

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

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## **STATUTORY AUTHORITY:**

Primary statutory authority for the Department of Economic Development (DED) is contained primarily in Chapter 81, Article 12, Revised Statutes of Nebraska. The sections of this article cover the organization, mission and functions of the Department of Economic Development. Along with Nebraska statutory requirements, DED also administers federal funds allocated from the U.S. Department of Housing and Urban Development.

## **VISION:**

To provide quality leadership and services that enable Nebraska communities, businesses, and individuals to succeed in a global economy. DED strives to equip and assist businesses and communities in developing and capitalizing on economic development opportunities that maintain and create good quality jobs for Nebraskans and generate new sources of wealth for Nebraskan residents.

## **MISSION AND PRINCIPLES:**

The Nebraska Department of Economic Development Mission is:

To provide quality leadership and services that enable Nebraska communities, businesses, and people to succeed in a global economy. DED is equipped and ready to assist in developing and capitalizing upon Nebraska's economic development opportunities.

Primary statutory authority for the Department of Economic Development is contained in Chapter 81, Article 12, Revised Statutes of Nebraska. The sections of this article cover the organization, mission and functions of the Department of Economic Development.

## **GOALS:**

Strive to create community and economic growth.

Make Nebraska a better place to live, work, raise a family and grow a business.

These Goals will be accomplished by focusing efforts on:

- Aggressive community development.
- Focused business retention and expansion.
- New business attraction.
- New business creation (entrepreneurship).
- Tourism development.
- Special emphasis on the creation of new primary jobs and wealth creation.

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Financial Data

	FY10 Actual	FY11 Approp	FY12 Request	FY12 Recomm	FY13 Request	FY13 Recomm
<b>Operations Funding</b>						
General Fund	4,081,497	4,754,074	4,242,765	4,457,423	4,242,765	4,507,955
Cash Fund	5,130,258	4,366,624	4,866,624	4,729,480	4,866,624	4,750,854
Federal Fund	1,721,321	2,394,520	2,880,900	2,880,931	2,880,900	2,882,421
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>10,933,077</b>	<b>11,515,218</b>	<b>11,990,289</b>	<b>12,067,834</b>	<b>11,990,289</b>	<b>12,141,230</b>
<b>Aid Funding</b>						
General Fund	2,243,831	1,545,922	1,545,922	7,000,000	1,545,922	7,000,000
Cash Fund	11,482,926	12,842,294	12,842,294	12,842,294	12,842,294	12,842,294
Federal Fund	20,068,962	19,587,291	24,187,291	21,687,291	24,187,291	21,687,291
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>33,795,719</b>	<b>33,975,507</b>	<b>38,575,507</b>	<b>41,529,585</b>	<b>38,575,507</b>	<b>41,529,585</b>
<b>Total Funding</b>						
General Fund	6,325,328	6,299,996	5,788,687	11,457,423	5,788,687	11,507,955
Cash Fund	16,613,184	17,208,918	17,708,918	17,571,774	17,708,918	17,593,148
Federal Fund	21,790,283	21,981,811	27,068,191	24,568,222	27,068,191	24,569,712
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Agency</b>	<b>44,728,795</b>	<b>45,490,725</b>	<b>50,565,796</b>	<b>53,597,419</b>	<b>50,565,796</b>	<b>53,670,815</b>

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Program 134 - RURAL DEVELOPMENT COMM

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### **PROGRAM DESCRIPTION:**

The Nebraska Rural Development Commission (RDC), Program 134, has specific statutory duties including:

1. Focus attention on and increase awareness of opportunities and needs of rural Nebraska
2. Strengthen community sustainability and growth in rural Nebraska through increased community-based wealth creation, expanded economic opportunity and improved quality of life
3. Stimulate rural development innovation and foster information transfer to, from, and within rural Nebraska
4. Ensure that rural Nebraskans are afforded the opportunity to determine rural Nebraska's development agenda
5. Foster community-based development initiatives through multi-community partnerships

### **PROGRAM OBJECTIVES:**

The RDC advocates for effective development in rural Nebraska. The commissioners represent a broad cross-section of rural Nebraska and meet regularly. Staff additionally administers the Building Entrepreneurial Communities Act and the Agricultural Innovation and Value-Added Agricultural grant programs including education about the programs and encouraging rural participation.

### **PERFORMANCE MEASURES:**

The two grant programs being administered are monitored for proper usage of funds and project eligibility. Grant administration is completed in an efficient manner so reimbursements are timely to grant recipients. Commission projects are completed according to schedule and the RDC interfaces with other agencies and entities providing services to rural Nebraska to ensure continuity of services without overlap or duplication. A complete copy of the annual program review is available at the RDC web site.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 134 - RURAL DEVELOPMENT COMM**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	164,614	153,397	153,397	154,399	153,397	156,396
Cash Fund	0	0	0	0	0	0
Federal Fund	669	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>165,283</b>	<b>153,397</b>	<b>153,397</b>	<b>154,399</b>	<b>153,397</b>	<b>156,396</b>
<b>Aid Funding</b>						
General Fund	128,203	989,650	989,650	0	989,650	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>128,203</b>	<b>989,650</b>	<b>989,650</b>	<b>0</b>	<b>989,650</b>	<b>0</b>
<b>Total Funding</b>						
General Fund	292,817	1,143,047	1,143,047	154,399	1,143,047	156,396
Cash Fund	0	0	0	0	0	0
Federal Fund	669	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>293,486</b>	<b>1,143,047</b>	<b>1,143,047</b>	<b>154,399</b>	<b>1,143,047</b>	<b>156,396</b>

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Program 600 - ADMINISTRATION

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### **PROGRAM DESCRIPTION:**

Program 600 performs two major agency functions: administrative/operation services plus oversight and overall management for the Department of Economic Development. The primary areas of agency support include: business development, community and rural development, tourism and assigned commission support (i.e. Rural Development Commission, Nebraska Innovation Zone Commission). In addition, Program 600 includes all legal, marketing efforts, communication and general public interaction for the Agency. This division also processes significant amounts of federal and state cash and general fund aid programs.

### **PROGRAM OBJECTIVES:**

#### Sub-Program 50: Administration

This sub-program includes legislative liaison, support of marketing efforts for the Agency and their functions, plus the offices of the Director and Deputy Director. Non-administrative program activities in subprogram 50 include Main Street and the Agency's Marketing Manager. DED administration and operations work aggressively to maintain efficient and effective program delivery, service integration, leading edge technology utilization (Facebook and Twitter) and solid and reliable fiscal management.

#### Sub-Program 51: Operations

The primary functions encompassed in this group are fiscal operations, human resources, information technology/information systems, project/clerical support and legal services.

### **PERFORMANCE MEASURES:**

- During the prior biennium, DED supported introduction of 8 legislative bills, tracked 153 bills and testified at more than 14 hearings.
- DED's web site currently receives approximately 1,000,000 unique visitors per year; this amount is up significantly from the prior budget period. The number of subscribers receiving the DED monthly electronic newsletter has increased to more than 2,750.
- DED generated more than 350 releases and press packets during the biennium.
- DED staff processed more than \$34 million in state and federal grant payments.
- DED reached its goal of processing grant payments within 7 days of receiving completed reimbursement requests.
- DED enhanced its marketing strategy by embarking upon use of new media outlets including Facebook and Twitter.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 600 - ADMINISTRATION**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	1,198,371	1,170,070	1,128,507	1,137,738	1,128,507	1,155,672
Cash Fund	166,375	258,438	258,438	258,438	258,438	258,722
Federal Fund	98,029	156,823	156,823	156,854	156,823	158,344
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>1,462,775</b>	<b>1,585,331</b>	<b>1,543,768</b>	<b>1,553,030</b>	<b>1,543,768</b>	<b>1,572,738</b>
<b>Aid Funding</b>						
General Fund	102,000	93,100	93,100	0	93,100	0
Cash Fund	39,700	14,250	14,250	14,250	14,250	14,250
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>141,700</b>	<b>107,350</b>	<b>107,350</b>	<b>14,250</b>	<b>107,350</b>	<b>14,250</b>
<b>Total Funding</b>						
General Fund	1,300,371	1,263,170	1,221,607	1,137,738	1,221,607	1,155,672
Cash Fund	206,075	272,688	272,688	272,688	272,688	272,972
Federal Fund	98,029	156,823	156,823	156,854	156,823	158,344
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>1,604,475</b>	<b>1,692,681</b>	<b>1,651,118</b>	<b>1,567,280</b>	<b>1,651,118</b>	<b>1,586,988</b>

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Program 601 - COMMUNITY & RURAL DEVELOPMENT

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### **PROGRAM DESCRIPTION:**

The Community and Rural Development Division of DED (program 601) provides technical and financial services through community-targeted programs and regional service delivery. These include grant programs for housing, community infrastructure, planning and business development; the Nebraska Community Improvement Program; the Nebraska Microenterprise Development Program; the Community Development Block Grant program (CDBG) and the Community Development Assistance Act (CDAA) tax credit program. Funding for this division includes state general and cash funds and a variety of federal funds. Over the past two years, this division worked diligently to coordinate implementation of various federal American Recovery and Reinvestment Act (ARRA) funds.

### **PROGRAM OBJECTIVES:**

The Community and Rural Development Division (CRD) provides technical and financial services through community-targeted programs and regional service delivery. These include grant programs for housing, community infrastructure, planning and business development; the Nebraska Community Improvement Program; the Nebraska Microenterprise Development Program; and the Community Development Assistance Act.

### **PERFORMANCE MEASURES:**

**Housing Priority:** Respond to needs for affordable, decent, safe and appropriate housing as a part of a balanced economic development in Nebraska.

**Community Development Priority:** Strengthen Nebraska communities through community development planning, programs and services in order to provide a stable platform for economic development.

**Economic Development Priority:** Foster the competitiveness of Nebraska's business and industrial sector—and as a result—assist in the economic development of Nebraska's communities and people.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 601 - COMMUNITY & RURAL DEVELOPMENT**

**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	219,978	233,974	233,974	234,920	233,974	236,362
Cash Fund	444,274	616,961	616,961	417,526	616,961	422,018
Federal Fund	998,623	1,201,708	1,688,088	1,688,088	1,688,088	1,688,088
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>1,662,875</b>	<b>2,052,643</b>	<b>2,539,023</b>	<b>2,340,534</b>	<b>2,539,023</b>	<b>2,346,468</b>
<b>Aid Funding</b>						
General Fund	1,042,648	463,172	463,172	0	463,172	0
Cash Fund	9,155,587	11,000,000	11,000,000	8,000,000	11,000,000	9,500,000
Federal Fund	19,652,436	19,337,950	23,937,950	21,437,950	23,937,950	21,437,950
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>29,850,671</b>	<b>30,801,122</b>	<b>35,401,122</b>	<b>29,437,950</b>	<b>35,401,122</b>	<b>30,937,950</b>
<b>Total Funding</b>						
General Fund	1,262,626	697,146	697,146	234,920	697,146	236,362
Cash Fund	9,599,861	11,616,961	11,616,961	8,417,526	11,616,961	9,922,018
Federal Fund	20,651,059	20,539,658	25,626,038	23,126,038	25,626,038	23,126,038
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>31,513,547</b>	<b>32,853,765</b>	<b>37,940,145</b>	<b>31,778,484</b>	<b>37,940,145</b>	<b>33,284,418</b>

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Program 603 - INDUSTRIAL RECRUITMENT

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### **PROGRAM DESCRIPTION:**

The Business Development Division, Program 603, provides technical and financial services to businesses, regional organizations and communities to help expand economic development opportunities in areas that include business and industry recruitment, international trade and investment, existing and start-up business assistance, entrepreneurship, workforce development and job training.

### **PROGRAM OBJECTIVES:**

DED, by statute, is charged as the leading statewide economic development organization in Nebraska. This mission is accomplished through a wide variety of on-going and one-time programs and activities.

### **PERFORMANCE MEASURES:**

On a macro level, the Business Development Divisions measures its success on factors such as the state's unemployment rate, per capita income, job growth in targeted industries, productivity per worker, etc. However, on a more micro level, the Business Development Division uses a variety of other targeted measurements.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 603 - INDUSTRIAL RECRUITMENT**

**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	2,376,716	2,696,633	2,476,887	2,680,366	2,476,887	2,709,525
Cash Fund	136,234	134,854	134,854	191,560	134,854	192,937
Federal Fund	231,506	76,174	76,174	76,174	76,174	76,174
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>2,744,456</b>	<b>2,907,661</b>	<b>2,687,915</b>	<b>2,948,100</b>	<b>2,687,915</b>	<b>2,978,636</b>
<b>Aid Funding</b>						
General Fund	568,109	0	0	7,000,000	0	7,000,000
Cash Fund	1,736,325	1,107,944	1,107,944	4,107,944	1,107,944	2,607,944
Federal Fund	416,526	249,341	249,341	249,341	249,341	249,341
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>2,720,959</b>	<b>1,357,285</b>	<b>1,357,285</b>	<b>11,357,285</b>	<b>1,357,285</b>	<b>9,857,285</b>
<b>Total Funding</b>						
General Fund	2,944,825	2,696,633	2,476,887	9,680,366	2,476,887	9,709,525
Cash Fund	1,872,559	1,242,798	1,242,798	4,299,504	1,242,798	2,800,881
Federal Fund	648,032	325,515	325,515	325,515	325,515	325,515
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>5,465,415</b>	<b>4,264,946</b>	<b>4,045,200</b>	<b>14,305,385</b>	<b>4,045,200</b>	<b>12,835,921</b>

# Agency 072 - DEPT OF ECONOMIC DEVELOPMENT

## Program 618 - TOURISM PROMOTION

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### **PROGRAM DESCRIPTION:**

Travel and tourism is one of the top industries in Nebraska and also is an expanding industry in the United States. In Nebraska, more than 43,000 people are employed in the travel and tourism industry. Nebraska's state tourism effort focuses on industry development and targeted marketing. Over the past two years, staff resources have been reorganized to provide additional focus on developing both agri and eco-tourism opportunities. In addition, special marketing efforts were undertaken to invest general funds support approved by the Legislature as part of the last budget cycle. The Department's Travel and Tourism Division is funded primarily through a one percent lodging tax cash fund. All information contained hereafter is calculated on an annual basis.

### **PROGRAM OBJECTIVES:**

The Division of Travel and Tourism, Program 618, provides a variety of programs and services that help communities develop their tourism potential. These programs and services include Tourism Assessment Resource Growth Evaluation Team (TARGET), tourism marketing grants, tourism advertising partnerships, marketing at national and international trade shows, group tour marketing, press tours and travel writers assistance, travel counselor program, and tourism planning assistance. The Department's Travel and Tourism Division is funded through a one percent lodging tax cash fund.

### **PERFORMANCE MEASURES:**

- Market area attractions, events and services to travelers.
- Publish Nebraska Traveler, operate division's website, contract for call #800 and fulfillment services.
- Administer state grant aid for tourism marketing.
- Provide tourism development and marketing assistance.
- Participate in activities of the Nebraska Travel Assn., NE Assn. of Convention and Visitors Bureaus and interagency programming
- Update and implement Nebraska Byways Program.
- Implement local TARGET plans.
- Market Nebraska to group tour industry.
- Continue development of electronic traveler information.
- Host annual travel conference and provide industry training.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 618 - TOURISM PROMOTION**

**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	121,818	500,000	250,000	250,000	250,000	250,000
Cash Fund	4,383,375	3,356,371	3,856,371	3,861,956	3,856,371	3,877,177
Federal Fund	392,494	959,815	959,815	959,815	959,815	959,815
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>4,897,687</b>	<b>4,816,186</b>	<b>5,066,186</b>	<b>5,071,771</b>	<b>5,066,186</b>	<b>5,086,992</b>
<b>Aid Funding</b>						
General Fund	402,871	0	0	0	0	0
Cash Fund	117,739	102,600	102,600	102,600	102,600	102,600
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>520,610</b>	<b>102,600</b>	<b>102,600</b>	<b>102,600</b>	<b>102,600</b>	<b>102,600</b>
<b>Total Funding</b>						
General Fund	524,689	500,000	250,000	250,000	250,000	250,000
Cash Fund	4,501,114	3,458,971	3,958,971	3,964,556	3,958,971	3,979,777
Federal Fund	392,494	959,815	959,815	959,815	959,815	959,815
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>5,418,297</b>	<b>4,918,786</b>	<b>5,168,786</b>	<b>5,174,371</b>	<b>5,168,786</b>	<b>5,189,592</b>

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 655 - LOCAL CIVIC/CONVENTION FINANCE**

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**PROGRAM DESCRIPTION:**

The purpose of the Local, Civic, Cultural and Convention Center Financing Act is to support the development of civic, cultural and convention centers in Nebraska municipalities. Funding for the program comes from 30% of the funds derived from the Local Civic, Cultural and Convention Center Financing Funds (Qwest Center Bill). Priority projects are those that bring new economic activity and visitors to Nebraska from outside of the state. Based upon original Legislative intent, special emphasis is placed on utilizing funds in non-metro areas.

**PROGRAM OBJECTIVES:**

The LCCCF is to be used for the construction of new qualified centers or the renovation or expansion of existing centers. The fund may not be used for planning, programming, marketing, advertising, and related activities. An applicant may receive a grant only once for any one center and the grant can not be more than fifty percent of the cost of construction, renovation or expansion. Legislation adopted during the 2010 Legislative session increased the maximum grant amounts available to qualified projects.

**PERFORMANCE MEASURES:**

The total number of civic, cultural and convention centers applying for funding and the number reported to the Legislature for consideration are the first measures of performance. In response, 23 municipalities sent completed grant applications to the Department in October 2003. Eight of these municipalities eventually received grants, awarded in 2004 and 2005. The total awarded was \$950,665. The Department next invited Nebraska municipalities to submit grant applications in 2008. Twelve applications were approved for grants totaling \$1,292,426. The Department again invited grant applications in 2009. Seven applications were awarded grants totaling \$455,525.

**Agency 072 - DEPT OF ECONOMIC DEVELOPMENT**  
**Program 655 - LOCAL CIVIC/CONVENTION FINANCE**

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**Financial Data**

	<b>FY10 Actual</b>	<b>FY11 Approp</b>	<b>FY12 Request</b>	<b>FY12 Recomm</b>	<b>FY13 Request</b>	<b>FY13 Recomm</b>
<b>Operations Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Operations Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Aid Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	433,575	617,500	617,500	617,500	617,500	617,500
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Aid Funding</b>	<b>433,575</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>
<b>Total Funding</b>						
General Fund	0	0	0	0	0	0
Cash Fund	433,575	617,500	617,500	617,500	617,500	617,500
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total Program</b>	<b>433,575</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>	<b>617,500</b>