Executive Committee from the following members.

- Commissioner Tom Winters of Sedgwick County, REAP Chair
- Mayor John Waltner of Hesston, Vice Chair and Legislative Committee Chair
- Commissioner Will Carpenter of Butler County, Economic Development Committee Chair
- Commissioner Mike Ledy of Winfield, Treasurer
- Mayor Willis Heck of Newton, Immediate Past Chair
- Commissioner Frances Garcia of Reno County, at-large representative
- Mayor Carlos Mayans of Wichita, at-large representative

LEGISLATIVE COMMITTEE

REAP seeks to provide a unified voice on legislative actions of high priority to the region. A Legislative Committee has been established to identify issues of a regional concern that require legislative actions at either the state or national level. Prior to each legislative session, regional priorities are identified, and the Committee recommends a legislative agenda to REAP for approval.

REAP's 2006 legislative agenda identified the following priorities.

- Support partnership with state of Kansas to maintain affordable air fares through Mid-Continent Airport.
- Support funding options from the Kansas Department of Wildlife and Parks to enhance access to state parks, including Cheney State Park, El Dorado State Park and Fall River State Park.
- Advance legislative and administrative action to increase state and federal financial investments in the REAP region.
- Augment protection of the region's public water supply through science-based, site-specific water quality regulations.
- Strengthen home rule authority to provide cities and counties the ability to fund service for local residents.
- Maintain authority of local governments to use eminent domain for economic development.
- Oppose adoption of Taxpayer Bill of Rights (TABOR).

The Legislative Committee was also assigned the following tasks in 2006.

- Create a legislative scorecard allowing REAP to track votes of area legislators on regional legislative priorities.
- Develop and implement ongoing communication procedures between REAP and area legislators.
- Identify and make REAP members aware of legislative issues of significance to South Central Kansas.
- Recommend legislative priorities to REAP for the 2007 legislative session.

Activities undertaken by the REAP Legislative Committee in 2005 to address the work plan assignments are described below.

Support partnership with state of Kansas to maintain affordable air fares through Mid-Continent Airport: For 2006 a partnership with the State of Kansas working through Mid-Continent Airport was the top legislative priority for REAP.

In an effort to increase participation in the Affordable Air Fares for Kansans program, REAP initiated a resolution of support, which can be found in the REAP Resolutions section of the Reference Information in this Annual Report. The resolution was circulated to all local governments within the REAP region, and to partners, with 23 jurisdictions, as well as REAP and SCKEDD passing resolutions. The list of resolutions passed is provided in the Reference Information section of this Annual report

During the 2006 legislative session Senator Carolyn McGinn (District 31) introduced SB 475 which called for the State to contribute \$5 million per year for five years with a local match, while Representative Mario Goico (District 100) had introduced the same legislation in the House of Representatives, HB 2814. This legislation not only required local funding responsibility by the members of REAP for at least \$1.67 million (a 25% match), but also directed REAP to serve as the conduit for the air service funds.

SB 475 passed the Senate on a 35-2 vote and was promptly forwarded to the House Appropriations Committee and scheduled for hearing on March 7. REAP Legislative Chairman Mayor John Waltner (Hesston) was asked to testify, along with Mr. Lyndon Wells (Intrust Bank and Chairman of the Wichita Chamber of Commerce), Mr. Tom Hayes (Cargill), and Mr. Richard Taylor (union representative).

The House replaced SB 475 with an amended version, House Substitute for SB 475, which was then passed on March 24 with a vote of 100-25. The Senate sent House Substitute for SB 475 to conference committee, comprised of Senate members: Dwayne Umbarger (Dist. 14), Carolyn McGinn (Dist. 31), and Donald Betts (Dist. 29); and House members: Melvin Neufeld (Dist. 115), Brenda Landwehr (Dist. 91), and Bill Feuerborn (Dist. 5).

On March 30, the House and Senate both concurred with the conference report and the bill was sent to the Governor to be signed. On April 18, Governor Kathleen Sebelius signed House Substitute for SB 475 creating the State Affordable Airfare Fund, to be administered by the Department of Commerce. On May 16, Governor Sebelius signed the Omnibus Appropriations Bill, Senate Substitute for HB 2968 establishing funding for the Affordable Airfares for Kansas program. Funding came from a move of the Highway Patrol to the General Fund freeing up \$36 million from KDOT, of which \$25 million would be used to fund Affordable Airfares.

Support funding options from the Kansas Department of Wildlife and Parks to enhance access to state parks, including Cheney State Park, El Dorado State Park and Fall River State Park: In 2006 the State took action to use moneys from the Park Fee Fund to initiate a half price admissions pilot program through December 31, 2007 intended to enhance access and increase attendance at state parks.

Advance legislative and administrative action to increase state and federal financial investments in the REAP region: Decisions benefiting REAP communities included the continued funding of the National Institute for Aviation Research at Wichita State University and financial support of the Challenger Center in Winfield.

Augment protection of the region's public water supply through science-based, site-specific water quality regulations: Several issues surfaced during the year in 2006 on land use and conservation, however REAP was not directly involved in specific legislation during the session. The uncertainty with the South Central Water Coalition also led to less focus on legislative issues.

Strengthen home rule authority to provide cities and counties the ability to fund service for local residents: Several bills were introduced to committees during the year in 2006 that would effect home rule authority, however REAP was not directly involved in specific legislation during the session, and no significant actions or changes were implemented.

Maintain authority of local governments to use eminent domain for economic development: Due to the high profile Supreme Court decision in the *Kelo v. City of New London* case in 2005 on the use of eminent domain for economic development, several bills were introduced limiting the use of eminent domain during the 2006 legislative session. Kansas was not alone, with Iowa, Ohio, and many other states taking up legislation to define and in most cases limit the use of eminent domain. During the Kansas legislative session, REAP was informed that a compromise had been reached on the use of eminent domain, allowing use for economic development, provided the land is not currently used for agricultural purposes.

Oppose adoption of Taxpayer Bill of Rights (TABOR).

REAP, and its members, chose to oppose a Taxpayer Bill of Rights. REAP did not take an active role in such opposition, but instead followed the decisions made in the legislature regarding TABOR, and voiced concerns through direct discussions with legislators. TABOR was never considered on the floor of either chamber during the 2006 legislative session.

Create a legislative scorecard allowing REAP to track votes of area legislators on regional legislative priorities: The idea of a legislative scorecard was intended to serve as a timeline of legislative events and votes on behalf of REAP. However, REAP decided against creating a legislative scorecard, feeling it lacked a sound enough structure at this time.

Develop and implement ongoing communication procedures between REAP and area legislators: REAP has always strived to develop strong relations with legislators representing South Central Kansas. To aide in this effort REAP has contracted for lobbying services during the legislative sessions since 2000. Tom Bruno of Bruno and Associates represented REAP in Topeka in 2006.

In January, Mayor Willis Heck and Mayor John Waltner appeared before the South Central Kansas legislative delegation at its annual meeting to present the 2006 REAP legislative agenda.

Other actions taken by the REAP Legislative Committee to communicate with area legislators include:

- Inviting members of the South Central Kansas legislative delegation to attend the 2006 Regional Leadership Summit on Economic Development initiated by REAP and Visioneering Wichita; and
- Members of REAP scheduled meetings with South Central Kansas legislators while in Topeka.

Identify and make REAP members aware of legislative issues of significance to South Central Kansas: Members were provided updates on issues that were not included on the priorities but affected the region. Two additional legislative items that arose during the 2006 session are provided below:

Proposal to Exempt Machinery and Equipment (M&E) from Personal Property Tax: REAP was informed that the business community was proposing the exemption of machinery and equipment (M&E) from personal property tax during the 2006 legislative session. REAP took action by adopting the following statement:

REAP supports incentives for economic development but believes such incentives should be subject to local control. The proposed exemption for machinery and equipment violates home rule authority and forces local governments to bear the entire cost of the exemption. If state lawmakers want to enact this exemption, state government should underwrite the cost of the exemption or should authorize cities and counties to adopt the exemption through home rule.

Despite REAP's opposition, the legislation passed and was signed by the Governor.

Proposal to Authorize Casino Gaming REAP was informed that the issue of authorizing casino gaming was being raised during the 2006 legislative session. REAP took action by adopting the following statement:

If state lawmakers authorize an expansion of casino gaming in the state, REAP believes that South Central Kansas should not be foreclosed from casino development through legislative action, but allow for citizen initiative and home rule authority to determine local projects.

Although no action was taken by the legislature, REAP actively endorsed the adopted position.

For 2006 leadership was provided on the Legislative Committee from the following members.

- Mayor John Waltner of Hesston, Committee Chairman
- Mr. Dennis Bush of Andover
- Mr. Will Johnson of Butler County
- Mayor Dion Avello of Derby
- Mayor Bill Ewert of Halstead
- Mr. Joel Pile of Rose Hill
- Council Member Bess Roberts of Valley Center
- Council Member Bob Martz of Wichita
- Mr. Andy Schlapp, Sedgwick County Governmental Relations Director, *ex officio*
- Mr. Bob Myers, city of Newton, *ex officio*

ECONOMIC DEVELOPMENT COMMITTEE

The Economic Development Committee (EDC) identifies and prioritizes economic opportunities for joint action by REAP. These priorities are evaluated annually in order to maximize time, money invested and political capital necessary to sustain continuous economic growth and well being of South Central Kansas. The EDC's work plan for 2006 included the following elements.

- Perform duties as Chief Elected Officials Board under the Workforce Investment Act of 1998.
- Review and assess financial impact of including Harvey County in Local Service Delivery Area IV for administrating the Workforce Investment Act in Kansas.
- Identify and support regional economic development projects that qualify for state funding assistance.
- Initiate research that assesses the regional economy in comparison with regional, state, and national trends and with comparable regions in the United States.
- Identify opportunities for the region to take advantage of its geographic location and natural resources to enhance economic development and improve the quality of life in South Central Kansas.
- Determine if REAP should conduct a regional summit on economic development in 2006.
- Work to develop local and regional partnerships to maintain affordable air fares through Mid-Continent Airport.
- Monitor Kansas Bioscience Authority and KansasBio and explore opportunities for expanding bioscience industries in South Central Kansas
- Develop and implement methods to coordinate activities between local government, state government, businesses and other economic development groups in South Central Kansas

Activities undertaken by the REAP EDC in 2006 to address the work plan assignments are described below.

Perform duties as Chief Elected Officials Board under the Workforce Investment Act of 1998: A significant development for REAP was accepting responsibility for regional implementation of the Workforce Investment Act of 1998 (WIA), a federally funded workforce development program. To comply with the federal regulations in WIA pertaining to the Chief Elected Official Board (CEOB), the Economic Development Committee adopted a process where only the elected officials from the specific counties in Local Area IV (Cowley, Butler, Harper, Kingman, Sumner and Sedgwick) are recognized to vote on CEOB issues. The non-elected officials and elected members from Harvey, McPherson, and Reno counties still participate in all discussions before the REAP EDC, but have *ex officio* status on all CEOB matters that require formal action.

After serving as interim director of the Workforce Alliance on an emergency basis to help the WA through the transition from the resignation of the previous director in June of 2005, Mr. Keith Lawing, former REAP Executive Officer was officially named director of the Workforce Alliance in December of 2005.

In 2006 the Operations agreement with the Workforce Alliance of South Central Kansas (WA) for the current Two-Year Planning cycle was approved. This coincided with the request by the WA to become the recognized operator of the one-stop workforce system in Local Area IV was approved by the Governor and the required plan modifications were completed and sent to the Kansas Department of Commerce (KDOC).

In addition, the concept of a true “one-stop” center became reality when KDOC staff and the other functions moved from the 402 E. Second Street facility and opened operations at the new Wichita Workforce Center at 150 N. Main in February. This achievement was celebrated with a Grand Opening Ceremony on Friday, March 10, 2006. Over seventy-five government and business leaders from across Kansas attended.

With this move to the one-stop center, the WA conducted a strategic planning workshop in May. The goals of the workshop are listed below:

- Increase the understanding by WA members of roles and responsibilities for local workforce boards.
- Identify opportunities to apply the funding resources for the Workforce Investment Act to enhance services to employers and job seekers.
- Suggest methods or policies that can improve the services provided by the public workforce system from the workforce centers in the region.,
- Initiate the creation of a strategic plan for the Workforce Alliance that will be supported by partners and stakeholders in the public workforce system.

The strategic planning workshop was considered a success and results were compiled into a report used to help formulate a strategic plan for workforce in the region. REAP participated in the formulation and supported the adoption of 2006-2008 Workforce Alliance of South Central Kansas Strategic Plan.

Budget Oversight

Due to the relocation of the Wichita Workforce Center, the WA incurred a number of expenses that were not directly budgeted for in the 2005 WA Administrative Budget. Anticipating additional costs, but not knowing the specifics, the WA did create an Unobligated Project Funds line item with an allocation of \$112,804. The remaining \$90,000 from Unobligated Project Funds was moved to a newly created Building Prep line item to cover the remodeling and construction costs for the Wichita Workforce Center. The CEOB also took action to adopt a new budget for 2006 based on funding allocations.

Contract Oversight

The Chief Elected Officials Board took action to amend the contracts between the WA and its **Youth** service providers as a result of the United States Department of Labor and the Kansas Department of Commerce direction to implement cost reimbursement contracts with service providers for the remainder of the contract set to expire in June of 2006. During the negotiations, one of the service providers, JRT, requested to terminate its agreement with the WA. A transition plan was developed to transfer its clients to other current services providers, specifically to Urban League and Arbor. In addition, the WA also released a Request for Proposals that resulted in the approval of contracts with Arbor and the Urban League for WIA Youth Services for a one-year period.

The WA released a Request for Information (RFI) on operations for the WIA **Adult and Dislocated Worker** programs. The RFI assisted WA staff in evaluating the current program design and implementation. From the information learned, the contract with Arbor for Adult and Dislocated Workers was amended to extend the length for one year, to June 30, 2007. In 2007 the WA will seek a new RFP for this program.

The Chief Elected Officials Board took action to amend the contract for **fiscal agent** services with Allen, Gibbs & Houlik, L.C. The amendment extended the contract for fiscal year 2006 (through July 2007), pursuant with the current contract of one-year extensions.

Action was taken allowing for the WA to enter into a contract with Smart Security and Investigations to provide **security** for the new Wichita Workforce Center. The firm was selected through a competitive Request for Proposals process. The contract was for February 9, 2006 through June 30, 2007, and the costs were scheduled to be shared by the agencies operating from the Wichita Workforce Center.

In an effort to increase accessibility action was taken to approve a contract for **remodeling** of the Wichita Workforce Center. The contract allowed for remodeling of the career center, bathrooms, and expansion of space to create a large conference room on the 3rd floor. It also allowed for the equipping of the each of the larger conference rooms with audio-visual equipment, tables and chairs.

KDOC Corrective Action Order

The Kansas Department of Commerce (KDOC) issued a corrective action order to Local Area IV in an official correspondence from Deputy Secretary Steve Kelly on December 5, 2005. In order to clarify the performance data the order was based on, an appeal was made by the Workforce Alliance of South Central Kansas on December 23, 2005. The element of the corrective action order requiring the WA to release a Request for Proposals for the operations of the Adult and Dislocated Worker programs was rescinded by KDOC. All other aspects of the corrective action order were addressed and correspondence was drafted to KDOC requesting formal notice when all requirements were met.

Other Actions

To assist participants in the Youth, Adult and Dislocated Worker programs achieve goals and positively influence performance the Chief Elected Officials Board took action to purchase a flexible, readily available, consistent tutoring and employability **software** package.

The CEOB took action to approve the staff of the WA to **maintain records** and minutes of CEOB meetings. This change is expected to increase efficiency since the WA is responsible for keeping files for audit purposes. REAP members will still have access to the records, but for efficiency reasons the files will be housed at the WA instead of WSU. REAP staff will still maintain electronic copies of the files for back up.

Leases and Agreements

The Workforce Alliance of South Central Kansas entered into several leases and agreements that were approved by the CEOB, as listed below:

- Sublease between the Workforce Alliance and the Kansas Department of Commerce to lease space in the **Butler Workforce Center** for Adult and Youth Program staff assigned to Butler County.
- Lease for office space in downtown **Wellington** for Adult and Youth Program staff.
- Memorandum of Agreement between the Workforce Alliance and the Harper County Economic Development Office in **Anthony**.
- Memorandum of Understanding between the **United States Department of Commerce** and the Workforce Alliance to allow program support for the US Commerce staff person located in the Wichita Workforce Center.
- Lease to add Suite 403 to the Wichita Workforce Center. This is a large room next door to the additional space acquired for **Arbor E & T** to conduct TANF activities.

In addition, the REAP oversight and liaison services were extended through June 30, 2007. The oversight agreement is required to fulfill the duties and responsibilities as the Chief Elected Officials Board (CEOB) required in the Workforce Investment Act.

WIA Performance Measurements

In 2006 the CEOB worked with the Local Area IV corrective action team to oversee the implementation of the corrective action plans sent to KDOC to help improve performance. In addition, the CEOB consistently received updates on performance. The official performance measures in 2006 were the PY05 measures, which improved in all but 2 measures, Dislocated Worker Six Months Earnings Increase and Retention Rate. The final PY05 performance revealed that Local Area IV exceeded performance standards in all but three measures, the two DW standards mentioned above, and the Youth Six Months Earnings Increase. It should be noted that the performance increased from 04, but the standard was significantly increased in 05.

Review and assess financial impact of including Harvey County in Local Service Delivery Area IV for administering the Workforce Investment Act in Kansas: Through discussions with the State of Kansas and Harvey County officials, it was determined that the process to include Harvey County in Local Service Delivery Area IV was not a viable option. It was noted that continued efforts of collaboration and increased communication between local area IV and I would be essential in the success of administering the Workforce Investment Act in Kansas.

Identify and support regional economic development projects that qualify for state funding assistance: The Economic Development Committee took an active role in 2006 to identify and support regional projects that had the potential to qualify for state funding. One project that REAP supported is the use of the Kansas Economic Growth Act to promote growth in the bioscience fields in the region with the support of Hospira, a pharmaceuticals developer and manufacturer in McPherson. The State funding allowed for Hospira to begin a \$60 million expansion that expected to add 100 jobs.

Another opportunity that REAP actively supported was the promotion of locating a call center in the region. REAP took action to promote the region by proving interested jurisdictions with a letter of support. In addition, REAP was active in promoting and supporting the Greater Wichita Economic Development Coalition and their efforts to increase investment in the region.

Initiate research that assesses the regional economy in comparison with regional, state, and national trends and with comparable regions in the United States: In order to understand the economic dynamics of the REAP region, a study was conducted on behalf of REAP by Professor John Wong, Wichita State University. Dr. Wong analyzed economic trends and identified challenges confronting regional economic development, and noted that national trends in the loss of manufacturing employment, as well as the absence of a large, high-paying service sector, had slowed economic growth in the region over the past 20 years. Further, the Wichita-area economy may not be what it once was as a center of entrepreneurs. Wong compared the Wichita area's economic performance against similar Midwestern regions and the nation as a whole, observing that the declining wealth of local business owners was a major factor in the region's slow population, job, and income growth.

Identify opportunities for the region to take advantage of its geographic location and natural resources to enhance economic development and improve the quality of life in South Central Kansas: Although REAP did not take any specific actions in 2006, there were ongoing discussions on how to identify opportunities to take advantage of the region's geographic location and natural resources to enhance economic development. The Economic Development Committee identified this as one of the priorities to focus on in 2007.

Determine if REAP should conduct a regional summit on economic development in 2006: In 2006, REAP partnered with Visioneering Wichita to conduct the first annual Regional Economic Leadership Summit. On October 13 at the Wichita Airport Hilton, approximately 170 business and governmental leaders from throughout South Central Kansas attended the event. The topic of the 2006 Summit was “Our Economic Future: A Regional Summit for Leaders.”

The summit was headlined by two guest speakers and two breakout sessions that focused on the leadership and coordination required to address specific regional issues. The initial presentation was delivered by Dr. John Wong, professor in the Hugo Wall School of Urban and Public Affairs at Wichita State University. The breakout sessions were moderated panels with open group discussion and followed by the second presentation by Scott Anglemeyer, Executive Director Workforce Partnership, Kansas Local Area III. The Summit ended with a presentation of findings from the group breakout sessions of the participants.

The report from the summit is available in the Reference Information section of this Annual Report.

Work to develop local and regional partnerships to maintain affordable air fares through Mid-Continent Airport: A primary issue impacting the regional economy is the cost of commercial air service from Mid-Continent Airport. Recognizing how critical affordable air service is to the region, REAP took the initiative to increase participation in the Affordable Air Fares for Kansans program. The Economic Development Committee created a voluntary assessment model to contribute to the required local match for affordable air fare funding. This initiative was forwarded to the Executive Committee for official adoption and REAP was able to collect \$22,050 from 22 communities in the region for affordable air fare funding. In addition, REAP members participated in the Affordable Airfares Coalition, a group of local government and business officials from the area who joined together to encourage the idea of affordable airfares.

Monitor Kansas Bioscience Authority and KansasBio and explore opportunities for expanding bioscience industries in South Central Kansas: The Economic Development Committee hosted KansasBio President Angela Kreps at a meeting to discuss the future direction and involvement with REAP in regards to expanding bioscience industries in South Central Kansas. Ms. Kreps indicated that KansasBio was focusing on helping to increase the exposure of Kansas as a “bio mecca.” By expanding and engaging South Central Kansas for bioscience opportunities, Ms. Kreps felt that increased communication and connection to the Kansas BioScience Authority to expand awards of funding, and ensure that people understand this is a Kansas organization, not just a Kansas City project would be essential to the success of the initiative. In May REAP was asked by Ms. Kreps to serve on the KansasBio Advisory Board for the 2006 Kansas Bioscience Day in conjunction with the opening day of the Kansas State Fair. Also, Mr. Clay Blair, Chairman of the Kansas Bioscience Authority, met with REAP members and indicated that the want for South Central Kansas to receive significant support from the Bioscience Authority to help build infrastructure and diversify the economy.

Develop and implement methods to coordinate activities between local government, state government, businesses and other economic development groups in South Central Kansas: The coordination of local, state, business, and economic developers in South Central Kansas is important to the success of the region. By including representatives from each of these groups in the discussions on the future of the region, REAP continues to develop and implement coordination.

For the first half of 2006 leadership was provided on the EDC from the following members.

- Commissioner Tom Winters, Sedgwick County, Chairman*
- City Commissioner Janet English, Arkansas City*
- Commissioner Will Carpenter, Butler County*
- Mr. Larry Powell, Haysville
- Commissioner Ken Meier, Harvey County
- Council Member David Razo, Hutchinson
- Mayor Keith DeHaven, Sedgwick*
- Commissioner Gene Bongiorno, Sumner County*
- Mayor Carlos Mayans, Wichita*
- Mayor Mike Ledy, Winfield*
- Ms. Allison Ohlman-Moeding, Derby (ex officio)
- Mr. Allen Bell, Wichita (ex officio)

For the second half of 2006 leadership was provided on the EDC from the following members.

- Commissioner Will Carpenter, Butler County, Chairman*
- City Commissioner Janet English, Arkansas City*
- Commissioner Chip Westfall, Harvey County
- Mr. Larry Powell, Haysville
- Council Member David Razo, Hutchinson
- Mayor Keith DeHaven, Sedgwick*
- Commissioner Tom Winters, Sedgwick County*
- Commissioner Garey Martin, Sumner County*
- Mayor Carlos Mayans, Wichita*
- Mayor Mike Ledy, Winfield*
- Ms. Allison Ohlman-Moeding, Derby (ex officio)
- Mr. Allen Bell, Wichita (ex officio)

** Denotes voting member for CEOB.*

OTHER INVOLVEMENT

As REAP has become more visible over the past several years, REAP members have been asked to serve on a number of committees and boards that influence the regional economy. Representatives from REAP serve on the following boards and committees.

Mid-Continent Airport Advisory Board

In 1999 the City of Wichita established a seat of the Mid-Continent Airport Advisory Board for the chairman of REAP, or his designee. In 2006 Mayor Willis Heck of Newton served on behalf of REAP on the airport board. The airport board advises the Wichita City Council on issues relating to the operations of Mid-Continent and Jabara airports in Wichita. Mayor Dion Avello of Derby also served on the board.

In 2006 the airport board took action to support construction of a new terminal and forwarded the design to the City of Wichita for approval. The new terminal was projected to feature 10 ramps with room for additional expansion, wider concourses, improved access and security, and the ability to support higher passenger counts in a more efficient manner.

Greater Wichita Economic Development Coalition

The Greater Wichita Economic Development Coalition (GWEDC) combines private contributions with public funds from the City of Wichita and Sedgwick County to coordinate and augment economic development programs in Sedgwick County. Organizations and companies that contribute at least \$2,500 to the GWEDC are given a seat on the Board of Investors. Economic development agencies from across the region have joined the GWEDC. An eleven-member Board of Directors, consisting of representatives elected from the private sector and officials from the City of Wichita and Sedgwick County, governs the GWEDC. Recognizing a need for strong regional cooperation, the GWEDC created a position on the Board of Directors for REAP. Mayor Mike Ledy from Winfield represented REAP on the GWEDC.

In 2006 GWEDC reported a 12% increase in jobs and 8% increase in payrolls in the region. Since its creation in 2003 the GWEDC has helped in increasing the number of jobs in the region by 42%, wages by 2% and payroll by 45%. Of the jobs created since its inception the GWEDC has tried to diversify the regional economy, non-manufacturing employment in the region increase by 72%. Numbers from the Wichita State University Center for Economic Development and Business Research (CEDBR) indicates that the GWEDC's public funding partners have a rate of return of nearly \$1.94 for every \$1.00 of investment.

Sedgwick County Technical Education and Training Authority

During 2004 the Sedgwick County Commission created the Sedgwick County Technical Education and Training Authority to replace the Board of Trustees of the Wichita Area Technical College (WATC) as the official governing board. The Authority also oversees the consortium of local area community and technical colleges known as the Kansas Institute for Technical Excellence (KITE). Members of KITE include Butler County Community College, Cowley County Community College, Hutchinson Community College and the WATC. On the invitation of the Sedgwick County Commission, REAP appointed Mayor Wills Heck to serve as an ex officio member of the Authority.

Throughout 2006 the Authority worked to gain a foothold on several of the issues facing educational institutions, including: the process of seeking accreditation for the training program; attempting to add an emergency service program to its curriculum; trying to create a permanent funding stream to support Authority operations; and, seeking a resolution to bonding for the Jabara Campus. In June, Ms. Lori Usher of Sedgwick County announced the three strategic priorities for the Wichita Area Technical College to serve

as the primary focus for the next few years: 1) Find a depository for demand data; 2) Look for and provide a one-stop custom training location; and, 3) Provide support for an advanced, world-class technical education facility for delivery of services.

At the end of 2006 Sedgwick County directed the Authority to restructure the governance system, resulting in REAP being relieved of its ex-officio representation. It was noted that this new system was designed to be more efficient and involve KTTI and KITE, and that Sedgwick County would remain on the board and provide direct updates to REAP.

South Central Kansas Water Coalition

In November of 2004 REAP approved the creation of the South Central Kansas Water Coalition. In general terms the Coalition provides a means for South Central Kansas cities and counties to work collaboratively on common issues, concerns and challenges relating to water supply and water quality.

The Coalition is governed through a two-tiered structure described below.

- A *Board of Delegates*, consisting of one appointee from the governing body of each member city and county, which will annually establish a budget and funding mechanism and will annually approve a work program. The Chair of REAP serves on the Board of Delegates.
- A *Board of Directors*, consisting of one appointee from among the professional or administrative staff of each city and county, which will be responsible for carrying out the work program and operational functions of the Coalition. The Executive Officer of REAP serves on the Board of Directors.

During the year, a test South Central Kansas Public Water Supply Survey was sent out to gain insight into water issues in the area. Using the results the Water Coalition planned to create a bibliography of all research performed in the region and a database to organize this research. The Water Coalition with the help of the Water and Reclamation Offices finished editing the bibliography and developed an initial report to forward to members.

Also, during 2006 the Water Coalition Board of Directors drafted and forwarded a staffing plan to the Water Coalition Board of Delegates. The draft staffing plan included a detailed job description for a chief executive officer for the Water Coalition, a supporting budget and a member assessment plan. This plan was forwarded to each of the members and discussions began on proper staffing. Following several presentations and discussions, the plan was revised and forwarded to REAP to consider for staffing under REAP. This initiative was then placed on the REAP 2007 workplan for consideration.

Visioneering Wichita

Visioneering Wichita is intended to be a regional community citizen based strategic plan – with no one organization or governmental entity as the lead, that began in June 2004 and has moved through several phases all designed to get input from citizens. The purpose of Visioneering Wichita is about achieving far-reaching, but attainable goals to make the region an excellent place to live, work, and recreate. That vision and the goals below were developed through a process that involved thousands of citizens.

- To provide citizens, public and private organizations with the opportunity to adopt shared values, benchmarks, vision and strategies to use in developing our future.
- To facilitate communications within the community so that reality and perceptions are in alignment.

- To create a strategic plan to ensure a quality of life that encourages our young people to live, learn, work and play in our regional community.

In 2006 four additional alliances joined the existing six alliances dedicated to advance the vision in the areas of economic development, education, quality of life and government. The new alliances were:

- Birth – K: To expect all children entering kindergarten to be ready to learn at the kindergarten level.
- Community Identity: To develop an identity that will position the Wichita MSA internally and externally.
- Regional Comprehensive Recreational Plan: To develop and coordinate a regional recreational plan.
- Older Adults: To position the Wichita MSA as a “mecca” for older adults.

For 2007 three Additional Alliances were under development: 1) Arts; 2) Agribusiness Innovations and; 3) Adult Basic Education coordination.

In addition, more than 450 regional partners from businesses, educational institutions, faith-based organizations, governments and not-for-profits, representing over 100,000 individuals stepped forward to assist with carrying out the vision. This was an increase of 100 vision partners since 2005.

Progress was made in several of the key benchmarks, however, the progress made by the existing and new alliances is constantly a challenge and efforts are being made to continually improve. A complete report for the progress of this initiative can be found at the Visioneering website, www.visioneeringwichita.com.

**REGIONAL ECONOMIC AREA PARTNERSHIP
OF
SOUTH-CENTRAL KANSAS**

FINANCIAL REPORT

2006 Annual Financial Report

2006 ANNUAL FINANCIAL REPORT

For the first two years of operation, the forerunner of REAP, called the South Central Regional Council of Governments, operated without any financial assessments of members, and staff support for the regional council was provided through the Office of City Manager of Wichita. At the October 1998 retreat, members expressed a desire to raise the level of activity of the organization and determine a method for financing. The Center for Urban Studies, Wichita State University, was requested to assist the organization in achieving these objectives.

A financial history can be found at the end of this section (pg. 23).

2006 REVENUES

Member Assessments

REAP member assessments are established in the bylaws and require the population figures used for determining assessments to be updated every three years. REAP assessments are now based on the official population as of July 1, 2004, which will be utilized for calendar years 2006, 2007, and 2008. The current assessment levels are:

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 under 50,000: \$1,500 plus \$.025 per capita.*

A complete assessment list is provided at the end of this section (pg. 24).

2006 REAP Revenues

	2006 Actual
Annual membership assessments*	\$97,066
Special assessments	0
Workforce oversight agreement	0
Kansas Affordable Airfares Program	0
Other revenues received	\$618.35
Carryover funds	\$4,315.21
Total Revenues Available	\$101,999.56

- Maize (\$333) funds received in 2007 not reflected above.
- Park City (\$1,447) did not pay assessment.

2006 EXPENDITURES

REAP adopted a budget for 2006 that projected revenues for calendar year 2006 at \$103,000 which were augmented by estimated carry-over funds from 2005 of \$4,000. The adopted budget projected expenditures of \$69,025 for operating expenses, and allocated \$16,000 for legislative activity and \$17,975 for project funds. After initial adoption the Budget was amended to reflect the impact of Cowley County withdrawing membership and a higher than anticipated carryover, however, this loss was offset by the additional revenue realized by the membership of McPherson County, providing for an increase of \$163 in the project funds line. In addition Park City chose to not renew its membership and the City of Maize assessment was received after the year-end, thereby being reflected in the 2007 financials.

The following tables report expenditures, encumbered funds and unencumbered balances for 2006.

2006 REAP Expenditures

	Expenditures 1/1 – 12/31/06	Encumbrances to date
Assistance – WSU	\$63,525.00	\$0.00
Meeting Expense	\$4,021.53	\$0.00
Liaison/Legislative Expense*	\$15,980.95	\$0.00
Project Funds	\$11,669.75	\$0.00
Total Revenues Available	\$95,197.23	\$0.00

- REAP has recouped \$556.50 of expenses for the January Legislative Reception held at WSU.

2006 REAP Available Funds

	Total Revenues	Total Expenditures	Total Encumbrances	Total Available Funds
2006 to Date (12/31/06)	\$101,999.56	\$95,197.23	\$0.00	\$6,802.33

**REAP
2006 ANNUAL REPORT**

FINANCIAL REPORT

**REAP Financials
1999 - 2006**

	*1999 Actual	+2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual	^2005 Actual	2006 Actual
Budgeted revenues:								
Assessments	51,115	65,887	66,185	66,275	82,754	82,756	86,294	97,066
Other	-	-	-	-	-	-	6,000	618
Prior-year Carryover	-	9,734	9,769	5,333	2,775	5,823	4,500	4,315
Total revenues	51,115	75,621	75,954	71,608	85,529	88,579	96,794	101,999
Budgeted expenditures:								
Assistance - WSU	25,000	47,909	49,545	55,154	58,928	60,297	63,465	63,525
Other Current Expenses	4,000	-	-	-	-	-	-	-
Meeting Expense	5,000	5,302	4,476	3,091	5,441	5,883	4,969	4,022
Liaison/Legislative Expense	-	12,641	12,665	9,579	15,168	16,026	21,800	15,981
Project Funds	7,381	-	3,935	1,009	169	1,873	2,244	11,670
Total expenditures	41,381	65,852	70,621	68,833	79,706	84,079	92,479	95,197
Budgeted income (loss)	\$ 9,734	\$ 9,769	\$ 5,333	\$ 2,774	\$ 5,823	\$ 4,500	\$ 4,315	\$ 6,802

Notes

- * 1999 is the first year that REAP initiated assessments and contracted with WSU to serve as professional staff, prior to that year all staffing was accomplished through the City Manager's Office of the City of Wichita.
- + 2000 was the first full budget cycle for WSU and allowed REAP to identify expenditures based on City and County assessments
- ^ 2005 included a \$6000 additional payment from Sedgwick County for legislative expenses pertaining to the Sedgwick County Arer

Assessments of REAP Members for Calendar-Year 2006

(as of 12/31/07)

Jurisdiction	Population	Assessment	Paid
Andover	8,222	\$1,534	X
Arkansas City	11,788	\$3,766	X
Augusta	8,486	\$1,552	X
Bel Aire	6,522	\$1,424	X
Bentley	405	\$226	X
Benton	816	\$253	X
Butler County	61,127	\$4,528	X
Cheney	1,843	\$320	X
Clearwater	2,202	\$343	X
Colwich	1,278	\$283	X
Conway Springs	1,277	\$283	X
Derby	19,200	\$4,248	X
El Dorado	12,686	\$3,825	X
Halstead	1,888	\$323	X
Harvey County	33,492	\$2,337	X
Haysville	9,545	\$1,620	X
Hesston	3,614	\$1,235	X
Hutchinson	40,783	\$5,651	X
Maize	2,042	\$333	
Mulvane	5,536	\$1,360	X
McPherson County	29,346	\$2,234	X
Newton	17,977	\$4,169	X
Reno County	63,832	\$4,596	X
Rose Hill	3,710	\$1,241	X
Sedgwick	1,637	\$306	X
Sedgwick County	462,896	\$14,572	X
Sumner County	25,256	\$2,131	X
Valley Center	5,167	\$1,336	X
Wellington	8,299	\$1,539	X
Wichita	354,617	\$26,050	X
Winfield	12,016	\$3,781	X
Total		\$97,399	\$97,066

**REGIONAL ECONOMIC AREA PARTNERSHIP
OF
SOUTH-CENTRAL KANSAS**

REFERENCE INFORMATION

2006 Membership
Agreement: Center for Urban Studies
Agreement: Legislative Liaison
Local Area IV CEOB Agreement
REAP – Workforce Alliance Memorandum of Understanding
Regional Leadership Summit Report
REAP Resolutions and Procedures
Economic Indicators

Regional Economic Area Partnership Official Membership as of 12-31-2006

Jurisdiction	County	Class	Member	Alternate Member	Effective Date
Andover	Butler	2	Ben Lawrence Mayor	Dennis Bush Legislative Liaison	May 27, 1997
Arkansas City	Cowley	2	Janet English Commissioner	Wayne Short Commissioner	May 20, 1997
Augusta	Butler	2	Ross Rountree Mayor	Bill Keefer City Manager	May 19, 1997
Bel Aire	Sedgwick	2	Brian Withrow Mayor	Caroline Marlier Council Member	June 17, 1997
Bentley	Sedgwick	3	Sandra Wellman-Moon Mayor	Laura Fisher City Clerk	May 17, 2000
Benton	Butler	3	Mike Swalley Mayor	Joyce Cassady City Clerk	June 9, 1997
Butler County	Butler		Will Carpenter Commissioner	Will Johnson County Administrator	September 14, 1999
Cheney	Sedgwick	3	Scott Tatge Mayor	Ty Lasher City Administrator	May 12, 1997
Clearwater	Sedgwick	3	Casey Carlson Council Member	Kent Brown City Administrator	November 13, 2001
Colwich	Sedgwick	3	Terrance Spexarth Mayor	Diana Brooks City Clerk	September 13, 2004
Conway Springs	Sumner	3	Jeffery McCullough Mayor	Janice Wise City Clerk	January 7, 2000
Derby	Sedgwick	2	Dion Avello Mayor	Kathy Sexton City Administrator	June 17, 1997
El Dorado	Butler	2	Bryan Shepard Mayor	Herb Llewellyn City Manager	June 2, 1997
Halstead	Harvey	3	Bill Ewert Mayor	JR Hatfield City Administrator	July 28, 1997
Harvey County	Harvey		Chip Westfall* Commissioner	Ron Krehbiel Commissioner	September 20, 1999
Haysville	Sedgwick	3	Bruce Armstrong Mayor	Larry Powell Economic Development	August 11, 1997
Hesston	Harvey	2	John Waltner Mayor	John Carder City Administrator	May 12, 1997
Hutchinson	Reno	1	David Razo Council Member	John Deardoff City Manager	January 12, 1998
Maize	Sedgwick	3	Cathy Reed Council Member	Richard LaMunyon City Administrator	May 22, 1997
Mulvane	Sedgwick/ Sumner	3	James Ford Mayor	Kent Hixson City Administrator	May 19, 1997
Newton	Harvey	1	Willis Heck Mayor	Grant Scott Commissioner	May 27, 1997
Reno County	Reno		Francis Garcia Commissioner	Francis "Shep" Schoepf Commissioner	January 1, 2000
Rose Hill	Butler	3	Mark Conway Mayor	Joel Pile City Administrator	May 19, 1997
Sedgwick	Sedgwick/ Harvey	3	Keith DeHaven Mayor	Jaci Reimer City Clerk	August 5, 1997

Jurisdiction	County	Class	Member	Alternate Member	Effective Date
Sedgwick County	Sedgwick		Tom Winters Commissioner	Dave Unruh Commissioner	October 13, 1999
Sumner County	Sumner		Garey Martin* Commissioner	Eldon Gracy Commissioner	July 6, 1999
Valley Center	Sedgwick	2	Bess Roberts Council Member	I.D. Creech City Administrator	May 20, 1997
Wellington	Sumner	2	Stan Gilliland Mayor	Gus Collins City Manager	August 5, 1997
Wichita	Sedgwick	1	Carlos Mayans Mayor	Bob Martz Council Member	May 20, 1997
Winfield	Cowley	2	Mike Ledy Mayor	Tom McNeish Commissioner	May 19, 1997

Notes

*Commissioner Chip Westfall became the REAP member for Harvey County after the death of Commissioner Ken Meier in June 2006.

*Commissioner Garey Martin became the REAP member for Sumner County after the death of Commissioner Gene Bongiorni in November 2006.

REAP Membership dropped to 32 jurisdictions after the City of Park City chose not to renew their membership in March 2006.

AGREEMENT: CENTER FOR URBAN STUDIES

**Agreement for Calendar Year 2006:
Regional Economic Area Partnership and
Center for Urban Studies, Wichita State University**

By this agreement the Center for Urban Studies at Wichita State University agrees to assist the Regional Economic Area Partnership (REAP) in implementing the REAP work plan for calendar year 2006, beginning January 1, 2006. The Center for Urban Studies will provide assistance as follows:

- 1) performing a secretariat function for REAP, that is, preparing agenda and organizing regular meetings and committee meetings of REAP, scheduling invited guests, disseminating meeting agenda and materials, recording minutes of meetings, keeping official records of REAP, executing official communications, and managing REAP finances, including collecting and disbursing, accounting, and reporting on REAP revenues and expenditures;
- 2) addressing priorities identified in the REAP work plan for 2006, specifically staffing the Executive Committee, Legislative Committee and Economic Development Committee and conducting research in support of the issues before those committees;
- 3) maintaining the REAP website;
- 4) assisting REAP in identifying regional priorities on issues of importance to member cities and counties, identifying potential areas for economic cooperation through joint action among member cities and counties, and developing a regional agenda for REAP;
- 5) invoicing member cities and counties for annual assessments, receiving payments from member cities and counties, executing expenditures in REAP's behalf in accord with the annual budget approved by REAP on December 12, 2005, accounting for the disbursement of all funds received, and providing REAP with quarterly reports and a year-end report on REAP revenues and expenditures; and
- 6) preparing an annual report on REAP activities.

This agreement is intended to run for the period January 1, 2006, through December 31, 2006, unless either party to the agreement provides 90 days notice of a desire to discontinue the agreement.

Chair
Regional Economic Area Partnership

date

Director, Center for Urban Studies
Wichita State University

date

(Official Signatures on file)

AGREEMENT: LEGISLATIVE LIAISON

**Independent Contractor Agreement:
Regional Economic Area Partnership and Bruno & Associates**

The Regional Economic Area Partnership requests the service of Bruno & Associates to assist in accomplishing its 2006 state legislative agenda approved on December 13, 2005: specifically, developing state support to maintain low cost commercial air service from Mid-Continent Airport; advancing legislative and administrative action to increase state financial investments into the REAP region; funding that enhances access to regional state parks; augmenting protection of the region's public water supply through science-based, site-specific water quality regulations; strengthening home rule authority; opposing the Taxpayers Bill of Rights; and maintaining local authority to use eminent domain for economic development.

1. Scope of Service: Bruno & Associates will provide the following services:

On the legislative priority of affordable airfares through Mid-Continent Airport:

- Monitor legislative and executive consideration of state financial participation in affordable airfares through Mid-Continent Airport, report developments to Mr. Joe Yager, REAP Executive Officer, and work with the legislative team of stakeholders assembled to advocate for a state partnership.

With respect to REAP's other legislative priorities:

- Monitor meetings of the South Central Kansas legislative delegation and report to Mr. Yager on developments relevant to REAP's legislative agenda;
- Notify Mr. Yager of such actions through weekly reports via email, in addition oral reports on a timely basis to assist Mr. Yager in developing formal reports to the REAP Legislative Committee and governing body;
- At the request of Mr. Yager, arrange for meetings of REAP representatives with legislative and executive officials;
- Notify Mr. Yager when REAP members should contact individual legislators or executive officials concerning the REAP legislative agenda or should appear for testimony at relevant hearings or meetings with state officials; and assist in scheduling and preparing REAP members for such appearances;
- At the request of Mr. Yager, accompany and introduce REAP representatives who are in Topeka testifying before legislative committees or meeting with legislative or executive officials;

2. Bruno & Associates agrees to devote such time and talent as is necessary to make a good faith effort to accomplish the services outlined. It is agreed and mutually understood that Bruno & Associates cannot and does not make any express or implied guarantee as to the specific results of its lobbying efforts. REAP acknowledges that Bruno & Associates has now and may hereafter acquire clients with interests in non-conflicting areas of activity; however, this agreement assumes that Bruno & Associates will provide notification pertaining to all clients to assure there is no conflict of interest.

3. Length of Agreement: This agreement shall take effect January 9, 2006, and remain in effect until June 30, 2006. The agreement may be terminated by mutual consent with 60 days written notice.

4. Contract Fee and Payment Schedule: In return for the services identified above and routine expenses in the provision of these services, REAP will compensate the Bruno & Associates in the amount of \$15,000, with \$2,500 paid on the last day of the month from January through June.

LOCAL AREA IV CEOB AGREEMENT

**Chief Elected Officials Agreement
2005-2007**

State of Kansas, Local Area IV

(Includes Butler, Cowley, Harper, Kingman, Sedgwick and Sumner Counties)

This Chief Elected Officials Agreement is entered into between the counties in Local Investment Area IV, which area is comprised of Butler, Cowley, Harper, Kingman, Sedgwick and Sumner counties, to define the duties and obligations of, and procedures to be followed by the Chief Elected Officials as designated under the Workforce Investment Act of 1998 (29 U.S.C. 2801 *et seq.*), hereinafter referred to as the “Act.” In the event that one of the above counties does not sign this agreement, then cities within said county will be given an opportunity to be a party to this agreement. The Act provides funding to assist in job training and workforce development from the United States Department of Labor, through the Kansas Department Commerce, to defined local service areas within the state of Kansas. This agreement supersedes any prior agreement entered into by the Chief Elected Officials in Local Area IV.

I. Designation Of REAP To Act As CEO Board

The parties to this agreement hereby designate the Economic Development Committee of REAP (Regional Economic Area Partnership) to serve as the Chief Elected Officials Board, hereinafter referred to as “CEO Board” and to furthermore carry out the duties of the “Chief Elected Officials” as defined in the Act, with respect to the responsibilities encompassed by Section 117(c) (1) of the Act. REAP is a council of cities and counties in South Central Kansas that have voluntarily joined together for two primary purposes: first, to guide state and national actions that effect economic development in the region; and second, to adopt joint actions among member governments that enhance the regional economy. The Economic Development Committee of REAP is a committee whose members are appointed by REAP to specifically address economic development issues of importance to South Central Kansas. The Economic Development Committee is established in accordance with the by-laws of REAP. For purposes of this agreement, and the committee’s function as CEO Board, city and county elected officials from Local Area IV shall comprise the CEO Board.

II. Responsibilities Of The CEO Board

The REAP Economic Development Committee, acting on behalf of the parties to this agreement and as the CEO Board, agrees to assume the following responsibilities:

- Serve as the grant recipient for funds allocated under sections 128 and 133 of the Act;
- Have final approval over the hiring of a fiscal agent to oversee WIA funds;
- Appoint the members of the Local Workforce Investment Board (LWIB) in accordance with criteria established by the State of Kansas and as provided in this agreement;

- Approve budgets for carrying out the responsibilities of the LWIB;
- Provide comprehensive oversight of the activities of the LWIB;
- Ensure that local area partnerships are functioning effectively.

III. Liability For Workforce Investment Act Funds.

The CEO's as parties to this agreement shall be liable pursuant to Section 117(d)(3)(B)(1) and Section 184 (d)(1) for any misuse of funds as allocated in the local area under Sections 128 and 133 and to repay such funds other than with funds received under the Act, upon a determination by the Secretary of the United States Department of Labor that the misexpenditure of funds was due to a willful disregard of the requirements of the Act and accompanying rules and regulations, gross negligence, a failure to observe standards of administration, or a pattern of misexpenditures as provided in the Act, which determination can only be made after appropriate notice and an opportunity for a hearing. To facilitate and manage any required payment, Sedgwick County hereby assumes responsibility to make initial payments as determined under this provision and required by WIA, and will be reimbursed by each participating county under this agreement in Local Area IV in an amount equal to the percentage of the undersigned county's total population (as determined by the 2000 census) is to the total population of the six county Local Area IV region. The CEO Board, acting on behalf of the CEO's, shall take steps to ensure that the LWIB includes language in all contracts for expenditure of grant monies that any providers receiving grant monies shall be required to reimburse the CEO's and parties to this agreement for any payments made pursuant to the WIA for the misuse of funds as outlined above.

IV. Selection of CEO Board Representatives

To ensure that all local city and county government officials have the opportunity to participate in CEO Board activities, qualified municipal governments within Local Area IV are invited to appoint no more than one elected official from said unit of local government to serve on the REAP Economic Development Committee, in its capacity as the CEO Board, regardless whether the unit of local government is a dues paying member of REAP. Any county not a party to this agreement shall not be guaranteed to have a member appointment to the CEO Board. The term of the Board members appointed pursuant to this agreement shall coincide with the two-year planning cycle for the Act; or until June 30, 2007. Vacancies on the Board as a result of new elections, resignations or other reasons shall be filled in the same manner as the original appointment and to coincide with the remaining term of office.

V. Appointment of Local Workforce Investment Board (LWIB).

Pursuant to the responsibility of the CEO Board to appoint members of the LWIB, and in accordance with State criteria, the following appointment is made:

A. The Workforce Alliance of South Central Kansas is hereby appointed to be the LWIB. The CEO Board shall make appointments to the LWIB, which is hereby designated to be the Workforce Alliance of South Central Kansas in Local Area IV, in accordance with Section 117(b) of the Act. At a minimum, the membership of the Workforce Alliance shall include:

- a. Representatives of businesses in the local area, who shall constitute a majority of the members, and:
 1. Are owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority
 2. Represent business with employment opportunities that reflect the employment opportunities of the local area.
 3. Are appointed from among individuals nominated by local business organizations and business trade organizations.
- b. Representatives of local educational entities, including local school boards, entities providing adult education and literacy activities, and postsecondary educational institutions selected from individuals nominated by regional or local educational agencies, institutions or organizations representing such local educational entities.
- c. Representatives of labor organizations nominated by local labor federations, or other representatives of employees.
- d. Representatives of community-based organizations (including organizations representing individuals with disabilities and veterans, for a local area in which such organizations are present).
- e. Representatives of economic development agencies, including private sector economic development entities.
- f. Representatives of each of the one-stop partners

VI. Joint Responsibilities Between CEO Board and LWIB.

The CEO Board and LWIB (Workforce Alliance of South Central Kansas) share the following joint responsibilities. The CEO Board shall:

- In partnership with the Workforce Alliance, appoint (as a sub-group of the Workforce Alliance) a youth council.
- In partnership with the Workforce Alliance, develop and submit a local plan to the governor
- In partnership with the Workforce Alliance, designate or certify one-stop operators.
- In partnership with the Workforce Alliance, conduct oversight with respect to local programs of youth activities authorized under section 129, local employment and training activities authorized under section 134, and the one-stop delivery system in the local area.
- Negotiate with the Workforce Alliance and the governor to determine local performance measures
- In partnership with the Workforce Alliance, develop and enter into a memorandum of understanding (between the Workforce Alliance and the one-stop partners) concerning the operation of the one-stop delivery system.

VII. Term of Agreement

This agreement shall become effective once it is adopted by no less than three of the governing bodies of counties comprising Local Area IV, and shall continue in full force and effect until June 30, 2007, or until rescinded or superseded by a new CEO Agreement. Any party may terminate its participation in this agreement prior to the agreement termination date on June 30, 2007, by giving thirty (30) days written notice to the other parties to this agreement.

VIII. Acquisition of Property.

Although it is not anticipated that property requiring a title will be acquired during the term of this agreement, if property is acquired, title will be held and property will be disposed of when the agreement is terminated in accordance with the Kansas Employment and Training Policy and Procedures Manual, Volume I, Section B, Policy 100-05-00, E.T.P.P. 11-Property Management Standards.

VIII. Modification of Agreement

This Agreement may only be modified by a new CEO Agreement signed and executed by no less than three of the counties comprising Local Area IV, and only after such amendment has been recommended for approval by the CEO Board. Any proposed amendment must be circulated to all CEO Board members for review and comment at least 30 days prior to being acted upon by the CEO Board. The modification in its final form shall then be forwarded for adoption by the governing bodies as parties to this agreement, and such modifications shall be included in the local two-year WIA Plan.

IX. Change in Local Area IV

In the event that Local Area IV is changed to include counties not presently parties to this agreement, said additional counties shall have the opportunity to adopt and be a party to this agreement. In the event that a county currently a party to this agreement is no longer in Local Area IV, this agreement shall be terminated with respect to said county.

Approved by: BOARD OF COUNTY COMMISSIONERS
SEDGWICK COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS
BUTLER COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS
COWLEY COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS
HARPER COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS
KINGMAN COUNTY, KANSAS

BOARD OF COUNTY COMMISSIONERS
SUMNER COUNTY, KANSAS

(Official Signatures on file)

**REAP – WORKFORCE ALLIANCE OPERATING AGREEMENT
Operations Agreement
Between
The Workforce Alliance of South Central Kansas
And
The Regional Economic Area Partnership
(July 1, 2005 - June 30, 2007)**

This agreement is entered into by the Workforce Alliance of South Central Kansas and the Regional Economic Area Partnership (REAP) to establish roles, responsibilities, procedures and standards for the implementation of the Workforce Investment Act of 1998, hereinafter referred to as WIA, and the governance of a workforce development system to serve both employers and job seekers in Butler, Cowley, Harper, Kingman, Sedgwick and Sumner counties, hereinafter referred to as Local Area IV.

WIA establishes local workforce investment boards for the purpose of collaborating with local government officials to oversee publicly funded workforce development programs. The Workforce Alliance serves as the local workforce investment board, and the REAP Economic Development Committee performs the duties of the Chief Elected Officials Board (CEOB) as outlined in WIA for Local Area IV. Members of the REAP Economic Development Committee that are appointed officials or represent jurisdictions outside of Local Area IV shall serve as ex officio or non-voting members of the CEOB. REAP has designated the Workforce Alliance as grant recipient for WIA funds, and a Chief Elected Officials Agreement among county and city governments in Local Area IV has been approved to be accountable for WIA funds.

Roles and Responsibilities of the Workforce Alliance of South Central Kansas

The Workforce Alliance is directed to serve Local Area IV as the local workforce investment board as required in WIA. General responsibilities include providing governance to a regional workforce development system that will not only serve employers and job seekers, but will support economic development policies and strategies in Local Area IV. The Alliance is expected to seek and create partnerships with business organizations, educational institutions, non-profit agencies and other entities to integrate employment services and resources into a strong and effective regional workforce development system. In addition, the Alliance is expected to pursue grants and other opportunities to acquire additional resources to support the system.

The Workforce Alliance has specific responsibilities with respect to the CEOB for financial accountability, program performance, and public accountability, as follows:

I. Financial Accountability

- *Select a Fiscal Agent to carry our accounting functions, disbursement of funds and financial reporting subject to annual confirmation by the CEOB.*
- *Propose an annual operating budget, including estimates of revenues and expenditures, for review and approval by CEOB no later than 45 days prior to the start of each fiscal year.*

- *Submit quarterly financial reports of revenues and expenditures to CEOB within 30 days after each quarter.*
- *Submit one copy of any application for external funding at the same time the application is forwarded to a funding agency and inform CEOB of any funding awards.*
- *Adopt written rules and regulations for the approval of any contracts exceeding \$5,000, submit a copy of such rules and regulations to CEOB, and inform CEOB of any such contracts.*
- *Upon request by CEOB, contract for an external auditor to audit any or all Workforce Alliance activities.*
- *At the request of the CEOB, a member of REAP, or the REAP Executive Officer allow for a review of financial records of the Workforce Alliance or reports from the designated fiscal agent.*
- *Adopt rules and regulations that require program operators to follow proper procedures for the expenditures of WIA funds, and that program operators shall be required to reimburse local governments in Local Area IV in the event that it is determined the program operator has misspent funds due to willful disregard of WIA requirements, gross negligence, of failure to observe accepted standards of administration.*

II. Program Performance

- *Adopt written rules and regulations for the selection of program operators and submit a copy of such rules and regulations to CEOB.*
- *Ensure that the performance of WIA programs in Local Area IV meet state and federal requirements.*
- *Oversee the operations of Workforce Development Centers in Local Area IV and ensure services are available and accessible throughout the region.*
- *Create and support continuous improvement programs and policies for program operators and services for employers and job seekers.*

III. Public Accountability

- *Adopt bylaws for the conduct of business by the Workforce Alliance and submit a copy of such bylaws to CEOB.*
- *Adopt bylaw provisions that require compliance with the Kansas Open Meetings Act (K.S.A. 75-2317, et seq.) and the Kansas Open Records Act (K.S.A 45-215, et seq.) by the Workforce Alliance and all committees of the Alliance.*
- *Allocate funds from annual operating budget for monitoring the implementation of WIA by the CEOB.*

Roles and Responsibilities of the Regional Economic Area Partnership

REAP has directed the elected officials in Local Area IV that serve on the REAP Economic Development Committee (REAP EDC) to carry out the duties of the CEOB as outlined in WIA for Local Area IV.

The CEOB shall appoint the members of the Workforce Alliance in accordance with Federal and State criteria. All nominations for membership to the Workforce Alliance shall be submitted to the REAP Executive Officer for presentation to and consideration by the Economic Development Committee of REAP. Private sector appointments will require the support of a local business organization. Every effort will be made to appoint members to the Workforce Alliance that have optimal decision making authority in their organizations as specified in WIA and to maximize the effectiveness of the Workforce Alliance.

The REAP Executive Officer shall serve as the official liaison between REAP and the Workforce Alliance.

The Chair of the Economic Development Committee of REAP shall have a seat on the Workforce Alliance. Other REAP members may be appointed to the Workforce Alliance along with committees and task forces as needed.

Joint Roles and Responsibilities of the Workforce Alliance and the CEOB

The Workforce Alliance and the CEOB will work in partnership as directed in WIA to address the following activities:

- *Submit local two-year plan to governor*
- *Negotiate with the governor to determine local performance standards*
- *Selection and certification of operators of workforce development centers*
- *Develop and enter into memorandum of understanding between the Workforce Alliance and the workforce development center (one-stop) partners concerning the operation of the Local Area IV workforce development system*
- *Conduct oversight with respect to local programs of youth activities authorized under section 129 of the WIA, local employment and training activities authorized under section 134 of the WIA, and establishment of performance levels and standards for the workforce development system.*
- *Appoint the members of the Youth Council consistent with Federal and State criteria*

Length of Agreement

This agreement shall become effective upon approval by REAP and the Workforce Alliance and shall remain in force until June 30, 2007, consistent with the current two year planning cycle of WIA. Amendments or modifications to the agreement, which shall be accomplished in writing, may be applied at any time by mutual agreement of REAP and the Workforce Alliance.

(Official Signatures on file)



Our Economic Future
A Regional Summit for Leaders
Friday, October 13, 2006
Wichita Airport Hilton
8:00 a.m. – 1:00 p.m.



Summary Report

Introduction

The Regional Economic Area Partnership (REAP), a council of 32 local governments in South Central Kansas, partnered with Visioneering Wichita to conduct the first annual Regional Economic Leadership Summit. On October 13 at the Wichita Airport Hilton, approximately 170 business and governmental leaders from throughout South Central Kansas attended the event. The topic of the 2006 Summit was “Our Economic Future: A Regional Summit for Leaders.”

Overview

The summit was headlined by two guest speakers and two breakout sessions that focused on the leadership and coordination required to address specific regional issues. The initial presentation was delivered by Dr. John Wong, professor in the Hugo Wall School of Urban and Public Affairs at Wichita State University. The breakout sessions were moderated panels with open group discussion and followed by the second presentation by Scott Anglemyer, Executive Director Workforce Partnership, Kansas Local Area III. The Summit ended with a presentation of findings from the group breakout sessions of the participants.

On the following pages are detailed reports for each of the components of the summit, including detailed reports from Dr. Wong's presentation and the breakout sessions.

Summary

Professor John Wong analyzed economic trends and identified challenges confronting regional economic development, and noted that national trends in the loss of manufacturing employment, as well as the absence of a large, high-paying service sector, had slowed economic growth in the region over the past 20 years. Further, the Wichita-area economy may not be what it once was as a center of entrepreneurs. Wong compared the Wichita area's economic performance against similar Midwestern regions and the nation as a whole, observing that the declining wealth of local business owners was a major factor in the region's slow population, job, and income growth.

The clear consensus from Wong's presentation and the findings of the participants during the breakout sessions were: (1) improving work force development; (2) advancing the region's legislative agenda in Topeka; (3) “branding” the Wichita area so that the rest of the world has a positive picture of Wichita; (4) improving the tax structure to encourage business growth; and (5) developing and engaging our youth.

Mr. Scott Anglemyer further elaborated on the need for regional cooperation. Collaboration among local governments, businesses and public agencies is a powerful tool to enhance economic conditions. Collaborating leadership to identify goals, advance unified strategies, and create and develop an engaging image are critical to the economic success of a region. It is in the best interest of the local governmental and business leaders in South Central Kansas to continue to develop relationships that lead to cooperative strategies and solutions that do not respect traditional boundaries.

Strategic Analysis of Wichita Area Economic Trends

Implications for Our Future

Professor John Wong, Wichita State University

During his presentation, Wong identified economic trends and factors that affect the regional economy and highlighted specific South Central Kansas trends. Key points from his presentation are listed below.

- The median income of the Wichita MSA (\$61,200) exceeds that of Tulsa (\$54,500), Little Rock (\$54,250), Oklahoma City (\$53,900), and Springfield (\$51,400); but lags that of, Des Moines (\$67,700), Kansas City (\$67,600), Omaha (\$66,500), and Colorado Springs (\$63,550)
- During the early 1980s, the level of personal income in Regional Area Economic Partnership (REAP) counties compared favorably to the peer areas average, the U.S., the Plains states, and Kansas; however, since that time the level of income in the REAP counties has eroded relative to the peer areas, the U.S., the Plains states, and Kansas and now lags all of these benchmarks
- During the 1970s, the level of proprietors' income in REAP counties compared very favorably to the peer areas average and the U.S.; although the level of proprietors' income still compares favorably to Kansas and the Plains states, the level of proprietors' income in the REAP counties no longer exceeds the peer areas and the U.S.
- During the early 1980s, the level of earned income in REAP area compared favorably to the peer areas average, the U.S., the Plains states, and Kansas; however, since that time the level of earned income in the REAP area has eroded relative to the peer areas, the U.S., and the Plains states and now lags all of these benchmarks except the Kansas average
- During the late 1970s through the early 1980s, the level of wealth income in REAP area compared favorably to the peer areas average; however, since that time the level of wealth income in the REAP area has eroded relative to the peer areas, the U.S., the Plains states, and Kansas and now lags all of these benchmarks; the declining wealth of local business owners is one key reason why personal income and wealth in the Wichita area has grown so slowly; wealth generation through entrepreneurialism has slowed significantly
- The level of transfer income in the REAP area has remained relatively stable over time and exceeds that of the peer areas and Kansas, but lags that of the Plains states and the U.S.
- The relative performance of forestry, fishing, and related employment in the REAP area compares favorably to the peer areas, but lags that of the U.S., Kansas, and the Plains states
- The relative performance of mining employment in the REAP area compares favorably to all of the benchmarks; this indicates that mining employment is an important component of the economic base in the area
- The relative performance of utilities employment in the REAP area does not compare favorably to any of the benchmarks

- The relative performance of construction employment in the REAP area compares favorably to Kansas, but not to the Plains states, the peer areas, or the U.S.
- The relative performance of manufacturing employment in the REAP area compares very favorably to all of the benchmarks; this indicates that manufacturing employment is the most important component of the economic base in the area
- More specifically, the level of other transportation equipment manufacturing, predominantly aircraft related, earnings in the REAP area compares very favorably to all of the benchmarks; in fact, the REAP area generates over 20 times the level of earnings from other transportation equipment manufacturing than the U.S. average
- The relative performance of wholesale trade employment in the REAP area has been trending downward and does not compare favorably to any of the benchmarks
- The relative performance of retail trade employment in the REAP area is on par with the U.S. and Kansas, but lags that of the Plains states and the peer areas
- The relative performance of many service industries such in the REAP area, such as transportation and warehousing employment; information; finance and insurance; professional and technical; and arts, entertainment, and recreation, do not compare favorably to any of the benchmarks; Wichita lacks a large, high-paying service sector, such as a regional banking headquarters or large information technology businesses; services are the fastest-growing business sector in the United States
- The relative performance of real estate and rental and leasing employment in the REAP area is on par with Kansas and the Plains states, but does not compare favorably to the U.S. or the peer areas
- The relative performance of management of companies and enterprises and accommodation and food services employment in the REAP area compares favorably to Kansas, but does not compare favorably to any of the benchmarks
- The relative performance of administrative and waste service employment compares favorably to the Plains states and Kansas, but does not compare favorably to the peer areas or the U.S.
- The relative performance of educational services employment in the REAP area compares favorably to Kansas, is on par with the peer areas, but does not compare favorably to the U.S. or the Plains states
- The relative performance of health care and social assistance employment in the REAP area compares favorably to all of the benchmarks; this indicates that this industry is an important component of the local economic base
- The relative performance of other services employment compares favorably to the peer areas and Kansas, but not to the U.S. or the Plains states

- The relative performance of federal government civilian and state government employment do not compare favorably to any of the benchmarks
- The relative performance of federal government military employment compares favorably to the Plains states and the U.S., but lags behind that of the peer areas and Kansas
- The relative performance of local government employment compares favorably to the peer areas, is slightly above that of the U.S. and the Plains states, and below that of Kansas
- For the period 2001-2004, mining, construction, professional and technical services, educational services, accommodation and food services, and government and government employment were strong performers, while forestry and fishing, utilities, manufacturing, and the management of companies and enterprises employment were weak performers
- Real average non-farm proprietors' income fell precipitously during the 1980s and is now still below 1970s levels
- Average earnings per job in the Wichita MSA (\$34,485) exceeds that of Tulsa (\$33,815), Colorado Springs (\$33,697), Little Rock (\$31,787), Oklahoma City (\$29,995), and Springfield (\$26,188), but lags that of Des Moines (\$36,725), Kansas City (\$36,414), and Omaha (\$34,570)
- Net annual retail sales leakages from the Wichita MSA may be as high as \$87.3 million
- Net annual arts, entertainment, and recreation leakages from the Wichita MSA may be as high as \$124.2 million
- Net annual accommodation and food services leakages from the Wichita MSA may be as high as \$153.6 million

Breakout Sessions

Breakout 1: Economic Demands on Workforce

Needs

- Lower barriers (financial/educational) to achieving well-trained workforce
- Engage and partner with the young in the community, by volunteer and internship activities in the public and private sectors in an effort to develop and retain young in the community.
- Expand research and development beyond aviation: composites, wind energy, biofuels, and medical
- Regional transportation system that is business friendly: new transport/hubs points for new business and infrastructure to support the same
- Recruit and maintain value added jobs that accommodate changing population
- Engage diverse citizens as the make-up of the workforce is changing
- Support and finance technical education training. Possible quarter-cent sales tax was suggested
- Uniform PR and economic development policies to attract new businesses
- Focus on positive aspects of entire area, full market needs rather than supporting a niche
- Unify expectations/demands on students consistent with workforce expectation
- International marketing and mindset for exportation of local goods
- Develop specialty in plant sciences, bio-based products
- Develop agri-tourism
- Rethink education, training based education not restricted to traditional calendar
- Incubate and subsidize small business to increase the entrepreneurial spirit
- Build and promote Unified Legislative Agenda
- Balance tax structure: income, property, sales
- Subsidize and develop small business
- Workforce driven model of education
- Develop and involve youth
- Succession planning
- Develop recreation activities
- Engage current citizens, especially chronically unemployed
- Redevelop downtown to attract businesses
- Market rural heritage
- Promote business friendly environment
- Community focused education and training
- Align students with workforce needs
- Market family friendly environment

Strengths

- Partnerships
- Quality of life, low cost of living
- Aircraft research and development
- Family friendliness
- Rural heritage
- Livability, quality of life

Weaknesses

- Rejection of “over-qualified” applicants
- Develop work ethic in younger generation
- Expand economic base
- Financing workforce development
- Market regional distribution hub
- Development of agribusiness, biofuels
- Research and development of advanced materials
- Development of health care research

Breakout 2: Community Response

Education

- Development of a curriculum pertaining to ethics beginning in pre-Kindergarten through college
- Invest in our own children at an early age
- Educate small children regarding gang issues at an early age
- Attract more international students in, for example, engineering and science at the college level
- Shortage of pharmacy and engineering programs exist
- Lack of entrepreneurial programs
- Mentor vocational technical training
- Need more vocational technical facilities as post-secondary educational opportunities
- Technical education becomes an economic imperative – manufacturing base is threatened
- Elevate stature of vocational technical schools
- Provide in-state tuition for families who have moved out of Kansas and prefer to return to follow their college-age children
- Continue corporate volunteerism – children are our future employees
- Wichita State University should partner with Aviation Training Center and facilitate a certificate along with other higher educational institutions
- Universities and colleges should coordinate educational efforts

Retail

- Change the image of competition through utilization of the Internet
- Internet replaces outlet malls
- “Think cooperatively” and encourage the strength of smaller areas, particularly, retail services
- Homogeneous retail is problematic – prefer a combination of incubating small businesses alongside “big boxing of America”

Cultural Arts/Entertainment/Recreation

- Capitalize and promote Western frontier heritage
- Utilize water resources more for recreation
- A public sentiment exists against something “new and fresh”
- Add to existing entertainment options
- Focus on marketing

South Central Kansas as “best place to live”

- Sharing the vision of South Central Kansas as a great place to live becomes critical for a community
- The South Central Kansas region needs better public relations and creativity in how to present its image to the outside world
- Utilize the media more
- Promote more than the region has or, in other words, create a demand (i.e. “Fly Wichita”)
- Provide exposure for the things that South Central Kansas has
- Make our communities exciting and a fun place to live as “people go where they want to live and find a job”
- About two thirds of college graduates choose a place to live and then find employment – quality of life is high on their agenda
- Need more cooperation among and between communities (i.e. Newton and Hutchinson)
- Retain and recruit people and businesses – “branding” and identify how people view the area
- Building strategic alliances – a 20-year process, how do we continue to reach out to people?
- Visioneering – working together makes things happen
- Connectivity in all processes critical
- Disconnect turf issues between groups, how do we connect the silos?
- Focus on one to two issues at a time rather than too many issues – focused approach

General Services

- Provide free childcare services for employees’ children
- Reduce regulations, or change funding, pertaining to early childhood care
- Business should be more willing to allow employees to perform community service so people are more inclined to stay within their communities – employer/support volunteerism
- Need affordable rent



Our Economic Future
A Regional Summit for Leaders
Friday, October 13, 2006
Wichita Airport Hilton
8:00 a.m. – 1:00 p.m.



8:00 **Check-in**

8:30 **Welcoming Remarks** (Salons III and IV)
Moderator – Mr. Ed Flentje, Wichita State University
REAP Vice-Chair – Mayor John Waltner
Visioneering Wichita Co-Chair – Mr. Harvey Sorenson

8:45 **Guest Speaker** (Salons III and IV)

Strategic Analysis of Wichita Area Economic Trends
Implications for Our Future
Professor John Wong, Wichita State University

9:45 **Break**

10:00 Two 60-minute break-out sessions will be held to focus on the leadership and coordination required to address specific regional issues. Each participant will attend each break-out in accordance with the color assigned to them. (Salons I and II)

Break-out 1: Economic Demands on Workforce
Facilitator – Professor Joe Pisciotte, WSU

Break-out 2: Community Response
Facilitator – Ms. Lynne McCraw Schall, WSU

12:00 **Lunch and Guest Speaker** (Salons III and IV)

Regional Cooperation
The WIRED Initiative
Scott Anglemyer, Executive Director
Workforce Partnership, Kansas Local Area III

12:45 **Wrap-up and Next Steps** (Salons III and IV)
Mr. Ed Flentje
Professor Joe Pisciotte and Ms. Lynne McCraw Schall
Mr. Harvey Sorenson

Thank you to our Sponsors



Character Building – “Defining moments force us to find a balance between our hearts in all their idealism and our jobs in all their messy reality.” - Joseph L. Baldaracco, Jr.

Proposed Summit Questions

The session will focus on economic trends, the regional approach (coordination, cooperation, and leadership), and highlight recent regional success, such as workforce development, the downtown arena, and affordable airfares.

During the session you as a participant are asked to think about the following questions.

Define and Produce Value

- 1) Substantively – Should we?
 - Is there a need to work together?
 - Do we want to work together?

- 2) Politically – Could we?
 - What point of view is most likely to win the contest of interpretations and influence the thinking of behavior of other people?
 - Is there political will to work together?
 - Is there a system or method to co-produce?

- 3) Operationally – How can we?
 - Who will be involved?
 - What do they bring to the table?
 - Have we thought creatively, boldly, and imaginatively about the role of cooperation and the relationships for coordination?
 - What combination of shrewdness, creativity, and tenacity will make our vision a reality?

Moderator

H. Edward Flentje, Professor and Director, Hugo Wall School of Urban and Public Affairs, joined the faculty at Wichita State University in 1979. Professor Flentje's research concentrates on state government, state and local relations and Kansas political history. He served as the Director of the Hugo Wall School from 1989 to 1992 and again from 1999 to the present. While on leave from the university (1986-1988), Professor Flentje served as chairman of the transition team for Governor-elect Mike Hayden and as Secretary of Administration in Governor Hayden's cabinet. He holds a Ph.D. in political science from the University of Kansas.

Keynote Speakers

John Wong, Professor, Hugo Wall School of Urban and Public Affairs, began his career at Wichita State University in 1990. His primary teaching responsibility is in the areas of public finance and public policy and he has taught graduate level courses in public sector economics, public finance, local government finance, state and local financial systems, urban and regional economic development, policy analysis and program evaluation, and public works. He has also made numerous professional development and training presentations on fiscal management issues to finance officers and other state and local government officials.

Professor Wong is presently the principal author of the annual *Governor's Economic and Demographic Report*, senior consulting economist for the official Kansas Consensus Revenue Estimating Group, a consulting economist for the Kansas Department of Revenue, and a consulting economist for the Kansas Department of Human Resources. Dr. Wong recently completed a comprehensive study of the incidence of Kansas taxes and a study of sales tax base erosion for Kansas Department of Revenue and the Kansas Advisory Council on Intergovernmental Relations. Professor Wong served the Kansas Governor's Tax Equity Task Force as a consultant on the distributional impact of tax reform and the effect of taxation on economic development. Dr. Wong has also served as a consultant for several cities and counties.

Professor Wong coauthored *State and Local Government Capital Improvement Planning and Budgeting and Public/Private Partnerships*. His extensive publications on public finance and policy issues include several articles on revenue forecasting, taxation, electric utility deregulation, and health care finance, as well as contributions to the *Handbook on Taxation* and the *State and Local Government Debt Issuance and Management Service*.

Professor Wong received his Ph.D. in Law, Policy, and Society from Northeastern University, J.D. from Washburn University, and M.A. and B.B.A. in Economics from Wichita State University. He is also licensed to practice law in Kansas State and Federal courts, as well as the U.S. Supreme Court.

Scott Anglemyer has been the Executive Director of the Workforce Partnership (the workforce investment board for Kansas Local Area III, serving Johnson, Leavenworth, and Wyandotte counties) since September 2003. Mr. Anglemyer is the first Executive Director of the organization, which was incorporated in April of that year. His responsibilities include assisting the board in developing and implementing plans for the area's workforce development system, conducting research in support of board objectives, and representing the board and the workforce development system to area employers.

Before coming to the Workforce Investment Board, Mr. Anglemyer was an employee of the Kansas Department of Commerce for 11 years. At Commerce, he managed the Community Services Block Grant program for eight years, and served as the director of the department's research section for three years.

Mr. Anglemyer holds a Bachelor's Degree in Political Science from Emporia State University and earned a Master's Degree, also in political science, from the University of Michigan.

Facilitators

Lynne McCraw Schall, Public Affairs Associate, Hugo Wall School of Urban and Public Affairs, Wichita State University, joined the staff in 1991. Ms. Schall serves as a facilitator and mediator for local government and nonprofit organizations, as well as managing leadership, executive, and supervisory development programs. She holds a M.P.A. from Clark University, and a B.A. from the University of Oklahoma.

Joe Pisciotte, Professor, Hugo Wall School of Urban and Public Affairs, joined the faculty at Wichita State University in 1977. He is a nationally known specialist in state and local government management who writes, lectures, and consults extensively on policy making, public management, and human resources. He served in the Governor's cabinet in Illinois as Director of the Department of Business and Economic Development (1974-1977). Professor Pisciotte is a former director of the Hugo Wall Center for Urban Studies (1977-1994) and the Hugo Wall School of Urban and Public Affairs (1993-1996). He also served on the city council of Wichita, Kansas (1999-2003). He holds a Ph.D. in political science and public administration from the University of Colorado.

Panelists

Bryan Derreberry, President & CEO, Wichita Metro Chamber of Commerce, started his career as a state lobbyist with the Greater Cincinnati Chamber of Commerce. Over the past 18 years, he has been President & CEO of Chambers in Middletown, Ohio, Hickory, North Carolina and Wichita, Kansas. Mr. Derreberry takes particular pride in his ability to select and lead highly skilled professionals who produce outstanding business community results, build public-private sector coalitions which transform both the Chamber and business community at large.

Allen Fee, President of Fee Insurance Group in Hutchinson, Kansas. Mr. Fee has held numerous volunteer leadership positions in the community for the past 20 years, most recent was General Chairman of the 2006 U.S. Senior Open, which USGA officials have called "one of the best they have ever had." Mr. Fee was named General Chairman in 2003, following the U.S. Women's Open in 2002, when he served as President of Prairie Dunes. Fee spent 2 ½ years coordinating the event with a management team, paid staff and an executive council which he put in place.

Mike Germann, Vice President of Communications & Public Affairs, Spirit AeroSystems, was named to his current position in June 2005 after enjoying an 18-year career with The Boeing Company. A Kansas native, Mr. Germann received his Bachelor of Arts Degree in Political Science from Washburn University and, following military service, received his law degree from Washburn University School of Law. Mr. Germann serves on the governing boards of the Kansas Technical Training Initiative and the Wichita Metro Chamber of Commerce. He is Board Chair of the Workforce Alliance of South Central Kansas.

Willis Heck, Commissioner, City of Newton, is serving a third consecutive term as Commissioner in the City of Newton. He has represented the City of Newton in REAP since 1999, and served as REAP Chairman from 2004-2006. Commissioner Heck received a B.S. from Sterling College, and a M.S. from Emporia State University. His career in education ranged from a classroom teacher to school psychologist, building administrator, and superintendent; serving as superintendent of schools in Parsons from 1980-1990 and in Newton from 1990 until his retirement. Commissioner Heck received the 2006 Citizen of the Year Award from the Newton Chamber of Commerce.

Andy Schlapp, Director of Government Relations, Sedgwick County, has been employed with Sedgwick County for six years; his primary duties are developing working relationships with both the Federal and State delegations. Mr. Schlapp has strived to develop close relationships with other community leaders to ensure that our community and region are represented effectively in both Washington, D.C. and Topeka. He works closely with REAP, the City of Wichita, Wichita State University, the Chamber of Commerce, business leaders, as well as others and serves on the Unified Legislative agenda team for Visioning Wichita.

Jackie Vietti, President, Butler Community College, has served as a community college administrator for over 27 years at public community colleges in the states of Kansas and Missouri. She is entering her twelfth year as president of Butler Community College. In addition to providing leadership for the second largest community college in the state, Dr. Vietti serves on several local, regional and state boards to advance the economic and social well-being of the area and the state.

Agenda

Break-out #2: Community Response

Blue Group: 10:00 a.m. - 10:55 a.m. (Salon II)

Red Group: 11:00 a.m. - 12:00 Noon (Salon I)

Meeting "Deliverables"

In order to promote a thriving economy in South Central Kansas, **identify operational issues** in the following four areas that you and the organizations you represent should address via regional action during the next twelve months:

1. education (pre-kindergarten through college and post-graduate studies);
2. retail services;
3. cultural, arts, entertainment, and recreation; and,
4. South Central Kansas as a "best place to live."

10:00 a.m. I. Welcome and introductions – Ms. Lynne McCraw Schall, Facilitator

II. Approval of the agenda

III. Regional success stories from South Central Kansas

- A. Mr. Allen Fee, General Chairman, Championship Committee, USGA
2006 U.S. Senior Open, Hutchinson
- B. Mr. Willis Heck, Commissioner and Vice-Mayor, City of Newton,
and Past-Chair, REAP
- C. Mr. Andrew Schlapp, Director, Government Relations, Sedgwick
County

10:20 a.m. IV. In order to promote a thriving economy in South Central Kansas, identify operational issues in the following four areas that you and the organizations you represent should address via regional action during the next 12 months.

- A. Education (Pre-K through college and post-graduate studies)
- B. Retail services
- C. Cultural, arts, entertainment, and recreation
- D. South Central Kansas as a "best place to live"

10:50 a.m. V. Create a report for the general session "wrap-up and next steps"

11:00 a.m. VI. Adjourn

Agenda

Break-out #1: Economic Demands on Workforce

Red Group: 10:00 a.m. – 11:55 a.m. (Salon I)

Blue Group: 11:00 a.m. – 12 noon (Salon II)

Meeting “Deliverables”

In order to promote a thriving economy in South Central Kansas, **identify operational issues** in the following four areas that you and the organizations you represent should address via regional action during the next twelve months:

1. South Central Kansas as a preferred location for business activity;
2. area workforce development;
3. area industries with potential export opportunities; and,
4. area industries with import substitution opportunities.

- 11:00 a.m. I. Welcome and introductions – Professor Joe P. Pisciotte, Facilitator
- II. Approval of the agenda
- III. Regional success stories from South Central Kansas
- III. Regional success stories from South Central Kansas
- A. Mr. Bryan Derreberry, President, Wichita Area Chamber of Commerce
- B. Mr. Michael Germann, Chair, Workforce Alliance of South Central Kansas
- C. Dr. Jackie Vietti, President, Butler Community College
- 11:20 a.m. IV. In order to promote a thriving economy in South Central Kansas, identify operational issues in the following four areas that you and the organizations you represent should address via regional action during the next 12 months.
- A. South Central Kansas as a preferred location for business activity
- B. Area workforce development
- C. Area industries with potential export opportunities
- D. Area industries with import substitution opportunities.
- 11:50 a.m. V. Create a report for the general session “wrap-up and next steps”
- 12 noon VI. Adjourn

REAP RESOLUTIONS

2006 RESOLUTION SUPPORTING AFFORDABLE AIR SERVICE IN KANSAS

REAP’s top legislative priority for 2006 supported a partnership with the State of Kansas to maintain affordable air fares through Mid-Continent Airport. In conjunction with this priority, REAP adopted a Resolution of support and asked local governmental entities to also pass a Resolution of support. 23 jurisdictions passed the Resolution, as well as REAP and SCKEDD.

Resolutions of REAP Members for Airfares - Year 2006*

Cities (17)		Counties (6)
Andover	Mulvane	Butler County
Arkansas City	Newton	Cowley County
Cheney	Park City	Harvey County
Derby	Rose Hill	Reno County
Great Bend	Sedgwick	Sedgwick County
Halstead	Valley Center	Sumner County
Haysville	Wichita	
Hesston	Winfield	
Hutchinson		

*REAP and SCKEDD also passed resolutions.

REAP PROCEDURES

2006 REAP Fiscal Procedures

The authority assigned to REAP in administering the Kansas Affordable Airfares Program in 2006 suggested that REAP adopt formal fiscal procedures for carrying out this new responsibility. The adoption of specific fiscal procedures allowed for:

- assessing membership fees, procedures which reflect current bylaws;
- selecting a depository for REAP funds by the Executive Committee on recommendation of the REAP Treasurer;
- establishing and overseeing REAP funds by the Executive Committee and officers of REAP;
- dispersing REAP funds, as authorized by the Executive Committee and in accord with the operating budget adopted by REAP;
- adopting a REAP operating budget, procedures which reflect past practices; and
- providing procedures for auditing and financial reporting; and

RESOLUTION NO. 06-01

RESOLUTION SUPPORTING AFFORDABLE AIR SERVICE IN KANSAS AND THE ACCOMPANYING REQUEST TO GOVERNOR KATHLEEN SEBELIUS AND THE KANSAS LEGISLATURE TO CREATE A KANSAS AIR SERVICE DEVELOPMENT PROGRAM TO PROTECT OUR AFFORDABLE AIR FARES AND BUILD OUR KANSAS AIR SERVICE INFRASTRUCTURE.

WHEREAS, Air fares impact business attraction, retention and jobs, and companies choose where they will locate and grow their business based on the “cost of doing business;” and

WHEREAS, One of the most critical elements of economic development and recruiting new companies to Kansas is based on the ease of travel to conduct business with customers; and, air fares are an infrastructure issue - like highways and water supply; and, just like those resources, we cannot lose affordable air service; and,

WHEREAS, Major corporations and employers of Kansans, including Rent-A-Center, Pizza Hut and others have left Kansas; and access to more flights and more affordable air fares, which impacts their cost of doing business was given as a reason; and,

WHEREAS, Air fares impact families who live in, work in and visit Kansas, and individuals and families choose where to live, work and visit based on availability of good jobs and quality of life issues; and,

WHEREAS, Affordable air fares play a significant role in encouraging travel to Kansas and recruiting conventions to Kansas; and, bringing others to our state means bringing dollars to our state for tourism and convention spending; and,

WHEREAS, In order for Kansas businesses to compete globally, for families to enjoy the opportunity for affordable leisure travel, and to increase tourism we must have a long-term strategy that makes Kansas’ Mid-Continent Airport competitive with Missouri and Oklahoma; and,

WHEREAS, A pilot program from 2002 to 2005, consisting of a local public investment of \$9 million dollars and business investment of \$7.5 million dollars of air travel commitments, has demonstrated the impact of affordable air fares; and,

WHEREAS, That same public investment has saved the public over \$300 million dollars in air fares and has proven that effective actions can be taken to create affordable air fares; and,

WHEREAS, The pilot program created at Mid-Continent Airport has additionally proven the State of Kansas has received increased tax revenues due to additional air travel and affordable air service out of Kansas is a priority issue; *now, therefore be it*

RESOLVED the Regional Economic Area Partnership supports the creation of a long-term, equitable solution that benefits all Kansans; and, because affordable air fares affect 2/3 of the state of Kansas, it is more than just a Wichita/Sedgwick County/South Central Kansas issue; it is a Kansas issue.

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Subject: General Statement on REAP Fiscal Procedures
Effective: 6/12/06

**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 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. Official population as of July 1, 2004 shall be used for determining assessments for calendar years 2006, 2007 and 2008. These figures will be updated every three years beginning with January 1, 1999.

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. Assessments for the upcoming year will be mailed annually to member jurisdictions no later than December 31.
3. Assessments will be deposited in the REAP Operating 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 be held in the custody of a state or national bank or trust company and shall be held in the name of REAP.
5. Prior to the dispersal or transfer of any funds pursuant to these procedures, REAP shall secure a corporate surety bond issued by a company authorized to do business in the state of Kansas. Said bond shall cover the Chair, Vice-Chair, Treasurer and Executive Officer of REAP, in an amount deemed sufficient by the Executive Committee, to cover said officers in the faithful and prompt administration of duties related to said funds and in accordance with these procedures, and to protect REAP from neglect of duty and/or malfeasance by said officers in the handling of said funds.
6. 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 15.
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 Treasurer shall recommend and the Executive Committee shall appoint an independent auditor.
2. An independent audit shall be performed annually, or at any time on request of REAP.
3. The Executive Officer will provide REAP with quarterly and annual financial reports.

ECONOMIC INDICATORS

	REAP	Kansas
Population		
2005 Certified Population	729,680	2,744,687
2000 Population	639,956	2,688,418
Percent of State Population	26.5%	
Percent Change 2000-2005	8.7%	9.79%
Labor		
Civilian Labor Force	384,221	1,483,633
Percent of Total State Employment	24%	
Avg. Unemployment Rate 2006	4.1	4.7
Total Annual Payroll	\$ 8,945,293,000	\$ 33,152,962,000
Percent of Total State Payroll	27%	
Avg Wage Per Job	\$ 27,837	\$ 25,069
2006 NAICS Top Employers		
Mining	1,342	7,700
Utilities	712	7,000
Construction	17,584	66,600
Manufacturing	71,846	180,400
Wholesale	13,254	60,500
Retail	37,169	147,600
Transportation	8,272	43,200
Information	6,864	37,300
Finance and Insurance	9,803	71,200
Revenues		
2005 Sales Tax Collections	\$ 470,540,246	\$ 2,677,660,915
Percent of Total Tax Collections	17.6%	
2005 Total Property Taxes	\$ 614,930,922	\$ 3,518,690,000
Percent of Total Tax Collections	17.5%	
Authorized New Residential Buildings	3,195	14,619
Percent of Total New Residential Buildings	21.9%	
2004 Registered Vehicles	639,910	2,488,284
2004 Total Registration Fees	\$ 14,016,984	\$ 132,113,859