

# CITY COUNCIL STUDY SESSION

**TO:** Mayor and City Council  
**FROM:** Mari E. Macomber, City Manager

**SESSION DATE:** September 11, 2007  
**TIME:** 5:30 p.m.  
**PLACE:** City Council Chambers

## **AGENDA:**

**TCRC Update**  
**Innovation Center Update**  
**Tourism Update**  
**KREDI Update**  
**Newsletter Review from September 7, 2007**

## **INTRODUCTION**

The City has been working with several organizations to develop a comprehensive economic development approach. With the implementation of the Innovation Center and the Tourism program, we have expanded our economic opportunities significantly. After discussing the purpose and focus of each of the following organizations, it will be important that the City Council discuss the focus of the City's economic development efforts. Included on pages 5 and 6 of this packet is a summary report on the economic focus of each of these groups.

At present, our internal economic development focus has been on maintaining information, working with the downtown TIF, and working with small business (retail and service) to assist them in finding space and meeting other needs. We also work on beautification efforts, policy and ordinance review and grant writing. There are also special projects that result from time to time.

When we conclude the meeting, we will want to make sure that our focus is on where the City Council believes it to be needed.

## **TCRC UPDATE**

The City entered into a partnership with the University of Missouri Outreach and Extension, Kirksville RIII School District and Truman State University to establish a cooperative telecommunications center with the primary purpose of providing educational programming and training to the citizens of Kirksville and surrounding communities and counties, as well as students, faculty and staff of the partners.

At the time of its creation, the services to be provided by the TCRC were to include credit and non-credit educational courses and programs; short –term professional development and training; other video conferencing and media support functions, including those related to economic d development activities; assistance with multimedia design and production of educational materials and connectivity the Internet. Kevin Baiotto, Executive Director of the TCRC will be in attendance at the Study Session to provide an update on programs and projects currently underway at the TCRC.

Included with this Study Session packet is a copy of the most recent TCRC board report. The agreement includes access for each of the partners. For example, several City departments have participated in numerous training opportunities offered or made available through the TCRC. The University of Missouri serves as the fiscal agent and contributes the largest cash contribution to the operation (\$99,653). Financial support is provided by both the Kirksville RIII School District (\$20,580) and Truman State University (\$18,522). The City provides a cash contribution of \$868 annually, and the building including all maintenance and cleaning services. The balance of funding for the operations comes from the payment of services received by the users.

Recommended Action: The TCRC partnership was established ten years ago. This will be an opportunity to learn more about the TCRC and to share any ideas that members of the City Council may have for the Center.

## **INNOVATION CENTER UPDATE**

The City participated with Truman State University, AT Still University, Northeast Regional Medical Center, Adair County, Chamber of Commerce, and KREDI on the development of a feasibility study to determine whether or not an Innovation Center would be viable within our area. We were looking for another mechanism to stimulate economic development. It was determined that Northeast Missouri could develop a center that would serve small to medium sized enterprises. The partners worked together to formulate a proposal to establish the Missouri Rural Enterprise and Innovation Center (MREIC) that would serve rural Missourians, particularly those in northern Missouri. This proposal was submitted to the Missouri Department of Economic Development and resulted in state funding for the Center for the first year of \$167,341. The State of Missouri has committed to the funding of each Center for up to five years. There are centers in Columbia, St. Louis, Cape Girardeau, Kansas City, Rolla, Springfield, Warrensburg and Kirksville.

As with the TCRC, the formation of an innovation center is another way to work toward increasing our economic growth. MREIC has been working over the past year to establish by laws, articles of incorporation and to recruit an Executive Director. Charlene Boyes began working for MREIC in August. Her office is located on the second floor of City Hall for the time being.

Ms. Boyes will be at the Study Session to explain more about the purpose of the Missouri Rural Enterprise and Innovation Center (MREIC) and the work that she has completed in her first month on the job.

Included with the Study Session packet is the 2008 Operational Plan that was submitted to the Missouri Department of Economic Development.

Recommended Action – It will be important that the City Council understand the purpose of the Innovation Center to be able to explain its concept to others and identify potential clients when visiting with citizens.

## **TOURISM UPDATE**

The hotel/motel lodging tax was approved by citizens in the fall 2006 with collections beginning January 2007. The City entered into an agreement with the Chamber of Commerce requiring the Chamber to perform the necessary tourism functions. The City Council recently passed an Ordinance that spells out the membership, budget guidelines, and reporting responsibilities of the Convention and Tourism Advisory Board. The Convention and Tourism Advisory Board has been active over the past few months. By laws for the organization have been approved in compliance with the City's Ordinance. A copy of the by laws is included with your packet.

The first Tourism Director, Debi Boughton, was hired in July. Ms. Boughton responds to the direction of the Advisory Board and is an employee of the Kirksville Area Chamber of Commerce. Ms. Boughton has hit the ground running. She will be in attendance at the Study Session to meet the City Council and to give you an overview of the Tourism Program that she is developing.

Because the lodging tax is a tax that the City is ultimately responsible and accountable for the use of the funds, the Chamber of Commerce is required to submit its proposed annual budget to the City for review. This will be done in November. We have been pleasantly surprised that the lodging tax receipts have exceeded the anticipated budget. To date there has been \$73,450 in lodging receipts for the first two quarters of 2007.

Recommended Action – It is recommended that the City Council visit with Ms. Boughton about the work that she is doing and the plans that she is developing for the local tourism program. Be prepared to share any ideas that you might have regarding potential tourism events.

## **KREDI UPDATE**

The City entered into a three year agreement with the Northeast Missouri Economic Development Corporation formerly known as NEED, now called KREDI in September 2003. The purpose of the agreement was for KREDI to hire a qualified economic development professional who would work to attract industrial/manufacturing employers to the community and to work with the existing industrial/manufacturing employers to retain and expand their operations. The City renewed its agreement with KREDI in October 2006 for another three year period.

To monitor the success of KREDI, KREDI is to provide an economic development master plan on an annual basis first with the Board of Directors, and then once approved by the

Board it should be shared with the City Council for the purpose of evaluating what additional steps need to be made to further economic development within the community. KREDI is to also provide a quarterly report to the City Council. Included is a copy of the last agreement between the City and KREDI.

Phil Tate, Director of Job Creation will be in attendance at the City Council Study Session to provide an update to the City Council on the work that he is doing.

At your Planning Retreat, the City Council discussed the idea of looking into the possibility of attracting or bringing in trade schools to the area to continue to expand on the one business our community is good at doing "education." Since that meeting, I have had conversations with both Moberly Area Community College and the Kirksville Area Vocational Technical School, both of which are exploring expansion opportunities. I will update the Council on these discussions Tuesday evening.

In addition, Mayor Newton has scheduled a meeting with Phil Tate, Steve Collins and himself to discuss the possibility of KREDI taking on the trade school idea and developing it into job creation.

Recommended Action – The City Council will need to determine if there is any additional area or idea that you would want KREDI to explore? We need to obtain the reports that are required and review the master plan for KREDI's economic development efforts.

#### **NEWSLETTER REVIEW – September 7, 2007**

##### Attachments

Staff Report on Economic Development Efforts – pgs. 5 - 6

TCRC Information – pgs. 7 - 14

MREIC Operational Plan for 2008 – pgs. 15 - 20

Convention and Tourism By Laws and Budget – pgs. 21 - 26

KREDI Agreement – pgs. 27 - 28

## KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

**SUBJECT:** Economic Development in Kirksville

**STUDY SESSION MEETING DATE:** September 11, 2007

**CITY DEPARTMENT:** Economic Development

**PREPARED BY:** Kris McKim, Assistant City Manager

The Kirksville community is fortunate to have several entities working on economic development efforts. To enhance the use of our limited resources, an effort has been made to avoid duplication of efforts, with each group having a specific focus. Some of the groups that are taking part in economic development activities in Kirksville include: K-REDI; Kirksville TCRC; Missouri Rural Enterprise and Innovation Center; the Chamber of Commerce; as well as City of Kirksville staff.

**Kirksville Telecommunications Resource Center (TCRC)** – The TCRC is a part of Missouri Extension and focuses on providing assistance to existing business through educational opportunities in the community. The TCRC hosts a number of workshops on a wide variety of topics that would be useful to a small business owner or someone considering starting a small business. The use of laptops, projectors and other equipment can also be facilitated through the TCRC.

**MREIC (Missouri Rural Enterprise & Innovation Center)** – This newly formed venture is a collaboration of Truman State University, AT Still University, K-REDI, the Chamber of Commerce, the Adair County Commission, the City of Kirksville, and Northeast Regional Medical Center. The Center's Executive Director will work with local entrepreneurs to help bring new ideas and businesses to the market.

**Chamber of Commerce** – The niche that the Chamber of Commerce fills is in the area of tourism. While the Chamber has long been involved in tourism efforts, there was no dedicated funding for a tourism program. Kirksville voter's passed a 3.6% lodging tax which took effect January 1, 2007 and funds a tourism program administered by the Chamber of Commerce. This has allowed the Chamber to hire a full-time Tourism Coordinator who will work on attracting visitors to Kirksville. The main areas of concentration will be small market meetings and underutilized hunting seasons. However, many other avenues for attracting visitors; including recreational events and tournaments, festivals, etc. will be pursued.

**Kirksville Regional Economic Development, Inc. (K-REDI)** – The focus of this group has been narrowly defined on recruiting industrial/manufacturing businesses into Kirksville and working with our existing manufacturing base to encourage retention and expansion. Bringing jobs that pay at least the County average and jobs with benefits to Kirksville has been their goal.

## ***City's Role in Economic Development***

The City of Kirksville's economic development efforts are led by the Assistant City Manager and cover a broad spectrum of activities. City staff works with retail and service businesses that are considering opening in Kirksville. Assistance provided depends on the needs of the specific business, but could include, assisting with site location, providing demographic data, discussing current zoning, or setting up meetings with other departments (Codes and Planning, etc.). The City also maintains a Community Profile publication that has information that a business might want when checking out a prospective community. This includes information on taxes, utility costs, and major employers in the community, transportation, the school system, and much more. These profiles are not only used by City staff, but are also distributed by K-REDI and the Chamber as they work with businesses.

The City is an active participant of the Downtown Improvement Committee. This group of downtown business owners and property owners meets monthly to discuss ways to improve business in the downtown area. They work to plan events in the downtown that draws business (Halloween Carnival, Sidewalk Sales, Christmas hayrides and Santa). They discuss other related issues such as snow removal, parking, and beautification.

The City also administers the Downtown TIF (tax increment financing) program, which is an economic development tool that funds public infrastructure projects in the Downtown to encourage private investment and business expansion. Funds from the Downtown TIF have been used to renovate the Courthouse Square, and will soon make streetscape improvements on Franklin Street between Truman State University and the Downtown.

City staff is also involved in reviewing City policies and ordinances and making sure they are as business-friendly as possible. For example making sure that our business licensing and inspection processes are adequate to ensure that the businesses are safe for operation, without causing undue burden on the business.

Working with the Codes Department on community-wide beautification of properties also plays a role in our economic development efforts. Making sure properties (both business and residential) are well-maintained makes an impact on prospective residents or businesses considering locating in Kirksville.

Another periphery activity of economic development that the City pursues is grant writing. Dollars coming from outside the community that are awarded to Kirksville are often spent with local contractors and local suppliers to complete projects. This not only benefits our community through the dollars that are spent locally, but also expands the capabilities of our local resources.

It takes all of these entities working on their piece of the economic development puzzle to make positive things happen in Kirksville. We are fortunate that each of these groups is committed to these efforts and work well together to get things accomplished.



Kirksville TCRC  
July 2007

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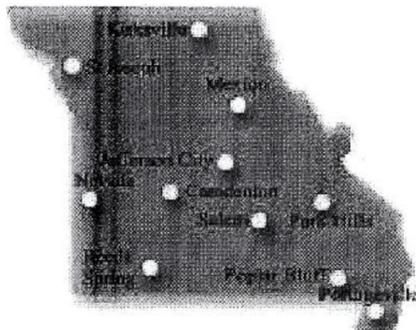
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*Welcome*  
... to a new state of learning.

**Kirksville TCRC  
July 2007**

**Coordinator's Report**

This report includes the end of year financial report for 06 – 07, and July Activity. (Activity in *Italics* indicates status up to the date of this report.)

July activity centered on setting up: promotion of distance education classes, fall distance education classes, preparation for expanding our bandwidth, training our new Temporary Administrative Assistant., printing and publishing the TeleCenter Network flyer, fall program planning, completing summer computer classes, and hosting a variety of programs and events.

One adjustment was made to the 06 – 07 year end financial report sent in the June management report. The adjustment was to add revenue, \$8775.00, for spring UMSL and NWMSU classes. That revenue was posted after the 06 - 07 normal close, an accounting adjustment has been made so that revenue is accounted for in the 06 -07 year. The final report is included below. No other changes were made.

To promote distance education offerings here, during July I worked with Dr Steven Viola and Ellen Meadows at UMSL, and Larry Smith representative for NWMWU to identify students that were completing their requirements for certification and graduation. That effort led to four students being recognized here at the TCRC for completing their certification and masters degree course work. The students agreed to allow us to do press releases on their accomplishments. One of the students, Scott Johns is an employee of the Kirksville School District. Two were employees of the Schuyler County School District, and one is an employee of the Scotland County School district.

To serve our distance education customers, MU Extension specialists and other customers, the executive committee approved the expansion of our bandwidth to an IMA line via e-mail. Prior to the request for approval, alternative methods to expanding our bandwidth were sought in hopes of finding a less expensive alternative than MOREnet. The best alternative found was MOREnet who quoted a price of \$2082.44 above our 07 - 08 budget for an IMA line. Arrangements were made in July and on *August 13 our line was upgraded to the IMA line.*

Donna Watson our new Temporary Administrative Assistant position and started on July 9. She has made significant progress on learning items listed on her orientation list. Barb Valentine has supported Donna's training by providing training on the how to, timing, and accessing information. Donna has already been helpful in preparing some fall program flyers and taking on scheduling of meetings.

3000 of the brochures that were developed for the TeleCenter Network here, were printed locally and distributed to the TeleCenters, Debbie Robison, and Friday packet on campus. For our

region, brochures were sent to county offices for distribution to county extension councils. A small supply is being maintained here for future needs.

**Program Planning:**

A final report for the 06 – 07 Serving Latinos program was submitted along with plans for the 07 – 08 year. A grant request to fund the coming year’s collaboration was sent in for approval. We are requesting \$3000 which is \$840 short of planned expenses. The plan includes \$2059 of expenses covered by in-kind donations and to be paid from other sources. All these funds and expenses go through the Northeast Regional office. See the summary of the proposal following the financial report. *On August 13, Soneeta Grogan informed us that the grant application for \$3000 has been approved.*

We will be offering Leadership & Management: Separating the Two, Monday evenings August 27 through October 1. This ITV offering is being broadcast from Poplar Bluff. *Marketing information has been made available in August and the marketing of the program has been mostly completed.*

On July 31, I met with the Medical Explorations in Science and Anatomy (MESA) group led by the Missouri Area Health Education Centers (MAHEC). Plans were finalized with six dates set for the coming year. The MESA the anatomy programs will be broadcast from the Kirksville TCRC to six other sites. All six topics will be different than last year. Their plan is to go three years with new topics and then repeat those topics on a three year rotation.

We are now working with Carol Snively, Director of MSW and Off Campus Programs University of Missouri School of Social Work, to hold classes for the Masters in Social Work program here. She replaces Judith Davenport. We will host one ITV class this fall on Thursdays 4 – 6:30.

Plans for two other programs: CJ Post ITV from Missouri Southern State University and the UMSL Non-Profit Management and Leadership consulting sessions will be finalized in August.

Ron Manning informed me that the Arabic Class instructor was not going to be available so the fall and spring class is cancelled. He hopes to offer it next year.

**Programming**

There were 24 events and classes in July. Those programs generated \$580 in revenue. No fee activity was valued at \$1072.50.

UM System 3 sessions, Other 2 sessions, KVR III (GED) 12 sessions, City 2 sessions, Truman State University 0 sessions and TCRC 6 sessions.

Distance Education

July distance education classes were held as scheduled with sessions from July 9 through August 3. Sessions during the day were Mon – Thurs (two Fridays). Evening sessions ran Tuesdays & Thursdays until August 2.

Invoices to UMSL, \$4487.50, and NWMSU, \$1200, for these summer classes total \$ 5687.50. The UMSL amount is 40.7 % of our 07 – 08 budget for ITV – UM Campuses. The NWMSU amount is 30% of the year’s ITV – Other Colleges and Universities revenue budget.

Documentation continues to come in on fall distance education classes from UMSL, NWMSU, and MSSU. The schedule includes

Mondays we have two evening classes

Tuesdays we have one to two evening classes

Wednesdays we have two evening classes

Thursday have three evening classes with four dates with four simultaneous classes.

#### Marketing

See comments above on promoting distance education; Leadership & Management program, TeleCenter brochures, and Fall Computer Class flyers will be developed and distributed in August.

#### Operations & Improvements

A replacement scanner was recommended by Barb Valentine and purchased. The replacement scanner has the functions we need and at a much lower price than what ETCS recommended. It is of significant higher quality than a consumer model and will help us serve multimedia customers with more functions.

Public Access and Lab PCs continue to be updated with Windows critical updates, virus software, and other standard updates. PCs are set for automatic update and will be on overnight once a week for that update to take place as scheduled in the early a.m.

#### Improvements Needed

I have requested the door repair be completed plus a cleaning date set in the spring prior to our anniversary, in hopes of sprucing the place up for a possible open house or celebration. The door problem was reported in the fall of 2005. We keep only one door open on the west side because the other door does not open/close properly. The double doors on the west and south sides of the building are worn. My understanding is that the internal door closures will be disabled because they are more expensive to repair than to replacing them with standard door closure devices.

The photo copier is close to ten years old and we are having more service calls than in the past. A replacement was budgeted for 07 – 08 with the cost coming out of our Equipment & Furnishings account. We received a quote on replacement and have decided to delay the replacement until something either breaks or we begin having more service calls than present. The quote included a service agreement that cost more than the current service agreement but has equivalent service. If we do not replace the unit this year, we will likely have a higher cost agreement on the existing machine when that needs to be renewed.

#### Human Resources

Barb Valentine had completed an annual self evaluation. We discussed the document and it was forwarded to our Regional Director for review.

With Donna on staff, we have been able to get a couple lingering items done: Scanner replacement, Deep Freeze configuration, and website update has started.

Please call me if you have questions relating to staff performance.

Computer Classes

Advanced Word, Intro to Excel, and Advanced Excel were held in July. 29 participants signed up and 22 attended. Four of the attendees were city employees.

Public Access

Activity continues to close to the level of the two prior years. A couple former customers have come in for information to help them with their home computers. We encourage them to take our computer classes. We still believe this service helps keep the TCRC recognized as an asset and public service to the community.

**Kirkville TCRC  
Public Access Monthly Usage  
Comparison**

Month	New Users			Returning Users			Day Passes			Sign Ins			Mo. Avg
	05-06	06-07	07-08	05-06	06-07	07-08	05-06	06-07	07-08	05-06	06-07	07-08	
July	6	3	11	29	17	11	18	16	34	440	423	422	428
August	9	9		9	19		23	13		547	494		521
September	7	7		4	4		6	13		443	396		420
October	11	6		7	3		38	4		444	444		444
November	2	3		2	2		11	17		364	404		384
December	4	3		2	3		14	26		296	333		315
January	7	7		3	3		13	32		447	479		463
February	1	3		3	0		14	7		329	396		363
March	4	6		0	7		21	15		459	455		457
April	4	6		1	1		16	28		416	439		428
May	4	3		2	1		19	27		501	352		427
June	7	9		10	4		23	32		519	410		465
<b>Totals</b>	<b>66</b>	<b>65</b>		<b>72</b>	<b>64</b>		<b>216</b>	<b>230</b>		<b>5205</b>	<b>5025</b>		
<b>Mo. Avg:</b>	<b>5.5</b>	<b>5.4</b>		<b>6.0</b>	<b>5.3</b>		<b>18.0</b>	<b>19.2</b>		<b>433.75</b>	<b>418.8</b>		

06 – 07 Year End Financial Report

Beginning Balance	\$59,419.36					
	<b>Annual</b>				<b>Year to</b>	<b>% of</b>
	<b>Budget</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>Date</b>	<b>Budget</b>
<b>Revenues:</b>						
Generated by TCRC -						
Satellite Conferences	\$0.00				\$0.00	
ITV - UM Campuses	\$6,000.00	\$55.00		\$8,775.00	\$14,805.00	246.75%
ITV - Other Colleges & Univ.	\$3,500.00			\$900.00	\$4,000.00	114.29%
Misc. ITV Meetings & Rm. Use	\$1,550.00	\$625.00	\$900.00	\$190.00	\$5,044.50	325.45%
Computer Training	\$2,000.00	\$270.00	\$70.00	\$385.00	\$2,559.00	127.95%
Misc. (Copies, prints, fax, etc.)	\$2,100.00	\$259.60	\$90.70	\$106.10	\$1,499.28	71.39%
Reimbursements	\$0.00	\$30.00			\$103.87	
Ann. Fee & Day Pass	\$1,000.00	\$63.00	\$21.00	\$174.00	\$931.00	93.10%
Sales Tax	-\$142.80	-\$18.22	-\$6.37	-\$7.45	-\$104.63	73.27%
<b>Subtotal Generated</b>	<b>\$16,007.20</b>	<b>\$1,284.38</b>	<b>\$1,075.33</b>	<b>\$10,522.65</b>	<b>\$28,838.02</b>	<b>180.16%</b>
Appropriated to TCRC -						
In-Kind - City of Kirksville	\$22,000.00			\$22,000.00	\$22,000.00	100.00%
City of Kirksville - Oper. Exp.	\$868.00	\$217.00			\$868.00	100.00%
<i>Total Contrib. City of Kirksville</i>	<i>\$22,868.00</i>	<i>\$217.00</i>	<i>\$0.00</i>	<i>\$22,000.00</i>	<i>\$22,868.00</i>	<i>100.00%</i>
Truman State Univ. Contribution	\$18,522.00	\$4,630.50			\$18,522.00	100.00%
Kirksville R-3 Contribution	\$20,580.00	\$5,145.00			\$20,580.00	100.00%
Kirksville R-3 In-kind Contribution						
University of Mo. Contribution	\$99,653.00				\$99,653.00	100.00%
<b>Subtotal Contributions</b>	<b>\$161,623.00</b>	<b>\$9,992.50</b>	<b>\$0.00</b>	<b>\$22,000.00</b>	<b>\$161,623.00</b>	<b>100.00%</b>
<b>TOTAL REVENUE</b>	<b>\$177,630.20</b>	<b>\$11,276.88</b>	<b>\$1,075.33</b>	<b>\$32,522.65</b>	<b>\$190,461.02</b>	<b>107.22%</b>
<b>Expenditures:</b>						
Operating Expenses -						
Salary, Wages & Benefits	\$137,779.87	\$9,376.57	\$9,077.62	\$9,863.39	\$121,531.13	88.21%
Coord. - Salary	\$46,350.00	\$3,862.50	\$3,862.50	\$3,862.50	\$46,125.00	99.51%
IT - Salary	\$30,000.00	\$1,263.19		\$3,823.98	\$24,121.75	80.41%
A.A. - Salary	\$28,728.72	\$2,406.28	\$3,181.73		\$24,044.86	83.70%
Coord. - Benefits	\$14,081.13	\$1,155.49	\$1,155.49	\$1,155.49	\$13,806.74	98.05%
IT - Benefits	\$9,114.00	\$87.46		\$1,021.42	\$6,594.81	72.38%
A.A. - Benefits	\$8,727.79	\$601.65	\$877.90		\$6,660.34	76.31%
Part Time Instructor	\$778.23				\$177.63	22.82%
Conferences and Travel	\$2,800.00	\$422.91		-\$125.00	\$1,901.22	67.90%
Postage	\$600.00		\$111.00	\$80.06	\$402.78	67.13%
Telephone	\$900.00	\$62.03	\$65.41	\$136.32	\$864.76	96.08%
Advertising/Marketing	\$2,200.00	\$841.00	\$173.13	\$560.80	\$3,126.20	142.10%
Publishing/Printing/Reproduction	\$1,400.00	\$299.52	\$470.00		\$1,041.52	74.39%
Supplies & Misc.	\$1,300.00	\$187.44	\$36.09	-\$204.95	\$1,078.52	82.96%
Equipment	\$2,000.00	\$69.99			\$877.86	43.89%
Dues/Insurance/Subscriptions	\$500.00				\$0.00	0.00%
Repair & Maintenance	\$500.00		-\$115.94	\$231.88	\$445.94	89.19%
Equipment & Furnishing Reserve	\$0.00				\$0.00	
IMA line	\$9,608.12		\$1,927.62	\$1,450.03	\$8,159.08	84.92%
In-Kind - City of Kirksville	\$22,000.00			\$22,000.00	\$22,000.00	100.00%
<b>TOTAL EXPENDITURES</b>	<b>\$181,587.99</b>	<b>\$11,259.46</b>	<b>\$11,744.93</b>	<b>\$33,992.53</b>	<b>\$161,429.01</b>	<b>88.90%</b>
<b>BALANCE</b>	<b>\$55,461.57</b>				<b>\$88,451.37</b>	

**May Financial Comments:**

Status Quo is the status for July activity. Everything seems to be according to plan. Two details: On the income side, we have received \$900 in advance for the MAHEC Explorations in Science and Anatomy workshops. On the expense side, the credit you see under Publishing/Printing/Reproduction is payments from other TCRCs for TeleCenter brochures they were sent that we paid for. Our payment for those brochures will likely come through in August and as we continue to receive payments from the other locations, the cost of the brochures to us will be for the supply of brochures we have for our use.

Beginning Balance	\$88,451.37						
	Annual					Year to	% of
	Budget	July	Aug.	Sept.		Date	Budget
<b>Revenues:</b>							
Generated by TCRC -							
Satellite Conferences	\$0.00					\$0.00	
ITV - UM Campuses	\$12,000.00					\$0.00	0.00%
ITV - Other Colleges & Univ.	\$4,000.00					\$0.00	0.00%
Misc. ITV Meetings & Rm. Use	\$3,500.00	\$900.00				\$900.00	25.71%
Computer Training	\$2,000.00	\$440.00				\$440.00	22.00%
Misc. (Copies, prints, fax, etc.)	\$1,500.00	\$167.15				\$167.15	11.14%
Reimbursements	\$0.00					\$0.00	
Ann. Fee & Day Pass	\$1,000.00	\$144.00				\$144.00	14.40%
Sales Tax	-\$142.80	-\$11.73				-\$11.73	8.21%
<b>Subtotal Generated</b>	<b>\$23,857.20</b>	<b>\$1,639.42</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$1,639.42</b>	<b>6.87%</b>
Appropriated to TCRC -							
In-Kind - City of Kirksville	\$22,000.00					\$0.00	0.00%
City of Kirksville - Oper. Exp.	\$868.00	\$217.00				\$217.00	25.00%
<i>Total Contrib. City of Kirksville</i>	<i>\$22,868.00</i>	<i>\$217.00</i>	<i>\$0.00</i>	<i>\$0.00</i>		<i>\$217.00</i>	<i>0.95%</i>
Truman State Univ. Contribution	\$18,522.00	\$4,630.50				\$4,630.50	25.00%
Kirksville R-3 Contribution	\$20,580.00	\$5,145.00				\$5,145.00	25.00%
Kirksville R-3 In-kind Contribution							
University of Mo. Contribution	\$103,380.00	\$103,380.00				\$103,380.00	100.00%
<b>Subtotal Contributions</b>	<b>\$165,350.00</b>	<b>\$113,372.50</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$113,372.50</b>	<b>68.57%</b>
<b>TOTAL REVENUE</b>	<b>\$189,207.20</b>	<b>\$115,011.92</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$115,011.92</b>	<b>60.79%</b>
<b>Expenditures:</b>							
Operating Expenses -							
Salary, Wages & Benefits	\$132,604.43	\$6,753.83	\$0.00	\$0.00		\$6,753.83	5.09%
Coord. - Salary	\$47,277.00	\$3,862.50				\$3,862.50	8.17%
IT - Salary	\$30,600.00	\$1,001.23				\$1,001.23	3.27%
A.A. - Salary	\$26,391.40	\$385.56				\$385.56	1.46%
Coord. - Benefits	\$14,362.75	\$1,155.49				\$1,155.49	8.05%
IT - Benefits	\$9,296.28	\$319.56				\$319.56	3.44%
A.A. - Benefits	\$4,677.00	\$29.49				\$29.49	0.63%
Part Time Instructor	\$0.00					\$0.00	
Conferences and Travel	\$3,000.00	\$147.75				\$147.75	4.93%
Postage	\$600.00					\$0.00	0.00%
Telephone	\$900.00					\$0.00	0.00%
Advertising/Marketing	\$2,800.00					\$0.00	0.00%
Publishing/Printing/Reproduction	\$1,400.00	-\$143.00				-\$143.00	-10.21%
Supplies & Misc.	\$1,300.00					\$0.00	0.00%
Equipment	\$4,000.00					\$0.00	0.00%
Dues/Insurance/Subscriptions	\$600.00					\$0.00	0.00%
Repair & Maintenance	\$2,600.00					\$0.00	0.00%
Equipment & Furnishing Reserve	\$0.00					\$0.00	
IMA line	\$5,911.76					\$0.00	0.00%
In-Kind - City of Kirksville	\$22,000.00					\$0.00	0.00%
<b>TOTAL EXPENDITURES</b>	<b>\$177,716.19</b>	<b>\$6,758.58</b>	<b>\$0.00</b>	<b>\$0.00</b>		<b>\$6,758.58</b>	<b>3.80%</b>
<b>BALANCE</b>	<b>\$99,942.38</b>					<b>\$196,704.71</b>	

**Serving Latinos program summary:**

The goal of this initiative is to support and facilitate the integration and education of the Latino populations into the Milan and Kirksville Missouri areas. This will be accomplished through delivering "Building Strong Families" (BSF), a MU Extension program, and two additional sessions on Diabetes and Heart Health. All thirteen translated sessions will be delivered to the Milan audience, and seven translated sessions to the Kirksville audience. In Kirksville, day time sessions are being organized for hosting Latino families, particularly those who have family members working in local Mexican restaurants.

Also Hablantes Unidos will continue to deliver "*Language Exchange and Acquisition Programs*" (L.E.A.P.)" (since they are not certified to teach ESL, they renamed the sessions) which will help facilitate learning and attendance at the education sessions. These sessions will be provided to the two same groups two days per week September through April, Holiday breaks and finals weeks of Truman State University.

This collaboration includes seven MU Extension specialists (presenting in their areas of expertise) with Hablantes Unidos volunteers (a Truman State University student organization), and staff at the Milan Centro Latino and the Kirksville TCRC. Those involved are Judy Howard - MU Nutrition and Health Education Specialist from Scotland County, Tom Fuhrman - Human Development Specialist Randolph County, Jane Hunter - Human Development Specialist from Macon County, Debby Whiston - Family Financial Education Specialist from Clark County, Wendy Brumbaugh - Family Financial Education Specialist from Shelby County, Sherry Nelson - Human Development Specialist from Marion County, Sylvia Gomez - Case Manager Green Hills Women's Shelter, and Hablantes Unidos: President - Rachel Hogan, Curriculum - Sarah Martin, Treasurer - Carolyn Harmon, and volunteers. Kevin Baiotto - Coordinator of the Kirksville TCRC will administer the program.

A three hour training session to prepare Hablantes Unidos/Truman State University students for supporting the thirteen class sessions will be provided. Additional training needs will be addressed as the lessons progress. Students will be provided with all lesson materials to review in preparation for this session.

The Milan Latino Center in Milan and the Telecommunications Resource Center in Kirksville are the two sites for the content and LEAP sessions.

**Missouri Rural Enterprise and Innovation Center**  
**FY 2008 Operation Plan**  
**August 15, 2007**

***Background***

Missouri Rural Enterprise and Innovation Center (MREIC) is a nonprofit corporation organized under the statutes of Missouri. MREIC is governed by an independent Board of Directors that is comprised of seven (7) permanent members – one each from the City of Kirksville, Adair County Commission, A.T. Still University, Truman State University, Northeast Regional Medical Center, Kirksville Regional Economic Development, Inc., and the Kirksville Area Chamber of Commerce – as designated by the organization plus a maximum of four (4) additional members chosen from business and industry as well as selected strategic partners. Members of the Board of Directors are not compensated for their service, although documented, necessary and reasonable expenses on behalf of MREIC service may be reimbursed.

***Mission***

The mission of MREIC shall include but not be limited to serving as an innovative economic development agency consistent with Missouri statutes governing innovation centers (Section 348.271 RSMo). MREIC's focus will be the needs of rural communities and rural business enterprises across the state of Missouri with particular emphasis on the northern half of the state. In addition to addressing the statutory role of innovation centers to focus on firms that are characterized by involvement in life sciences, advanced manufacturing technology, and information technology, the center will include in its activities such other economic interests that reflect the needs and opportunities of rural Missouri, including but not limited to healthy aging, clinical drug trials, value-added agriculture, and other information intensive product development opportunities that may emerge from the partners or potential clients.

***FY 2008 Operational Activities***

The energy of MREIC will be directed toward the following for FY 2008:

- developing a strategic partnership with at least one existing innovation center in Missouri for assistance and collaboration in such areas as programmatic training for entrepreneurs;
- establishing close working relationships with other regional economic development entities and co-locate or develop cooperative agreements with these entities as appropriate;
- continuing the process of increasing awareness of MREIC among researchers and entrepreneurs in the region served;
- begin developing a comprehensive Web site to support the delivery of services; and
- commencing the process of identifying, cataloging, and serving a client base in rural Missouri – particularly north of the Missouri River.

## *Activities*

### 1. Select and occupy a suitable place of operation

On an interim basis, the MREIC Executive Director is housed in the Kirksville City Hall in close proximity to the KREDI Director of Job Creation and the Kirksville Assistant City Manager who serves as the City's economic development specialist. Representatives of the MREIC Board of Directors are in conversation with a local manufacturing firm that is considering the possibility of donating significant space to one or more Kirksville entities. In the event this arrangement occurs, MREIC anticipates that it will gain access to not only very high visibility office space but also a significant amount of potential incubator space. If this donation does not occur, MREIC will explore alternative options that would include co-location with the Kirksville Telecommunications Community Resource Center (TCRC) in property owned by the City of Kirksville or co-location with the Small Business Development Center on the Truman campus.

Performance Measure: Establishment of a suitable office with appropriate partners. Obtain suitable office furnishings and equipment to allow function of a professional office, while sharing appropriate equipment and support staff with partners.

### 2. Assemble a professional staff

The MREIC Board of Directors has completed a national search for an Executive Director to assume leadership of the innovation center. The selected Executive Director, Ms. Charlene Boyes, joined MREIC on August 6, 2007. The Executive Director is a former Senior Licensing Associate at the University of Missouri, brings to MREIC experience in company startups, intellectual property management, and technology licensing. She also has experience in biotechnology product development, cell biology research and has worked with University Extension on environment-related projects. Ms. Boyes has BS and MS degrees from Michigan State University. No immediate plans are in place to hire support staff until the opportunities for co-location with existing entities are explored and resolved.

Performance Measure: Make determination of support staff duties as needed. Share support staff with the existing entities and purchase appropriate amounts of staff time

### 3. Develop a strategic partnership with at least one existing innovation center in Missouri for collaborative services and to leverage state funding for technological development

The MREIC Executive Director has scheduled meetings with Missouri Enterprise, Missouri Innovation Center and the Center for Emerging Technologies to explore the development of a Memorandum of Understanding for cooperative services that will mutually benefit our organizations. Topics under consideration include initiatives for use of shared virtual resources and programmatic training.

Performance Measure: Completion of a Memorandum of Understanding with an existing Missouri innovation center.

4. Establish close working relationships with other regional economic development entities and co-locate or develop cooperative agreements with these entities as appropriate

In an effort to best use the financial resources of the State of Missouri, MREIC will seek cooperation with the Northeast Regional Planning Council, Kirksville TCRC, University of Missouri Extension, Kirksville Regional Economic Development, Inc., and Truman's Small Business Development Center. MREIC will meet with each entity to explore the development of cooperative agreements that will be mutually beneficial while avoiding duplication of effort.

Performance Measure: Establishment of one or more cooperative agreements with regional economic development entities.

5. Continue the process of increasing awareness of MREIC among researchers and entrepreneurs in the region served

Awareness of MREIC as a point of service for entrepreneurs is one of the first and highest priorities for the new MREIC Executive Director. The Executive Director will begin increasing awareness by meeting with and becoming known to the research communities at A. T. Still University, Truman State University, and Northeast Regional Medical Center. Another top priority will be to meet with community leaders, businessmen and women in appropriate high-technology enterprises, and interested entrepreneurs in the Kirksville area and throughout northern Missouri. MREIC will publicize its activities and news worthy events in news releases to regional media outlets. Both meetings and publicity will serve to raise awareness of entrepreneurs and provide initial indications of innovation needs and technology clusters that will be necessary to creating linkages between clientele of MREIC and the center's partners.

Performance Measure: The Executive Director will conduct information meetings with targeted individuals and groups and will document these conversations as appropriate.

6. Begin the development of a comprehensive Web site to support the delivery of services

The Executive Director will start a "Request for Proposals" process to commission the development of an appropriate, tiered-access Web site that will become a vehicle for the delivery of information and services to the public, potential clients, and formal clients of MREIC. We will seek the assistance of our feasibility consultant, Mr. Chuck Wolfe of Claggett Wolfe Associates. The Executive Director will oversee the implementation of the site *and its content and services*.

Performance Measure: Completion of an RFP for Web site development by the end of 1<sup>st</sup> quarter FY2008. Website implementation will begin; full implementation is not likely to occur until late in FY 2008.

7. Commence the process of identifying and cataloging resources to best serve the client base in rural Missouri – particularly north of the Missouri River.

This objective will develop as a natural consequence of our meetings with researchers, business leaders and individuals at institutions, enterprises and organizations around the region held to publicize MREIC. The meetings will provide the data necessary for an assessment of resources and cataloging of needs relevant to the process of creating linkages between clientele of MREIC and the center's partners. While the bulk of the 2008 efforts will be the actual start-up of MREIC, the development of a client base will be initiated; in addition MREIC will begin to explore possible linkages that will benefit the clientele.

Performance Measure: The MREIC will complete a preliminary resource assessment. At least one active client will be identified by the end of 1<sup>st</sup> quarter FY 2008.

### ***Plan for Attaining Financial Sustainability***

The MREIC Board of Directors is committed to the long-term stability and sustainability of this innovation center, and our strategy remains essentially unchanged from our original proposal as approved June, 2006. While the state of Missouri has supported the establishment of this entity, we know that long-term financial support will not extend beyond five years under existing statutory constraints. Therefore, the Board understands the critical need to establish MREIC's financial independence within a period of five years or less.

The Board believes that long-term sustainability of MREIC will be a direct function of the success of the program in its first five years. The Board intends to establish a minimum of three funding streams. Our first focus will, of course, be to establish a paying client base from those who use our services.

As part of this effort, we will attempt to take a small equity position in any new start-ups that successfully grow out of the incubation stage. An equity position of 3 – 5 percent will be sought. However, the Board recognizes the need to keep costs at a minimum, especially for entrepreneurs that come to MREIC seeking training and educational opportunities.

Secondly, we remain hopeful that the industrial partnership mentioned in Activity 1 will become a reality and will have the potential to create a significant revenue stream. The gifting of a potential 30,000 – 50,000 square feet of high-quality manufacturing space to our nonprofit organization will create the opportunity to establish not only an incubator but also create opportunities to sublease to other firms on a short-term basis. This is a significant opportunity for the creation of revenue.

Other state Innovation Centers have found success for sustainability primarily through pursuit of public funds. MREIC, in collaboration with other centers or economic development entities, will explore funding opportunities from foundations and government agencies as appropriate. Keeping in mind MREIC's rural focus, these opportunities may include grants from US Dept of Labor, USDA, and NIH and are dependent upon suitable partners for collaboration with MREIC.

Finally, the community of Kirksville has a proven history of providing solutions to economic challenges based upon local resources. The Board of Directors believe that if the MREIC is demonstrably successful after several years but still requires a public subsidy that will not be available from the state of Missouri, the citizens of Kirksville would be willing to support a ¼ cent

or ½ cent economic development sales tax to keep the innovation center operational and to preserve its benefits.

The voters of Kirksville have already demonstrated their willingness to support transportation and economic development projects with their tax dollars – the widening of Highway 63 being the most pertinent example. Since the special Highway 63 sales tax will expire in 2011 about the time this issue would become relevant, the local voters would have the opportunity to consider a “no tax increase tax” for economic development and the MREIC. The Board of Directors believes this community will be willing to make a strong commitment to the financial independence of the innovation center solely based upon local resources. Upon the expiration of the current ½ cent tax for the highway improvement, the community leadership will be willing to consider putting to a public vote the earmarking of all or a portion of that tax to ensure long-term financial stability for the innovation center. The Board is prepared to support this strategy if the need should develop, and we believe it would be successful.

***DED Performance Measure Targets***

<i>Measure</i>	<i>FY 2008</i>	<i>FY 2009*</i>	<i>FY 2010*</i>	<i>FY 2011*</i>
Client Revenue: Sales and Service	0	\$100,000	\$250,000	\$350,000
Client Revenue: Product Licensing	0	0	0	\$25,000
Client Funding: Equity Investment	0	0	\$50,000	\$100,000
Client Funding: Debt Financing	0	\$50,000	\$150,000	\$250,000
Client Funding: Research Grants (SBIR, etc.)	0	\$50,000	\$100,000	\$150,000
Client Jobs Created	2	5	10	15
Client Jobs Retained	5	10	20	30

\* = Estimated/Projected Performance



**THE BYLAWS OF THE  
CONVENTION AND TOURISM ADVISORY BOARD  
KIRKSVILLE, MISSOURI**

**ARTICLE I**

**General**

Section 1. Name

Per Ordinance No. 11804, section 6, City of Kirksville, Kirksville, Missouri, the name of the Lodging Tax oversight committee shall be the Convention and Tourism Advisory Board.

Section 2. Object

The Convention and Tourism Advisory Board objective is to assist the Kirksville Area Chamber of Commerce in the expenditure of funds received from the lodging tax.

Section 3. Area

The area covered by the Convention and Tourism Advisory Board is the city of Kirksville and its limits. Those establishments promoted by the board will be those hotel/motel/bed and breakfast agencies who either collect the lodging tax or those who are members of the Kirksville Area Chamber of Commerce.

**ARTICLE II**

**Membership**

Section 1. Appointments

The Convention and Tourism Advisory Board shall consist of nine (9) members, with two (2) members being appointed by the City Council; five (5) members being appointed by the Chamber of Commerce (with at least three of these members being from the lodging industry within Kirksville); one (1) member being appointed by the President of Truman State University; and one (1) member being appointed by the President of A T Still University.

Section 2. Ex Officio Member

The Executive Director of the Kirksville Area Chamber of Commerce shall serve as an ex officio board member. The Executive Director may designate another staff in his/her place.

Section 3. Term of Office

The initial members of the board shall serve as follows: three of the initial members of the board shall serve for a three-year term, three (3) of the initial board shall serve for a two-year term and three (3) of the initial members of the board shall serve for a one-year term. Thereafter, the appointed members of the board shall serve for three-year terms. The initial term shall commence on June 1, 2007. Prior to the expiration of each member's term of office, the city council and chamber of commerce shall appoint, as applicable, their successor to a three-year term. Except in the case of resignation or removal, members shall hold office until their successors are appointed.

Section 4. Dismissals

The City Council may remove any member of the Convention and Tourism Advisory Board for misconduct or neglect of duty.

The Kirksville Area Chamber of Commerce Board of Directors may remove its appointees at any time for misconduct or neglect of duty.

### ARTICLE III Meetings of the Board

#### Section 1. Meetings

The Convention and Tourism Advisory Board will convene at least once every other month at a date and time decided upon by the board.

#### Section 2. Additional Meetings

The Convention and Tourism Advisory Board will meet for additional meetings at the call of the Board Chairman.

#### Section 3. Quorum

A quorum of a majority of members appointed to the Convention and Tourism Advisory Board is needed to vote on any issue brought before the Convention and Tourism Advisory Board. Therefore a meeting will be canceled if a quorum is not present.

### ARTICLE IV Officers

#### Section 1. Election

The Convention and Tourism Advisory Board shall elect one chairman, vice-chairman and secretary/treasurer.

#### Section 2. Executive Committee

The chairman, vice-chairman, and secretary/treasurer shall serve as the executive committee.

#### Section 3. Yearly Election of Officers

The Convention and Tourism Advisory Board shall elect annually each June their officers for a one year term.

#### Section 4. Committees

The Convention and Tourism Advisory Board may create committees to assist with any task, as they deem necessary.

#### Section 5. Duties of Officers

Chairman:

1. Shall serve as the chief elected officer of the Convention and Tourism Advisory Board and shall preside at all meetings of the Board of Directors and Executive Committee.
2. Shall, subject to approval of the Board of Directors, determine all committee personnel. The chairman shall appoint committee chairs subject to Board approval.

Vice-chairman:

1. Shall serve in the absence of the chairman.

Secretary/Treasurer

1. Shall be responsible for the safeguarding of all funds received via the lodging tax.
2. Such funds shall be kept on deposit in a financial institution, or invested in a manner approved by the Board of Directors.
3. Shall prepare a monthly financial report to be made to the Board.
4. Shall be responsible for minutes and notices of meetings.
5. Shall prepare an annual report of the boards activities to the city council by the 1st of November of each year.

## ARTICLE V

### Finances

#### Section 1. Budget

The Convention and Tourism Advisory Board shall establish a line item budget for each fiscal year, with the year beginning January 1 and ending December 31.

#### Section 2. Review

The Convention and Tourism Advisory Board shall submit its budget for review to the Kirksville Area Chamber of Commerce Board of Directors and the Kirksville City Council. Each organization shall have a copy of the budget no later than November 1 of each year.

#### Section 3. Recommendation

The Convention and Tourism Advisory Board shall submit along with its budget, recommendations concerning methods used to promote tourism and conventions.

## ARTICLE VI

### Tourism

#### Section 1. Data Collection

The Convention and Tourism Advisory Board shall require the Kirksville Area Chamber of Commerce to report the following statistics to its Board of Directors at the annual meeting.

1. Number of phone calls received that are tourism related
2. Number of packages mailed that are tourism related
3. Number of visitors to the Chamber Office that are tourism related
4. Number of inquiries on the home webpage
5. Number of faxed inquiries that are tourism related

#### Section 2. Financial Statistics

The Convention and Tourism Advisory Board shall require the Kirksville Area Chamber of Commerce to report all fiscal matters pertaining to the collection of the lodging tax on a monthly basis.

## ARTICLE VII

### Parliamentary Procedures

Section 1. Authority

The most recent edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not inconsistent with the bylaws of the Convention and Tourism Advisory Board.

ARTICLE VIII

Amendments

These bylaws may be amended or altered by a two-thirds vote of the entire Board.

## 2007 Tourism/Lodging Tax Budget Proposal

2007 Income Estimate = **\$90,000** (first, second and third quarters)

According to City of Kirksville Checks should be received Mid June, Mid Aug, Mid Nov.

### Estimated Expenses Six Months

Salary	\$ 16,000.00
Health Ins	\$ 1,800.00
City Admin. Fee	\$ 850.00
Furniture	\$ 6,000.00
Computer	\$ 3,000.00
Off. Suppl	\$ 500.00
Printing/design	\$ 8,000.00
Trd Shw/Ad/Mktg	\$ 10,500.00
Chamber Suppt	\$ 4,600.00
Rent	\$ 3,000.00
Postage	\$ 3,000.00
Phone	\$ 1,000.00
Utilities	\$ 350.00
Janitorial Supp	\$ 50.00
Copy Machine	\$ 575.00

**Total** **\$ 59,225.00**



## ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2006 by and between the City of Kirksville, MO, hereinafter referred to as "City", and Northeast Missouri Economic Development Corporation dba K-REDI, a Missouri not-for-profit corporation, hereinafter referred to as "K-REDI".

In consideration of the terms contained herein, the parties hereto agree as follows:

1. The term of the Agreement shall be for a period of three (3) years commencing the 1<sup>st</sup> day of October 2006 and ending the 30<sup>th</sup> day of September 2009.
2. The City shall pay K-REDI the sum of One Hundred Thousand Dollars (\$100,000.00) annually during the term of this Agreement, which shall be payable each year in twelve (12) equal consecutive monthly payments commencing on the first day of October 2006.
3. The City shall appoint two (2) individuals who shall be members of the K-REDI Board of Directors, with one such member serving on the Executive Committee of said Board of Directors. The City's Assistant City Manager shall be an ex-officio member of the KREDI Board of Directors. These appointments shall continue to be included in the By Laws of KREDI.
4. K-REDI shall hire and employ a suitably qualified economic developer or industrial recruiter, who shall be an executive employee of K-REDI. Said executive employee shall perform such duties as are provided for in this Agreement together with such other economic development activities as may be assigned and required by K-REDI. The K-REDI Board of Directors shall evaluate the performance of said executive employee on a semiannual basis during the first year of employment and on an annual basis each year thereafter.
5. The City shall provide office space for said executive employee and support staff which shall be located in City Hall. K-REDI shall be responsible for purchasing or otherwise providing necessary office equipment and furnishings for said executive employee and support staff.
6. Said executive employee shall prepare an economic development master plan annually which shall be submitted to and approved by the K-REDI Board of Directors. Said executive employee shall review said economic development master plan annually to the KREDI Board of Directors recommending any proposed amendments thereto deemed necessary or desirable by said executive employee. This economic development master plan should then be shared with the City of Kirksville for the purpose of evaluating further steps needed to improve economic development within the City of Kirksville and Adair County.
7. KREDI shall submit a progress report to the City on a quarterly basis.
8. K-REDI shall adopt an annual budget and approve funding for programs implementing the economic development master plan.

9. K-REDI shall use its best efforts to obtain annual cash contributions during the term of this Agreement from each of the other participating public entities in an amount not less than Five Thousand Dollars (\$5,000.00) per year.
10. The City has or will budget and appropriate the necessary funds to make all of the City's payments required hereunder for the remainder of the fiscal year in which this Agreement is executed; and the City intends to make all of the payments required hereunder so long as funds are appropriated in each fiscal year by its governing body. The City reasonably believes that moneys in an amount sufficient to make all payments required hereunder can and will lawfully be appropriated and made available therefore. All payments required hereunder shall be payable out of the general funds of the City or out of other funds legally available therefore. If the City's governing body fails to appropriate sufficient funds in any fiscal year for payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then the City shall give K-REDI immediate notice of said event, and this Agreement shall immediately terminate without penalty or expense to the City, provided that the City shall pay such amounts hereunder for which funds shall have been appropriated or are otherwise available.

IN WITNESS WHEREOF, this Agreement has been executed the day and year first written above.

CITY OF KIRKSVILLE, MO

NORTHEAST MISSOURI  
ECONOMIC DEVELOPMENT  
CORPORATION dba K-REDI

By: \_\_\_\_\_  
Mari E. Macomber  
City Manager

By: \_\_\_\_\_  
Ron Winkler  
President