

Economic Development

Mission: Promote a strong and diverse regional economy by enhancing opportunities for businesses to retain or attract new jobs within the county.

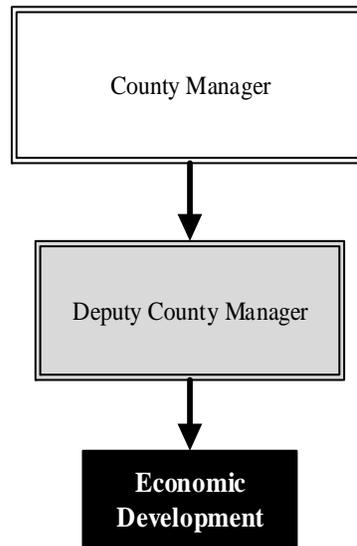
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Overview

Sedgwick County economic development collaborates with other governments and businesses to retain and expand local businesses, and attract new companies that pay above average wages. 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.



Strategic Goals:

- Assist new and expanding small businesses with Micro Loans
- Increase international trade by expanding the use of the Foreign Trade Zone by local firms
- Retain and expand jobs through judicious use of relocation / expansion incentives



Accomplishments and Priorities

Accomplishments

Accomplishments for 2015 include:

- Figeac Aerospace, a French conglomerate, completed construction of its North American headquarters in Sedgwick County near the county-owned National Center for Aviation Training. Over a 5-year period Figeac committed to add 200 jobs at an average wage that exceeds the County average; and
- Sedgwick County is serving on the leadership team guiding the development of a Blueprint for Regional Economic Growth, a 10-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.

Priorities

The Sedgwick County Micro-Loan program provides capital to help low- and moderate-income persons establish or expand small businesses in Sedgwick 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.

The Great Recession has had a lasting effect on Sedgwick County's principal business activity, which is aircraft manufacturing and service. The industry has suffered substantially reduced employment over the past five years but now is well positioned to grow as the industry slowly recovers. Supporting these companies as they recover and helping other industry sectors grow to replace lost aviation manufacturing jobs is a critical issue for Sedgwick County.

Prior to July 1, 2016, the County administered the Affordable Airfares Program, through which Southwest Airlines was offered revenue guarantees of up to \$6.5 million per year to cover operating losses incurred on low-fare airfare service provided to businesses and residents. The program was not renewed and ended on June 30, 2016.

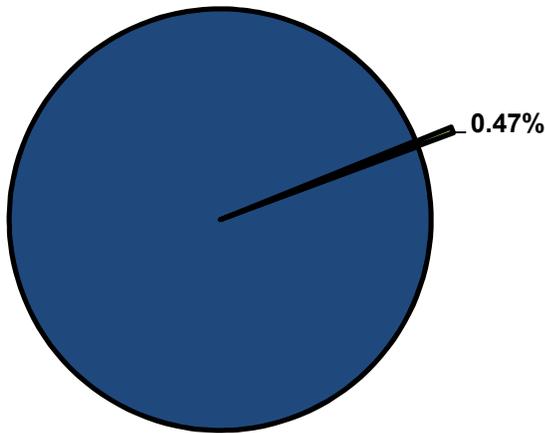


Significant Budget Adjustments

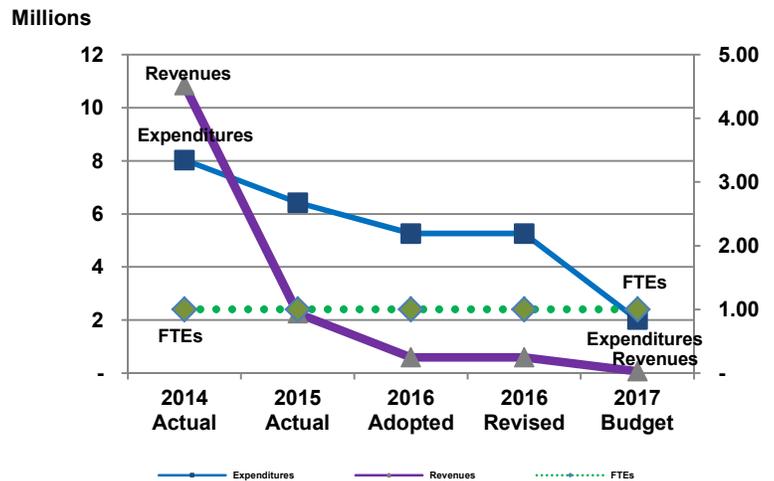
There are no significant adjustments to Economic Development's 2017 budget.

Divisional Graphical Summary

Economic Development
Percent of Total County Operating Budget



Expenditures, Program Revenue & FTEs
All Operating Funds



Budget Summary by Category

	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amount Chg '16 Rev.-'17	% Chg '16 Rev.-'17
Expenditures							
Personnel	89,453	86,267	87,613	87,613	88,198	585	0.67%
Contractual Services	7,062,493	5,461,855	5,168,798	5,168,798	1,918,798	(3,250,000)	-62.88%
Debt Service	-	-	-	-	-	-	-
Commodities	3,870	530	5,450	5,450	5,450	-	0.00%
Capital Improvements	-	-	-	-	-	-	-
Capital Equipment	-	-	-	-	-	-	-
Interfund Transfers	875,000	875,000	-	-	-	-	-
Total Expenditures	8,030,817	6,423,652	5,261,861	5,261,861	2,012,446	(3,249,415)	-61.75%
Revenues							
Tax Revenues	-	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-	-
Intergovernmental	875,000	875,000	-	-	-	-	-
Charges for Services	12,100	10,000	12,100	12,100	10,302	(1,798)	-14.86%
All Other Revenue	9,958,298	1,365,236	573,880	573,880	52,751	(521,129)	-90.81%
Total Revenues	10,845,398	2,250,236	585,980	585,980	63,054	(522,926)	-89.24%
Full-Time Equivalents (FTEs)							
Property Tax Funded	1.00	1.00	1.00	1.00	1.00	-	0.00%
Non-Property Tax Funded	-	-	-	-	-	-	-
Total FTEs	1.00	1.00	1.00	1.00	1.00	-	0.00%

Budget Summary by Fund

	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amount Chg '16 Rev.-'17	% Chg '16 Rev.-'17
Fund							
General Fund	1,883,532	1,805,062	1,971,861	1,971,861	1,972,446	585	0.03%
Econ. Devo. Grants	1,181	896	40,000	40,000	40,000	-	0.00%
Affordable Airfares	6,146,104	4,617,694	3,250,000	3,250,000	-	(3,250,000)	-100.00%
Total Expenditures	8,030,817	6,423,652	5,261,861	5,261,861	2,012,446	(3,249,415)	-61.75%

Significant Budget Adjustments from Prior Year Revised Budget

	Expenditures	Revenues	FTEs
Elimination of Affordable Airfares program in State Fiscal Year 2017	(3,250,000)	(475,000)	-

Total (3,250,000) (475,000) -

Budget Summary by Program

Program	Fund	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	% Chg '16 Rev.-'17	2017 FTEs
Econ. Development	110	1,001,761	926,744	1,967,861	1,967,861	1,968,446	0.03%	1.00
Foreign Trade Zone	110	6,771	3,318	4,000	4,000	4,000	-	-
CDBG Micro Loan	271	1,181	896	40,000	40,000	40,000	-	-
Affordable Airfares	Multi.	7,021,104	5,492,694	3,250,000	3,250,000	-	-100.00%	-
Total		8,030,817	6,423,652	5,261,861	5,261,861	2,012,446	-61.75%	1.00

Personnel Summary By Fund

Position Titles	Fund	Grade	Budgeted Compensation Comparison			FTE Comparison		
			2016 Adopted	2016 Revised	2017 Budget	2016 Adopted	2016 Revised	2017 Budget
Senior Administrative Officer	110	GRADE127	62,524	62,985	62,985	1.00	1.00	1.00
Subtotal					62,985			
Add:								
Budgeted Personnel Savings					-			
Compensation Adjustments					2,108			
Overtime/On Call/Holiday Pay					-			
Benefits					23,105			
Total Personnel Budget					88,198	1.00	1.00	1.00

• 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	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amnt. Chg. '16 - '17	% Chg. '16 - '17
Personnel	89,453	86,267	87,613	87,613	88,198	585	0.7%
Contractual Services	908,438	839,948	1,874,798	1,874,798	1,874,798	-	0.0%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	3,870	530	5,450	5,450	5,450	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	-	-	-	-	-	-	0.0%
Total Expenditures	1,001,761	926,744	1,967,861	1,967,861	1,968,446	585	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	55,500	12,500	58,880	58,880	12,751	(46,129)	-78.3%
Total Revenues	55,500	12,500	58,880	58,880	12,751	(46,129)	-78.3%
Full-Time Equivalents (FTEs)	1.00	1.00	1.00	1.00	1.00	-	0.0%

• 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, training, and travel expenses for economic development staff.

Fund(s): County General Fund 110

Expenditures	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amnt. Chg. '16 - '17	% Chg. '16 - '17
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	6,771	3,318	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	6,771	3,318	4,000	4,000	4,000	-	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	12,100	10,000	12,100	12,100	10,302	(1,798)	-14.9%
All Other Revenue	-	-	-	-	-	-	0.0%
Total Revenues	12,100	10,000	12,100	12,100	10,302	(1,798)	-14.9%
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	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amnt. Chg. '16 - '17	% Chg. '16 - '17
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	1,181	896	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	1,181	896	40,000	40,000	40,000	-	0.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	-	-	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	12,798	12,736	40,000	40,000	40,000	-	0.0%
Total Revenues	12,798	12,736	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 is designed to promote economic development, tourism, and leisure travel to and from Wichita's Mid-Continent 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. Following expiration of the original five-year term the Legislature has continued to appropriate funds in its adopted budgets. The 2016 state budget allocated \$4.75 million to Sedgwick County for the program. The Affordable Airfares fund center is 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 is not included in the State's State Fiscal Year (SFY) 2017 budget. Funding in 2016 is the final year of the program.

Fund(s): Affordable Airfares 278 / County General Fund 110

Expenditures	2014 Actual	2015 Actual	2016 Adopted	2016 Revised	2017 Budget	Amnt. Chg. '16 - '17	% Chg. '16 - '17
Personnel	-	-	-	-	-	-	0.0%
Contractual Services	6,146,104	4,617,694	3,250,000	3,250,000	-	(3,250,000)	-100.0%
Debt Service	-	-	-	-	-	-	0.0%
Commodities	-	-	-	-	-	-	0.0%
Capital Improvements	-	-	-	-	-	-	0.0%
Capital Equipment	-	-	-	-	-	-	0.0%
Interfund Transfers	875,000	875,000	-	-	-	-	0.0%
Total Expenditures	7,021,104	5,492,694	3,250,000	3,250,000	-	(3,250,000)	-100.0%
Revenues							
Taxes	-	-	-	-	-	-	0.0%
Intergovernmental	875,000	875,000	-	-	-	-	0.0%
Charges For Service	-	-	-	-	-	-	0.0%
All Other Revenue	9,890,000	1,340,000	475,000	475,000	-	(475,000)	-100.0%
Total Revenues	10,765,000	2,215,000	475,000	475,000	-	(475,000)	-100.0%
Full-Time Equivalents (FTEs)	-	-	-	-	-	-	0.0%