

**Joint Economic Development Organization Board Minutes
May 14, 2014**

City of Topeka Council Chambers, 214 SE 7th Street, Topeka, Kansas, Wednesday, May 14, 2014.

The Joint Economic Development Organization (JEDO) Board members met at 6:00 p.m. with the following voting Board members present: Shawnee County Commissioners Shelly Buhler, Bob Archer and Kevin Cook, City of Topeka Mayor Larry Wolgast, Deputy City Mayor Denise Everhart, City Councilmember Karen Hiller and City Councilmember Nathan Schmidt.

The following nonvoting JEDO Board members were absent: City Councilmembers Sylvia Ortiz, Michelle De La Isla, Chad Manspeaker, Elaine Schwartz and Richard Harmon.

Others present who presented and/or spoke before the Board: Rich Eckert, Shawnee County Counselor; Betty Greiner, Shawnee County Financial Administrator; Brad Owen, CPA, Mize Houser & Company, P.A.; Morgan Padgett, CPA, Mayer Hoffman McCann, P.C.; Joseph Ledbetter, Attorney at Law; Carol Marple; Jim Mullins, Americans for Prosperity, Kansas; Doug Kinsinger, President/CEO of GO Topeka Partnership/Greater Topeka Chamber of Commerce; Molly Howey, Director of Business Development for GO Topeka; Jo Feldmann, Vice-President of Existing Business for GO Topeka; Glenda Washington, Vice-President of Entrepreneurial and Minority Business Development for GO Topeka and Scott Smathers, Vice-President of Economic Development for GO Topeka.

ITEM NO. 3: ACTION ITEM: Approval of the April 2, 2014 JEDO Board meeting minutes.

Commissioner Cook stated that we did receive an email earlier this afternoon from Lazone Grays who was unable to be here tonight due to some health issues. He had asked for a change to the minutes. He asked the JEDO Clerk, Megan Barrett if she could read those changes.

Clerk Barrett indicated that the change requested is on page 16 of the minutes which currently reads: Councilman De La Isla moved to give Mr. Ledbetter an additional two minutes to speak. This should read: Councilwoman De La Isla moved to give Mr. Grays an additional two minutes to speak.

Commissioner Cook moved to make that change to the April 2, 2014 JEDO minutes. Commissioner Archer seconded. Following roll call vote, motion carried unanimously.

Commissioner Archer moved to approve the April 2, 2014 JEDO Board meeting minutes as amended. Commissioner Buhler seconded.

Commissioner Cook stated that before a vote is taken, he is aware of a few members of the public who have signed up to speak on this item.

Clerk Barrett indicated that the first to speak would be Carol Marple, followed by Joseph Ledbetter.

Public Comment:

Carol Marple indicated that she has a correction to make on the minutes. She doesn't know what page number it is on but it is in regards to the cost of the house that GO Topeka bought, it said \$21,000 and it was actually \$221,250.

Commissioner Cook indicated that would be on page 7, in the middle, or page 10 of 68 of the agenda packet. That is near the lower half of that paragraph. Commissioner Cook asked if it was Ms. Marple's request that they correct the minutes to reflect the true amount.

Ms. Marple responded that is correct.

Commissioner Cook asked if Ms. Marple had any another corrections to the minutes.

Ms. Marple responded that she had some statements about the minutes and questioned if this would be the correct time to do that.

Commissioner Cook indicated yes it would.

Ms. Marple stated that after the discussion on awarding Yantra some money, which was \$100,000 that we might give them for incentives, she wanted to do some research on the company. She spent approximately two hours doing research.

Commissioner Cook stated that perhaps this comment might better fall under the public comment item on the agenda. He is not meaning to cut her off but it would fit better under public comment since it is not a substantive discussion regarding the minutes being corrected.

Ms. Marple questioned that if there is an incorrect statement in the minutes, does that fit.

Commissioner Cook stated it would if a JEDO member made an incorrect statement. But he would note that she did have a request for a change in the minutes which they can take up.

Councilwoman Hiller moved to make that change to the April 2, 2014 JEDO minutes. Commissioner Buhler seconded.

Commissioner Archer indicated he had a point of information if he could. He questioned where did the number Ms. Marple stated come from? We are changing it from \$21,000 to \$221,250. Is that a valid number? Where did it come from?

Commissioner Cook responded that he believes the representation is that was what Ms. Marple meant to have said or that she had said.

Rich Eckert, Shawnee County Counselor indicated that the only thing he would point out is that the minutes are supposed to reflect what was said. And we are confident that is the number that she said. That doesn't mean that after the fact they should go back and correct the minutes so that a statement now changes. We are confident the minutes are correct and that she said \$21,000.

Commissioner Cook responded given that information from legal counsel, that if the Clerk is confident that Ms. Marple said \$21,000 as opposed to a different number. There was a motion to amend and a second. Does that change either the motion or the second?

Councilwoman Hiller stated that seeing how that number could have been misunderstood and if the speaker thought that she had said the bigger number, she would just as soon have the number reflect the correct number so she is fine with the Motion that she made.

Following roll call vote, motion carried 6-1 with Commissioner Archer dissenting.

Joseph Ledbetter, citizen of the County and business owner in the City. He would like to speak on concerns he has on the minutes because he is not sure they accurately reflect what happened in the meeting and this all concerns Item #4 – possible action response to Request for Proposal for Economic Development Services, contractor selection, contract approval of a 3 year contract, a multi-year contract he might add. The first paragraph he would want to note on the record talks about what Rich Eckert said that they had released an RFP and it's been widely published and you can read that and he believes that is accurate based on KORA's he has filed with them showing that, including across state lines where one of these RFPs were sent out. The next page, #3, we get into discussing the RFP and whether there is an awardee of the RFP, although those words are not used those are the proper words he has been told by people who do a lot of these RFPs and have a lot of experience with them. He is going to the paragraph, the fifth one down to Commissioner Cook.

“Commissioner Cook asked if there were any other questions or comments on GO Topeka. Seeing none he asked Mr. Eckert legal counsel, would it be his recommendation to make a motion to accept the RFP and then go into contract negotiations regarding the term of the recipient, or all as one action. Mr Eckert indicated it would be up to the Board but from a parliamentary standpoint they should probably do one thing at a time.”

Then he goes into a red-lined contract and a contract instead of discussing and getting a vote on the RFP. What the minutes reflect, unless he has changed his mind about how he answered the question, was that we never voted on accepting the RFP from GO Topeka. He wants the record to clearly reflect that it has not been accepted nor voted on. And he believes that raises a significant legal issue. He certainly is willing to see if the County Counselor would change his mind and say perhaps we should vote on the RFP, even tonight.

Mr. Eckert stated, again, these are the minutes. The discussion should be about whether the minutes are accurate.

Mr. Ledbetter responded see nonresponsive. Ok. He doesn't know what to do with this.

Commissioner Cook stated noting for the record for the purposes of tonight for review of the minutes, if there are no other changes or corrections to the minutes. There has been a motion to approve the minutes and a second, he thinks that brings them to voting on the minutes as amended.

Following roll call vote, motion to approve the April 2, 2014 JEDO Board meeting minutes carried unanimously.

ITEM NO. 4: PRESENTATION: JEDO 1st Quarter Cash Statement and Project Spreadsheet – Betty Greiner, Director, Shawnee County Audit Finance.

Betty Greiner, Financial Administrator for Shawnee County is here as Treasurer of the JEDO Finance Committee and has the JEDO Cash Statement for the 1ST Quarter of 2014. As in the packet and on the screen you can see that the receipts for the 1st Quarter of the year were \$4,069,384.34. Of that \$2,204,341.57 were sales tax receipts for the City of Topeka and \$1,864,866.98 were sales tax receipts for Shawnee County. We then scroll down to the payments that came out of the bank account. To the City of Topeka we made a payment for the Topeka Blvd Bridge Debt Service in the amount of \$3,240,650. To Shawnee County we made a payment of \$1,500,000 for the County Bridges, that is an annual payment and then we made a payment also to Shawnee County for the SE 45th Street project from Adams to California in the amount of \$790,965.50. There were also payments to GO Topeka, the publication expense for the RFP and then bank charges. So our total payments were \$6,782,023.33. This leaves us a

balance at the end of March of \$4,185,271.68. She would be happy to answer any questions on this statement. This is a cash statement.

Commissioner Cook asked if there are any questions for Ms. Greiner?

Mayor Wolgast stated that this is not specifically on here but is more of an informational question, if she would know. Does she know how many more payments they have left on the Topeka Blvd Bridge?

Ms. Greiner responded that she would hate to respond when she is not certain. It is scheduled to go through 2016 she believes.

Mayor Wolgast questioned whether it was bonded to go through the entire period.

Ms. Greiner responded that again she is not certain so she would hate to give a definite answer on that and she would be happy to get back with him and let him know.

Ms. Greiner indicated that the JEDO Finance Committee has also provided them a spreadsheet on the road projects. This shows each of the road projects and the years and the cash flow of the expenditures of those projects. As you look on the spreadsheet, the red column at the end shows the final amount, those projects have been completed and those are the final costs of those projects. As you look at these spreadsheets, the top items are all projects that were handled by the County, the first two pages and then the 3rd page is City projects. You can see the total on the bottom of the 3rd page is the total per year that was spent on each project and then the total that they estimate will be spent through the year 2016. Tom Vlach, Director of Shawnee County Public Works is also here to answer any questions on any of these specific projects.

Commissioner Cook stated that he knows this is a lot of information that is put into a very condensed form. If they wanted to go back to this later at another time to look at it, or if the public wants to go back and look at this, does she know where this would be accessible at or how they would be able to look at those records?

Ms. Greiner responded that it would be part of the agenda packet for JEDO. They could also put it on the County's website, if they would want them to.

Commissioner Cook stated he believes that would be helpful. Looking around he is seeing heads nodding. He knows often times; he reads the comments to newspaper articles and one of the reoccurring comments that tends to appear is "I don't know where my money went. I know that they went and did a lot of things but I don't know how the money was spent." And a spreadsheet like this breaks it down, it is very usable and you can see exactly what projects were handled, when they were handled and what the costs were. He thinks it would be good to have it on the County's website.

Councilwoman Hiller stated that she thinks this format has been used since this tax started and she really likes it. She concurs with Commissioner Cook. She thinks it is a good way when they are contemplating future projects, laying them out in this full timeline, full disclosure of the pieces has always been very helpful. Periodically when there was a need to change something, it has been helpful because you can see the whole thing.

ITEM NO. 5: PRESENTATION: Overview of 1st Quarter Report, 1st Quarter Financials and 2nd Quarter Initiatives – GO Topeka staff.

Doug Kinsinger, President of GO Topeka stated that tonight they are just going to try to give them a couple of highlights. They have agreed to keep this brief and focus on the things they think are most newsworthy for the Board. He would like to cover a couple of items and then Brad Owen with Mize Houser who does the accounting for GO Topeka is here to cover some of the highlights of the financials. As is required by contract, they provide those financials to the Board on a quarterly basis and those are posted on the website. Following that Molly Howey will cover some of their new market attractions, Jo Feldmann will cover existing business retention and expansion and workforce issues, Glenda Washington will cover some of their minority and small business activities and finally Scott Smathers will take clean up and see if there are any other questions at the end.

He would like to mention a couple of things before turning it over. First of all, they have spoke before about air service but he would like to report to them that United Air service and Topeka's support of that, the market is growing every month. As we all know January and February was kind of a hard time to start as that was some of the coldest weather we had seen in the Midwest and some of the most flight cancellations they had seen in the airline industry in 20 years and we were subjected to the same problems as you saw around the nation. But every month starting since January, our boardings have been improving every month and May is starting to do very well. So we just want to remind the Topeka public and people in our region that we have two flights a day from Topeka on United one at 6 AM departing one at 3:45 PM departing. Flights returning from Chicago here leave at 1 PM and also at 8:30 PM. Our flights are kind of priced at the same model pricing structure as they are in Kansas City so we are very competitive and our parking is a bargain, it is \$5.00 for as long as you want.

The other item he would report to them, we have talked about the water and sewer extensions out of Kanza Fire Commerce Park. Those are coming close to completion. If they recall, they allowed them to pay for all of those last year. They negotiated and got a better price by negotiating one contract instead of separating that. We saved quite a bit from doing that. Those should be finish around the 2nd week in June, the water and sewer extensions. The gas extensions have already been finished. So we will have water, sewer and gas to we believe pretty much all of the area west, southwest in the Kanza Fire Commerce Park for the First Phase of Mars Chocolate. So if you see where the new Innovation Parkway is, and you will hear about the progress of that later tonight, we have gone around that road and to the west side of that property and that will be done in two weeks.

Brad Owen, Mize Houser indicated that he would refer them to page 50 of the agenda packet. He believes they have all three months of the 1st Quarter but he will focus on March. Page 50 is a statement of receipts and disbursements. These are a modified cash basis. You will see on that page a month Actual and Budget and also a YTD Actual and Budget, he is going to focus on the YTD set of columns. The largest expenditures for the quarter are related to the utility extensions that Mr. Kinsinger referred to. About \$383,000 for those utility extensions so far. We also had a payment to the Mars escrow account of about \$159,000 and that relates to partial funding of the employment incentives. If you look down the list of program expenses you will see that we are below budget on those program activities. New business attraction which is the largest program expenditure so far. Really the activities are below budget because the staff spent quite a bit of time responding to the RFP so there is still work to do there but some of it was deferred into the 2nd Quarter. And the staff tells him that there is a lot of activity in the 2nd Quarter so we will probably see more expenditures coming. Also in new business attraction, \$34,000 was paid up front for advertising for 2014. There were some discounts realized for paying for all those ads upfront. They also bought a Swiftsite database license fee which was about \$10,000. So those were the significant

expenses in that quarter. Business retention, really the staff has been busy in that area but as you can see again below budget. There is really not any requirement to incur additional costs for special events or activities so those very may well occur later in the year. Workforce development, again a budget variance of just over \$50,000. There was a scholarship payment that was budgeted to occur in the 1st Quarter of \$50,000 to Washburn Tech and that did not occur until April so you will see that coming through in the 2nd Quarter. The research area, again GO Topeka was able to get discount on labor market data by paying the bill for 2014 at the end of 2013. So while we budgeted that \$10,000 payment for the 1st Quarter, it is likely that will occur at the end of 2014 for the next year and the discount there was considerable so it was worth the accelerated payment. Under EMBD expenses ran below budget for the quarter, the staff is working on a strategic plan for that area. There was a little bit of training payment in the 1st Quarter but most of that will happen later. Small business innovation center, again the staff is working to develop the new program initiatives for that for the entrepreneurial support activities so we fully expect that money to go out and again it will be later in the year. And then a smaller item, program revenue you can see is well ahead of budget. GO Topeka actually received crop payments in January and the budget is more of a straight line budget for that item.

Molly Howey, Director of Business Development for GO Topeka stated she would like to touch on a few items. They can see some of the highlighted numbers in their packets. Mr. Kinsinger already mentioned the marketing of air service and of course that is an awesome asset for us to have as we go out and market Topeka. That is one of those things that is showing up on those RFPs that we receive are how close are we to the airports and do they offer commercial service so that is one thing that we are actually able to say yes on and we like to brag about that a little bit. The infrastructure in Kanza Fire is moving right along and should be done mid-Summer. Another thing, you all know that they worked very hard responding to the RFP in the 1st Quarter so that really did take a lot of their time but it was a positive because it let them look at their program of work and evaluate things when they really weren't planning on at that time and it was a great activity for the staff.

For Quarter 2 they have been hitting the road hard building those relationships, talking to consultants and the companies that have active projects on hand. As a result of that we have nine new projects already in the 2nd Quarter and that is quite a bit. Those are pretty much all over the board, a lot of manufacturing, some back office customer service and things like that. Website redesign, you have heard us talk that we will be redesigning the website. We are just about to start really digging in, we have evaluated some of our peers websites and kind of gotten an idea of what we want to do but we hope to have a preliminary plan in Quarter 3 that outlines everything that we are going to do for that. And then the retail infill analysis, we acquired those databases and have actually had some individuals coming in and asking questions and we have been able to provide them information about how to best market those properties that are empty. So spread the word, tell people that we have that resource and we would like them to come in and ask more questions.

Councilwoman Hiller stated that she is really pleased to hear about the retail infill and that is something she has been encouraging to see develop but she wasn't aware that they had gotten software and were doing it. What efforts have they made to let people know that they are now in that business and who do they talk to?

Ms. Howey responded that to her knowledge, we haven't really publicized that we have that resource. And we would be open to other ideas on how we can do that. It is on their website. She asked if Councilwoman Hiller had any other ideas on publicizing that.

Councilwoman Hiller stated yes. If they recall, we did kind of a broad based downtown oriented partnership. Put together a booklet of all the economic development incentives for downtown for businesses but on the building side. Now she guesses it has been three years ago and then GO Topeka helped in partnership, put together a seminar downtown and invited all the potential stakeholders. It really went well and established those tools and that process in GO Topeka. She would think when they are ready, something similar. Where the retail infill comes in is on the neighborhood basis. They do have a focus for East Topeka, there are little pockets all over. She knows Councilman Manspeaker has been interested in doing stuff in his district along the arteries and she certainly has some in her district. If they can put together something at some point and just invite everyone who is interested in how to do that, it would be great.

Ms. Howey responded that is a great idea and they can get back with her and hopefully have something set up to do that.

Jo Feldmann, Vice-President of Existing Business for GO Topeka stated she is also going to give some highlights. What they see on the screen is their 1st Quarter resorts and she has put on there Yantra Services expands in Topeka That was a great announcement that we were able to do and they supported and the incentive offering to that company. Very high tech, very high level positions that are being created in that company. It is great that JEDO and GO Topeka could support them on that. Under general support you will see some of the activity that took place. This is the core of her program which is existing business and that is being out there, working with our businesses on a daily and sometimes and hourly basis . Also in the 1st Quarter they started with an M-Tech training class, she did report that to them at the end of last year telling them a little bit about what that is. It is the food manufacturers coming together and saying we need some core skills to be taught to some of our entry level positions. And so they started working on that and she will report some of the 2nd Quarter developments of that. But that program is well off the ground. What spun from that is that three of our additional manufacturers, both large and medium sized manufacturers said they could really use this as well. And so again we brought all of our partners together and she will report further on that as we move forward. The last item is Manufacturers in the Classroom. This spun out of a committee for manufacturing groups that just really never quite got off the ground and their core focus was getting in the classroom to start educating students about those careers.

They just recently completed as part of the 2nd Quarter, going to Reser's Corporate Headquarters in Portland, Oregon, we were there last week. Commissioner Cook joined them and they were really pleased to have him there and he added value to their meeting there and we learned lots of really good information. Very excited about what Reser's has and all of them have noticed the investment in East Topeka. Moving on to Workforce Development, the M-Tech training class. She mentioned that we have three manufacturers that are developing a second program. We were able to get some additional State funds to help scholarship students that are wanting to go into that course. We will be meeting on the 22nd to start going through all that curriculum to make sure it is well groomed for these additional other manufacturers that aren't necessarily in the food manufacturing areas. Manufactures in the Classroom, we have spent a lot of time developing slides. We are presenting to high school students that will move both into Junior High and Elementary schools as this program fully develops. Nine of those manufacturers said they want to be in the classroom with us and tell the students about the great things and so that is moving forward. We had our first presentation to Auburn/Washburn. Dr. Brenda Deitrich has been very instrumental in helping them get that program off the ground and then of course our partnerships with the businesses are just spot on. They are 100% behind this program. Moving along to the Scholarship Program Launch as part of GO Topeka's Strategic Plan, we made the announcement of that \$50,000 scholarship program. What is great about that program is it is going to assist not only new students but existing students that are already in those high-demand

career programs. We are thrilled and she knows that a lot of the students who are embarking in some of those careers are thrilled to have that additional assistance to move through those programs. What we are expecting as far as the number of students in aide is about that 75 students will actual experience some benefit from that scholarship. And again she would be happy to share with any of them all of the different categories of those high-demand, high-wage careers as we move forward. The last item is the Youth Project Initiative. This Board brought up what can we do to help some of our youth in Topeka and so we started holding some meetings and what we found out is that there are a lot of programs out there. And a lot of those programs aren't necessarily talking to each other about some of the things that are happening. And so what we decided after several meetings is that the Community Resource Council (CRC) is actually going to take the lead position on this particular program. They are going to consolidate and understand exactly what is happening in the community and then GO Topeka and staff will start to meet and determine are there gaps that maybe we can help fill. So that is very much still under development and hopefully we will have more to report to you at our next meeting.

Councilman Schmidt asked on the Yantra Services expansion. He believes it was the last meeting where we went over the incentive package and it was tiered. Can she give any details of how they have gone with that. Are they at the minimum or the maximum of that?

Ms. Feldmann responded that incentive contract is performance based and so what we do is we look at it, we are always a year behind. So they have this year to perform and so in 2015 we will look at their employment levels and we will make a determination what those wages are and we will use their State employment reports to determine how that incentive is paid out. That incentive is set up to pay out 1/10th so if it is \$5,000 a job, they will get \$500 and that will carry out for a ten year period. Does that answer the question?

Councilman Schmidt stated it does he was interested in the structure of that incentive program and to see if it is something that maybe we would want to expand or more aggressively pursue.

Ms. Feldmann stated that all of our incentive programs are performance based and so they have that year to perform and then we measure. We are always a year behind on that measurement period.

Mayor Wolgast asked on the M-Tech training classes, how many students are involved and if she could tell about the location where that is held.

Ms. Feldmann responded that the M-Tech is the five food manufactures that wanted this program started. To date we have had 37 enrolled in that class and 6 have actually been hired by companies in Topeka. It is held at Washburn Tech over on Huntoon.

Mayor Wolgast stated he would just comment that Commissioner Cook and he were there for the program launch, the scholarship. A very important program. Also he strongly supports the Youth Project Initiative. He is very interested in seeing how that can be developed and thinks that there is a need there. And a lot of it, as she has said, is the communication. That we need to help get these groups together so that we know what is going on and how we can be helpful.

Councilwoman Hiller questioned about the M-Tech and the Youth Project Initiative, really any of them. We have had some pretty strong statistics shared with us and some pretty compelling comments about affirmatively working toward getting minorities into these programs, particularly men. Are there any affirmative elements to the recruiting of these new programs.

Ms. Feldmann responded that when we developed that program we worked with each company to really define what are the criteria, mainly what can't you hire, with their background. And so what we did is we utilized the workforce center. At that time Gina was with the workforce center, she has since left so we have a new individual who we are working with over there. But they are actually going through those candidates and screening to make sure none of those backgrounds will kick them out from every having an opportunity to work. Because companies require, you know there are certain backgrounds that companies simply will not hire from and so we are using the workforce center to draw those candidates into that program and to make those recommendations. Now that doesn't mean that if an individual hears about that program and goes straight to Washburn Tech that they can't enroll in it but that individual is then referred to the workforce center to get that background done before. We don't want to send students through the class and then have them find out that they are not going to qualify for employment. That was a long way to answer the question. As far as any affirmative, she would assume that is something we have done but she can certainly check on that and get back to her.

Councilwoman Hiller stated that she would encourage, and particularly with the Youth Project Initiative, to reach out to our young people when they are just getting into facing the prospect of that workplace and getting them hooked in, she thinks is important.

Glenda Washington, Vice-President of Entrepreneurial and Minority Business Development for GO Topeka would like to give them a brief update on everything they are doing at GO Topeka in reference to EMBD. We have been, and a lot of them have heard this before, but we have been aggressively attacking this makerspace/co-work space opportunity because we think that there is a value added to the community. So what we have done, we have begun working on a business plan that will be used as a tool to go out and help us identify possible sponsors to help us fund this activity. We are also looking at a site. We have our eyes on a site, a building on Kansas Avenue. It is out of construction at the moment but we know that it will be in construction but we feel confident that even though it is going to be in the line of construction that it is a needed commodity for the community and they will embrace it. Also we are looking at funding opportunities so we are building a piece that we can take out and solicit for funding to support the makerspace/co-work space. It is coming online and coming on fast. People across the whole community are hearing it. It is a buzzword and she is really embracing it and loving it. We also looked at the Loan Fund. And the first night that she came she told them that the Loan Fund just didn't have enough power in it and that we needed to beef it up a little bit and so what we did is that the Loan Committee got together and they said we need to be able to provide monies that individuals need to grow. And so we beefed up the Loan Fund. During the 1st Quarter we decided if we had the person that had the capacity for the lending, we would loan them up to \$100,000 and we also increased the Line of Credit up to \$15,000. So we are looking at that as a great opportunity for our community. There are a lot of things coming on. We are looking at how we can use this money to work projects out of the 501 piece and see if that will support us. We will report a little more about this later on. We are looking at a lot of opportunities to beef up this the lending of this Loan Fund project.

When she first came to them she talked to them a little bit about procurement and opportunities to do business with the State, Federal and Local government. So during the 1st Quarter they looked at opportunities to plan a conference so in the Fall in October we will be planning a procurement conference and we are inviting buyers from all over the State and it is going to be an open opportunity for them to come in, for the small businesses to take a look at what opportunities they can bid on. And in the interim we are doing training on how to get certified to do business with these government agencies, what they need to do, what sites they need to go on, we are bringing the PTAC people in from Wichita and they are helping us get ready for this opportunity. We are preplanning this conference. Also for community involvement, we have been very involved in a lot of activities; one that she is embracing this week finally is the Sumner Legacy, Brown v.

Board of Education group. So we are doing a number of things this week as a result of us planning through the 1st Quarter.

Upcoming in the 2nd Quarter we have been really busy. What she really wanted to do was find where the gaps were in the marketplace. She told them they were going to do a survey and we finally did the survey. The results are back and we are putting it all together so they will hear in the next report the results of that survey. It will be out and about. People will be hearing a little about it but she would like for them to know what the results are, where the gaps are and how are we going to address those gaps in the market. Icehouse, we graduated 34 people out of the Icehouse Childcare class two weeks ago. Out of those 34 people she thinks 4 of them have started a business - 2 service firms and 2 retail firms have already started. Small Business Awards – she wants to thank all of them for what they did yesterday and made that day very special to a number of people, so thank you for being there. We had a total of 285 people there which was a very large group and we were very pleased with the outcome. The Women’s Initiative, we have started that in April, we kicked it off in the 2nd Quarter and again in the Fall we will have a Women’s conference. More to come on that, we are putting together what the skeleton will look like, how we are going to address some of the issues of women in the marketplace and women that are business owners. We have done a number of community outreach opportunities and will explain some of those in detail at our next JEDO meeting because they happen at the end of the 2nd Quarter. And then with Procurement Initiatives, as she said, we are very aggressively involved in that procurement initiative. We think that the growth of the small business community has a lot to do with how we grow our small businesses. What we are going to do with these procurement initiatives is we are looking at working with USD 501 on this new bond issue to see what we can do to get them some micro-enterprises and small businesses to start doing business with them. So we met with them today, that is a part of what we are doing is planning that strategy on how we can reach out to 501, help them market the training we can do for these small businesses and show them what it is that they need to do, what kind of forms, what kind of applications they need to get certified to do business with them. So that is where we are on that and she is really excited for that opportunity. We are really enjoying what is happening in this community. It is Small Business Week so she wants all of them to go out and support a small business.

Councilwoman Hiller stated that yesterday’s luncheon really was fabulous. One of her favorite times of the year. But Ms. Washington had Dean Sollars from Washburn make an announcement that she would like to be shared.

Ms. Washington stated yes there is a new department, an entrepreneurial department, that is going to be launched at Washburn University and we are so excited and we will be working with them anyway they can. It tells you the synergy that is going on in this community around small business and she thinks that finally we are embracing what really drives our community. She is really excited about that, they will be working with Washburn; Rick Lejourn is going to be the leader of that initiative and he is all capable and you will see him going and coming and us doing things together. That just speaks to where we are. We are small business centric at the moment.

Commissioner Cook stated that he would add that it was a sold out luncheon.

Scott Smathers, Vice-President of Economic Development for GO Topeka is going to give them a couple of things, people have already started asking questions that goes along so that makes his job easier. He wants to fill them in on Athene to start out. We had another meeting with them today. The job fair is looking to be July 17th from 9am to 3pm and they will be marketing that and letting companies know about that so hopefully we will be able to get a lot of companies involved to help those people. They

have had people already go to some other companies so that is good news but we definitely need to take care of the rest that are still there. As you can see by the presentations and what you have heard, you can tell we have been very focused on the strategic plan that was established. We are going to continue to operate going down that road. As they all helped them define back in December the emphasis of what we are really focusing on, we will continue to do so. It doesn't mean there won't be exceptions, and we have had people from the community that have thrown out ideas or given them so thoughts that they need to work on and we will be factoring those in, but at the same time the strategic plan is really where we are going and we intend to keep following that roadmap until the JEDO says they would like to change the plan.

Commissioner Cook requested regardless of whether we have voting members or nonvoting members, members of the council or maybe just the public at large, if there is a person who has an idea for how to grow economic development in Shawnee County, is the door open to GO Topeka?

Mr. Smathers responded of course. We are always open to listening what ideas they have. It is like everything else. There are always resource limitations associated that might come into play but that doesn't mean that we don't want to hear about it. And just because we aren't able to get on it immediately doesn't mean it isn't going on our list that we need to definitely consider and move forward as we continue to proceed.

Commissioner Cook asked if it would also be a fair statement to say a lot of these new programs we have heard about tonight, things we have seen over the beginning of the year are reflective of the decisions that we made on the budget last year.

Mr. Smathers replied absolutely. And a lot of it was based off your input of what the JEDO Board gave them in regards to how they want GO Topeka to move forward and what they want them to focus on.

Mayor Wolgast stated that at one of the City's town hall meetings, after the public meeting ended a person came up and there was a group talking and they were asking about what our current average wage, when we try to get companies here, what is that. And he knows it is listed on Page 4 but he would like Mr. Smathers to just talk about that a little bit. Are we at the level of most communities in our area? What do we expect, what is our average wage and when we are looking at companies what do we hope that they would be paying.

Mr. Smathers responded that it does vary somewhat by the type of business that is coming in so that does have an impact on what we look for. As a community for the State of Kansas we are higher than many of the areas as far as our average wage goes. We normally will look though from an incentive point of view, we normally would prefer the companies look at around at least \$15 or more per hour, so a little more than \$30,000 per year. We also definitely look at benefits associated with it when we are looking at companies. It doesn't mean that is a rock hard rule by any means but we kind of ramp it up from there. Have we ever given incentives to companies that pay less than \$15 per hour, sure. Would we consider it, possibly, it depends on a lot of factors that come into play and once again the type of industry, how many people we are talking about and a lot of other factors, whether it is a target industry that we are focusing on. But normally he would say we are looking at a minimum of \$15 per hour and then we ramp up our incentives as that increases.

Mayor Wolgast replied so with the benefits then that is something like \$35,000-\$40,000 per year.

Mr. Smathers responded yes our average wage is probably closer to \$19 or \$20 per hour as far as what the market is doing. He was talking about what is kind of their lower threshold that they look for as far as incentives. But our average wage is probably closer to \$19-\$20 per hour. When you look at benefits that can easily add another 30%-40% on top of a job for benefits associated with it.

Mayor Wolgast questioned if that is comparable to other communities in Kansas, the Midwest when they are in the same business that you are in.

Mr. Smathers replied he would say it really probably varies by communities to be honest with you. A lot of communities, so much of it depends on what their existing market is. For our market where our average wage is about \$19-\$20 that's where we would be at. If our average wage was more around \$12-\$13 it would be lower. If our average wage was \$25-\$30 it would be higher. It really depends if you go by market where they can be. But for our market it is a pretty good fit, he believes.

Councilman Schmidt stated that he expressed this last year in some of the meetings. He is very interested in the procurement side of things. From how he understands the program we looking at expanding the ability of people who produce here locally to get their products out to State governments to other industries that work here and we are promoting that. Is there also an element of promoting to the larger industries that are here to source locally their products? Sort of like a directory?

Mr. Smathers responded yes they have talked about it. And Ms. Feldmann and Ms. Washington are working together on some of that as well and that will be part of the Fall meeting as well.

ITEM NO. 6: ACTION ITEM: GO Topeka 2013 Financial Statements and Auditor's Report – Morgan Padgett, CPA, Mayer Hoffman McCann, P.C.

Morgan Padgett, CPA with Mayer Hoffman McCann stated they were engaged to perform an audit of the 2013 financial statements for GO Topeka. She wants to take them through the highlights of two things. One is the audit report and the financial statements and two is the letter as auditors that is required to the Board. She will start with the financial statements. And the first thing she is wanting to point out in that is page 1 of our actual audit report which is our auditor's opinion. And it lines out what the responsibilities of management are for the financial statements, what the auditor's responsibilities are and then gives our opinion. It is a clean, unmodified opinion so there are no material misstatements. And as a reminder as we go through, these financial statements are on an accrual basis and they include all activities of GO Topeka. Where you see in the quarterly statements just the public funds, this includes all of the funds. So we did audit all of that and again clean opinion, no misstatements so that is positive. She just wants to point out highlights and will answer any questions if they have them.

As we go through looking at the Statements of Financial Position the Assets, Liabilities and Net Assets, some things she wants to point out there are some pledges receivables, both in the current assets and the long term assets. If you remember back on 2012, GO Topeka did do a campaign to raise some private dollars and under accounting standards when those pledges are received for multiple years, that is all booked into the year it was received as revenue. What is here is the receivables from those so \$653,010 we expect to collect in 2014 and then the long term piece in Other Assets another \$1.9 million is what we expect to collect in 2015 and after. Those have all been discounted for amounts that may be uncollectible; there is also a present value discount calculation in that as well but those are what the current carrying value of those. Back up in Current Assets, the Restricted Funds are \$5.7 million that is two things. One is the escrow account that was established as part of the MARS incentive. They were required to fund some amounts in advance and those are the amounts that are held in there. And then new in 2013 is an escrow for the air service grant funds they got in 2013 and they will be using in future years to

meet minimum revenue guarantees. So those funds are held in escrow and we will look at a footnote later that will have the breakdown between those two accounts that make up the total of \$5.7 million. So total assets at the end of 2013 are \$23,600,570.

Looking down at the Liabilities section, the first one there is the Deferred JEDO grant revenue. Those are funds that have not been spent yet. JEDO has given approval to carry over those funds into future years so they are recorded as deferred revenue at this point. There is also Deferred air service grant revenue, as I mentioned they did receive some funds under that air service grant that have not been spent yet and they were recorded as deferred revenue and they will be recorded when the funds are actually spent. The Improvement and Training Incentives liability is \$4.2 million, those are amounts that have been earned for MARS that have not been paid yet. MARS has earned some things for construction and training that have not been paid from the escrow account but they will probably mostly all of them in 2014, so we have that entire amount booked as a current liability. Net Assets is the difference between the assets and the liabilities so net assets at the end of 2013 are \$11,478,913. Most of that is unrestricted, that is \$8.8 million. Of the unrestricted piece there is an amount that the Board has designated for future incentives, that is \$7.9 million. So that is the land that we hold for development and also some amounts that are in the escrow account from MARS that hasn't quite earned yet but most of that is land that they hold for future incentives. And then the Temporarily Restricted net assets is related to the pledges. There is an implied time restriction in those funds because they will be collected in future years so they are showing there as temporarily restricted.

On the next page for the Statement of Activities, it shows revenue and expenses. If you look at the total column for 2013 there was \$4.2 million in JEDO grant revenue recorded. Those were revenues recorded when funds were actually expended so we expended \$4.2 million under that grant. There are also some private contribution dollars, there were some additional pledges received at the beginning of 2013 as revenues booked in that year. The net assets released from restriction has no impact on the bottom line. It just moves amounts between temporarily unrestricted but that is pledges that have been received, so once the funds are collected the restrictions are released and that just gets moved to the unrestricted bucket. So for the year, total support and revenue was \$4.5 million. When we look at expenses there was \$4.8 million in economic development. That is going to fluctuate from year to year based on what we've got and what we have in incentives. Almost \$2 million of that for 2013 is related to the utility extensions that were paid for and expensed in 2013. The rest of that is incentives that have been earned or land costs or those sorts of things. We have got General and Administrative expenses of \$237,699 and a small amount of fundraising expenses as well. This gets you to total expenses of just over \$5 million and a net change in net assets of -\$557,180.

On the next page, she mentioned before that these statements are on the accrual basis but what page 4, the Statement of Cash Flows shows you is more on a cash basis; where cash went to and where cash came from. We have net cash provided by Operating Activities for 2013 of \$141,299, so day to day operations generated this amount in cash. We also then had some cash inflows from Investing Activities of \$1.6 million. Which results in a net increase in cash for the year at \$1.7 million. In the investing section a couple of things, the proceeds from sale of investments is just funds that we moved from the Money Market account into the Checking account for \$1.3 million and then there is the proceeds of the land that was sold to Questar for \$264,681. The bottom half of this page is just a reconciliation from the change of net assets to operating cash, just a different way to show that section.

We start with the Footnotes on page 5 of the audit report. The first several pages are the accounting policies. There are no changes to the accounting policies, no new ones to touch on but note those have not really changed from the last couple of years. If you flip to Footnote #5 Pledges Receivable, I mentioned the pledges earlier and that gives you a little more information as to when those pledges will be collected in 2014 and beyond and also what the uncollectible amounts would be and the present value discount. Footnote #6 Land Held for Economic Development touches on the fact that they do obviously own a piece of land at Kanza Fire and Central Corssing. They have the option to purchase additional land there and it does go in to explain the land that was sold to Questar which was 24 acres for \$264,681. Footnote #7 Restricted Funds is what she mentioned before, this gives you the detail as to what's in those two restricted escrow accounts. The incentives one which is for MARS and the air service one. So you can see the air service started in 2013. The air service one was funded by \$1 million from the Kansas Department of Commerce and then the Metropolitan Airport Authority also kicked in \$250,000. So that is what went into that fund. There were some payments, some expenditures made in 2013 for some advertising but most of it will be spent going forward.

Commissioner Cook asked, if he could for clarification ask, although it is administered through GO Topeka it is not actually funds from the sales tax.

Ms. Padgett responded that is correct. Transit Authority also has a federal grant that they are going to be using because we are matching those funds as well. But these funds are either all from the State or money that the Airport Authority kicked in. No sales tax dollars.

If you go on to the next page, Footnote #9 Related Party Transactions, this does explain the reimbursements that GO Topeka makes to the Chamber of Commerce. These are all for salary and benefits costs for GO Topeka employees. GO Topeka itself has no employees. All employees are paid by the Chamber under a common pay master agreement. So this is the reimbursement from GO Topeka to the Chamber for the salary and benefit costs for GO Topeka employees. The total for the year was \$815,000. We have broken out for you that JEDO Grant Funds paid \$456,000 of that and the remaining \$359,000 was paid by private dollars that were raised from the campaign. And at the end of the year GO Topeka did owe the Chamber \$84,636 for those reimbursements that were paid after year end. And it does go on to speak to that the Chamber leases some space that GO Topeka uses, so GO Topeka pays the proportionate share of that space that they do use and the expense for that was \$77,625 for 2013. The JEDO Grant is explained at the bottom of page 10 and at the top of page 11 that there was a carryover that was approved and so that is deferred revenue and that of the amount that is in deferred revenue \$540,000 is deferred for the minority and women-owned business program. And it does go on to say too that the contract was extended for another three years beginning in 2015. Footnote #13 Incentives mentions that there was \$1.7 million in cash incentives paid during the year. That includes both incentives paid to companies and also required funds that were deposited into the MARS escrow account. And at the top of page 12 it outlines under current incentive contracts what they expect to pay out in 2014 and after. These have not been earned yet by the companies so have not been reported as an expense or liability but if they do meet those, those are the amounts that they would expect to be paid under those current incentive contracts. Footnote #14 Utility Extension just mentions the amount that was expensed for the utility extensions in 2013. She will take any questions on the financial statements.

Commissioner Cook stated as always there is always more information in the Footnotes than in the audit.

Ms. Padgett replied yes very true, it is very handy to have those. There is a reason they are required. The last thing she wants to go through with them is their required communication to the Board that they do have a copy of. It is a required communication to the governing body. When we do our audit we are working mostly with management. This is their report to the Board as to how the audit went. This is a very clean letter. There are no concerns but she does want to walk them through some of the highlights. Under significant findings from the audit it does mention, as she has said before, that Footnote #2 explains all the accounting policies, there are no new policies, no changes and that all transactions were recognized in the proper period. There are some estimates in the financial statements. Not everything is known 100%. One estimate we mention is the value of the pledges; the estimate of what we think is uncollectible, what the discount rate should be and as auditors we come in and just evaluate management's assumptions and just make sure they are reasonable. So we have done that. We had not difficulties dealing with management during the course of the audit. If you look at the top of the 2nd page, we did make a couple of small adjustments during the course of the audit but they were very immaterial and they have all been corrected. So that is reflected there. There are no disagreements with management. We have obtained from Mr. Kinsinger a representation letter which says what he gave them was correct, it was honest, it was truthful, they have given them everything that is needed to do the audits. That letter is dated May 1st. We are aware of any other consultations with other accountants and any conversations we may have with Mr. Kinsinger during the course of the year is just part of our normal working relationship and not contingent on us being chosen as the auditors. She wants to point out that there are not any internal control deficiencies to report.

Public Comment:

Jim Mullins, has been working with Americans for Prosperity (AFP) for a little over seven years. He is retiring at the end of the year. So the County Commission and the City Council is not going to see him for awhile and some of them are very glad to see that. At AFP they have done a number of audits themselves, performance reviews is what we call them. Performance reviews are different than an audit in a sense that performance review we try to find out what has the City or the County done with the money, have they used it properly and so on. Part of the problem we have with this, and he would like to ask the accountant if he could is if they are using governmental accounting standards.

Commissioner Cook indicated to Mr. Mullins that all questions should be directed to the Board.

Mr. Mullins asked if the accountants used GASB standards (Governmental Accounting Standards Board) or GAAS standards (Generally Accepted Auditing Standards). What the notes say is that they used auditing standards generally accepted in the United States. He would just like to know which one they used.

Commissioner Cook asked if the auditor could answer that question.

Ms. Padgett stated the audit was done just under regular GAAS rules.

Mr. Mullins indicated that the reason he brings it up is that they as City and County Commissioners are under different rules. And one of the reasons why GASB uses those standards is because you can see a lot better on how taxpayer dollars are being spent. Right here we are saying a lot of things are being spent but we don't have any clue as to what they are being spent for. For instance under Footnote #13 Incentives it states "less board designated employment incentive held in escrow". Who is that for? Is it for one individual, is it for multiple individuals. That is just an example that we don't really know. And this is taxpayer dollars they are spending. It really would be nice to know are they spending those kind of dollars. Under GASB you would better know who is getting that money and you would better know how they are meeting the criteria of being accountable and transparent with the people's money. And that is

really what AFP is about, we are about transparency and accountability. We have done performance reviews of Johnson County government, the City of Topeka, Sedgwick County, Lynn County. We find out a lot of things that they have done. We haven't hit those people over the head with it because we went to them and said look here are some things you are doing that you need to correct, under the radar, not to the media, but to them directly. And they made those changes. That's a good thing because they want to be accountable just like we want them to be accountable. So what he is suggesting to them is put GO Topeka next year when you have an audit, do it under GASB and make sure that they have the right accounting codes, a lot more codes to be able to determine whether those funds are being spent and who they are being spent on.

Carol Marple stated she is not a CPA, she is just a taxpayer who pays this tax. She has some questions and she wanted to ask how the auditing firm was selected.

Commissioner Cook replied that he believes they would be selected by the GO Topeka Board for that purpose of the audit.

Ms. Marple asked is it not the duty of JEDO to select the auditing firm. Did she not read that in the JEDO By-Laws.

Commissioner Cook replied we would need a moment to look that up and if we could answer that question at a later time.

Ms. Marple indicated because GO Topeka is who is being audited but they select the auditor is what was just said to her. Her other questions is the same firm that is auditing GO Topeka, are they also auditing the Chamber of Commerce?

Commissioner Cook stated that he does not know the answer.

Ms. Marple replied that it was the same last year and she thinks that is not a good thing because they work so closely together. Her other question is, she does read this, she doesn't always understand it, but there was a letter included in the packet dated May 7th from Mize Houser Auditing Firm and they said that

“Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.”

She doesn't understand that and she would be happy if someone could explain it to her.

Rich Eckert, Shawnee County Counselor stated that it is in the Interlocal Agreement and the contract with GO Topeka that,

“GO Topeka shall also, at the conclusion of the Agreement year, order a certified annual audit by a certified public accounting firm selected by the JEDO, completed in accordance with generally accepted accounting principles relating to the finances related to this Agreement and make the audit results available to JEDO.” (JEDO Contract C1-2013, 17d, Page 10)

So JEDO does control who does the audit each year.

Commissioner Cook replied that it does also indicate as to the manner in which the audit is done with the general accounting versus GASB.

Mr. Eckert replied yes that is included in the same sentence. So if they wanted to switch to GASB, we would have to amend this rule.

Joseph Ledbetter also has a concern about this letter that was part of the file and he noticed that nobody up here asked questions about it. He is going to put it into the record.

“Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting.”

We just heard on the last item which was an action item and the public should have been allowed to speak. Anytime you are receiving reports, like an audit, that is an action item and the public has a right to speak on any of those items. And he did ask for the right to speak.

Commissioner Cook stated he would let Mr. Ledbetter know that prior to the commencement of the meeting he did consult with legal counsel and the presentation of a report is a nonactionable item and the JEDO rules of operation do indicate that the public is allowed to speak only on actionable items and so that does fall under the rules of operation.

Mr. Ledbetter responded that since he is a lawyer he is going to dispute that. It says presentation and then it says overview of 1st Quarter Report, 1st Quarter Financials. 1st Quarter Financials is a report, it is not a presentation.

Mr. Eckert indicated that we are at the four minute mark, so we would need a motion to extend or that would be the end of it.

Mr. Ledbetter responded that he did not get four minutes.

Mr. Eckert responded yes he did. He hit four minutes and then the beeper went.

Mr. Ledbetter replied that he has only been up here about one minute.

Commissioner Cook asked if there was a motion to extend and for how much time.

Mr. Ledbetter stated that he would like his time, four minutes.

Councilman Schmidt moved to give Mr. Ledbetter an additional four minutes to speak. Deputy Mayor Everhart seconded. Following roll call vote, motion carried unanimously.

Mr. Ledbetter stated that if he is discussing with the Chair the time stops. That's the rules we have always operated under. It is very important that JEDO pick the auditor and that's apparent. He has a number of questions about the audit and he is going to start asking them on the record. First off he wants to know if this firm does the 990's for GO Topeka and the Chamber of Commerce. Could he get an answer from their auditor please? That is a question about public money.

Commissioner Cook stated that this is for public comment not public question.

Mr. Ledbetter replied it is a public question about public money. So he is being overruled? He can't ask that question of the auditor through you?

Commissioner Cook again stated this is time for public comment.

Mr. Ledbetter stated so the Chair is ruling that question is out of order?

Commissioner Cook again stated this is for public comment.

Mr. Ledbetter replied so you just made a ruling that that question is out of order. He wants to ask who did the 990's because under the 990's it talks about a management fee, not money paid back to the Chamber of Commerce for employees. The management fee that is of record, the 990 that is of record talks about an \$811,000 management fee paid to the Chamber of Commerce by GO Topeka in 2012. He wants clarification about that management fee. That is not reimbursement. He wants to know if this audit included property taxes that are paid by GO Topeka with our public money. He wants to know if they use appraisals that are public on the valuation of the land that they are holding. He is asking a question. Is he being overruled that that is out of line? He wants to know how much space GO Topeka rents under this audit. It says how much they are paying for it. He wants to know the square footage and he wants to know how many employees are in that square footage. Will the Chair ask that question of the auditor?

Commissioner Cook responded that this is a time for public comment on the audit.

Mr. Ledbetter replied ok that question is also out of order. He is asking the audit firm if they are familiar with Publication 55 with the IRS about excess benefits paid to Board members, sorry to officers of nonprofits including the type that GO Topeka is. Would the Chair ask that question, if they are familiar with that document? Ok, nonresponsive. He wants to know if, they say that GO Topeka has an open door policy, does JEDO have an open door policy to receive questions and get answers? He is asking the Chair. Does JEDO have an open door policy to the public to take questions and get answers?

Commissioner Cook stated that again this is a time for public comment but as an aside he doesn't know if there is a phone call that he hasn't taken from Mr. Ledbetter. And he would assume it would be the same with the rest of the members as well.

Mr. Ledbetter asked if he will get the answers for us with our public money, sir.

Commissioner Cook replied there is not a question he hasn't answered for Mr. Ledbetter.

Mr. Ledbetter stated that he is going to get a whole bunch of questions and he hopes he gets answers that are direct, more direct than he is getting tonight at this meeting because this is a public meeting and he is not getting answers to good questions that should be asked by the JEDO members themselves. That's it.

Commissioner Cook asked if there is a motion regarding the audit or are there additional questions regarding the audit.

Councilwoman Hiller asked if it would appropriate to make a motion to accept the audit.

Commissioner Cook indicated that this would be the time now to make a motion to accept the audit.

Councilwoman Hiller moved to accept the GO Topeka 2013 Financial Statements and Auditor's Report. Commissioner Archer seconded. Following roll call vote, motion carried unanimously.

ITEM NO. 7: Public Comment

Carol Marple said she was say again, she is just a taxpayer who pays this money. As she started to say before, after it was voted on to award Yantra some incentive money up to \$100,000 she thought she would take the time, and she assumed that they had, to do some research on Yantra. She spent approximately two hours. She is not that computer literate so it probably took longer than it would take most people. She was left with a lot more questions than she had answers for. Most of her information came from the Secretary of State, Kris Kobach's office. And she also wants to make the comment on public comments she wants to read it to you, this is in the minutes. Mr. Ledbetter asked of Mr. Kinsinger, he wanted to know if Yantra was a member, well actually Commissioner Cook asked Mr. Kinsinger if this company was present doing business with GO Topeka. Mr Kinsinger replied no. She would like to hand something out. Because the answer is yes. It was on the website of the Chamber of Commerce. Commissioner Cook asked Mr. Kinsinger that before this proposal was brought to the JEDO Board, the question from Mr. Ledbetter is whether or not the GO Topeka Board approved it. Mr. Kinsinger said yes. As she said is anybody doing their homework? She also wants to make the comment since it was not addressed here and she has asked questions before, she will report to them that the work on 77th Street has started again. She would like to know when the Kanza Fire Park will be shovel ready. She would also like to say again that she thinks JEDO, Shawnee County, the City of Topeka sets a very poor example when they own land and do not take care of it. You try to enforce laws that people must take care of their property. She thinks that should go for them as well. She also looked that on the cash statement they spent \$378.72 that was publication for the expense of the RFP. We had an RFP out there that was worth over \$15 million dollars and we spent \$378 to publicize it? She does not think we allowed enough time. She would have to question again how well it was publicized. That is really all she has to say.

Joseph Ledbetter stated that we know from looking at the minutes that were presented tonight of the last meeting that the RFP was never received or voted on. That is problematic. We know from the minutes, according to the County Counselor, that it was publicized on various websites including to an organization, he checked, was across the Stateline, so he is not going to comment on the cost, but he is going to comment that it was public and because it was a public RFP, when that RFP was accepted, the terms of that RFP were accepted. Like it or not. GO Topeka is going to have to be transparent with this money, like it or not. We were told tonight that there is an open door policy at GO Topeka but we don't know when their meetings are. We were told there was a GO Topeka public policy of being open yet we don't read their minutes, we can't get their minutes, we don't know what they do with \$5 million of public money every year. Veterans are suffering all over this community, there are 16,000 of them in this county, GO Topeka doesn't have an answer for how to deal with veterans and their economic woes. He has brought this up to GO Topeka people before. We have a growing poverty rate, up 50% in one decade in this city. Where's the answer from GO Topeka? There isn't one. We are not even allowed to go to their meetings. And when we come to these meetings we are not allowed to comment. We ask where the money is, it's on the quarterly financials which is an action item that they are receiving. They need to do a better job at structuring these agendas. There are more action items imbedding in some of these items you are calling presentations. We get to talk about those at City Council meetings. He has done it many times. He has asked for many expenditures from them and he has gotten answers and he should get the same courtesy as a citizen at these meetings and get direct answers as to where that money is going. We have shown tonight that again this money is not transparent. Do not vote for a sales tax extension unless you like money that is not transparent, that is public money being spent willy-nilly, we don't know where, we can't get a record, we can't get minutes, we have no clue where it went and we have audit reports we can't get answers on. This is not transparent. This money has been proven, by this meeting to not be transparent. Again and again it is not transparent. The public does not get its questions answered.

Mayor Wolgast stated he would like to say to the JEDO Board members that he has confidence in this JEDO Board. He thinks it does an appropriate job of handling the affairs. There are always things that perhaps can be done differently but he feels confidence in the JEDO Chair and the voting members. He has a confidence in GO Topeka and in the economic development and the activities and we can always look at things differently but he thinks there are many things that are done very well and he wants to acknowledge that fact.

NO FURTHER BUSINESS appearing the meeting was adjourned at 7:34 p.m.