

Comparing 2008 Budget to Actual Expenditures

1-1) Provide a breakout and support for the \$17,525 spent on Economic Assistance Programs.

1-1 Answer) Vermillion replaced its existing Web site with one providing more and better access to economic development information, including the state Governor's Office of Economic Development industrial site listings and local site listings. Also, the functionality and appearance was updated to provide an enhanced appeal to business prospects. Project support - \$2,150

Vermillion Area Chamber and Development's was given financial assistance to complete a capital fund drive assessment. Project support - \$5,000

Sioux Falls Development Foundation's was awarded financial assistance for "Zoom Prospector" from GIS. It is planning software to market location and sites on their Web site. Project support - \$10,000

Financial assistance was provided for the 2008 annual meeting of the Lincoln County and Minnehaha County Economic Development Associations. Project support - \$375

1-2) Provide a breakout and support for the \$62,500 spent on Staffing. What was the primary driver behind the 25% increase in Staffing expense?

1-3) Explain the variance between budget and actual expenditures for Business Attraction Incentives.

1-2, 1-3 Answer) The answer in both cases is the result of a change in staffing. In 2007, MidAmerican's South Dakota economic development representative resigned and the position was vacant for three months until the current economic development consultant started in the position. Due to the decrease from budget resulting in lower actual expenditures created by the change in consultants and wage differential, these dollars were shifted to Economic Assistance and Business Attraction in 2007 in order to meet our financial obligations under this economic development program. The appropriate amounts for actual exiting staffing expenditures were filed and approved in the 2008 proposed budget. The 2008 budget is reflective of having an economic development consultant for twelve months which represent the differences in the budget for Staffing and Economic Assistance and Business Attraction.

2009 Budget

1-4) Why is MidAmerican no longer contributing to the McCook County Development Alliance?

1-4 Answer) McCook County Development Alliance was disbanded and their economic development director was released due to budget constraints.

1-5) Provide rationale for increasing the Staffing budget from \$50,000 to \$61,000. Provide a breakout of budgeted expenditures for 2008 and 2009.

1-6) It appears that the Economic Assistance Programs and Business Attraction Incentives budgets were decreased as a result of the Staffing budget increase. Is this accurate? If not, explain why these budgets were cut?

1-5, 1-6 Answer) See 1-2 and 1-3 Answer