

Black Hills Power, Inc. d/b/a Black Hills Energy

Exhibit A - 2018 Economic Development Report

Economic Development Memberships:

	<u>2018 Approved</u>	<u>2018 Actual</u>	<u>Variance</u>	<u>Explanation for Variance</u>
Black Hills Community Economic Development, Inc.	\$ 750	\$ -	\$ (750)	2018 Membership not billed
Belle Fourche Development Corp.	\$ 1,000	\$ 1,000	\$ -	
Custer Area Economic Development Corp.	\$ 500	\$ 750	\$ 250	Budget variance
Greater Rapid City Area Development Corp.	\$ 5,000	\$ 5,000	\$ -	
Spearfish Economic Development Corp.	\$ 1,000	\$ -	\$ (1,000)	Change in billing process; 2019 dues of \$2,000 billed in January 2019 rather than late 2018 as would have been under past practice
Sturgis Economic Development Corp.	\$ 1,500	\$ 1,500	\$ -	
Black Hills & Badlands Association	\$ 1,000	\$ 313	\$ (687)	Budget variance
Heart of the Hills Economic Development Corp.	\$ 500	\$ 100	\$ (400)	Budget variance; billed under Heart of the Hills Economic Development
Southern Hills Economic Development Corp.	\$ 1,000	\$ 500	\$ (500)	Budget variance
South Dakota Chamber & Economic Development Council	\$ 250	\$ 250	\$ -	
Economic Development Memberships Total	\$ 12,500	\$ 9,413	\$ (3,087)	

Community Sponsorships:

South Dakota Center for Enterprise Opportunity	\$ 7,500	\$ 8,310	\$ 810	2018 sponsorship increased to include purchase of event fees for BHE employees
Destination Rapid City	\$ 7,500	\$ 7,500	\$ -	
South Dakota Governors Office of Economic Development Annual Conference	\$ 1,500	\$ -	\$ (1,500)	BHE did not sponsor Community of the Year Award for 2018
South Dakota Chamber of Commerce & Industry - Giant Vision	\$ -	\$ 5,000	\$ 5,000	South Dakota Giant Vision Competition and Awards sponsorship not in budget
Black Hills & Badlands Tourism Association		\$ 750	\$ 750	Annual meeting sponsorship not in budget
Economic Development Grant Program	\$ 50,000	\$ 29,725	\$ (20,275)	Communities focused on retention growth plans, not new business attraction
Economic Development Community Sponsorships Total	\$ 66,500	\$ 51,285	\$ (15,215)	

Business Retention, Recruitment & Marketing:

Labor and related expenses	\$ 40,000	\$ 32,604	\$ (7,396)	Less new business attraction engagement (i.e.: SHOT Show)
Travel and meals	\$ 4,000	\$ 2,569	\$ (1,431)	Less new business attraction engagement (i.e.: SHOT Show)
Other	\$ 4,700	\$ 14,464	\$ 9,764	Unbudgeted business costs; \$9,975 for comprehensive site location program and \$1,000 for sponsorship of a defense & industry symposium
Business Retention, Recruitment & Marketing Total	\$ 48,700	\$ 49,638	\$ 938	

TOTAL BUDGET & EXPENSES

\$ 127,700	\$ 110,336	\$ (17,364)
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