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**JEDO Board Meeting**  
**September 10, 2014**  
**6:00 P.M.**

*City Council Chambers*  
*214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor*  
*Topeka, Kansas*

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**JEDO Board Members**

Shawnee County Commissioners

Shelly Buhler District No. 1  
Kevin Cook District No. 2  
Bob Archer District No. 3

City of Topeka Governing Body

Larry Wolgast	Mayor
Karen Hiller	District No. 1
TJ Brown	District No. 2
Sylvia Ortiz	District No. 3
Denise Everhart	District No. 4
Michelle De La Isla	District No. 5
Chad Manspeaker	District No. 6
Elaine Schwartz	District No. 7
Nathan Schmidt	District No. 8
Richard Harmon	District No. 9

**JEDO Board Voting Members**

Shawnee County Commissioners

Commissioner Shelly Buhler  
Commissioner Kevin Cook  
Commissioner Bob Archer

City of Topeka Governing Body

Mayor Larry Wolgast  
Deputy Mayor Denise Everhart  
Councilmember Karen Hiller  
Councilmember Nathan Schmidt

Public Comment. Comment from members of the public shall be entertained on each actionable agenda item and at the end of each meeting. Comment shall be limited to topics directly relevant to JEDO business. Members of the public wishing to speak must notify the County Counselor's Office (call 785-251-4042 or email [megan.barrett@snco.us](mailto:megan.barrett@snco.us)) before 5 p.m. on the date of the meeting. This requirement shall not apply to items added during the meeting.

Time limits. Members of the public shall be limited to four minutes unless the Board, by majority vote, extends the limitation. Debate, question/answer dialogue or discussion with Board members will not count towards the four minute time limitation.

To make arrangements for special accommodations please call 785-368-3940. A 48-hour advance notice is preferred.



**JEDO Board of Directors Meeting  
Agenda for Wednesday, September 10, 2014  
6:00 p.m.**

**Topeka City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas**

1. Call to Order
2. Roll Call
3. **Action Item:** Approval of May 14, 2014 JEDO Board meeting minutes. (Pgs. 3-23)
4. Presentation: JEDO 2<sup>nd</sup> Quarter Cash Statement, Betty Greiner, Director, Shawnee County Audit Finance. (Pg. 24-25)
5. **Action Item:** JEDO 2013 Financial Statements and Auditor's Report, Betty Greiner, Director, Shawnee County Audit Finance. (Pgs. 26-44)
6. Presentation: Overview of 2nd Quarter Report, 2nd Quarter Financials and 3rd Quarter initiatives: GO Topeka staff. (Pgs. 45-73)
7. **Action Item:** Co-Worker/Maker Space Proposal: GO Topeka staff. (Pgs. 74-77)
8. Public Comment.
9. Adjournment.

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# **AGENDA**

## **ITEM #3**

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

City of Topeka Council Chambers, 214 SE 7<sup>th</sup> 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 Marples; 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 has 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 meeting 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 what was 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 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 1<sup>st</sup> 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 1<sup>ST</sup> Quarter of 2014. As in the packet and on the screen you can see that the receipts for the 1<sup>st</sup> 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 45<sup>th</sup> 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 3<sup>rd</sup> page are City projects. You can see the total on the bottom of the 3<sup>rd</sup> 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 1<sup>st</sup> Quarter Report, 1<sup>st</sup> Quarter Financials and 2<sup>nd</sup> 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 2<sup>nd</sup> 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 1<sup>st</sup> 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 2<sup>nd</sup> Quarter. And the staff tells him that there is a lot of activity in the 2<sup>nd</sup> 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 1<sup>st</sup> Quarter of \$50,000 to Washburn Tech and that did not occur until April so you will see that coming through in the 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 2<sup>nd</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 2<sup>nd</sup> 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 2<sup>nd</sup> 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 22<sup>nd</sup> 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 1/10<sup>th</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> 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 1<sup>st</sup> Quarter.

Upcoming in the 2<sup>nd</sup> 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 2<sup>nd</sup> 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 2<sup>nd</sup> 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 17<sup>th</sup> 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 polices, 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 2<sup>nd</sup> 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 1<sup>st</sup>. 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 standard 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 is 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 to.

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 7<sup>th</sup> 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 1<sup>st</sup> Quarter Report, 1<sup>st</sup> Quarter Financials. 1<sup>st</sup> 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 about 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 77<sup>th</sup> 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.

DRAFT

# **AGENDA**

## **ITEM #4**



**Joint Economic Development Organization  
Cash Statement  
As of June 30, 2014**

**Sales Tax Receipts:**

City of Topeka	\$	3,555,113.69
Shawnee County		3,618,435.30
Interest Income		233.35
<b>Total Receipts</b>		<u><b>7,173,782.34</b></u>

**Disbursements:**

City of Topeka		
Topeka Blvd Bridge Debt Service	\$ 3,240,650.00	
		<u>3,240,650.00</u>
Shawnee County		
County Bridges	1,500,000.00	
SE 45th St - Adams to California	3,481,686.87	
NW 46th St & N Topeka Blvd	<u>1,410,439.86</u>	
		6,392,126.73
GO Topeka		2,499,999.96
Publication Expense for RFP		378.72
Bank Charges		73.25
<b>Total Disbursements</b>		<u><b>12,133,228.66</b></u>
 Net Receipts (Disbursements)		 <u>(4,959,446.32)</u>
 Bank Balance - January 1, 2014		 <u>6,897,910.67</u>
 <b>Bank Balance - June 30, 2014</b>	 <b>\$</b>	 <u><b>1,938,464.35</b></u>

Note: This is a cash basis report  
Prepared by Betty Greiner

# **AGENDA**

## **ITEM #5**

# JOINT ECONOMIC DEVELOPMENT ORGANIZATION

Required Communications and Compliance Report  
For the Year Ended December 31, 2013

**Joint Economic Development Organization**  
**Required Communications and Compliance Report**  
**For the Year Ended December 31, 2013**

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COCHRAN HEAD VICK & CO., P.A.

& Co

Certified Public Accountants

1333 Meadowlark Lane
Kansas City, KS 66102
(913) 287-4433
(913) 287-0010 FAX

July 10, 2014

To the Board of Directors
Joint Economic Development Organization

We have audited the financial statements of governmental activities and major fund of the Joint Economic Development Organization (JEDO) for the year ended December 31, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 10, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practice

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by JEDO are described in Note 1 to the financial statements.

As described in Note 1 to the basic financial statements, the financial reporting of the activities between JEDO, Shawnee County, and the City of Topeka has been reviewed and a change in the reporting and presentation alternatives was determined to be appropriate. Other than the change in financial reporting, there were no new accounting policies adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by JEDO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Other Offices

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Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting JEDO's financial statements.

The financial statement disclosures are neutral, consistent and clear.

400 Jules Street
Suite 415
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Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

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*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No such misstatements were noted during the course of our audit.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated July 10, 2014.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.

Discussions regarding the financial reporting of the activities between JEDO, Shawnee County (County), and the City of Topeka (City) were held with representatives from JEDO, the County, the City, and the audit firms of the County and City. All parties were in agreement with the change in financial reporting of JEDO.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as JEDO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Restriction on Use*

This information is intended solely for the use of the Board of Directors and management of JEDO and is not intended to be, and should not be, used by anyone other than these specified parties.

*Cosham Hood Vick & Co., P.A.*



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
Joint Economic Development Organization  
Topeka, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Joint Economic Development Organization (JEDO), as of and for the year ended December 31, 2013 and the related notes to the financial statements, which collectively comprise JEDO's basic financial statements, and have issued our report thereon dated July 10, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered JEDO's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the JEDO's internal control. Accordingly, we do not express an opinion on the effectiveness of the JEDO's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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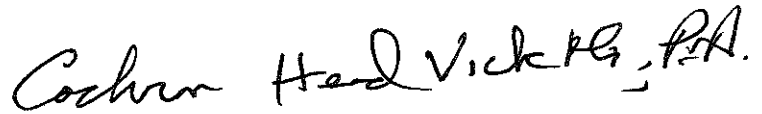
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether JEDO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kansas City, Kansas  
July 10, 2014

Handwritten signature in black ink that reads "Cochran Hard Vick, P.A." with a horizontal line under the "A" in "P.A."



# Joint Economic Development Organization

Basic Financial Statements  
Together with  
Independent Auditor's Report

December 31, 2013

# JOINT ECONOMIC DEVELOPMENT CORPORATION

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COCHRAN HEAD VICK & CO., P.A.

Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Joint Economic Development Organization  
Topeka, Kansas

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and major fund of the Joint Economic Development Organization (JEDO) as of and for the year ended December 31, 2013, and the related notes to the basic financial statements, which collectively comprise JEDO's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of JEDO, as of December 31, 2013, and to the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1A the net position/fund balance as of December 31, 2012 has been restated to reflect a change in presentation of the Joint Economic Development Organization's activities. Our opinion is not modified with respect to this matter.

**Other Matters**

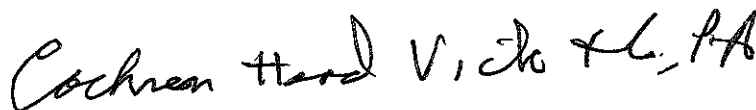
*Required Supplementary Information*

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 10, 2014 on our consideration of JEDO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JEDO's internal control over financial reporting and compliance.

Kansas City, Kansas  
July 10, 2014



**Joint Economic Development Organization  
Statement of Net Position  
December 31, 2013**

	Governmental Activities
<b>Assets</b>	
Cash	\$ 6,897,911
Receivables:	
City of Topeka	1,523,174
Shawnee County	1,290,085
Total assets	\$ 9,711,170
 <b>Liabilities and net position</b>	
<b>Liabilities:</b>	
Accounts payable	\$ -
Total liabilities	-
 <b>Net position</b>	
Restricted	9,711,170
Total net position	9,711,170
 Total liabilities and net position	 \$ 9,711,170

See Accompanying Notes to the Basic Financial Statements

**Joint Economic Development Organization  
Statement of Activities  
For the Year Ended December 31, 2013**

<b>Function/Programs</b>	<u><b>Expenses</b></u>	<u><b>Program Revenues, Grants and Contributions</b></u>	<u><b>Net (Expense) Revenue and Changes in Net Position</b></u>
Governmental Activities:			
Economic development	\$ 16,987,361	\$ -	\$ (16,987,361)
Total governmental activities	<u>\$ 16,987,361</u>	<u>\$ -</u>	<u>(16,987,361)</u>
General revenues:			
Sales tax contributed:			
City of Topeka			8,321,528
Shawnee County			7,063,882
Refunds			85,459
Interest income			<u>675</u>
Total general revenues			<u>15,471,544</u>
Change in net position			(1,515,817)
Net Position - beginning of year			<u>11,226,987</u>
Net Position - end of year			<u>\$ 9,711,170</u>

See Accompanying Notes to the Basic Financial Statements

**Joint Economic Development Organization  
Balance Sheet-General Fund  
December 31, 2013**

<b>Assets</b>	
Cash	\$ 6,897,911
Receivables:	
City of Topeka	1,523,174
Shawnee County	1,290,085
Total assets	<u>\$ 9,711,170</u>
<b>Liabilities and fund balance</b>	
<b>Liabilities:</b>	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
<b>Fund balance</b>	
Restricted	<u>9,711,170</u>
	<u>9,711,170</u>
Total liabilities and fund balance	<u>\$ 9,711,170</u>

**Joint Economic Development Organization**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-**  
**General Fund**  
**For the Year Ended December 31, 2013**

**Revenues:**

Sales tax contributed:	
City of Topeka	\$ 8,321,528
Shawnee County	7,063,882
Refunds	85,459
Interest income	675
Total revenues	<u>15,471,544</u>

**Expenditures:**

Current:	
Economic development:	
Go Topeka	5,000,000
County bridges	1,500,000
Topeka Boulevard Bridge	3,241,300
Project reimbursements:	
City of Topeka	2,923,147
Shawnee County	4,318,655
Professional services and other	4,259
Total expenditures	<u>16,987,361</u>

Net change in fund balance	<u>(1,515,817)</u>
Fund balance - beginning of year	<u>11,226,987</u>
Fund balance - end of year	<u>\$ 9,711,170</u>



**Joint Economic Development Organization  
Notes To The Basic Financial Statements  
December 31, 2013**

**1. Reporting Entity and Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Joint Economic Development Organization (JEDO) is a separate legal entity created by an interlocal agreement (the agreement) between the City of Topeka, Kansas (the City) and Shawnee County, Kansas (the County). JEDO is governed by a seven-member board containing the three County Commissioners, the City Mayor, Deputy Mayor and two City Council Members

On August 3, 2004, County voters passed a one-half percent sales tax to finance economic development and countywide infrastructure development. The State of Kansas collects the sales tax and remits the respective taxes to the City and County who in turn remit the sales tax to JEDO.

Under the agreement, JEDO shall dedicate \$5,000,000 annually to the economic development program; \$1,500,000 annually to County bridges; annually fund the debt service requirements of the Topeka Boulevard Bridge; and fund completion of the various infrastructure projects as specified in the August 3, 2004 ballot. The City or County administer the infrastructure projects and as costs are incurred, will request reimbursement from JEDO. During 2011 the agreement was clarified by the Board of Directors to allow the City and County to be reimbursed for administrative fees and utility relocation costs associated with the countywide infrastructure improvements being funded by the sales tax.

Under the agreement, upon the later of the expiration or termination of the sales tax and the completion of and payment for the infrastructure projects listed in the ballot, JEDO shall inform the City and County of any funds remaining, if any, and unless otherwise agreed to by the City and County, these excess funds, less any economic development or county bridge commitments, shall be distributed to the City and County in the proportional rates as provided by Kansas law at the time of the excess funds determination.

JEDO is a stand-alone government. There are no component units related to JEDO that should be accounted for in JEDO's basic financial statements in accordance with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity."

**Change in presentation**

As discussed above, the County and the City established JEDO and entered into an agreement related to the countywide sales taxes. The financial reporting of the activities between JEDO, County and City has been reviewed and a change in the reporting and presentation alternatives was determined to be appropriate. Previously, JEDO was reported as an agency fund, whereby a portion of JEDO assets were reported as due to the County and City. The County and City reported, as an asset, the corresponding amount that JEDO reported as due to the County and City. Under the revised reporting and presentation, JEDO will be reported as a special purpose governmental entity. JEDO now reports fund equity instead of reporting amounts due to the County or City. This reporting change did not affect the total assets of JEDO or any of the projects or other requirements of the agreement. The effect of the change in presentation is as follows:

	<u>Due to City/ County</u>	<u>Net Position, Fund Balance Beginning of Year</u>
Amount as previously reported	\$ 11,226,987	\$ -
Change in presentation	(11,226,987)	11,226,987
Amount after change in presentation	<u>\$ -</u>	<u>\$ 11,226,987</u>

**Joint Economic Development Organization  
Notes To The Basic Financial Statements  
December 31, 2013**

**B. Significant Accounting Policies**

The accounting policies of JEDO conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

**Government-wide and Fund Financial Statements**

**Government-wide Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the governmental activities of JEDO.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Due to the nature of the funding sources, there are no program revenues and grants and contributions. Sales taxes contributed and unrestricted investment earnings not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements**

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

JEDO has one fund for financial statement presentation purposes, the General Fund.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

**Government-wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. JEDO considers retail sales taxes available and susceptible to accrual if they are received within 60 days after year-end.

**Countywide Sales Taxes**

The one-half percent county-wide sales tax took effect January 1, 2005, and is set to expire on December 31, 2016.

**Joint Economic Development Organization**  
**Notes To The Basic Financial Statements**  
**December 31, 2013**

**Assets, Liabilities and Net Position or Fund Balance**

Cash and Equivalents – cash in demand accounts at financial institutions and short-term, highly liquid investments that are readily convertible in known amounts of cash. Interest bearing deposit accounts are reported at cost plus accrued interest.

Investments – JEDO reports its investments at fair value which is determined by quoted market prices. Investment income, including changes in the fair value of investments, is recognized as revenue in the financial statements. As of December 31, 2013, JEDO did not hold any investments.

Accounts Receivable – Retail sales tax collected by the City and County to be remitted to JEDO that have been received within 60 days after year-end.

**Net Position/Fund Balance Classifications**

Net Position – In the government-wide financial statements, equity is classified as restricted –net position that consists of assets restricted for the sole use of JEDO in accordance with the agreement.

Fund Balance – As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which JEDO is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2013, the fund balance of the general fund is restricted in accordance with the agreement.

**2. Deposits and Investments**

Applicable state statutes authorize the JEDO to invest in (1) money market accounts or certificates of deposit in commercial banks and trust companies, (2) time certificates of deposit with state or federally chartered savings and loan associations or federally chartered savings banks, (3) repurchase agreements with commercial banks, trust companies, state or federally chartered savings and loan associations or federally chartered savings banks, (4) United States Treasury Bills or Notes, (5) the municipal investment pool fund managed by the State of Kansas and (6) temporary notes. All banks and savings associations are required to pledge to the JEDO an aggregate market value investment in U.S. Treasury obligations, other U.S. agency obligations and Kansas municipality bonds to provide a minimum of 100% collateralization for all deposits. JEDO has no investment policy that would further limit its investment choices.

**Custodial Credit Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, JEDO will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, JEDO will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. JEDO's policy is to collateralize demand deposits with securities held by the financial institution's agent and in the JEDO's name. At December 31, 2013, JEDO's deposits were either insured by federal depository insurance or were collateralized with securities held by the pledging financial institutions' agents in JEDO's name.

**Joint Economic Development Organization  
Notes To The Basic Financial Statements  
December 31, 2013**

**3. Economic Development Program**

JEDO has entered into an annual agreement with the Growth Organization of Topeka/Shawnee County, Inc.,(GO Topeka), a non-profit Kansas Corporation to provide services in support of JEDO economic development program (the program) designed to expand employment, strengthen the tax base and diversify and strengthen the City and County economy. Under the agreement, JEDO will annually provide Go Topeka \$5,000,000 to carry out the program. Upon written notification, either party may terminated the agreement. Should the agreement be terminated, any cash or real property under the program shall revert back to JEDO.

On April 4, 2014, the agreement was amended to extend the terms through December 31, 2017.

**4. Subsequent Events**

JEDO has evaluated subsequent events through July 10, 2014 the financial statements were available to be issued. Other than disclosed in Note 3, no other subsequent events were identified that required adjustment or disclosure in the financial statements

# **AGENDA**

## **ITEM #6**



# **Economic Development**

## **2<sup>nd</sup> Quarter 2014**

### **Report to JEDO**





**GO Topeka**  
ECONOMIC PARTNERSHIP  
2<sup>nd</sup> Quarter- 2014

GO Topeka staff worked in the second quarter of 2014 to achieve the annual goals set and to ensure continued economic development success for Topeka and Shawnee County.

The New Business Attraction program during the second quarter met with 128 site location consultants and corporate real estate professionals in face to face meetings. Additionally, staff hosted one in-community site visit. During the second quarter, staff worked with 17 new prospects resulting in two formal proposals. The current portfolio of New Business Attraction projects, at the end of the second quarter includes 43 projects, capturing potential for 7,177 new direct jobs and \$418,160,000 in new capital investment. Leads and prospects are being developed on an ongoing daily basis.

The Existing Business and Retention program made 38 company visits during the 2<sup>nd</sup> Quarter of 2014, and is currently working on 15 active projects, which based on data received to date, represents \$82,210,000 in new capital investment, and 835 direct new and retained jobs. Work continues toward meeting with, and educating local businesses of resources available within the community.

Workforce Development initiatives continues to build strong relationships with area primary employers and training partners. In the 2<sup>nd</sup> Quarter the Food Manufacturers class (M-TECH) graduated 26 students. To date 19 students have been hired by area employers. Goodyear Tire & Rubber, Innovia Films and PTMW requested a similar class be created in order to serve their industries (M-TECH #2). Again, Washburn Tech was awarded the grant from the Workforce AID program through Kansas Department of Commerce. The money provided through the AID program will provide scholarships to students interested in attending the course. Similar to the M-TECH program, students completing the course will provide area manufacturers with a trained and ready workforce that can immediately begin working on the manufacturing floor with little training by the company.

Work continues in the development of a high school education program where manufacturers go into the classroom and present to students about careers in manufacturing. This group conducted 'test' presentations to 4 classes at Auburn Washburn High School. The feedback received will be incorporated into the presentation slides. Plans are underway to begin presenting to high school juniors in order to educate them about careers in manufacturing.

The Entrepreneurial and Minority Business Development Department is experiencing growth in the number of individuals inquiring about starting and/or expanding their small businesses. We provided one-on-one technical assistance to 38 new clients, resulting in 122 total clients' year to date. Funding inquiries increased as well. The pipeline currently holds steady with nine active prospects. Our second quarter participation in workshops, seminars and other events provided maximum exposure for the Department. Through community outreach, marketing, presentations and education events we were able to reach an additional 1,311 individuals.

The following report gives much more detail as to all of the accomplishments and results of GO Topeka staff for the second quarter 2014.

**New Business Attraction**  
**Team Leader: Molly Howey**

**GOAL 1:** Create substantial prospect activity through suspect lead generation and servicing new qualified projects that have a high level of interest in Topeka/Shawnee County.

**Goal 1.1:** Development of 55 new prospects (viable project generation, sites/buildings proposal submitted)

Progress 1<sup>st</sup> Quarter

- 4 new prospects

Progress 2<sup>nd</sup> Quarter

- 17 new prospects

**Goal 1.2:** 12 new qualified projects (formal incentive proposals submitted to company)

Progress 1<sup>st</sup> Quarter

- No formal incentive proposals

Progress 2<sup>nd</sup> Quarter

- Two formal incentive proposals

**Goal 1.3:** 235 personal contacts with Site Consultants and National Corporate Realtors over course of year (face to face meetings)

Progress 1<sup>st</sup> Quarter

- Face to face meetings with 14 site location consultants and national corporate realtors at Industry Week Roundtable, KC SmartPort and one-on-one meetings.

Progress 2<sup>nd</sup> Quarter

- Face to face meetings with 128 site location consultants and national corporate realtors at Industrial Asset Management Council, KC SmartPort, Expansion Management Roundtables and one-on-one meetings.

**GOAL 2:** Generate new community and individual wealth and prosperity through new capital investments and new/retained primary jobs that pay the average wage or higher for Shawnee County and provide health insurance for the employees.

**Goal 2.1:** Attract new capital investment (new and expanding primary employers)

Progress 1<sup>st</sup> Quarter

- As of March 31, 2014 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:  
29 Projects  
\$270,900,000 Potential capital investment



- As of March 31, 2014 Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:  
14 Projects  
\$85,010,000 Potential capital investment

Progress 2<sup>nd</sup> Quarter

- As of June 30, 2014 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:  
43 Projects  
\$418,160,000 Potential capital investment
- As of June 30, 2014 Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:  
15 Projects  
\$82,210,000 Potential capital investment

**Goal 2.2:** Attract new primary jobs (new and expanding primary employers)

Progress 1<sup>st</sup> Quarter

- Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:  
4,502 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:  
241 potential direct jobs

Progress 2<sup>nd</sup> Quarter

- Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:  
7,177 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:  
126 potential direct jobs

**Goal 2.3:** Increase the per capita income in Shawnee County over time by adding new jobs to the community that pay at least the Shawnee County average or their specific industry average wage.

Current average: \$41,912 (2013 Fourth quarter, most recent available  
Source: Kansas Department of Labor, Bureau of Labor Statistics)

Progress 1<sup>st</sup> Quarter

- Current GO Topeka Portfolio of New Business Attraction and Existing Business Expansion Prospects/Projects includes:

Average projected wage of \$41,772 based on data received from Prospects/Projects to date

Progress 2<sup>nd</sup> Quarter

- Current GO Topeka Portfolio of New Business Attraction and Existing Business Expansion Prospects/Projects includes:  
Average projected wage of \$42,088 based on data received from Prospects/Projects to date

**Additional Attraction Actions Implemented in 1<sup>st</sup> Quarter 2014**

- All marketing materials updated for 2014
- All ads placed in national publications and online sources for direct contact with target markets for 2014
- Sales and marketing plan calendar for 2014 developed
- Hosted three in-community site visits
- Continued development of Regional Partnership with Lawrence and Manhattan-. Strategic planning session held to further develop the marketing mission and outcomes for the region
- Continued revisions and updating of SwiftSite –Sites and Buildings database
- Attended Industry Week Roundtable in the Rockies and met with eight site consultants in on-on-one meetings
- Attended KC SmartPort board meeting

**Additional Attraction Actions Implemented in 2<sup>nd</sup> Quarter 2014**

- Began to build framework for website redesign
- Created RFP for new marketing materials
- Hosted one in-community site visit
- Attended Roundtable in the South and met with eight site consultants in one-one-one meetings
- Attended KC SmartPort board meeting
- Attended Industrial Asset Management Council conference
- Hosted meeting with Team Kansas for 19 consultants in the New York & New Jersey area
- Attended Business Facilities LiveXchange
- Attended Southern Economic Development Council conference

## Existing Business and Workforce Development

Team Leader: Jo Feldmann

**Goal 3:** Increase contact with existing businesses and top employers and provide support for primary employers to retain and/or add jobs. Provide education and training for workforce to support existing business, with an emphasis on primary employers that will enhance their operations and sustainability in Topeka/Shawnee County.

**Goal 3.1:** At Least 140 business visits including top 40 employers (mandatory to qualify). Visit inputs will be recorded on a consistent format and reported to the CEO and VP on a quarterly basis.

Progress 1<sup>st</sup> Quarter

- 57 business visits were conducted in the first quarter of 2014. Of those visits, 28 consisted of major employers.

Progress 2<sup>nd</sup> Quarter

- 38 businesses visits were conducted in the second quarter of 2014. Of those visits, 24 were major employers

**Goal 3.2:** Provided assistance to companies needing help. Assistance includes providing resources, referrals, problem solving, and expansion assistance.

Progress 1<sup>st</sup> Quarter

- Staff is currently working to assist 14 companies of which 5 were opened in the first quarter of 2014.

Progress 2<sup>nd</sup> Quarter

- Staff is currently working to assist 15 companies of which 3 new projects were opened in the second quarter of 2014

**Goal 3.3:** Continue WorkKeys testing of high school seniors and produce a report that measures skills attainment against the previous year's testing.

Progress 1<sup>st</sup> Quarter

- WorkKeys testing has been completed for 2013-2014 school year. Testing scores are being compiled and will be presented to each school district in late May at the post WorkKeys Counselor Meeting.

Progress 2<sup>nd</sup> Quarter

- Staff continues to market the WorkREADY! certificate to hiring managers. This certificate shows the level of skill a potential candidate possesses, therefore allowing the hiring manager to hire a better match for the position.
- During the HR Director's meeting several of Shawnee County's major employers reported they could not ask for the WorkREADY! certificate due to current

contracts with the government. However, they all agreed that the certificate would be helpful in selecting a more qualified candidate/employee.

### **Additional Existing Business and Workforce Development Activities Implemented in 1<sup>st</sup> Quarter 2014:**

Progress 1<sup>st</sup> Quarter:

#### **Existing Business:**

- Staff continues meeting with Athene in order to facilitate both the Rapid Response Team meetings, as well as connect existing businesses to the planned job fair in order to hire exiting employees. The company is still determining its exit strategy for the Topeka site.
- The KEDA Legislative Day was held in Topeka during the first quarter. Staff was able to hear possible changes to the incentive programs offered by the State.

#### **Workforce Development:**

- Staff attended a two day Workforce Summit in January. This workshop is focused on workforce issues in Kansas/nation. During the summit staff is able to network with other communities providing assistance in workforce development.
- The Society of Manufacturing Engineers chapter was closed in January. The group was not able to build membership to the levels needed in order to support the manufacturing community. The existing board will continue to meet and determine if they can develop an educational program in the classroom to educated students about careers in manufacturing.
- The food manufacturers group worked hard in the first quarter to finalize the components of the training course. The RFP was released with Washburn Tech winning the contract. The course allows students the opportunity to hear from the companies in the class, and then allows the student to shadow in the company before interviewing for open positions.
- Staff continues to attend monthly Society of Human Resource Managers (SHRM) meetings. During these meetings staff is able to learn more about issues HR Directors face when hiring new employees. This group also allows staff to educate individuals about possible programs/resources to assist them in their hiring efforts.
- Washburn Tech and GO Topeka began discussions regarding a scholarship fund for students interested in pursuing high demand career training. Work will continue in the second quarter to finalize details of the scholarship.

## **Additional Existing Business and Workforce Development Activities Implemented in 2<sup>nd</sup> Quarter 2014:**

Progress 2<sup>nd</sup> Quarter:

### **Existing Business:**

- After notification of the extension of the main water line in Central Crossing Commerce Park, staff scheduled meetings with all businesses in the park in order to notify them of the work. Staff also worked toward gaining approvals from Home Depot in order to provide easements, and stage equipment and supplies on their site.
- During visits regarding the water line extension, staff also alerted each business of the upcoming bridge closure on 49<sup>th</sup> Street.
- Staff visited Reser's Fine Foods corporate headquarters in Beaverton, Oregon. We were able to learn how the community can best support the company as it continues to grow in the region.
- Bimbo Bakeries plant manager recently accepted a new position in Kansas City. Staff has met with the new plant manager, Dennis Sample. Work will continue toward supporting the company with their operations.

### **Workforce Development:**

- Staff held the 2014 HR Directors meeting in the second quarter with ten companies attending. Topic covered included: WorkREADY! certificate, BEST Training (soft skills), transportation needs for employees, and hiring workers with disabilities/Veterans.
- M-TECH program has expanded to include general manufacturing (M-TECH #2). Washburn Tech was able to win the AID Grant from the Department of Commerce and currently has 31 students enrolled in the course. This new course will support all manufacturing in the Topeka/Shawnee County region.
- M-TECH program for food manufacturing companies continues to graduate students from its program. As of June, the program has graduated 26 students with 19 students being placed into jobs.
- Marketing the M-TECH program has begun with targeted groups. Staff presented both programs to the EMBD Council in the second quarter. Brochures were distributed to its members as staff was able to answer questions about the class.
- Staff and participating manufacturers have been working on a presentation for Junior and Senior high school students to learn more about manufacturing as a career option. Test presentations were made to 4 junior/senior classes at Auburn Washburn High School. During the presentations staff was able to ask for feedback on the slides presented in order to provide better engagement

with future students. Work will begin in revising the slides in order to start presentations in all area high schools in 2014-2015 school years.

### **Entrepreneurial and Minority Business Development**

**Team Leader: Glenda Washington**

**Goal 4:** Increase the knowledge and capacity of minority- and women-owned businesses as well as starting or growing Shawnee County entrepreneurs through education, training, development and support services. Entrepreneurial & Minority Business Development (EMBD) and Topeka Shawnee County First Opportunity Fund (TSCFOF) will work to build capital led and educational strategies to fill critical gaps for the underserved entrepreneur, by increasing the number of loans made, providing entrepreneurial education and assisting creation of entrepreneurial jobs.

**Goal 4.1** Increase training/educational/entrepreneurial opportunities annually for minority, women-owned businesses, entrepreneurs and small businesses.

Progress 1<sup>st</sup> Quarter

Attendees received direct advice from two Tax Professionals at the **Small Business Tax Facts Workshop: What Small Business Owners Should Know When Filing 2013 Small Business Income Taxes**. This workshop provided insight to business owners on the new tax laws and offered an opportunity for questions and answers.

**The Quarterly Breakfast Buzz** introduced growth strategies for new and existing businesses owners.

**Who Owns the Ice House** empowers the individual participant to embrace the entrepreneurial experiences of others and begin the emersion process of developing the necessary skills to grow his/her business. This class will graduate eight participants in April 2014.

The **Childcare Business Builder Series** kicked off in February. This course provides the business foundation classes for owners or potential owners of the Childcare Facilities. The classes conducted, by Childcare Aware, covers Record Keeping, Money Management, Marketing Contracts and Policies and Legal Issues and Insurance. There are 10 individuals graduating in this class during the Second Quarter.

We are working to create a stronger entrepreneurial eco system. Collaboration with our partners has allowed us to aggressively plan outreach some excellent outreach programs for Second Quarter events. **These programs include –**

- 2014 Small Business Awards Recognition
- Women's Initiative – Women Making A Difference
- Leadership/Lunch and Learn – Three Part Leadership Series
- Small Business Legal Clinic with Washburn, Washburn SBDC and the EMBD

- Expanding the Robotics Program for adult training opportunities

Progress 2<sup>nd</sup> Quarter

- In April, entrepreneurs attended a workshop entitled “**Doing Business with the Government**”, co hosted by GO Topeka and the Small Business Development Center. This workshop provided instruction and direction for those seeking to expand their business base and to become a certified government contractor.
- The April series continued with a mini business **Leadership Series**. The series was primarily held for entrepreneurs, beginning and mid-level managers. The three part series offered attendees an opportunity to access and improve their leadership skills. A few of the topics covered included: **Reframing Leadership; Pursuing Priorities and Managing Explosive Growth and Momentum**.
- Also in April, **A Small Business Legal Clinic** presented in conjunction with Washburn, Washburn SBDC and the EMBD covered learning the basic legal steps of setting up your small business and the common legal pitfalls to avoid.
- To better gauge the temperature of our small business community, in May an **electronic survey** was conducted by GO Topeka’s Entrepreneurial and Small Business Development Department. The survey gathered data that would further enhance the offerings to Shawnee County’s small business owners.
- In May we celebrated **2014 Small Business Week by hosting our 2014 Small Business Awards Recognition**. More than 300 attendees were in attendance.
- We continued building a strong network for small business by introducing the **Women’s Initiative**. The open forum offers women of all stature an opportunity to network and offer mentorship to each other.

## Year to Date Reports

### Kauffman Classes

Ewing-Kauffman Statistics	
Markers	Current Year
Entrepreneurial Courses Delivered	2
Total Clients Graduated	18
Overall Graduation Rate	100%
Minority Graduates	56%
Women Graduates	72%
Low Income Target Market Graduates	61%

### Seminars and Workshops

Seminars, Workshops, and Events	
Markers	Current Year
# Small Business Events	15
Total Entrepreneurs Served	1725

### Technical Assistance Provided

Technical Assistance	
Markers	Current Year
Total Clients Assisted	129
% Clients Priority Population	66%

Robotics Program	
Markers	Current Year
Students Served	19
% Minority	79%
% LITM	85%

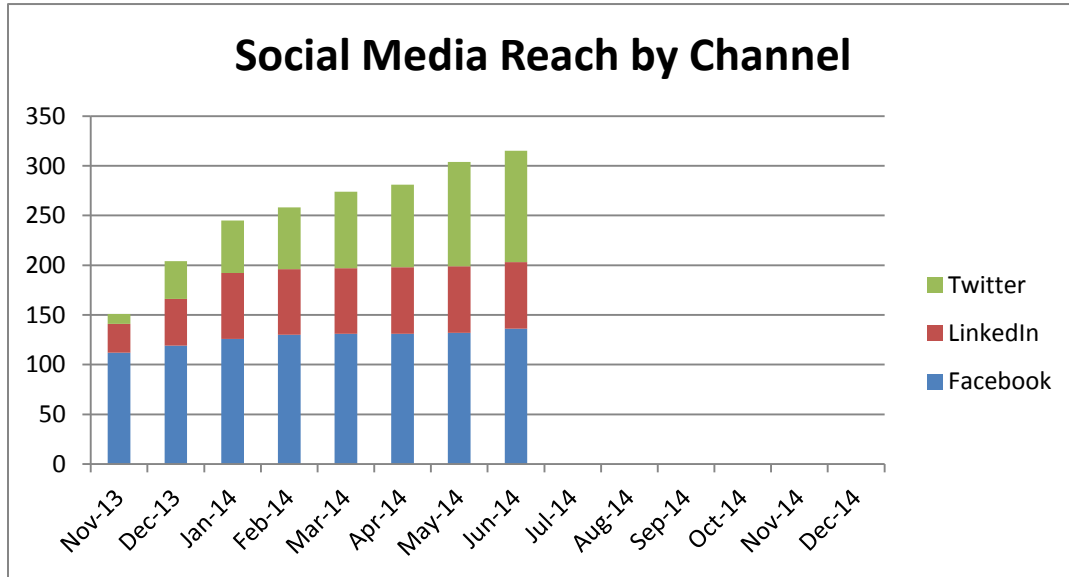
First Opportunity Fund	
Markers	Current Year
# Loans	0
\$ Awarded	\$0
Jobs Retained/Created	0
Loan Prospects	9

### Small Business Job Growth

Jobs and Growth	
Markers	Current Year
Total Business Starts/Growths	4
Total Jobs Created/Retained (FTE)	5.5



**Social Media Impression**



**Goal 4.2 Increase the number of applications received by TSCFOF during FY-2014 year.**

Progress 1<sup>st</sup> Quarter

The TSCFOF met in February. At this meeting the committee revisited the current loan structure and identified strategies to incorporate an enhanced outreach plan. As a result of this meeting the loan committee agreed, that in order to be a competitive lender and provide the necessary support to the targeted population, they would eliminate the current loan cap of \$10,000. All future requests will be reviewed and the loan amount would be approved (up to \$100,000) based on credit and other lending criteria being met. The line of credit has also been increased to a \$15,000 limit. This approach will make the Loan Fund more attractive to Shawnee County Entrepreneurs. There have been several loan inquiries; however, only five individuals have been given applications.

Progress 2<sup>nd</sup> Quarter

As the economy realigns, more individuals are looking for ways to expand their business or to start a new business. Hence, we have seen an increase in the loan inquires and applications. Currently there are approximately nine business in the pipeline (either strong inquires or applications pending). In the Fall, ads will appear in TK Magazine and 785 Magazine. We are speaking with other media outlets to enhance our campaign.

**Goal 4.3 Collaborate with local and state agencies and corporations to host a Purchasing and Procurement Conference.**

Progress 1<sup>st</sup> Quarter

Co hosted at Procurement Workshop with Washburn Small Business Development Center entitled Procurement Basics. The workshop was presented by Jason Porch, Director, the Procurement and Technical Assistance Center. We are currently working with the Department of Commerce to coordinate a larger procurement event that offers more insight and education on doing business with the government.

Progress 2<sup>nd</sup> Quarter

The 2014 Business Opportunity Fair has been scheduled November 6. This full day event, Co-hosted by KDOC and EMBD, is being promoted throughout the State of Kansas.

**GROWTH ORGANIZATION OF TOPEKA /  
SHAWNEE COUNTY, INC. - PUBLIC**

**Financial Statements & Accountant's  
Compilation Report**

**April 30, 2014**



**MIZE HOUSER**  
**COMPANY P.A.**

Growth Organization of Topeka / Shawnee County, Inc.  
120 S.E. 6<sup>th</sup> – Suite 110  
Topeka, Kansas 66603

We have compiled the accompanying financial statements and supplemental information of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc., consisting primarily of activities related to the City of Topeka and Shawnee County Joint Economic Development Organization grant), (Go Topeka), as scheduled below. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide assurance about whether the financial statements are in accordance with the modified cash basis accounting. The budgeted revenue and expense information is presented for supplementary analysis purposes only.

Statement of Assets, Liabilities and Change in Funds–Public – Modified Cash Basis as of April 30, 2014.

Statement of Income and Expense–Comparison to Budget–Public – Modified Cash Basis for the one month and four month periods ended April 30, 2014.

Supplemental Schedule of Committed/Pending Incentive Offers and Site Expenditures as of April 30, 2014.

Management is responsible for the preparation and fair presentation of the financial statements and supplemental schedule prepared in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of 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.

The supplementary information referenced above is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

*Mize Houser & Company P.A.*

**Mize Houser & Company P.A.**  
Certified Public Accountants

August 8, 2014  
BNO:rb:sc  
Enclosures

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Go Topeka, Inc.  
Statement of Assets, Liabilities, &  
Change In Funds-Public - Modified Cash Basis  
April 30, 2014

Assets

Current Assets		
Cash-Sales Tax		4,297,869
Investments-Reserved for incentive/site improvements		<u>2,483,528</u>
Total Current Assets		6,781,397
Other Assets		
Land Held for Development	<u>7,740,731</u>	
Total Other Assets		<u>7,740,731</u>
Total Assets		<u><u>14,522,128</u></u>

Liabilities and Fund Balance

Current Liabilities		
DBE Carryover	539,470	
Due to Chamber	31,580	
Other	<u>10,686</u>	
Total Current Liabilities		581,736
Fund Balances		
Opening Fund Balance	13,350,637	
Excess-Current Year	<u>589,755</u>	
		<u>13,940,392</u>
Total Liabilities and Fund Balance		<u><u>14,522,128</u></u>

Go Topeka, Inc.  
Statement of Income and Expense - Public  
Modified Cash Basis  
April 30, 2014

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenue</b>						
Sales Tax	416,667	416,667	(0)	1,666,667	1,666,667	(0)
Net Investment Income (Fees)	657	25	632	941	100	841
Other Program Revenue	3,878	1,425	2,453	29,296	7,300	21,996
<b>Total Revenues</b>	<b>421,202</b>	<b>418,117</b>	<b>3,085</b>	<b>1,696,904</b>	<b>1,674,067</b>	<b>22,838</b>
<b>Expenses</b>						
<b>Program Expenses</b>						
Business Retention	3,866	6,332	2,466	15,601	29,414	13,813
New Business Attraction	47,484	76,997	29,513	150,692	247,981	97,289
Workforce Development	53,977	7,370	(46,607)	78,703	91,166	12,463
Government Relations Consultant	1,500	1,500	-	6,000	7,000	1,000
Research & Governmt'l Relations	5,088	9,846	4,758	24,880	46,790	21,910
Entrepreneurial & Minority Bus Dev	24,755	55,522	30,767	78,799	235,346	156,547
Small Business Innovation Center	-	9,370	9,370	2,515	37,706	35,191
Site/Prospect Support	5,533	6,461	928	14,722	25,844	11,122
* Incentives & Site Expend - Direct	138,873	138,873	-	683,360	683,360	-
* Less: Site Expenditures Capitalized	-	-	-	(1,050)	(1,050)	-
<b>Total Program Expenses</b>	<b>281,077</b>	<b>312,272</b>	<b>31,195</b>	<b>1,054,223</b>	<b>1,403,558</b>	<b>349,334</b>
<b>General &amp; Administrative Expenses</b>	<b>12,546</b>	<b>16,198</b>	<b>3,652</b>	<b>52,926</b>	<b>64,804</b>	<b>11,879</b>
<b>Total Expenses</b>	<b>293,623</b>	<b>328,470</b>	<b>34,847</b>	<b>1,107,149</b>	<b>1,468,362</b>	<b>361,213</b>
Transfer to Visioning	0	0	0	0	0	0
<b>Revenues over (under) Expenses</b>	<b>127,579</b>	<b>89,647</b>	<b>37,932</b>	<b>589,755</b>	<b>205,705</b>	<b>384,050</b>

**Go Topeka, Inc.**  
**Committed/Pending Incentive Offers and Site Expenditures**  
**April 30, 2014**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:							
Committed - Performance Based:							
Alorica	90,000	90,000	90,000	90,000	90,000		450,000
Del Monte	42,000	42,000					84,000
Del Monte 2	77,000	31,500	31,500				140,000
LB Steel	71,786						71,786
PTMW	255,500						255,500
Yantra	0	10,000	10,000	10,000	10,000	60,000	100,000
Schendel Pest	41,400	21,600	6,000	3,600	1,800		74,400
Goodyear	44,000						44,000
Mars Escrow - Employment Incentive	478,125	637,500					1,115,625
<b>Total Committed - Performance Based</b>	<b>1,099,811</b>	<b>832,600</b>	<b>137,500</b>	<b>103,600</b>	<b>101,800</b>	<b>60,000</b>	<b>2,335,311</b>
Expected:							
Site Improvements	530,000						530,000
Confidential Pending Cash Incentives							0
Dev. & Maintenance	55,000	100,000	100,000	100,000	100,000		455,000
<b>Total Expected</b>	<b>585,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>985,000</b>
<b>Total Committed and Expected</b>	<b>1,684,811</b>	<b>932,600</b>	<b>237,500</b>	<b>203,600</b>	<b>201,800</b>	<b>60,000</b>	<b>3,320,311</b>
Under Consideration:							
Land Acquisitions	2,550,000						2,550,000
Confidential Pending Cash Incentives	110,000	310,000	310,000	310,000	260,000	200,000	1,500,000
<b>Total Under Consideration</b>	<b>2,660,000</b>	<b>310,000</b>	<b>310,000</b>	<b>310,000</b>	<b>260,000</b>	<b>200,000</b>	<b>4,050,000</b>
<b>Total Cash</b>	<b>4,344,811</b>	<b>1,242,600</b>	<b>547,500</b>	<b>513,600</b>	<b>461,800</b>	<b>260,000</b>	<b>7,370,311</b>

**See Accountant's Compilation Report**

**GROWTH ORGANIZATION OF TOPEKA /  
SHAWNEE COUNTY, INC. - PUBLIC**

**Financial Statements & Accountant's  
Compilation Report**

**May 31, 2014**





**MIZE HOUSER**  
**COMPANY P.A.**

Growth Organization of Topeka / Shawnee County, Inc.  
120 S.E. 6<sup>th</sup> – Suite 110  
Topeka, Kansas 66603

We have compiled the accompanying financial statements and supplemental information of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc., consisting primarily of activities related to the City of Topeka and Shawnee County Joint Economic Development Organization grant), (Go Topeka), as scheduled below. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide assurance about whether the financial statements are in accordance with the modified cash basis accounting. The budgeted revenue and expense information is presented for supplementary analysis purposes only.

Statement of Assets, Liabilities and Change in Funds–Public – Modified Cash Basis as of  
May 31, 2014.

Statement of Income and Expense–Comparison to Budget–Public – Modified Cash Basis for the  
one month and five month periods ended May 31, 2014.

Supplemental Schedule of Committed/Pending Incentive Offers and Site Expenditures as of  
May 31, 2014.

Management is responsible for the preparation and fair presentation of the financial statements and supplemental schedule prepared in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of 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.

The supplementary information referenced above is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

*Mize Houser & Company P.A.*

**Mize Houser & Company P.A.**  
Certified Public Accountants

August 8, 2014  
BNO:rb:sc  
Enclosures

Go Topeka, Inc.  
Statement of Assets, Liabilities, &  
Change In Funds-Public - Modified Cash Basis  
May 31, 2014

Assets

Current Assets		
Cash-Sales Tax		4,560,345
Investments-Reserved for incentive/site improvements		<u>2,484,058</u>
Total Current Assets		7,044,403
Other Assets		
Land Held for Development	<u>7,740,731</u>	
Total Other Assets		<u>7,740,731</u>
Total Assets		<u><u>14,785,134</u></u>

Liabilities and Fund Balance

Current Liabilities		
DBE Carryover	539,470	
Due to Chamber	7,983	
Other	<u>14,657</u>	
Total Current Liabilities		562,110
Fund Balances		
Opening Fund Balance	13,350,637	
Excess-Current Year	<u>872,387</u>	
		<u>14,223,024</u>
Total Liabilities and Fund Balance		<u><u>14,785,134</u></u>

Go Topeka, Inc.  
Statement of Income and Expense - Public  
Modified Cash Basis  
May 31, 2014

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenue</b>						
Sales Tax	416,667	416,667	(0)	2,083,333	2,083,333	(0)
Net Investment Income (Fees)	569	25	544	1,511	125	1,386
Other Program Revenue	2,754	10,125	(7,371)	32,050	17,425	14,625
<b>Total Revenues</b>	<b>419,989</b>	<b>426,817</b>	<b>(6,827)</b>	<b>2,116,894</b>	<b>2,100,883</b>	<b>16,010</b>
<b>Expenses</b>						
<b>Program Expenses</b>						
Business Retention	7,564	10,326	2,762	23,166	39,740	16,574
New Business Attraction	63,961	56,993	(6,968)	214,653	304,974	90,321
Workforce Development	6,483	7,464	981	85,186	98,630	13,444
Government Relations Consultant	1,509	2,000	491	7,509	9,000	1,491
Research & Governm't Relations	6,571	8,850	2,279	31,451	55,640	24,189
Entrepreneurial & Minority Bus Dev	22,442	70,760	48,318	101,241	306,106	204,865
Small Business Innovation Center	1,697	9,470	7,774	4,212	47,177	42,965
Site/Prospect Support	8,454	10,461	2,007	23,177	36,305	13,128
* Incentives & Site Expend - Direct	(1,271)	53,057	54,328	682,089	736,417	54,328
* Less: Site Expenditures Capitalized	-	-	-	(1,050)	(1,050)	-
<b>Total Program Expenses</b>	<b>117,410</b>	<b>229,381</b>	<b>111,971</b>	<b>1,171,633</b>	<b>1,632,939</b>	<b>461,305</b>
<b>General &amp; Administrative Expenses</b>	<b>19,947</b>	<b>14,204</b>	<b>(5,743)</b>	<b>72,873</b>	<b>79,009</b>	<b>6,136</b>
<b>Total Expenses</b>	<b>137,358</b>	<b>243,585</b>	<b>106,228</b>	<b>1,244,507</b>	<b>1,711,947</b>	<b>467,441</b>
Transfer to Visioning	0	0	0	0	0	0
<b>Revenues over (under) Expenses</b>	<b>282,632</b>	<b>183,231</b>	<b>99,401</b>	<b>872,387</b>	<b>388,936</b>	<b>483,451</b>

**Go Topeka, Inc.**  
**Committed/Pending Incentive Offers and Site Expenditures**  
**May 31, 2014**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:							
Committed - Performance Based:							
Alorica		90,000	90,000	90,000	90,000		360,000
Del Monte	42,000	42,000					84,000
Del Monte 2	77,000	31,500	31,500				140,000
LB Steel	71,786						71,786
PTMW	255,500						255,500
Yantra	0	10,000	10,000	10,000	10,000	60,000	100,000
Schendel Pest	41,400	21,600	6,000	3,600	1,800		74,400
Goodyear	44,000						44,000
Mars Escrow - Employment Incentive	478,125	637,500					1,115,625
<b>Total Committed - Performance Based</b>	<b>1,009,811</b>	<b>832,600</b>	<b>137,500</b>	<b>103,600</b>	<b>101,800</b>	<b>60,000</b>	<b>2,245,311</b>
Expected:							
Site Improvements	530,000						530,000
Confidential Pending Cash Incentives							0
Dev. & Maintenance	55,000	100,000	100,000	100,000	100,000		455,000
<b>Total Expected</b>	<b>585,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>985,000</b>
<b>Total Committed and Expected</b>	<b>1,594,811</b>	<b>932,600</b>	<b>237,500</b>	<b>203,600</b>	<b>201,800</b>	<b>60,000</b>	<b>3,230,311</b>
Under Consideration:							
Land Acquisitions	2,550,000						2,550,000
Confidential Pending Cash Incentives	110,000	310,000	310,000	310,000	260,000	200,000	1,500,000
<b>Total Under Consideration</b>	<b>2,660,000</b>	<b>310,000</b>	<b>310,000</b>	<b>310,000</b>	<b>260,000</b>	<b>200,000</b>	<b>4,050,000</b>
<b>Total Cash</b>	<b>4,254,811</b>	<b>1,242,600</b>	<b>547,500</b>	<b>513,600</b>	<b>461,800</b>	<b>260,000</b>	<b>7,280,311</b>

**See Accountant's Compilation Report**

**GROWTH ORGANIZATION OF TOPEKA /  
SHAWNEE COUNTY, INC. - PUBLIC**

**Financial Statements & Accountant's  
Compilation Report**

**June 30, 2014**



Growth Organization of Topeka / Shawnee County, Inc.  
120 S.E. 6<sup>th</sup> – Suite 110  
Topeka, Kansas 66603

**MIZE HOUSER**  
**COMPANY P.A.**

We have compiled the accompanying financial statements and supplemental information of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc., consisting primarily of activities related to the City of Topeka and Shawnee County Joint Economic Development Organization grant), (Go Topeka), as scheduled below. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide assurance about whether the financial statements are in accordance with the modified cash basis accounting. The budgeted revenue and expense information is presented for supplementary analysis purposes only.

Statement of Assets, Liabilities and Change in Funds–Public – Modified Cash Basis as of June 30, 2014.

Statement of Income and Expense–Comparison to Budget–Public – Modified Cash Basis for the one month and six month periods ended June 30, 2014.

Supplemental Schedule of Committed/Pending Incentive Offers and Site Expenditures as of June 30, 2014.

Management is responsible for the preparation and fair presentation of the financial statements and supplemental schedule prepared in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

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We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

*Mize Houser & Company P.A.*

**Mize Houser & Company P.A.**  
Certified Public Accountants

August 8, 2014  
BNO:rb:sc  
Enclosures

Go Topeka, Inc.  
Statement of Assets, Liabilities, &  
Change In Funds-Public - Modified Cash Basis  
June 30, 2014

Assets

Current Assets		
Cash-Sales Tax		4,806,695
Investments-Reserved for incentive/site improvements		<u>2,483,955</u>
Total Current Assets		<u>7,290,650</u>
Other Assets		
Land Held for Development	<u>7,740,731</u>	
Total Other Assets		<u>7,740,731</u>
Total Assets		<u><u>15,031,381</u></u>

Liabilities and Fund Balance

Current Liabilities		
DBE Carryover	539,470	
Due to Chamber	6,270	
Other	<u>18,336</u>	
Total Current Liabilities		564,076
Fund Balances		
Opening Fund Balance	13,350,637	
Excess-Current Year	<u>1,116,668</u>	
		<u>14,467,305</u>
Total Liabilities and Fund Balance		<u><u>15,031,381</u></u>

Go Topeka, Inc.  
Statement of Income and Expense - Public  
Modified Cash Basis  
June 30, 2014

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenue</b>						
Sales Tax	416,667	416,667	(0)	2,500,000	2,500,000	(0)
Net Investment Income (Fees)	(62)	25	(87)	1,449	150	1,299
Other Program Revenue	204	825	(622)	32,253	18,250	14,003
Total Revenues	<u>416,808</u>	<u>417,517</u>	<u>(708)</u>	<u>2,533,702</u>	<u>2,518,400</u>	<u>15,302</u>
<b>Expenses</b>						
Program Expenses						
Business Retention	2,599	7,130	4,531	25,765	46,870	21,105
New Business Attraction	24,143	56,998	32,855	238,796	361,972	123,176
Workforce Development	2,846	36,368	33,522	88,032	134,998	46,966
Government Relations Consultant	1,898	1,500	(398)	9,406	10,500	1,094
Research & Governmt'l Relations	2,342	8,844	6,502	33,793	64,484	30,691
Entrepreneurial & Minority Bus Dev	15,273	62,604	47,331	116,514	368,710	252,196
Small Business Innovation Center	-	9,395	9,395	4,212	56,572	52,360
Site/Prospect Support	3,291	6,461	3,170	26,468	42,766	16,298
* Incentives & Site Expend - Direct	109,342	170,376	61,034	791,431	906,793	115,362
* Less: Site Expenditures Capitalized	-	-	-	(1,050)	(1,050)	-
Total Program Expenses	<u>161,733</u>	<u>359,676</u>	<u>197,943</u>	<u>1,333,367</u>	<u>1,992,615</u>	<u>659,248</u>
General & Administrative Expenses	10,794	14,197	3,404	83,667	93,206	9,539
Total Expenses	<u>172,527</u>	<u>373,873</u>	<u>201,346</u>	<u>1,417,034</u>	<u>2,085,821</u>	<u>668,787</u>
Transfer to Visioning	0	0	0	0	0	0
Revenues over (under) Expenses	<u>244,281</u>	<u>43,643</u>	<u>200,638</u>	<u>1,116,668</u>	<u>432,579</u>	<u>684,089</u>



**Go Topeka, Inc.**  
**Committed/Pending Incentive Offers and Site Expenditures**  
**June 30, 2014**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:							
Committed - Performance Based:							
Alorica		90,000	90,000	90,000	90,000		360,000
Big Heart Pet	42,000	42,000					84,000
Big Heart Pet 2	77,000	31,500	31,500				140,000
LB Steel	71,786						71,786
PTMW	0	150,000					150,000
Yantra	0	10,000	10,000	10,000	10,000	60,000	100,000
Terminex	41,400	21,600	6,000	3,600	1,800		74,400
Goodyear	44,000						44,000
Mars Escrow - Employment Incentive	318,750	637,500					956,250
<b>Total Committed - Performance Based</b>	<b>594,936</b>	<b>982,600</b>	<b>137,500</b>	<b>103,600</b>	<b>101,800</b>	<b>60,000</b>	<b>1,980,436</b>
Expected:							
Site Improvements	475,000						475,000
Confidential Pending Cash Incentives							0
Dev. & Maintenance	55,000	100,000	100,000	100,000	100,000		455,000
<b>Total Expected</b>	<b>530,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>	<b>930,000</b>
<b>Total Committed and Expected</b>	<b>1,124,936</b>	<b>1,082,600</b>	<b>237,500</b>	<b>203,600</b>	<b>201,800</b>	<b>60,000</b>	<b>2,910,436</b>
Under Consideration:							
Land Acquisitions	2,550,000						2,550,000
Confidential Pending Cash Incentives	110,000	392,000	310,000	310,000	260,000	200,000	1,582,000
<b>Total Under Consideration</b>	<b>2,660,000</b>	<b>392,000</b>	<b>310,000</b>	<b>310,000</b>	<b>260,000</b>	<b>200,000</b>	<b>4,132,000</b>
<b>Total Cash</b>	<b>3,784,936</b>	<b>1,474,600</b>	<b>547,500</b>	<b>513,600</b>	<b>461,800</b>	<b>260,000</b>	<b>7,042,436</b>

**See Accountant's Compilation Report**

# **AGENDA**

## **ITEM #7**

**WE Believe In**



**(Topeka's CoWork/MakerSpace)  
Presentation Summary**

The vision for **712 Innovations** is to create a productive, welcoming environment where members are surrounded by technical, economic, creative and social resources.

GO Topeka, along with several partners, is committed to changing the footprint of entrepreneurship in the Topeka/Shawnee County marketplace. As our mission states, we are working to enhance the vitality of our community and economy by creating a hybrid makerspace/cowork space for entrepreneurs to start and grow by providing manufacturing tools, educational programming and business services to foster economic development. WE believe that this space will be the catalyst.

We will need additional support for this project to work. Our summarized costs for 712 Innovations outlined on page two of this document.

**WE Believe In**



**WE Believe In**



**712 Innovations Budget**

Total Fixed Costs	\$	<b>207,564</b>
Total Operating Capital		<b><u>50,160</u></b>
<b>Total Start Up Expenditures</b>		<b>257,724</b>

**Annual Operating Budget**

Monthly	\$	<b>12,715</b>
Annually		<b>152,580</b>

**Sources of Start Up Funding**

BA Designs	\$	<b>35,000</b>
Cox Communications		<b>16,700</b>

**Sources of Potential Funding**

SBA	\$	<b>50,000</b>
EMBD (Budgeted)		<b>55,000</b>
Budgeted Entrep. Development		<b>88,000</b>

**Sources of Funding:**

Cox Communications	\$	<b>16,700</b> <i>(Annually 2 years)</i>
Membership/Sponsors		<b>64,000</b>

## 712 INNOVATIONS BUDGET

### Start-up Expenditures

#### Fixed Costs

Leasehold Improvements	\$ 74,564
Equipment	\$ 78,000
Furniture and Fixtures *	\$ 45,000
Tables/Equipment Mkr Space	\$ 10,000
<b>Total Fixed Assets</b>	<b>\$ 207,564</b>

#### Operating Capital

Salaries	\$ 9,780
Insurance	\$ 1,200
Beginning Inventory	\$ 500
Legal & Accounting	\$ 2,000
Rent Deposit	\$ 6,166
Telephone/Communications **	\$ 17,414
Supplies	\$ 2,500
Advertising & Promotions	\$ 3,500
Licenses	\$ 300
Other Misc.	\$ 1,800
Working Capital on Hand	\$ 5,000
<b>Total Operating Capital</b>	<b>\$ 50,160</b>

**Total Start-up Expenditures \$ 257,724**

#### Sources of Funding:

Cox Communications **	\$ 16,700
BA Design *	\$ 35,000
<b>Total Funding</b>	<b>\$ 51,700</b>

**Remaining Balance \$ (206,024)**

#### Potential Revenue Sources

SBA Grant	\$ 50,000
EMBD Budgeted CW/MS	\$ 55,000
Budgeted Entrepreneurial Dev.	\$ 88,000

### Annual Operating Expenses

	Monthly	1st Year Annually	2nd Year Annually	3rd Year Annually
Salaries & Benefits	\$ 6,036	\$ 72,432	\$ 74,605	\$ 76,843
Advertising	\$ 333	\$ 3,996	\$ 4,116	\$ 4,239
Employee Mileage	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Contract Speakers & Consulting	\$ 500	\$ 6,000	\$ 6,180	\$ 6,365
Credit Card Fees	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Dues and Subscriptions	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Demo & Pitch Events	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Insurance (Liability & Property)	\$ 500	\$ 6,000	\$ 6,180	\$ 6,365
Legal Services	\$ 300	\$ 3,600	\$ 3,708	\$ 3,819
Accounting Fees	\$ 300	\$ 3,600	\$ 3,708	\$ 3,819
Office Expenses	\$ 50	\$ 600	\$ 618	\$ 637
Postage	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Rent with Utilities	\$ 3,083	\$ 36,996	\$ 38,106	\$ 39,249
Rent/Lease Equipment	\$ 200	\$ 2,400	\$ 2,472	\$ 2,546
Repairs and Maintenance	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Telephone & Communications	\$ 514	\$ 6,168	\$ 6,353	\$ 6,544
Professional Development	\$ 150	\$ 1,800	\$ 1,854	\$ 1,910
Bank Fees	\$ 149	\$ 1,788	\$ 1,842	\$ 1,897
<b>Total</b>	<b>\$ 12,715</b>	<b>\$ 152,580</b>	<b>\$ 157,157</b>	<b>\$ 161,872</b>

#### Sources of Funding:

Cox Communications	\$ 16,700	\$ 16,700	
Memberships/Sponsors	\$ 64,000	\$ 70,000	\$ 79,000
<b>Total Funding</b>	<b>\$ 80,700</b>	<b>\$ 86,700</b>	<b>\$ 79,000</b>

**Remaining Balance \$ (71,880) \$ (70,457) \$ (82,872)**

September 10, 2014 – JEDO Board Meeting

Handouts from GO Topeka

**712 INNOVATIONS BUDGET**

**AMENDED**

<b>Start-up Expenditures</b>								
<u>Fixed Costs</u>								
Leasehold Improvements	\$ 74,564							
Equipment	\$ 78,000							
Furniture and Fixtures *	\$ 45,000							
Tables/Equipment Mkr Space	\$ 10,000							
Total Fixed Assets	\$ 207,564							
<u>Operating Capital</u>								
Salaries	\$ 9,780							
Insurance	\$ 1,200							
Beginning Inventory	\$ 500							
Legal & Accounting	\$ 2,000							
Rent Deposit	\$ 6,166							
Telephone/Communications **	\$ 17,414							
Supplies	\$ 2,500							
Advertising & Promotions	\$ 3,500							
Licenses	\$ 300							
Other Misc.	\$ 1,800							
Working Capital on Hand	\$ 5,000							
Total Operating Capital	\$ 50,160							
<b>Total Start-up Expenditures</b>	<b>\$ 257,724</b>							
<u>Sources of Funding:</u>								
Cox Communications **	\$ 16,700							
BA Design *	\$ 35,000							
SBA Grant	\$ 50,000							
Total Funding	\$ 101,700							
Remaining Balance	\$ (156,024)							
<u>Potential Revenue Sources</u>								
EMBD Budgeted CW/MS	\$ 55,000							
Budgeted Entrepreneurial Dev.	\$ 60,000							
Rollover EMBD Funds	\$ 41,024							

Annual Operating Expenses	Monthly	1st Year Annually	2nd Year Annually	3rd Year Annually
Salaries & Benefits	\$ 6,036	\$ 72,432	\$ 74,605	\$ 76,843
Advertising	\$ 333	\$ 3,996	\$ 4,116	\$ 4,239
Employee Mileage	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Contract Speakers & Consulting	\$ 500	\$ 6,000	\$ 6,180	\$ 6,365
Credit Card Fees	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Dues and Subscriptions	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Demo & Pitch Events	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Insurance (Liability & Property)	\$ 500	\$ 6,000	\$ 6,180	\$ 6,365
Legal Services	\$ 300	\$ 3,600	\$ 3,708	\$ 3,819
Accounting Fees	\$ 300	\$ 3,600	\$ 3,708	\$ 3,819
Office Expenses	\$ 50	\$ 600	\$ 618	\$ 637
Postage	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Rent with Utilities	\$ 3,083	\$ 36,996	\$ 38,106	\$ 39,249
Rent/Lease Equipment	\$ 200	\$ 2,400	\$ 2,472	\$ 2,546
Repairs and Maintenance	\$ 100	\$ 1,200	\$ 1,236	\$ 1,273
Telephone & Communications	\$ 514	\$ 6,168	\$ 6,353	\$ 6,544
Professional Development	\$ 150	\$ 1,800	\$ 1,854	\$ 1,910
Bank Fees	\$ 149	\$ 1,788	\$ 1,842	\$ 1,897
<b>Total</b>	<b>\$ 12,715</b>	<b>\$ 152,580</b>	<b>\$ 157,157</b>	<b>\$ 161,872</b>

<u>Sources of Funding:</u>	
Cox Communications	\$ 16,700
Memberships/Sponsors	\$ 64,000
Total Funding	\$ 80,700
Remaining Balance	\$ (71,880)

<b>Updated (9/3/14)</b>	
Remaining Balance	\$ (82,872)



U.S. Small Business Administration

PRESS OFFICE

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## *News Release*

Release Date: August 1, 2014

Release Number: ????

Contact: Miguel Ayala (202) 205-6420

Internet Address: <http://www.sba.gov/news>

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### **SBA Spurs Economic Growth, Announces 50 Awards to Accelerators**

WASHINGTON - Today, the U.S. Small Business Administration announced, after reviewing more than 800 applications, the 50 winners of the first Growth Accelerator Fund competition. The recipients represent 31 states, the District of Columbia and Puerto Rico. The accelerators come from a broad set of industries and sectors - from manufacturing to tech start-ups to farming as well as a focus on a diversified range of demographic groups.

"The SBA is empowering accelerators and startups that are on the cutting edge of successful, innovative new endeavors," said SBA Administrator Maria Contreras-Sweet. "We've seen the enormous success of the accelerator model in communities like Silicon Valley. We believe we can export this type of sophisticated support structure across the country to help start-ups become commercially viable and create jobs more quickly. I want SBA to stand for 'Smart, Bold and Accessible' and these accelerators encompass all three of these goals."

Winners were selected by a panel of seven judges who are experts in entrepreneurship, investing and business plans both inside and out of the federal government. The judges reviewed the applications and pitch videos submitted by the 100 finalists in the competition.

Each organization will receive a cash prize of \$50,000 from the SBA. In accepting these funds, the accelerators will also be committing to quarterly reporting for one year. They will be required to report metrics such as jobs created, funds raised, startups launched and corporate sponsors obtained among other pieces of information. This will allow the SBA to create a useful database of accelerators and their impact, and to develop long term relationships with the startups and constituents in these innovative and entrepreneurial communities.

The purpose of the competition was to draw attention and funding to parts of the country where there are gaps in the entrepreneurial ecosystem. There are entrepreneurial activities taking place in all 50 states, but some are better supported by private sector ecosystems than others.

The first year of this contest presents an opportunity for the SBA to engage with and support organizations whose sole purpose is to help start-ups to grow, become commercially viable and have real and sustained economic impact. The SBA is going to be honoring the winners at a Fly-



In day in Washington in November during National Entrepreneurship Month, in partnership with the Global Accelerator Network.

The fifty winners are listed below:

Good Food Business Accelerator- Oak Park, AL  
Arizona Center for Innovation- Tucson, AZ  
Edson Student Entrepreneur Initiative- Scottsdale, AZ  
My Startup XX- La Jolla, CA  
Telluride Venture Accelerator- Telluride, CO  
The Refinery- Westport, CT  
EatsPlace- Washington, DC  
Starter Studio- Orlando, FL  
Sunshine Labs- Longwood, FL  
Venture Hive- Miami, FL  
GVS Transmedia Accelerator- Kailua-Kona, HI  
Iowa Startup Accelerator- Cedar Rapids, IA  
James E Hogge Technology and Entrepreneurship Center- Nampa, ID  
Par k Forest Maker Space- East Hazel Crest, IL  
712 Innovations- Topeka, KS  
Bioscience Technology Business Center- Lawrence, KS  
XlerateHealth- Louisville, KY  
UpTech, Inc- Convington, LA  
Smarter in the City- Boston, MA  
Accelerator for the Commercialization of Technology- Columbia, MD  
Coolhouse Labs- Harbor Springs, MI  
Prosper Women Entrepreneurs Startup Accelerator- St. Louis, MO  
Center for Innovation and Entrepreneurship- Wilmington, NC  
City Startup Labs- Charlotte, NC  
RevTech Labs- Charlotte, NC  
Rutgers Food Innovation Center- Bridgeton, NJ  
Center for Unique Business Enterprises- Reno, NV  
Cumberland Business Incubator- Harriman, NY  
Manufacture NY- Brooklyn, NY  
Southern Tier Hardware Accelerator- Ithaca, NY  
The Brandery- Cincinnati, OH  
Portland State University Business Accelerator- Portland, OR  
Sustainable Valley Technology Accelerator- Medford, OR  
AlphaLabGear- Pittsburgh, PA  
Neo Lab- Pittsburgh, PA  
Bridgeworks Enterprise Center- Allentown, PA  
Jump Start Incubator- Reading, PA  
Piloto 151- San Juan, PR  
Dirt Works Incubator Farm- Charleston, SC  
SDTBC Business Launch Boot Camp and Accelerator- Sioux Falls, SD  
Jumpstart Foundry- Nashville, TN  
Start Co Integration Accelerator- Memphis, TN  
Break Fast and Launch- San Antonio, TX  
Dream It Ventures- Austin, TX  
SURGE Accelerator- Houston, TX  
Sustainable Startups- Salt Lake City, UT  
Peninsula Technology Incubator- Hampton, VA  
Launch Box Growth Accelerator- Kenosha, WI  
Rocket City Launch- Madison, WI  
Vetransfer- Milwaukee, WI

September 10, 2014 – JEDO Board Meeting

Handouts from Lazonne Grays, Jr.

## Pre-Apprenticeship



Pre-Apprenticeship is a program or set of strategies designed to prepare individuals to enter and succeed in a Registered Apprenticeship program, and has a documented partnerships with at least one, if not more, Registered Apprenticeship programs. A quality pre-apprenticeship program is one that incorporates the following elements:

- **Approved Training and Curriculum**—Training and curriculum based on industry standards and approved by the documented registered apprenticeship partner(s) that will prepare individuals with the skills and competencies needed to enter one or more Registered Apprenticeship programs;
- **Strategies for long term success**—strategies that increase RA opportunities for underrepresented, disadvantaged or low skilled individuals, such that, upon completion, they will meet the entry requirements, gain consideration, and are prepared for success in one or more Registered Apprenticeship program(s), including the following:
  - Strong recruitment strategies focused on outreach to populations underrepresented in local, state, and national Registered Apprenticeship programs;
  - Educational and pre-vocational services that prepare individuals to meet the entry requisites of one or more Registered Apprenticeship programs (e.g. specific career and industry awareness workshops, job readiness courses, English for speakers of other languages, adult basic education, financial literacy seminars, math tutoring, etc.); and
  - Assists in exposing participants to local, state, and national Registered Apprenticeship programs and provides direct assistance to participants applying to those programs.
- **Access to appropriate support services.** Facilitates access to appropriate support services during the Pre-Apprenticeship program and a sufficient portion of the Registered Apprenticeship program;
- **Promotes greater use of Registered Apprenticeship to increase future opportunities.** To support the ongoing sustainability of the partnership between pre-apprenticeship providers and Registered Apprenticeship sponsors, these efforts should collaboratively promote the use of Registered Apprenticeship as a preferred means for employers to develop a skilled workforce and to create career opportunities for individuals;
- **Meaningful hands-on training that does not displace paid employees.** Provides hands-on training to individuals in a simulated lab experience or through volunteer opportunities, when possible, neither of which supplants a paid employee but accurately simulates the industry and occupational conditions of the Registered Apprenticeship Sponsor(s) while observing proper supervision and safety protocols; and
- **Facilitated entry and/or articulation.** When possible, formalized agreements exist with RA sponsors that enable individuals who have successfully completed the Pre-Apprenticeship program to enter directly into a Registered Apprenticeship program and/or include articulation agreements for earning advanced credit/placement for skills and competencies already acquired.

**All Pre-Apprenticeship programs must be recognized and approved by the State Apprenticeship Agency.**

Clerk

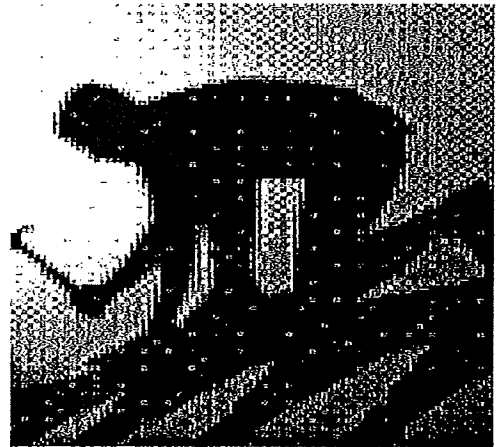
**Construction-Based Job Skills Training – 3 Month**

**NCCER Core Curriculum**

***Introductory Craft Skills: Construction Craft Laborer+  
Painter - Plasterer/Drywall - Scaffolding***

**Certification Upon Completion**

***OSHA - CPR - Lead-Safe Work-Practices  
Lead Abatement (Worker)+***



**Minimal Requirements:** To qualify, applicants must have the following:

- \* Be low to-moderate income (HUD) and at least 23 years old
- \*Have a high school diploma or a GED, or pursuing either at the time of enrollment
- \*Be unemployed or underemployed and in arrears of child support
  - \*Be a US citizen or legal resident
- \*Be physically able and willing to do the work
  - \*Be drug free
  - \*Be committed to completing the program and seeking employment in the construction, skilled trade or related field.

=====

*Other factors may be considered such as; large gaps in work history, ex-felons, etc.*

Program Location: \_\_\_\_\_

**BUILDING STRONG  
WORK ETHIC**  
(Soft Skills / Remedial Learning)

**Personable Skills**  
Personal Qualities

**Literacy Skills**  
(Basic - Advanced)

- Responsibility
- Self-Esteem
- Sociability
- Teamwork
- Integrity/Honesty
- Community Service
- Reading *SR4 Reading*
- Writing
- Arithmetic Mathematics
- Listening
- Speaking
- Digital

- Critical Thinking
- Decision Making
- Problem Solving
- Knowing How To Learn
- Reasoning

**Skill Trade - Job Training Program**  
*Pre-apprenticeship Training & Employment  
Construction Skills Craft*

- Learn Industry-Level Skills
- Update Existing Skills
- Certifications: Lead-Safe Work Practices, OSHA, CPR
- Reduced Recidivism

**PROGRAM STAKEHOLDERS**  
(Real World Learning / Skills Application)

- City of Topeka/Shawnee County
- KS Dept of Children & Families
- KS Dept of Commerce (WLA)
- KS Dept of Corrections
- Kansas Apprenticeship Council
- Washburn Technical School
- JEDO: Topeka/Shawnee County
- Hearland Works, Inc.
- Topeka Housing Authority
- Kansas Contractors Association
- Associated General Contractors (KS)
- Local Construction Companies

**PARTICIPANT BENEFITS**  
(Pathway to Occupational Skills)

- Wraparound Support Services
- Transportation Assistance
- Up-to \$1,500 Stipend

**TRANSITIONAL JOBS PROGRAM**  
(For Program Graduates)

- Provide Meaningful Work Activity
- Provide Useful Job Credentials

**CURRICULUM MODULES**

**Core Curriculum -- 87.5 hrs**

- Basic Safety
- Introduction to Construction Math
- Introduction to Hand Tools
- Introduction to Power Tools
- Introduction to Construction Drawings
- Basic Rigging (*75hr elective*)
- Basic Communication Skills
- Basic Employability Skills
- Introduction to Materials Handling

*Program includes: textbooks, tools, workbook, supplies, class uniform*

*\*Successful completion of required modules will include credentials recognized by major construction firms in the industry*

**OTHER NCCER MODULES**  
(Additional Program 474.5 Hours)

- Construction Craft Laborer -95 hours
- Drywall 74.5 hours
- Painting 80 hours
- Scaffolding 72.5 hours
- Carpentry 152.5 hours
- OSHA Certification 10 hours
- CPR Training/Certification ? hours
- Lead-Safe Work Practices 6 hours
- Lead Abatement (Worker)\* 25 hours

*41 Certification Hours\**

*Streets University - 2014 Summer Camp – Topeka Kansas*  
**MEASUREMENT OF OUTCOME PERFORMANCE**

Performance reports on the proposed program will be maintained and made available upon request.

The following information was collected for all youth that participated in our 2014 summer camp on coding, building websites & cloud technology (Chromebook)

- |  |     |
|--|-----|
| 1. The number of youth that wanted to enter the program.   | 13* |
| 2. The number of youth accepted into the program.  | 7   |
| 3. The number of youth who completed program with adequate attendance.   | 5   |
| 4. The number of youth who learned & remembered their three login protocols.   | 5   |
| 5. The number of all students that learn to comfortably navigate around a Chromebook and the Google Chrome Operating System (cloud-computing). | 6   |

<b>6. Attendance rate averaged for all participants</b>	<b>Over 85%</b>
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*\* Six youth did not signup before deadline +Codecademy, Wordpress, Biz Directory Admin, and/or Streets U. Email*

### **GOALS AND TIMELINE**

Over the 2014 summer program schedule (June 12 – August 23) income-eligible youth were solicited to participate in a program to help them learn about skills in technology they do not have, are not offered in the current school system at this level, and not offered by any other agency/business in Topeka/Shawnee County. Areas of competency evaluated consist of 1) basic understanding of basic HTML code & their Wordpress Dashboard 2) Proficiency accessing Email/Cpanels for online directory work are the primary areas measured. Other measurable outcomes include:

- ✦ 75% will earned at least one badge on Codecademy.com
- ✦ 60% will know how to locate/install Wordpress themes/widgets & add pages
- ✦ Over 50% of youth program participants will show an interest to continuing various program activities in order to meet their **business sponsor goal (25)**

**STUDENT PARTICIPANTS      ATTENDANCE      LOGIN PROFICIENCY**

1. Dayton Hunter-Clay	80	Yes
2. Kaleya Sizemore	60	Yes
3. Larrica (Alexas) Curry	85	Yes
4. Austin Clay	95	Yes
5. India Boatman	85	No
6. Mecca Cameron <i>(Stopped attending to participate in summer youth sports program)</i>	40	No
7. Destiny Newsome <i>(Stopped attending to volunteer as a child monitor at the Abbott Community Center)</i>	10	No

Dropped Out of Program\*

**ACHIEVING LOGIN PROFICIENCY CONSISTS OF:**

\*Successfully logging into and moving around their accounts on:

- Codecademy.com
- Wordpress Dashboard
- Online Business Directory Admin Panel
- Streets University Email

**SALESMANSHIP      PRESENTATIONS      INTERVIEWS**

1. Dayton Hunter-Clay	Yes - 3	Yes
2. Kaleya Sizemore	Yes - 1	Yes
3. Larrica (Alexas) Curry	Yes - 1	No
4. Austin Clay	Yes - 4	Yes
5. India Boatman	No - 0	No
6. Mecca Cameron	No - 0	No

**WORDPRESS      SETUP THEME      ADD PAGE      ADD WIDGET**

1. Dayton Hunter-Clay	3	Yes	No
2. Kaleya Sizemore	1	No	No
3. Austin Clay	3	Yes	<u>Yes</u> **
4. Inda Boatman	1	No	No
5. Larrica (Alexas) Curry	3	Yes	No

**Final Assessment & Summary:**

Our agency set out to provide inquiring, aspiring and enterprising youth an opportunity to learn & apply computer skills that require a core technical understanding, knowledge base and aptitude. After 9-weeks of two 2-hour sessions each Tuesday & Thursday (10am – 12noon), over half of the students recently tested show competence in completing tasks identified to be measured above.

**What was offered as a 6-week program has actually exceeded 9 weeks; without the youth complaining or even showing they are aware they have surpassed 6 weeks !!!**

Although often all 5 students are in the class at the same time, more often than not the girls and boys have seemed to have chosen different schedules to come in. They may not stay the full two hours, but they do tend to stay approx. 1 ½ hour; in order to catch the bus back to their neighborhood or to eat lunch at Abbott Center. *I think part of the reason is that they are allowed to use the last 15 or 20 minutes to go on Facebook...*

On observation, youth consistently come in and begin to login to Codecademy to work on lessons presented; even when other topics are to be discussed.

**Lessons Learned:**

One lesson learned is that we need access to individuals more knowledgeable than our current program instructors that know CSS (Cascading Style Sheets). This is a coding language that comes after HTML (Hyper-Text Markup Language); which is the core programming language for creating websites or mobile apps.

Additionally, it is apparent that more funds are needed than obtained to run an effective program. The amounts below are the totals contributed to support our summer program effort.

- Westar Energy – \$500.00
- Topeka Chamber Foundation – \$1,000
- Go Topeka, Economic Partnership – \$954.00
- Fore Our People Foundation – \$100.00+ +In-kind

**Total: \$2,554.00**

Youth had no problem adapting to using a Google Chromebook; although all of them stated they had never heard of; or used one before. Youth seem to grasp the ability to login without need for help to check the streetsuniversity.org email provided them, their Wordpress dashboard, and their Codecademy console to learn & practice code lessons presented by the program. Over 70% of the five students that met adequate attendance requirements show competence in logging in & creating a basic business profile on our agency's online business directory. (kansas-smallbizdirectory.com)

Finally, it became apparent that these youth are not very confident when it comes to speaking to strangers about anything; let alone presenting to a prospective business or sharing their participation in the program. They often lacked the ability to focus on tasks. More adults would be ideal to help in this area by allowing students to interview them about their business and to have them share about their program participation.



**Suggestions & Recommendations:**

With limited financial support for such a program it was not possible to take any field trip outside of Topeka as planned. Also, one youth participant was 11 years old; which I suggest for a program of this nature. This is also the youth that eventually dropped out because of the football summer camp. Youth at this age can be flighty and their interest span can go from one interest to another to quick.

I also believe that making a Chromebook the reward for satisfactory attendance, completing coding lesson plans on Codecademy and assignments on Wordpress weekly, and proving competency to logging in on our online directory and creating a basic business profile at-minimum would be worthy participation and should allow them to keep the Chromebook. A good program should increase ones confidence in learning and provide an experience that can be useful in the future. Youth between the ages of 13-16 have the desire & ability to learn each of the tasks presented to them during this course on technology, providing them a \$200 tool to continue learning is a good investment.

**Program Volunteers:**

Lazone Grays

Ra'Yce Martin

Phillip Vallejo

Alex O'Rourke

**Participating Business Owners & Community Professionals:**

Dr. Gilbert R. Parks, M.d.

Mr. Angelo - Shoe Fetish (downtown)

Ms. Jessica Doby - C & J NikNaks (downtown)

Dr. Mildred Edwards

*(KS African American Affairs Commission)*

Ms. Sheyvette Dinkens – Women's Empowerment

Ms. Oshara Meesha (Owner/Artist)

Fore Our People Foundation

Tradebank of Topeka (Certificates)

Topeka Event Center (In-kind)

**Prepared By:**

Lazone Grays, Jr.

Program Administrator

Instructor: Wordpress, Biz Directory Admin

Facilitator: Codecademy Assignments

**IBSA, Inc.**

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[www.facebook.com/ibsainc](https://www.facebook.com/ibsainc)

[www.streetsuniversity.org](http://www.streetsuniversity.org)

[info@streetsuniversity.org](mailto:info@streetsuniversity.org)

[www.facebook.com/streets.edu](https://www.facebook.com/streets.edu)

Go Topeka Program Support Expenditure Overview  
 2014 Youth IT / Enterprise Development Summer Camp

9/10/2014

Item	Quantity	Unit Cost	Total Cost	Purchase Date
Acer Chromebook	two	\$199.00	\$418.00	7/12/2014
			<b>add \$20.00 shipping</b>	
Shirts	six		\$60.43	7/30/2014
Shirts	six		\$57.58	7/31/2014
Copier Toner Cartridge	one	\$35.99		6/30/2014
		+	\$46.97	
			<b>add \$5.99 shipping</b>	
Printer Ink Cartridge	one	\$4.99		6/30/2014
300Mbps Wifi Wireless USB Micro-Mini Adapter	five	\$13.99	\$69.95	7/4/2014
Design, Printing, Cutting Business Cards/Sponsor Forms (forms in duplicate)			\$109.83	7/8/2014
<b>Total Expenditure(s) to-date:</b>			<b>\$762.76</b>	

Program Support Amount: \$ 954.00

**Remaining Balance: \$ 191.24**

## **Community & Neighborhood Technology – Topeka/Shawnee County Kansas**

People who don't have access to the Internet, can't afford it, don't know how to use it, or don't see why it's important, are at a great disadvantage in an increasingly digital age.

We must work to bridge this digital divide by making technology easier to use, more accessible, more affordable, and more relevant to the everyday lives of residents and community based organizations that serve them.

I take my role as “connectors” very seriously and have worked closely with stakeholders in Greater Kansas City to build a more informed, empowered, and inclusive technology community. Because of my personal efforts, a local tech-minded individuals and nonprofits, institutions and gov't agencies now

- Work with residents and community stakeholders to build the basic foundation in technology through digital literacy training, summits, and workshops;
- Foster partnerships with local government agencies and nonprofits to increase the number of public computing locations in the city; providing free computer and Internet access to residents through Mobile Tech Labs and wireless mesh wi-fi networks;
- Provide affordable Internet and computer offers to low-income residents;
- Build lasting relationships with community institutions and stakeholders that is creating a culture of digital inclusion and excellence; whereas we share useful content and create tools for new technology users; collect data on digital inclusion and discuss important technology trends; and
- Effectively use awareness campaigns and social media to promote the benefits of technology and inform stakeholders about various services, programs and incentives.

### **Highlights on progress made**

- Established the largest public WiFi dedicated to low-income neighborhoods in the state of Kansas (Juniper Gardens Public Housing Development - the oldest & largest PHD in the state),
- Established the first and most technologically advanced community tech center in the states most impoverished neighborhood,
- Created a pathway for students in technology to intern and work in a community that many often would not come into after dark,
- Is advancing to now offer courses, classes and services in the heart of the low-income neighborhood that go beyond basic digital literacy and life skills, preparing local residents job jobs in the tech industry that pay more then minimum wage and meeting the immediate need for knowledgeable workers in the IT and computer science fields,
- Brought about a fund dedicated to seed projects focused solely on addressing the digital divide through digital inclusive measures

## Community & Neighborhood Technology – Topeka/Shawnee County Kansas

### What can Topeka/Shawnee County Do?

- Commission a 'Playbook' on the problem, need and solutions unique to Topeka/Shawnee County,
- Dedicate a percentage of future sales-tax funds; if passed, to mimic that which has proven to work in the Greater Kansas City area and other cities in regards to addressing our own digital divide, (far less than what is proposed to be spent on identified projects),
- 1 million in funding created more than 300 Wi-Fi hot spots in underserved communities across a city like New York City, which included six housing projects in the South Bronx. These wireless hotspots have more than 20,000 unique visitors a month\*\*

Today, Internet access is as basic to innovation, economic growth, social communication, and the country's competitiveness as electricity was a century ago, "but a limited number of Americans have access to it, many can't afford it, and the country has handed control of it over to only a few companies.

###

But being disconnected isn't just a function of being poor. These days, it is also a reason some people stay poor. As the Internet has become an essential platform for job-hunting and furthering education, those without access are finding the basic tools for escaping poverty increasingly out of reach.

"The cost of being offline is greater now than it was 10 years ago," said John Horrigan, vice president of policy research at TechNet, a trade association representing high-tech companies. "So many important transactions take place online. If you don't have access to high-speed Internet, you're missing out on a lot."

About 80 percent of Fortune 500 companies -- including Target and Wal-Mart -- only accept job applications online. ***High school students who have broadband Internet at home have graduation rates 6 to 8 percentage points higher than students who don't***, says a 2008 study by the Federal Reserve. ***Consumers can save almost \$8,000 a year by using online resources to find discounts on essentials like apartment rentals, clothes, gasoline and food***, according to an analysis last fall by the Internet Innovation Alliance.

Nationwide, 40 percent of households with annual incomes below \$20,000 (below the poverty line for a family of four) have broadband access at home, while 93 percent of households with incomes exceeding \$75,000 have high-speed Internet, according to a 2010 Federal Communications Commission survey.

[http://www.huffingtonpost.com/2012/03/01/internet-access-digital-age\\_n\\_1285423.html](http://www.huffingtonpost.com/2012/03/01/internet-access-digital-age_n_1285423.html) \*\*

Prepared by: Lazone Grays, Jr.  
For: Joint Economic Development Organization  
Date: Sept. 10, 2014

**Community & Neighborhood Technology – Topeka/Shawnee County Kansas**