

Economic Development

Mission: Promote a strong and diverse regional economy by working with regional partners to enhance opportunities for businesses to retain or attract new jobs in the region.

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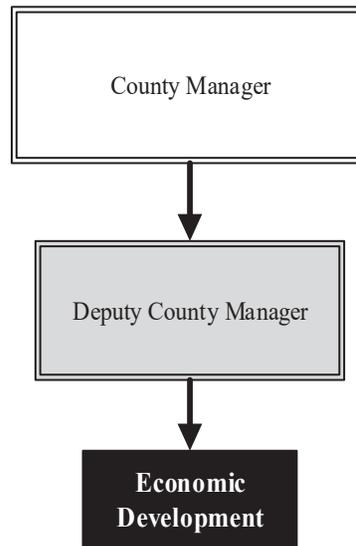
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Overview

Sedgwick County economic development collaborates with other governments, partner organizations, and businesses to retain and expand local businesses and attract new companies that pay above average wages and create and retain value added jobs. The County is a grantee for Foreign Trade Zone (FTZ) #161, a general purpose zone in which goods are not within U.S. Customs territory. Companies using the FTZ are exempt from paying duty or Federal excise taxes while the goods remain in the zone, thus lowering costs of the importing business and encouraging investment and production that might otherwise take place in another country. The County offers a micro-loan program that provides capital to help low and moderate income persons establish or expand small businesses.

Sedgwick County applies consistent guidelines to analyzing economic development incentives; to assure prudent stewardship of public financial resources and a positive economic benefit that exceeds the public investment.



Strategic Goals:

- Foster collaboration among regional players, including work toward standardization of governmental agency and economic development organization processes and procedures, including clear definition of roles and flow chart for officials and citizens
- Develop the County's role as a data clearinghouse and regional facilitator
- Retain and expand value added jobs through judicious use of relocation / expansion incentives



Accomplishments and Priorities

Accomplishments

Accomplishments for 2017 include:

- Sedgwick County is serving on the leadership team guiding the development and implementation of a Blueprint for Regional Economic Growth, a ten-county regional strategy that is focused on the actions needed to remove obstacles to growth of eight key industry clusters — the region's 'economic engines': aerospace, oil & gas production and transportation, machinery & metal working, agriculture inputs & processing, transportation & logistics, data services & electronic components, advanced materials, and healthcare.
- Sedgwick County senior leadership served on the Greater Wichita Partnership (GWP) Strategic Advisory Team and provided the impetus for the review and development of a new organizational strategic plan.
- Sedgwick County supported regional economic development efforts, including the GWP, the Foreign Direct Export Plan, and the South Central Kansas Economic Development District (SCKEDD), developing incentives to create and maintain thousands of value added jobs in the region.

Strategic Results

A strategic priority of Sedgwick County is to be known for developing and expanding a world class, diversified workforce that meets the educational and skill requirements of the existing and potential business community.

Sedgwick County is guiding and participating in the formulation of a comprehensive regional economic development strategic plan, assuring cooperation and synergy between business, education, government, and economic development organizations to strengthen and diversify the regional economy.

Sedgwick County continues to support the recovery in the aerospace and aircraft manufacturing and service industry which represent major regional employers. The County also continues to support diversification based on the growth of other important industry sectors.

Through the Micro-Loan program, Sedgwick County provides capital to help low- and moderate-income persons establish or expand small businesses in the County outside Wichita city limits. Loan funds can be used for startup or expansion equipment, increasing inventory, leases and lease hold improvements, transportation, purchasing a building, and advertising.

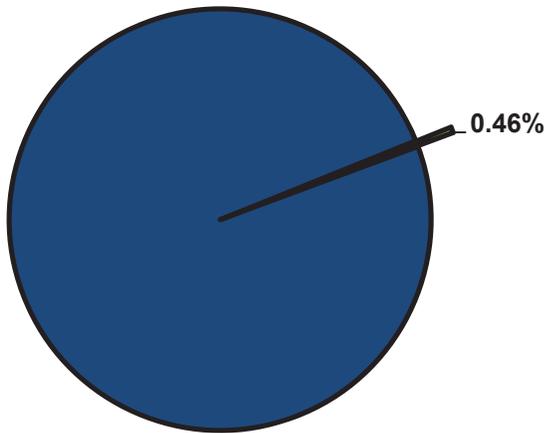


Significant Budget Adjustments

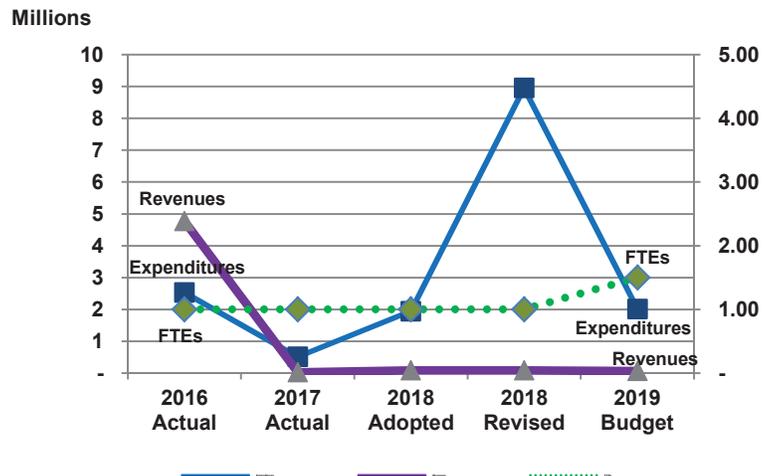
Significant adjustments to Economic Development's 2019 budget include a reduction of \$7,009,061 from a one-time allocation in 2018 for an Interlocal agreement with the City of Wichita and Spirit AeroSystems, Inc., as well as an increase of \$62,650 for 0.5 FTE Economic Development and Tax System Director position shifting to the Economic Development Division following reorganization.

Divisional Graphical Summary

Economic Development
Percent of Total County Operating Budget



Expenditures, Program Revenue & FTEs
All Operating Funds



Budget Summary by Category

	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amount Chg '18 Rev.-'19	% Chg '18 Rev.-'19
Expenditures							
Personnel	87,514	87,837	90,972	90,972	159,258	68,287	75.06%
Contractual Services	2,441,632	417,225	1,848,798	8,857,859	1,848,798	(7,009,061)	-79.13%
Debt Service	-	-	-	-	-	-	-
Commodities	-	6,881	5,450	5,450	5,450	-	0.00%
Capital Improvements	-	-	-	-	-	-	-
Capital Equipment	-	-	-	-	-	-	-
Interfund Transfers	-	-	-	-	-	-	-
Total Expenditures	2,529,146	511,942	1,945,220	8,954,281	2,013,506	(6,940,774)	-77.51%
Revenues							
Tax Revenues	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for Services	10,000	7,500	19,996	19,996	7,500	(12,496)	-62.49%
All Other Revenue	4,758,471	16,152	64,798	64,798	52,400	(12,398)	-19.13%
Total Revenues	4,768,471	23,652	84,794	84,794	59,900	(24,894)	-29.36%
Full-Time Equivalents (FTEs)							
Property Tax Funded	1.00	1.00	1.00	1.00	1.50	0.50	50.00%
Non-Property Tax Funded	-	-	-	-	-	-	-
Total FTEs	1.00	1.00	1.00	1.00	1.50	0.50	50.00%

Budget Summary by Fund

Fund	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amount Chg '18 Rev.-'19	% Chg '18 Rev.-'19
General Fund	544,972	511,517	1,905,220	8,914,281	1,973,506	(6,940,774)	-77.86%
Econ. Devo. Grants	975	425	40,000	40,000	40,000	-	0.00%
Affordable Airfares	1,983,198	-	-	-	-	-	-
Total Expenditures	2,529,146	511,942	1,945,220	8,954,281	2,013,506	(6,940,774)	-77.51%

Significant Budget Adjustments from Prior Year Revised Budget

	Expenditures	Revenues	FTEs
Reduction in funding due to one-time 2018 allocation for interlocal agreement	(7,009,061)		
Shift portion of position from Finance due to reorganization	62,650		0.50
Total	(6,946,411)	-	0.50

Budget Summary by Program

Program	Fund	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	% Chg '18 Rev.-'19	2019 FTEs
Econ. Development	110	542,502	509,414	1,901,220	8,910,281	1,969,506	-77.90%	1.50
Foreign Trade Zone	110	2,470	2,104	4,000	4,000	4,000	-	-
CDBG Micro Loan	271	975	425	40,000	40,000	40,000	-	-
Affordable Airfares	278	1,983,198	-	-	-	-	-	-
Total		2,529,146	511,942	1,945,220	8,954,281	2,013,506	-77.51%	1.50

Personnel Summary By Fund

Position Titles	Fund	Grade	Budgeted Compensation Comparison			FTE Comparison		
			2018 Adopted	2018 Revised	2019 Budget	2018 Adopted	2018 Revised	2019 Budget
Economic Development & Tax System Dir.	110	GRADE136	-	-	45,898	-	-	0.50
Senior Administrative Officer	110	GRADE127	63,170	63,522	63,522	1.00	1.00	1.00
Subtotal					109,420			
Add:								
Budgeted Personnel Savings					-			
Compensation Adjustments					6,739			
Overtime/On Call/Holiday Pay					-			
Benefits					43,100			
Total Personnel Budget					159,258	1.00	1.00	1.50

• Economic Development

Economic Development promotes a strong and diverse regional economy by helping local businesses grow, increasing opportunity for international trade, and attracting new jobs to Sedgwick County.

Fund(s): County General Fund 110

Expenditures	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amnt. Chg. '18 - '19	% Chg. '18 - '19
Personnel	87,514	87,837	90,972	90,972	159,258	68,287	75.1%
Contractual Services	454,988	414,696	1,804,798	8,813,859	1,804,798	(7,009,061)	-79.5%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	-	6,881	5,450	5,450	5,450	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	-	-	-	-	-	-	0.0%
Total Expenditures	542,502	509,414	1,901,220	8,910,281	1,969,506	(6,940,774)	-77.9%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	12,400	12,445	24,798	24,798	12,400	(12,398)	-50.0%
Total Revenues	12,400	12,445	24,798	24,798	12,400	(12,398)	-50.0%
Full-Time Equivalents (FTEs)	1.00	1.00	1.00	1.00	1.50	0.50	50.0%

• Foreign Trade Zone

The Foreign Trade Zone (FTZ) is a general purpose zone where foreign and domestic goods are not within U.S. Customs territory. The zone is ready to work for businesses involved in international trade. Air, rail, and surface transportation users find the international trade services and facilities convenient, user friendly, and highly cost effective. Users of the FTZ are exempt from paying duty or Federal excise taxes while the goods remain in the zone. Funding is used to promote the zone itself, for training, and for travel expenses for economic development staff.

Fund(s): County General Fund 110

Expenditures	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amnt. Chg. '18 - '19	% Chg. '18 - '19
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	2,470	2,104	4,000	4,000	4,000	-	0.0%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	-	-	-	-	-	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	-	-	-	-	-	-	0.0%
Total Expenditures	2,470	2,104	4,000	4,000	4,000	-	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	10,000	7,500	19,996	19,996	7,500	(12,496)	-62.5%
All Other Revenue	-	-	-	-	-	-	0.0%
Total Revenues	10,000	7,500	19,996	19,996	7,500	(12,496)	-62.5%
Full-Time Equivalents (FTEs)	-	-	-	-	-	-	0.0%

• Community Development Block Grants Micro Loan Program

The Community Development Block Grants (CDBG) Micro Loan program assists low and moderate income persons establish or expand business in Sedgwick County outside the city limits of Wichita. Loan funds can be used for startup or expansion equipment, increasing inventory, leases, purchasing a building, advertising, and transportation. This Micro Loan also gives special incentives within the Oaklawn/Sunview communities.

Fund(s): Economic Development - Grants 271

Expenditures	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amnt. Chg. '18 - '19	% Chg. '18 - '19
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	975	425	40,000	40,000	40,000	-	0.0%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	-	-	-	-	-	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	-	-	-	-	-	-	0.0%
Total Expenditures	975	425	40,000	40,000	40,000	-	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	6,071	3,708	40,000	40,000	40,000	-	0.0%
Total Revenues	6,071	3,708	40,000	40,000	40,000	-	0.0%
Full-Time Equivalents (FTEs)	-	-	-	-	-	-	0.0%

• Affordable Airfares

In 2006, Sedgwick County Commissioners approved subsidy funding for the Affordable Airfares Program. This program was designed to promote economic development, tourism, and leisure travel to and from Wichita's Eisenhower Airport. In 2006, the Kansas State Legislature adopted a \$5 million, five-year State Affordable Airfare Fund to be administered by the Kansas Department of Commerce to provide more flight options, competition, and affordable airfares for Kansans. The 2016 state budget allocated \$4.75 million to Sedgwick County for the program. The Affordable Airfares fund center was used to account for the County's transfer of local funding to the program and for the County's receipt of money from the City of Wichita to pay half of the local funding requirement. Funding in 2016 was the final year of the program.

Fund(s): Affordable Airfares 278

Expenditures	2016 Actual	2017 Actual	2018 Adopted	2018 Revised	2019 Budget	Amnt. Chg. '18 - '19	% Chg. '18 - '19
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	1,983,198	-	-	-	-	-	0.0%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	-	-	-	-	-	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	-	-	-	-	-	-	0.0%
Total Expenditures	1,983,198	-	-	-	-	-	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	4,740,000	-	-	-	-	-	0.0%
Total Revenues	4,740,000	-	-	-	-	-	0.0%
Full-Time Equivalents (FTEs)	-	-	-	-	-	-	0.0%