



Budget Work Session Agenda Agenda
City Council Chambers, City Hall, 612 N. Main Street
September 11, 2023

- 1. 6:00 PM Call to Order**
- 2. Subsidy Application Review**
- 3. Budget Review / Council Discussion Items**
- 4. Adjourn**

Individuals with disabilities who require special assistance to take part in this meeting may contact one of the following at City Hall (605) 995-8420 at least 24 hours prior to the meeting with requests for assistance: Human Resources Officer or the City Administrator.

July 27, 2023

Mitchell City Council
612 N Main St
Mitchell, SD 57301

Dear Council Members:

Big Friend Little Friend of the Mitchell Area is a nonprofit, one-to-one youth mentoring program for at-risk youth ages 6-18. The purpose of Big Friend Little Friend is to empower children through supported mentoring relationships. The goal of our organization is to help young people navigate life's challenges while helping them to be confident, responsible, caring individuals.

We are seeking financial assistance from the City of Mitchell in two areas: 1- to help us in our mentor recruitment, screening and training and 2-to help bring awareness to our South Dakota Youth Hunting Adventures program where any young person ages 11-17 can be matched with an experienced hunter or angler to explore the outdoors. This program isn't targeted for at-risk youth, it's for ALL youth who want to explore our great outdoors but don't have the opportunity to do so. Often we enroll kids whose parents aren't interested in owning guns and ammo, but they are not opposed to their child learning how to hunt.

We currently have 68 kids (Littles) in our program, and 80 mentors (Bigs). Some kids have 2 mentors; we call that a 'couples match'. We have 21 youth on our waiting lists and anticipate more participants after school starts. During the school year, our count goes up significantly due to our school-based mentoring. During the 22-23 school year, we had 90 kids in our programs, a record number for us.

With our increased numbers, the costs that come with advertising for volunteers, running background checks and orientation/training also goes up. The costs of our supplies for our activities and food for events has also increased.

The funds we are seeking would help accommodate for growth and to make sure our young people have a qualified, safe mentor. If we can get to these kids early and help improve their self-esteem, offer them new experiences and new opportunities, it will help them grow up to be better citizens of Mitchell.

Thank you for your consideration,



Linda McEntee
Executive Director
Big Friend Little Friend of the Mitchell Area

APPLICATION FOR 2023 CITY FUNDS (BUDGET SUBSIDIES)

Application Process:

The Mitchell City Council evaluates program-funding proposals on an annual basis for funding in the following calendar year. The City's fiscal year is January 1 to December 31. Proposals must be submitted in accordance with the budget cycle schedule and proposal format outlined below. Please note that requests may only be made during this period of time. Completed applications must be received on or before July 29, 2022.

City Budget Cycle Schedule:

July 1, 2022	Subsidy Applications Open
July 29, 2022	Deadline to submit completed funding proposal to City of Mitchell (early submission is encouraged)
August- September	Administrative Review of Budget
October	Council review of budget
November	Council adoption of budget
December	Notification of funding

Applicant Qualifications:

- Applicant must be located or provide services within the City of Mitchell.
- Funding requests from individuals, religious, or political groups are ineligible.
- Funding requests from qualified organizations outside of the funding timeline prescribed will not be considered.
- Incomplete applications will not be considered for funding.
- Any applications who have previously received funding, must comply with the 2022 reporting requirements before applying for 2023 funding.

Proposal Requirements:

- Completed funding application.
- Cover letter signed by the senior administrative official that briefly describes the project and funding request.
- Most recent audit.
- Most recent budget.
- List of current members of Board of Directors.

Submission Instructions:

Please read the application form carefully and refer to the Proposal Requirements for clarification. All information should be entered in the space provided or “not applicable” inserted. **Incomplete applications will not be considered.** All proposals must be typed.

- A full electronic set is required. Email the application packet in its entirety to sellwein@cityofmitchell.org.
- Materials submitted will not be returned.
- **Deadline: July 29, 2022**

Budget Hearings:

Mitchell City Council budget meetings will be held in October and in November, and are open to the public. Applicants are encouraged to attend budget meetings to remain informed during the process. However, applicants may or may not be invited to make a presentation on their funding proposal. Applicants should be prepared to answer questions based on the application. All proposed handouts must be provided to the City in advance with the application for approval and distribution. Final action on the budget occurs at the 2nd Council meeting in November.

Reporting Requirements:

If awarded funding, the City of Mitchell requires all recipients of municipal funds to identify the reason for the subsidy, the public purpose served by the subsidy, the specific performance measurements to be attained, and final reporting on outcomes. **Failure to provide final reporting of funds and all other required reports will make applicant ineligible for future subsidies.**

All reports shall be timely prepared and filed with the City of Mitchell prior to the opening of applications for upcoming fiscal year. Failure to comply with any of these requirements may result in the revocation of the requested subsidy as well as repayment requirements, and a determination that the organization is ineligible for future municipal subsidies for a period of years.

APPLICATION FOR 2023 SUBSIDY OF CITY FUNDS

Applicant: Big Friend Little Friend of the Mitchell Area

Address: 104 W 5th Ave

Telephone: 605-292-4444

Contact (individual responsible for the project):

Name: Linda McEntee

Title: Executive Director

Address: 104 W 5th Ave

Telephone: 605-770-8644

Email: mitchellbflf@gmail.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 5000

Date(s) of Implementation: January 2024-December 2024

1. Brief History of Organization/Applicant.

Big Friend Little Friend (BFLF) is a non-profit youth mentoring organization. Big Friend Little Friend was established in 2010 as Big Brothers Big Sisters of the Mitchell Area. On July 1, 2015, the agency became Big Friend Little Friend of the Mitchell Area. This transition has allowed a local board of directors with knowledge of the Mitchell community to make decisions for the organization. Operating as Big Friend Little Friend also ensures that all of the money raised stays with the organization. Big Friend Little Friend has supported more than 250 mentoring matches since opening in 2010.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

Big Friend Little Friend strives to provide Mitchell area youth with the opportunity to achieve a future filled with hope and the capacity to succeed through a caring mentoring relationship. Big Friend Little Friend offers four different mentoring programs, which ensures that youth and their families and young moms can select a program that will help them achieve their goals. Mentoring programs offered by Big Friend Little Friend include community-based mentoring, school-based mentoring, Mentor Mom, and South Dakota Youth Hunting Adventures – James River Chapter. By matching a young person with a committed, caring adult, Big Friend Little Friend seeks to help youth learn and grow.

3. Identify the key issues facing your organization at this time.

Big Friend Little Friend is seeking to increase mentor recruitment efforts in order to minimize the amount of time youth wait to participate in mentoring. We would also like to create more awareness of our South Dakota Youth Hunting Adventures program so we can teach more young people about the wonderful outdoor activities we have in our area.

4. Summary Project Description

Big Friend Little Friend is seeking funding to support the existing mentoring programs and to increase mentor recruitment efforts in addition to increasing awareness for our hunting adventures program.

5. Provide the name of the project or program and describe in it in 50 words or less.

Big Friend Little Friend is a non-profit youth mentoring organization that offers four mentoring programs: community-based mentoring, school-based mentoring, Mentor Mom, and South Dakota Youth Hunting Adventures – James River Chapter. Big Friend Little Friend serves youth and young moms who live within a 30-mile radius of Mitchell.

6. Location of project or program

The Big Friend Little Friend office is located at 104 W 5th Ave. in Mitchell. Mentoring activities occur throughout the Mitchell area or at the child's school, depending on the specific mentoring program. Within the community-based program, mentoring matches have the opportunity to partake in activities throughout the community as part of their match outings and the monthly group activities. Community-based matches may also spend time at a mentor's home.

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

Big Friend Little Friend empowers youth in the Mitchell community through supportive mentoring relationships. BFLF recruits volunteer mentors who provide one-on-one mentoring to Little Friends in need of a caring friend and role model. Each child has their own unique background and needs. BFLF supports youth by pairing them with a kind, caring adult who is invested in creating positive opportunities for the Little Friend to learn and have fun.

Big Friend Little Friend also supports young women who are pregnant or parenting children under the age of five by matching them with older women who are mothers themselves. The mentors share resources, advice, support, and education to help the young mothers meet their goals.

Youth and young mothers can enroll in mentoring year-round. Mentoring matches in the community-based and Mentor Mom programs make a commitment to participate in mentoring for one calendar year. Youth and their mentors participating in the school-based program only meet during the school year. Mentoring matches in South Dakota Youth Hunting Adventures can decide to participate in one season per year (hunting, fishing), multiple seasons a year, or each month.

Positive influences and new experiences can give youth a stronger foundation as they navigate through life's challenges. The goal of Big Friend Little Friend's mentoring programs is to teach Little Friends how to be confident, responsible, and caring individuals.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Goal #1: Youth currently waiting for a mentor are matched with a mentor within four months of receiving additional funding for mentor recruitment funding, if not sooner.

Goal #2: Youth who are approved to participate in mentoring in the future are matched within two months of completing the enrollment process.

Goal #3: More people in our community will know what South Dakota Youth Adventures program does for young people in our area.



9. **Forward 2040 Integration.** *(click here to read the report)*: Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision:

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

BFLF mentors bring new experiences and new opportunities to their mentees. Community involvement is encouraged, and many of activities offer community exploration. Through mentoring programs, BFLF hopes to foster an exposure to the benefits of community service. Monthly group activities bring mentees and mentors from different cultures together to share and celebrate the mentoring process.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

School based mentoring finds Big Friend Little Friend working closely with local school staff to bring mentors into grade schools to offer one-on-one mentoring with a student. BFLF works with the higher education schools in our community to expose Little Friends to the learning opportunities right here in Mitchell through activities hosted at the colleges.

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

BFLF staff is involved in the local community. By serving on various committees and organization boards, they become more aware of community resources and can bring that information to Little Friends and their families. This exposure to leadership in the Mitchell community assists mentoring programs through networking and community service.

Through mentoring programs, BFLF hopes to build young leaders as mentees gain stronger self-esteem and the willingness to be involved. Mentorship also broadens their horizons by exposure to opportunities available to them here in Mitchell.

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up*

businesses.

BFLF events often utilize services of local businesses. By partnering with local entrepreneurs, Little Friends can see how one's dreams can come to a reality to start their own business.

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center of state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

By consistently promoting 'Mitchell experiences' to BFLF mentors and mentees, this encourages their involvement in local programs, entertainment, and sporting opportunities. BFLF's scholarship program for Little Friends allows them to register for local recreation programs at no cost. Offering new experiences and new opportunities is a focus of BFLF's programs.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Linda McEntee

Title: Executive Director

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: 7-26-23

BFLF 2023 Budget		
	2023	
Revenue		
Annual Giving		
Business	\$ 45,000.00	
Individual	\$ 20,000.00	
Total Annual Giving	\$ 65,000.00	
Fundraising Events		
MWIM/Extra Fundraiser	\$ -	
Par 3 Golf Tournament	\$ 9,000.00	
Raffle	\$ 40,000.00	
T-Shirt Campaign	\$ 1,500.00	
Winter Escape	\$ 24,000.00	
Total Fundraising Events	\$ 74,500.00	
Other Revenue		
Grants	\$ 4,000.00	
Activity Sponsors	\$ 2,000.00	
Other	\$ 200.00	
SDYHA	\$ 8,400.00	
United Way Support	\$ 6,500.00	
Total Revenue	\$ 160,600.00	
Expenditures		
Employee Expense		
FICA	\$ 5,879.79	
Salary	\$ 76,860.00	
Simple IRA	\$ 4,611.60	
Health Insurance	\$ 4,800.00	
Total Employee Expense	\$ 92,151.39	
Fundraising Expense		
Fundraising Software	\$ 2,035.00	
Memorial Weekend	\$ -	
Par 3 Expense	\$ 3,500.00	
Raffle	\$ 17,750.00	
T-Shirt Campaign	\$ 300.00	
Winter Escape	\$ 1,800.00	
Total Fundraising Expense	\$ 25,385.00	
Insurance Expense		
D & O	\$ 1,200.00	
Insurance - Package	\$ 3,700.00	
Insurance - WC	\$ 1,583.32	
Total Insurance Expense	\$ 6,483.32	

	2023	
Office Expense		
Background Checks	\$ 2,000.00	
Computer Maintenance/Software	\$ 1,000.00	
Conferences & Staff Training	\$ 750.00	
Donor Management System	\$ 3,000.00	
Dues & Subscriptions	\$ 400.00	
Equipment	\$ 1,000.00	
Marketing & PR	\$ 3,000.00	
Match Activities - CB	\$ 2,700.00	
Match Activities - SB	\$ 600.00	
Mentor Appreciation	\$ 1,000.00	
Mentoring Database	\$ 1,800.00	
Miscellaneous	\$ 100.00	
Newsletters	\$ 2,000.00	
Postage	\$ 350.00	
Printer Contract	\$ 600.00	
Printing	\$ 300.00	
Professional Fees	\$ 900.00	
Rent	\$ 7,200.00	
SDYHA	\$ 1,000.00	
Special Projects	\$ 2,000.00	
Supplies	\$ 500.00	
Telephone/Internet	\$ 1,200.00	
Volunteer Recruit/Training	\$ 1,500.00	
Website	\$ 200.00	
Total Office Expense	\$ 35,100.00	
Total Revenue	\$ 160,600.00	
Total Expenditures	\$ 159,119.71	
Net Revenue	\$ 1,480.29	

Board of Directors

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Mitchell Main Street and Beyond

601 North Main Street | Mitchell, SD 57301

Phone: 605-990-4500 | Fax: 605-996-8273

Mitchellmainstreet.com



July 19th, 2023

To: Mitchell City Council

Subject: 2024 Funding Application for Mitchell Main Street & Beyond

Dear City of Mitchell Representatives:

Enclosed you will find Mitchell Main Street & Beyond's request for continued funding for the 2024 fiscal year.

We continue to work vigorously to provide a sense of place for our community and visitors through leading the efforts of downtown revitalization, streetscape amenities, window art and beautiful flower baskets that highlight a vibrant downtown.

Our focus remains to work with our members, various businesses, numerous organizations, youth groups and community volunteers to bring us together in the 'heart of the city' for events such as the Memorial Weekend in Mitchell, 1st Fridays on Main, Wingapalooza and Oktoberfest as well as our collaborative efforts for Palace City Pre-Sturgis Party and initiatives in the Mitchell Community.

We kindly ask for your consideration of our request for funds which will continue to allow us the opportunity to have these experiences and features in our town.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Ashley Endres".

Ashley Endres

Director

Mitchell Main Street & Beyond

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Main Street and Beyond

Address: 601 N Main Street – Mitchell, SD 57301

Telephone: 605-990-4500

Contact (individual responsible for the project):

Name: Ashley Endres

Title: Director

Address: 601 N Main Street – Mitchell, SD 57301

Telephone: 605-990-4500

Email: MMSDDirector@MitchellSD.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 50,000.00

Date(s) of Implementation: January 1st, 2024 – January 1st, 2025

1. Brief History of Organization/Applicant.

Mitchell Main Street and Beyond (MMS&B) is a 501(C)-6 non-profit organization. Our mission is to influence the advancement, development, and use of Main Street in Mitchell, South Dakota. We are dedicated to preserving the history of our town while enhancing our city's core through streetscape beautification, revitalization, and creation of place for all. We believe everyone deserves access to a vibrant neighborhood – a place with a thriving economy, rich in character and culture that makes residents and visitors feel that they can establish roots and traditions.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

MMS&B's values and focus on the heart of downtown have a positive impact on the entire community and surrounding areas. Creating a sense of belonging... a sense of home for visitors, families, and local businesses. Our efforts to enhance the quality of life in Mitchell are commendable. By supporting Main Street events, workforce recruitment and small business growth, we are contributing to the overall economic development of the downtown area and beyond. This is essential in creating a vibrant community that attracts new residents and businesses while retaining existing ones. Revitalizing Main Street is essential for the overall well-being of the town. Main Street serves as the heart of the community, and a healthy downtown is crucial for attracting visitors and maintaining a thriving local economy. That's why MMS&B's work is so important. Our request for \$50,000 does not come lightly. By implementing various projects, we are contributing to the revitalization of Main Street, which will benefit the entire community. Our request for \$50,000 does not come lightly.

3. Identify the key issues facing your organization at this time.

Revitalizing a downtown area can be a challenging task, but our organization has already made significant progress towards creating a welcoming and attractive environment for both locals and visitors. With limited funds, our ambitious plans to improve aesthetics, host larger events, and offer economic education programs are impressive. It speaks to the dedication and commitment of MMSB to make a positive impact on the community. One of the keys to our success has been the involvement of community volunteers, which is a testament to the support and enthusiasm of the local population. By utilizing every funding source available, including BID Dollars, Revolving Loan, sponsor dollars, membership dues, and city funding, we have been able to make significant progress towards achieving our goals. However, city funding is a crucial source of support for our organization to continue its efforts year after year. With this funding, we will be able to sustain our progress and continue to make improvements that benefit the entire community.

4. Summary Project Description

MMSB is dedicated to promoting preservation-based economic development and enhancing the quality of life within the community. To achieve this goal, the organization hosts 10 large free community events, over 20 citywide retail shopping events, and manages the restoration funding sources. By doing so, MMS&B increases the revenue flow for small businesses and generates tax revenue for the City of Mitchell. Our organization's efforts are sustained through funding from the city and membership dollars, enabling MMS&B to pursue multiple projects and activities in a synergistic manner. There is no set end date for this long-term initiative, as MMS&B remains committed to fostering sustainable growth, downtown development and community traditions.

5. Provide the name of the project or program and describe in it in 50 words or less.

We are dedicated to enhancing Mitchell's sense of town identity through community events, historic preservation, and Main Street restoration. We support local businesses and encourage economic development

through collaboration with other entities and stakeholders in the downtown district. This energizes the Main Street revitalization movement and creates a thriving community.

6. Location of project or program

_Main Street - Mitchell, Surrounding Historic District & ‘Beyond’ Partners/Members

7. Project Summary: State the project and/or program’s purpose, significance, ownership, schedule and anticipated outcomes.

Our organization is dedicated to supporting small businesses by providing a range of resources, including membership seminars, community events, economic development, and retail educational tools. With this funding, we can continue to advocate and empower small businesses and offer them the necessary support to achieve success. We're also focused on downtown revitalization efforts that will bring a fresh look to the area with visually appealing enhancements like receptacles, benches, greenery, bike racks, and local art installations. Our short-range target for 2024 is 3rd Ave and Railroad intersections. Our ultimate goal is to create an intriguing Main Street walk with an inclusive downtown area where everyone can access the benefits of shared prosperity. By fostering inclusive engagement, we seek to create a downtown area that is accessible to all and where small businesses can thrive and contribute to the overall economic development of the community.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Mitchell's Main Street Revitalization Efforts: Progress and Future Plans. Our revitalization efforts in Mitchell, SD are gaining momentum and support. One of the goals is to elevate the streetscape at 3rd Ave and Railroad intersections. To achieve this objective, we are promoting and managing the BID#3 Tax Grant system which allows Main Street building owners to renovate structures while MMSB focuses on fixing curb appeal. The partnership between building owners and our organization is an integral part of our commitment to revitalizing Main Street. We understand that promises and plans have been made, and we are dedicated to following through on these commitments in a timely manner. We believe that through collaboration and communication, we can achieve our shared goals and create a brighter future for Main Street. Our organization’s community support and memberships are growing - increasing the overall sense of town pride. With this support – MMSB was asked to host the Memorial Weekend in Mitchell in order to keep the tradition alive and bring the event back to it’s roots. With continued support we look forward to adding an additional free community event to the 2024 calendar. Our partnership with the City of Mitchell, Chamber of Commerce, members, and other stakeholders will continue to expand as we gain momentum and community spirit.



9. Forward 2040 Integration. ([click here to read the report](#)): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☒ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** (1) *Create a central communications Platform for the whole community* (2) *deliberately remove barriers to inclusion* (3) *Open the door to new people and ideas* (4) *Actively seek youth involvement in the community*

MMS&B impacts all the strategic pillars for the Forward 2040 vision! We dedication to fostering and supporting the sense of place in the Mitchell community is truly admirable. By organizing events that bring people of all ages, genders, and ethnicities together, MMS&B is helping to create a stronger and more connected community. Our partnerships with non-profits and youth groups in the area, including local scouts, musical groups, sports organizations, 401 Create By LifeQuest, Big Friend Little Friend, Heart & Sole, Mitchell Area Food Pantry, ROCS, CASA, Mitchell Area Youth Shooters, Davison County 4-H, Carnegie Resource Center, Mitchell Area Garden Club and more, demonstrate a commitment to making a positive impact on the lives of those in their community.

One of the most impressive aspects of MMS&B's work is our focus on inclusivity. By hosting free community events that are open to everyone and non-political, we are creating a space where everyone feels welcome and valued. This is especially important in today's world, where division and polarization seem to be on the rise.

Another noteworthy aspect of MMS&B is our willingness to embrace new ideas and creativity from the community, members, and visitors. This openness to new perspectives and approaches ensures that our events remain fresh, engaging, and relevant to the needs and interests of the community.

Overall, MMS&B is an organization that embodies the best of what a community can be. Our commitment to inclusivity and creativity, as well as our partnerships with local non-profits and youth groups, make us a true asset to the Mitchell community.

☒ Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities. *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

MMS&B is offering fresh opportunities for student involvement in retail events, such as bi-monthly scavenger hunts and collaboration with Palace City Pre-Sturgis Party and Collegepalooza. The 2023 MTC Bike Racks were a significant success, fostering local student pride for Mitchell. We are pleased with this progress and are excited for future partnership will local schools and colleges. To encourage understanding of the downtown renovation, we plan to start will hosting events where the community and students can come ask questions about Main Street. The educational opportunity will promote clarity of intent to the community and increase understanding of MMS&B mission. We also encourage youth engagement with our non-profit organization. For example, in 2023 we partnered with the local high school class to conduct an educational interview on our organization's structure, events, and mission. Our organization's work has a wide-reaching impact with the focal point on Main Street!

☒ Strategic Pillar: Position Mitchell as a regional leadership center *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-*

leadership on important regional and State topics.

MMS&B's commitment to Main Street revitalization extends beyond just providing financial assistance and organizing events. We understand the importance of creating a welcoming and memorable experience for visitors to their community. In addition to their existing educational tools, MMS&B has been working on new initiatives to enhance Main Street's aesthetic appeal and cultural significance. Some of these initiatives include:

- **Beautification projects:** MMS&B is partnering with local artists and businesses to create public art installations that celebrate the town's history and culture. We also work on partnership projects with the city to improve the landscape and streetscape down Main Street. MMSB curb appeal responsibilities included, but are not limited, to greenery, flower baskets, winter décor, benches, receptacles, bike racks, sculptures, and local art installation.
- **Community events:** MMS&B is organizing a variety of community events that showcase the town's unique heritage and traditions. These events are designed to attract visitors and promote community involvement.
- **Business development:** MMS&B is working with local businesses to help them thrive and grow. We provide business coaching and network opportunities to help entrepreneurs succeed in a competitive market. Also, we are the leading effort on renovating the historic downtown district through promoting the Revolving Loan utilization and managing the BID#3 grant funds.

With these initiatives and more, MMS&B is helping to create a vibrant and thriving Main Street that will leave a lasting impression on visitors. Their dedication to this cause has earned them strong support from the community. We serve as the gateway to The World's Only Corn Palace, Main Street should undoubtedly leave a lasting impression on visitors – and MMSB is determined to make that happen.

☒ Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

MMS&B's momentum to improve the historic district starts with the implantation of the BID#3 Tax Grants which help generate additional grant dollars for exterior building infrastructure improvements and address the curb appeal concerns. These improvements aim to enhance the quality of life in the city and attract new residents, shoppers, and tourists, creating a thriving retail ecosystem.

With the improvements being made to the historic district, MMS&B is positioning itself as a prime destination for locals, visitors, and new businesses. Our benefits provide the educational tools that entrepreneurs and 'Mom-Pop Shop' need to be successful in today's market. The rejuvenation of Main Street has a wide-reaching impact on the Mitchell community: encouraging new growth, work-force recruitment, and hometown pride. Our actions have a direct impact on attracting potential investors and businesses to Main Street.

☒ Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center of state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

It is clear- MMS&B plays an integral role in boosting the economic and social vibrancy of Mitchell's downtown area. By organizing a variety of events throughout the year, MMSB creates a sense of community and belonging for both residents, visitors, and business owners. Some of the events hosted by MMSB include 1st Fridays on Main, Wingapalooza, Memorial Weekend in Mitchell, Oktoberfest, Parade of Lights, Christmas Shopping for Kids, Downtown Trick-or-Treat and more! These occasions give the people of Mitchell a chance to tap into the roots of our town and create their own sense of place in Mitchell, SD.

Our diverse programming plays a crucial role in attracting over 27,500 people yearly to the downtown district. By offering a range of activities, spaces, and services, MMSB ensures that there is something for everyone. The organization's members contribute to this effort by providing a variety of shops, restaurants, and other services that make downtown Mitchell a destination worth visiting. Without MMSB's support, it is likely that downtown Mitchell would lack the same level of diversity and vibrancy that it currently enjoys.

In conclusion, MMSB is a vital organization that plays a key role in enhancing the quality of life in Mitchell and leading downtown revitalization.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Ashley Endres

Title: Director

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 19th, 2024

MITCHELL MAIN STREET & BEYOND

We are dedicated to preserving the history of our town while enhancing our city's core through downtown development, historic revitalization, and creating a sense of place for all. We believe everyone should have access to a vibrant neighborhood and a thriving local economy.

10 Community **FREE** Events

12,500+ Attendees
5 Family Friendly Events all Summer

1,000+ Attendees
Get WINGY!
Wings, Beer, & Games!

2,000+ Attendees
Main Street Flooded with Families & Business Owners!

3,500+ Attendees
Family Traditions Start Here!

1,500+ Attendees
Wiener Dog Races
German Games!

3,000+ Attendees
2022 = 56 Floats
Local Favorite

20+ Retail Events

Ladies Day Out
Spring & Fall
1,200+ Shoppers

Crazy Dayz!
Winter & Summer
2,000+ Shoppers

Scavenger Hunts
Bi-Monthly All Year
Local Favorite

Woolworth's Apples!
Supporting Mitchell Tradition

2ND SATURDAYS
June, July, August

Christmas Shopping for Kids!
1,000+ Shoppers

25 Days of Christmas
15,000+ Audience

Holiday Open House
1,000+ Shoppers

Wrap It Up Weekend
1,500+ Shoppers

COME & REDISCOVER DOWNTOWN MITCHELL-SOUTH DAKOTA

Historic District Building Renovations

Supporting Small Businesses

MMS&B Benefits

- Incomparable Membership Benefits
 - Abundance of Resources & Opportunities
 - Increased Potential to Attain Goals
 - Ability to Thrive in Their Pursuit
 - Educational Tools & 1:1 Training

Main Street Revitalization

- Creating a Vibrant Neighborhood:
 - Beautification Projects
 - Increased Community Involvement
 - Local Support for Small Businesses
- Improving the City's Heart through:
 - Rejuvenated Aesthetic Appearances
 - Warming & Welcoming Atmosphere

Main Street is Growing

- Cultivating Home-Town Pride
 - Opening New Doors of Opportunity
 - Stimulating New Development
 - Strengthening Community Roots!

MMSB Promotes & Facilitates

REVOLVING LOANS

\$472,267.00
TOTAL FUNDS
TO ASSIST 28 LOCAL BUSINESSES

BID TAX GRANT

\$117,283.91
20 GRANTS FUNDED SINCE 2020

1st Steps To Excellence

Streetscape

Artistic
Bike Racks

Community
Support

& Still

More to Come!!



Local
Window
Art

Greenery

Benches

Baskets



Statistics



6.8K



100K+ Audience

Over

31,500 Event

Attendees Yearly

Mitchell
MAIN STREET
& BEYOND

For Questions or Concerns

605-990-4500 or MMSEvents@MitchellSD.com

Mitchell Main Street & Beyond

Period Ending June 30, 2023

Assets	June 30, 2023	June 30, 2022	
	Amount	Amount	
Cash-General	\$ 80,247	\$ 70,239	
Cash-Designated	\$ 50,245	\$ 114,581	
TOTAL	\$ 130,491	\$ 184,820	
Administrative	June 30, 2023	June 30, 2022	
	Amount	Amount	Annual Budget
Revenue	\$ 72,394	\$ 42,306	\$ 83,800
Membership Dues	\$ 8,980	\$ 8,200	\$ 14,250
Expenses	\$ 57,565	\$ 34,722	\$ 84,004
NET INCOME	\$ 14,829	\$ 7,584	\$ (204)
NOTES			
Administrative:			
	Collected \$850 in Membership Renewals.		
	Collected \$150 in New Memberships.		
Program :	Received \$3,158 in Memorial Weekend income.		
	Received \$1,578 in First Friday income.		
	Received \$1,470 in Planter Sponsor income.		
	Expensed \$10,923 in Memorial Weekend expenses.		
Revenues are 86% of budget- Membership Renewals are 63% of Budget.			
Expenses are 69% of budget.			
Year is 50% complete.			



**Mitchell Main Street & Beyond
Balance Sheet
As of June 30, 2023**

ASSETS

Current Assets	
General Funds	
CorTrust CD #3	6,191.81
CorTrust CD #2	5,631.30
Cortrust CD #1	27,352.09
General Checking-CorTrust	35,297.41
General Savings-First National	<u>5,773.90</u>
Total General Funds	80,246.51
Designated Funds	
Revolving Fund Checking	32,314.19
Revolving Fund Savings	<u>17,930.44</u>
Total Designated Funds	50,244.63
Accounts Receivable	0.00
Prepaid Expenses	<u>0.00</u>
Total Accounts Receivable	0.00
Loan Receivable	
Lieferman	0.00
Curtis	4,010.04
Gunkel	6,000.00
Schwalm	0.00
Hildebrandt	<u>0.00</u>
Total Loan Receivables	10,010.04
Total Current Assets	<u>140,501.18</u>
Long-Term Assets	
Fixed Assets	5,333.16
Loan Receivables	
Lieferman	0.00
Curtis	11,979.92
Gunkel	24,000.00
Schwalm	32,000.00
Hildebrandt	<u>20,000.00</u>
Total Loan Receivables	87,979.92
Total Long-Term Assets	93,313.08
TOTAL ASSETS	<u>233,814.26</u>

LIABILITIES & EQUITY

Liabilities	
Current Liabilities	
Accounts Payable	1,081.37
Deffered Income	<u>1,512.50</u>
Total Current Liabilities	2,593.87
Long Term Liabilities	
Other Liabilities	<u>0.00</u>
Total Long Term Liabilities	0.00
Total Liabilities	2,593.87
Equity	
Opening Balance Equity	184,260.31
Restricted Net Assets- Streetscape	0.00
Unrestricted Net Assets	32,131.46
Net Income	<u>14,828.62</u>
Total Equity	231,220.39
TOTAL LIABILITIES & EQUITY	<u>233,814.26</u>

Mitchell Main Street & Beyond

Income Statement

June 30, 2023

	1 month ended 06/30/2023	6 Months Ended 06/30/2023	Budget
Revenues			
INCOME -CITY OF MITCHELL	\$ -	\$ 17,500.00	\$ 35,000.00
INCOME- INTEREST, INVESTMENTS	16.37	113.52	50.00
INCOME - INTEREST, LOANS	-	1,267.58	-
INCOME- MEMBERSHIP RENEWALS	850.00	7,280.00	13,250.00
INCOME-NEW MEMBERSHIP	150.00	1,700.00	1,000.00
INCOME- MISCELLANEOUS	-	-	-
INCOME - CARAMEL APPLE SALES	-	-	5,000.00
INCOME - CHRISTMAS SHOPPING FOR KIDS	50.00	150.00	800.00
INCOME - FIRST FRIDAYS	1,577.50	7,327.50	8,500.00
INCOME- OCTOBERFEST	612.50	2,212.50	6,000.00
INCOME- MEMORIAL WEEKEND	3,158.25	22,274.18	-
INCOME - PARADE OF LIGHTS	50.00	100.00	-
INCOME - PLANTER SPONSORS	1,470.00	2,310.00	4,200.00
INCOME - WINGAPALOOZA	-	10,158.43	10,000.00
Total Revenues	7,934.62	72,393.71	83,800.00
Expense			
Operations			
SALARIES & WAGES	2,950.00	19,175.00	39,000.00
BENEFIT EXPENSE	25.50	140.25	800.00
EMPLOYMENT TAXES	249.04	1,686.30	3,120.00
STAFF DEVELOPMENT	-	-	400.00
INSURANCE	-	2,720.71	3,000.00
PROFESSIONAL FEES			400.00
BUILDING EXP. & BOOKKEEPING SERVICES	782.00	4,692.00	9,384.00
POSTAGE	-	15.42	150.00
PRINTING & COPYING	18.23	429.34	750.00
SUPPLIES	57.25	1,030.98	1,500.00
TELEPHONE	206.07	1,930.91	2,500.00
MEMBERSHIP SOFTWARE	-	-	400.00
MEMBERSHIP & DUES	-	-	50.00
MARKETING	-	-	500.00
Total Operations Expense	4,288.09	31,820.91	61,954.00
Events/Programming			
CARAMEL APPLES SALES	-	184.00	600.00
CHRISTMAS SHOPPING FOR KIDS	-	-	500.00
FIRST FRIDAYS	-	2,300.00	6,500.00
OCTOBERFEST	-	-	3,750.00
MEMORIAL WEEKEND IN MITCHELL	10,923.12	19,726.57	-
PARADE OF LIGHTS	-	-	200.00
PLANTER EXPENSE	112.99	166.00	4,000.00
Proposed New Promotion	-	-	500.00
WINGAPALOOZA	-	2,661.13	4,000.00
MISCELLANEOUS PROMOTIONS	150.00	706.48	2,000.00
Total Events/Programming Expense	11,186.11	25,744.18	22,050.00
Total Expenses	15,474.20	57,565.09	84,004.00
Net Revenues (Expense)	\$ (7,539.58)	\$ 14,828.62	\$ (204.00)

**Mitchell Main Street & Beyond
2024 Proposed Budget**

		2024 Budget
Income		
City of Mitchell	\$	50,000.00
Investments-Interest		\$150.00
Interest-Loans		-
Membership		
New Membership	1,000.00	
Membership Renewal	15,150.00	
Total Membership	\$	16,150.00
Programming		
Caramel Apple Sales	\$ 5,000.00	
Christmas Shopping for Kids	500.00	
First Fridays	9,500.00	
Memorial Weekend	22,000.00	
Oktoberfest	6,000.00	
Parade of Lights	-	
Planter Sponsors	2,500.00	
Wingapalooza	10,000.00	
New Event	2,000.00	
Total Programming		57,500.00
Total Income	\$	123,800.00
Expense		
Employee Expenses		
Staff	\$40,950	
Employment Tax	3,473.00	
Benefits	332.00	
Staff Development	2,000.00	
Total Employee Expenses		\$46,755
Contract Services		
Insurance - Liability, D and O	\$3,000.00	
Legal Fees	-	
Accounting Fees	400.00	
Total Contract Services		3,400.00
Operations		
Building Expenses & Bookkeeping Services	\$ 9,384.00	
Postage, Mailing Service	150.00	
Printing and Copying	750.00	
Supplies	4,000.00	
Telephone	3,500.00	
Membership Software	400.00	
Total Operations		18,184.00
Events		
Caramel Apple Sales	\$1,500.00	
Christmas Shopping for Kids	500.00	
First Fridays	9,000.00	
Memorial Weekend in Mitchell	19,000.00	
Parade of Lights	1,000.00	
Planter Expense	2,500.00	
Oktoberfest	4,000.00	
Wingapalooza	4,000.00	
Cocoa Crawl	2,000.00	
Second Saturdays	3,000.00	
Membership Seminars	2,000.00	
New Event	3,500.00	
Total Events		52,000.00
Promotions		
Membership & Dues	\$1,500.00	
Marketing Promotions	\$2,000.00	
Total Promotions		3,500.00
Total Expense		123,839.00
Net Income	\$	(39.00)

Mitchell Main Street & Beyond

Period Ending December 31, 2022

Assets	December 31, 2022	December 31, 2021		
	Amount	Amount		
Cash-General	\$ 71,399	\$ 62,160		
Cash-Designated	\$ 39,124	\$ 109,081		
TOTAL	\$ 110,524	\$ 171,241		
Administrative	December 31, 2022	December 31, 2021		
	Amount	Amount	Annual Budget	
Revenue	\$ 77,372	\$ 68,176	\$ 81,710	
Membership Dues	\$ 14,850	\$ 12,005	\$ 14,000	
Expenses	\$ 72,677	\$ 61,592	\$ 80,816	
NET INCOME	\$ 4,695	\$ 6,584	\$ 894	
NOTES				
Administrative:				
	Collected \$1,650 in membership renewals.			
Program :				
Revenues are 95% of budget- Membership Renewals are 106% of Budget.				
Expenses are 90% of budget.				
Year is 100% complete.				



**Mitchell Main Street & Beyond
Balance Sheet
As of December 31, 2022**

ASSETS

Current Assets	
General Funds	
CorTrust CD #3	6,187.26
CorTrust CD #2	5,627.16
CorTrust CD #1	27,331.99
General Checking-CorTrust	26,498.66
General Savings-First National	5,754.25
Total General Funds	<u>71,399.32</u>
Designated Funds	
Revolving Fund Checking	21,204.95
Revolving Fund Savings	17,919.32
Total Designated Funds	<u>39,124.27</u>
Accounts Receivable	350.00
Prepaid Expenses	400.02
Total Accounts Receivable	<u>750.02</u>
Loan Receivable	
Lieferman	7,547.49
Curtis	4,010.04
Gunkel	0.00
Schwalm	0.00
Hildebrandt	0.00
Total Loan Receivables	<u>11,557.53</u>
Total Current Assets	<u>122,831.14</u>
Long-Term Assets	
Fixed Assets	
	5,333.16
Loan Receivables	
Lieferman	0.00
Curtis	13,984.94
Gunkel	30,000.00
Schwalm	32,000.00
Hildebrandt	20,000.00
Total Loan Receivables	<u>95,984.94</u>
Total Long-Term Assets	<u>101,318.10</u>
TOTAL ASSETS	<u><u>224,149.24</u></u>

LIABILITIES & EQUITY

Liabilities	
Current Liabilities	
Accounts Payable	1,485.39
Deffered Income	0.00
Total Current Liabilities	<u>1,485.39</u>
Long Term Liabilities	
Other Liabilities	0.00
Total Long Term Liabilities	<u>0.00</u>
Total Liabilities	<u>1,485.39</u>
Equity	
Opening Balance Equity	184,372.59
Restricted Net Assets- Streetscape	6,179.45
Unrestricted Net Assets	27,414.83
Net Income	4,696.98
Total Equity	<u>222,663.85</u>
TOTAL LIABILITIES & EQUITY	<u><u>224,149.24</u></u>

Mitchell Main Street & Beyond
Income Statement
December 31, 2022

	1 month ended 12/31/2022	12 Months Ended 12/31/2022	Budget
Revenues			
INCOME -CITY OF MITCHELL	\$ -	\$ 35,000.00	\$ 35,000.00
INCOME- INTEREST, INVESTMENTS	8.51	98.15	150.00
INCOME - INTEREST, LOANS	-	-	-
INCOME- MEMBERSHIP RENEWALS	1,650.00	13,950.00	12,500.00
INCOME-NEW MEMBERSHIP	-	900.00	1,500.00
INCOME- MISCELLANEOUS	-	-	-
INCOME - CARAMEL APPLE SALES	710.10	4,707.24	5,000.00
INCOME - CHRISTMAS SHOPPING FOR KIDS	50.00	510.00	200.00
INCOME - FIRST FRIDAYS	-	5,285.00	7,500.00
INCOME- OCTOBERFEST	-	1,907.00	5,000.00
INCOME - PARADE OF LIGHTS	-	-	-
INCOME - PLANTER SPONSORS	-	5,020.00	2,860.00
INCOME - WINGAPALOOZA	-	9,994.69	12,000.00
Total Revenues	2,418.61	77,372.08	81,710.00
Expense			
Operations			
SALARIES & WAGES	2,950.00	36,012.50	35,000.00
BENEFIT EXPENSE	25.50	732.00	1,350.00
EMPLOYMENT TAXES	243.94	2,968.35	2,448.00
STAFF DEVELOPMENT	-	-	300.00
INSURANCE	-	2,700.13	2,650.00
PROFESSIONAL FEES	-	223.65	400.00
BUILDING EXP. & BOOKKEEPING SERVICES	782.00	9,384.00	7,968.00
POSTAGE	59.85	108.43	300.00
PRINTING & COPYING	16.82	920.97	750.00
SUPPLIES	43.64	1,474.90	1,500.00
TELEPHONE	320.36	2,728.14	2,000.00
MEMBERSHIP SOFTWARE	-	400.00	350.00
MEMBERSHIP & DUES	-	-	50.00
MARKETING	-	62.63	1,450.00
Total Operations Expense	4,442.11	57,715.70	56,516.00
Events/Programming			
CARAMEL APPLES SALES	-	50.97	700.00
CHRISTMAS SHOPPING FOR KIDS	29.29	29.29	700.00
FIRST FRIDAYS	-	5,724.25	6,000.00
OCTOBERFEST	-	831.61	3,750.00
PARADE OF LIGHTS	6.66	56.66	650.00
PLANTER EXPENSE	-	5,194.30	2,500.00
Proposed New Promotion	-	-	3,000.00
WINGAPALOOZA	-	3,049.60	6,000.00
MISCELLANEOUS PROMOTIONS	25.00	25.00	1,000.00
Total Events/Programming Expense	60.95	14,961.68	24,300.00
Total Expenses	4,503.06	72,677.38	80,816.00
Net Revenues (Expense)	\$ (2,084.45)	\$ 4,694.70	\$ 894.00



BOARD OF DIRECTORS

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Drew Porter

Porter Distributing Company

Vice President

Stephanie Vaughan

The Depot Pub & Grill

Secretary/Treasurer

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Ben Kalovsky

The Window Shop

Jennifer Haddon

401 Create by LifeQuest

Dan Beukelman

Beukelman & Associates Inc. - American Family Insurance

Jennifer Gades

Mitchell Realty

Emma DeVos

Innovative Non-Profit LLC

Gary Thury

Logan Luxury 5 Cinema

Jillian Ebert

Tickled Pink Boutique

Appointed Ex-Officio Directors

Mayor Bob Everson

City of Mitchell

Dan Sabers

City Council Representative

Geri Beck

Mitchell Chamber of Commerce

July 22, 2023

Stephanie Ellwein
City Administrator
City of Mitchell
612 N Main Street
Mitchell, SD 57301

Dear Ms. Ellwein,

Please find the enclosed application and proposal summary for the Mitchell Municipal Band. I hope the city will again partner with us in providing funding for our municipal band.

The Mitchell Municipal Band has provided free quality live music to the Mitchell community since its inception in 1883. The band, comprised of Mitchell area musicians from all walks of life, performs music in many genres to entertain young and old.

We request a subsidy of \$11,000, which will help with: director fees, new music, advertising, stipends for the musicians, trailer maintenance, and administrative fees associated with maintaining our 501(c)3 and other expenses.

Thank you for your time and consideration of this subsidy request. If you have any questions, please reach out to 605-770-5080 or mollyjansen08@gmail.com.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Molly Manchester', followed by a long horizontal flourish.

Molly Manchester

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Municipal Band

Address: 218 Charles Street Mitchell, SD 57301

Telephone: 605-770-5080

Contact (individual responsible for the project):

Name: Molly Manchester

Title: Treasurer

Address: 218 Charles Street Mitchell, SD 57301

Telephone: 605-770-5080

Email: mollyjansen08@gmail.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 11,000

Date(s) of Implementation: May through August 2024

1. Brief History of Organization/Applicant.

The Mitchell Municipal Band has been in existence since the city was incorporated in 1883. It is an authentic representation of our community. Farmers, nurses, doctors, lawyers, scientists, mechanics, business owners, bankers, homemakers, and teachers form the backbone of the band and in music find common ground. All of them, past and present, contribute to building strong community bond

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

The Mitchell Municipal Band has been providing free quality live music to the Mitchell community since 1883. The band is made up of Mitchell area musicians from all walks of life, performing music from a variety of genres to entertain young and old

3. Identify the key issues facing your organization at this time.

1. Trailer: the trailer we use to store our equipment, including our new sound system and music stands, needs some work and maintenance done, including shelving, etc.

2. Purchase new music: We would like to keep up with more current music to help draw more young adults and families

4. Summary Project Description

The Mitchell Municipal Band has been a city-sponsored organization since 1883. Its purpose is to help build community bonds by providing free quality live music in a variety of genres performed by Mitchell area musicians from all walks of life to entertain the Mitchell area community from all walks of life. We enjoy being involved in community projects like Christmas at the Palace and would like to continue to support our community and build civic pride

5. Provide the name of the project or program and describe in it in 50 words or less.

Established in 1883 the city-supported Mitchell Municipal Band is made up of about 35 Mitchell area members from all walks of life bonding together to provide free live quality music in a variety of genres to entertain the community of Mitchell.

6. Location of project or program

Concerts are held at the bandstand at Hitchcock Park, with Memorial Day at the Servicemen's Cemetery, the Corn Palace, and others as requested. The office for storing music, equipment, and memorabilia is located on the top floor of City Hall.

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

Mitchell Municipal Band

1. Summer of 2024 June-July the Mitchell Municipal Band will provide free quality live concerts at the Saterlie Bandstand in Hitchcock Park, June 12, 19, 26, July 3, 10, 17, 24, 31. They will perform Memorial Day May 29 at the Servicemen's Cemetery and at the corn palace, if requested.

2. The Mitchell Municipal Band's purpose is to help build community bonds by providing free quality live music in a variety of genres performed by Mitchell area musicians from all walks of life to entertain the Mitchell area community from all walks of life including nursing home residents.

3. The Mitchell Municipal Band is a unique entertaining group established in 1883.

4. Requesting \$11,000 from the city for our proposed budget for 2024.

5. Anticipate \$11,000-\$11,500 yearly for the next 5 years.

6. Since attending the concerts draws people out of their homes, it is likely they will stop at various stores or eating establishments on their way home.

7. It is important to have great schools, the arts, recreational activities, and show progressiveness to attract new people and

business opportunities to Mitchell. Since 1883 the Mitchell Municipal Band has provided a unique cultural arts exposure to the community.

8. Farmers, nurses, doctors, lawyers, scientists, mechanics, business owners, hospital workers, bankers, homemakers, students, retired, and teachers are the backbone of the band and the audience using music to find common ground and form connections to build a strong community.

9. The Mitchell Municipal Band has 35 to 45 members each year and performs for an audience of around 200 each week. People swimming at the Hitchcock Pool, playing tennis, picnicking at Hitchcock Park can also hear the concerts.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

1. Our mission is to provide free quality live entertainment covering a variety of music genres to build community bonds. We wish to attract fine musicians and a larger audience.

2. Record audience participation at each concert and take attendance of band members.

3. We have been keeping weekly records for several years to compare.

4. Band members are on time for rehearsals and come early to set up for concerts. Many audience members are finding their spots often 30 minutes before concerts begin; many have “their spots”.

5. We use posters, the radio, newspaper, and social media to publicize the concerts or change of venue in case of rain.

6. The band director requires advance notice from band members regarding vacations and planned absences at beginning of the season. Any business and announcements are made at the beginning of weekly rehearsals and decision-making processes occur at that time. There is a committee to audit finances, and end-of-the-season discussions are made at beginning of last rehearsal



9. **Forward 2040 Integration.** [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☑ Strategic Pillar: Foster a Supportive and Inclusive Community Culture *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

Recently we created a social media for the band to help with communications to the public. This will be used going forward as well to run membership drives and work to gain new band members, including youth in the community. Local school band programs are looking to create musical opportunities for their students for the summer of 2023 and members of the Municipal Band could be “music mentors” to these young musicians helping to not only foster their musicianship but to be a positive role model in the community. Over time those young musicians will grow into community leaders and members of the municipal band. We also have current music educators on the board to help seek out youth for involvement in the band.

☑ Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities. *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

As mentioned in the first Strategic Pillar, we have many local music educators on our board of officers. Aside from those working in music, we have assembled members from all walks of life who have a deep

passion for music. Including past city council members, farmers, nurses, doctors, lawyers, scientists, mechanics, business owners, hospital workers, bankers, homemakers, students, retired, and teachers. Proof that music education never truly ends. Music captivates. Our ensemble is a unique mix of all facets of Mitchell's Community, building a cross-discipline network.

The performance program challenges our musicians and requires practice. Practice is the backbone of lifelong learning, growing in musicianship and skill. Our group not only has an eclectic mix of members but also has a diverse audience each week. When looking at our attendance at the concerts, it is young and old, families of all cultures and folks from all socio-economic backgrounds. The audience joins us to share an hour and a half each week, enjoying the fruits of the band's hard work and talents.

Looking ahead- our current music educators on the board have taken charge of creating outreach to local schools in the future. Mitchell has a deep history and well-respected reputation throughout South Dakota for being an outstanding example of music education and excellence. The Mitchell Municipal Band ranks include several Mitchell Graduates. We are illustrating the success of this pillar working throughout the musical community and how music sets Mitchell students up for success in all areas of life.

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

[Click or tap here to enter text.](#)

☒ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

We are looking to revitalize our summer concert series and to become a resource for civic events. As a board, we are discussing various implementations. A few ideas include: 1) Performing on the new stage at the Corn Palace Plaza 2) Inviting food vendors/trucks to our concerts, 3) continuing our themed performances highlighting events happening throughout Mitchell, like Rodeo week, Memorial Day Services, Movie Themes, etc. 4) Developing a "Non-Profit Night" where we highlight a local organization in the community to facilitate a fundraiser for the non-profit 5) Bringing in guest directors and guest soloists 6) Become a "cheerleader" of Music and the Arts throughout the community helping promote Mitchell as a whole. Some of the things we have implemented are donating money for

scholarships for the Mitchell Area Young Band Festival, and participating in a wider range of events including the Rodeo Kick-off, Blue and White Days Parade, and Corn Palace Week. We are also performing at events with local churches and events around the city.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Molly Manchester

Title: Treasurer

☒ By checking this box, I acknowledge my agreement to the above certification.

☐ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☐ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 22, 2023

**Mitchell Municipal Band
Income/Expenses**

Income

City of Mitchell	\$	11,000.00
Current Checking Balance	\$	211.31
Fundraising	\$	780.00
Total Income	\$	11,991.31

Expenses

Music Coordinator	\$	1,400.00
Directors	\$	1,250.00
Donation for Scholarships	\$	240.00
Musicians	\$	7,700.00
Printing Flyers	\$	8.00
Photography	\$	40.00
Music	\$	75.00
Set Amount Duties	\$	600.00
Supplies	\$	426.00
Trailer Tire	\$	203.99

Total Expenses **\$** **11,942.99**

Checking Account Balance	\$	48.32	
Savings Account Balance	\$	500.59	Emergency fund for trailer, tires, equipment, etc.

Submitted by Molly Manchester (Treasurer)

Mitchell Municipal Band Audit

Income

City of Mitchell	\$	11,000.00
Current Checking Balance	\$	211.31
Fundraising	\$	780.00
Total Income	\$	11,991.31

Expenses

Expenses		
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Checking Account Balance	\$		
Savings Account Balance	\$	500.59	Emergency fund for trailer, tires, equipment, etc.

Submitted by Molly Manchester (Treasurer) for audit on July 22, 2023

Danielle DeKruif, President

Miranda Paulson, Director of Membership and Recruitment

Melissa Spitzer, Music Librarian

Mitchell Municipal Band
Board Members 2021-2023

President – Danielle DeKruif
Vice President – Brett Jacobson
Treasurer – Molly Manchester
Secretary – Mike Catalano
Director of Marketing & Communication – Jenna Miller
Director of Equipment and Tech – Mike Sejnoha
Director of Membership & Recruitment – Miranda Paulson
Director of Music & Records – Mellissa Spitzer



First Circuit Court Appointed Special Advocate Program

115 East Eleventh Avenue, Mitchell, South Dakota 57301

Phone: (605) 996-1212 • Fax: (605) 990-2758

E-mail: jackie.horton@mitchellcasa.org

Terry Reylets
Board Chair

Jesse Tolsma
Board Vice-Chair

Michael Weiss
Board Treasurer

Stacy Giblin
Board Secretary

Lydia Brink

Dan Fechner

Sandi Floyd

Pam Iverson

Melissa Kriens

Steve Laufman

Mark Limberg

Ryan Loker

Ashley Miller

Destiny Rohrer

Jim Taylor

Mike Weins

Cody Wilson

Stephanie Ellwein, ICMA-CM
City Administrator
612 N Main Street
Mitchell SD 57301

Dear Ms. Stephani Ellwein and Mitchell City Council Members,

I hope this letter finds you well. I am writing to request funding for First Circuit Court Appointed Special Advocates (CASA) in Mitchell, South Dakota. As a city known for its commitment to the needs of others, including our most vulnerable children, we believe your support can make a significant difference in the lives of abused and neglected children in our community.

First Circuit CASA is a proud member of the National CASA Association and actively participates in the memorandum of understanding between the State of South Dakota, the Department of Social Services (DSS), Child Protection Services (CPS), and the Court of Jurisdiction. With over 22 years of experience, we have witnessed firsthand the challenges children face in the child welfare system. Many of these children lose their families, rights, and hope.

In 2021 alone, First Circuit CASA served 120 children, and since January 2023, we have been a voice for 77 children. Every day, we hear news stories about children being removed from their homes due to abuse, neglect, or the tragic loss of a parent. We believe a program or system should ensure that these children are treated with dignity and provided a safe place to live, where they can recover from their hardships and be children again. CASA is that program.

Our dedicated volunteers are there to advocate for the care and well-being of these children. They work closely with judges to assess family situations, identify gaps in the system, and strive to improve handling of abuse and neglect proceedings. With your support, we can continue to positively impact the lives of these children and help them find the stability and support they deserve.

Thank you for taking the time to consider our request. We truly appreciate your support and the difference it can make in the lives of the children we serve.

With gratitude,

Jackie Horton, Executive Director

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: First Circuit Court Appointed Special Advocate (CASA) Program

Address: 115 E 11th Avenue, Mitchell, SD 57301

Telephone: (605) 996-1212

Contact (individual responsible for the project):

Name: Jackie Horton

Title: Executive Director

Address: 115 E 11th Avenue, Mitchell, SD 57301

Telephone: (605) 996-1212

Email: jackie.horton@mitchellcasa.org

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other Click or tap here to enter text.

Amount Requested: \$ 2,000

Date(s) of Implementation: January 2024

1. Brief History of Organization/Applicant.

First Circuit Court Appointed Special Advocates (CASA) is a grassroots community effort that began in 2001 through the Davison County Child Protection Team. All our work is done on behalf of abused and neglected children. Judges appoint CASA volunteers to advocate for children's best interests in the court system. They stay with each case until it is closed and the child is in a safe, permanent home. The program serves children from birth through the age defined by state statute as the limit to youth remaining in care, which is 18 in South Dakota. Volunteers work with legal and child welfare professionals, educators, and service providers to provide judges with the necessary information to make well-informed decisions for each child. The program's guiding principle is that children grow and develop best with their family of origin if changes made by the parents can safely achieve that. Most children served by CASA are in foster care, with less than one percent with their families of origin at the beginning of the case. Most children who leave foster care do so to return to their families.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

We distinguish ourselves from other nonprofits through our unique focus on advocating for children's best interests in the court system. CASA volunteers are appointed by judges to work directly with children, ensuring that their voices are heard, and their needs are met. This personalized approach differentiates CASA from other nonprofits that may provide more generalized support or services. Additionally, CASA's commitment to staying with each case until it is closed and the child is in a safe, permanent home demonstrates our dedication to long-term support and positive outcomes for children.

3. Identify the key issues facing your organization at this time.

Funding cuts of \$78,816 from the SDCASA Commission, Court Improvement Project, and VOCA grant pose a significant challenge for our organization. These cuts have reduced resources and support for our programs and services, making it more difficult to fulfill our mission and meet the needs of the children and families we serve. We are actively exploring alternative funding sources and implementing cost-saving measures to mitigate the impact of these cuts, but the financial strain is still significant. We are committed to finding creative solutions and working tirelessly to ensure that our organization can continue to make a positive difference in the lives of vulnerable children in our community.

4. Summary Project Description

Due to funding cuts, our organization is facing significant challenges. We seek financial support from the City of Mitchell to ensure that we can continue our important work advocating for children's best interests. This funding will enable us to provide CASA volunteers to stay with each case until it is closed and the child is in a safe, permanent home. With the City's support, we can ensure that judges have all the information they need to make well-informed decisions for each child and ultimately help children grow and develop in the best possible environment.

5. Provide the name of the project or program and describe in it in 50 words or less.

Advocacy for Children: Mitchell CASA Program

6. Location of project or program

The program is located in Mitchell, South Dakota.

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

The purpose of the Advocacy for Children: Mitchell CASA Program is to provide support and advocacy for children in the Mitchell, South Dakota, area involved in the court system due to abuse or neglect. The program is significant because it helps ensure these children have a voice and are protected during legal proceedings. The ownership of the program lies with the CASA organization that runs it, and it is scheduled to continue providing services on an

ongoing basis. The anticipated outcomes of the program include improved outcomes for children in the court system, increased awareness of child abuse and neglect issues, and a stronger support system for these vulnerable children.

8. **Goals/Performance Measurers:** Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

In the next year, our organization aims to achieve the following measurable goals and performance measurements:

1. Increase the number of trained CASA volunteers. 2. Provide advocacy and support to all children in the foster care system, ensuring that no child will have to wait for services. 3. By supporting parents in working on their case plan and making necessary changes, the average length of time it takes to place a child in a safe and permanent home will be reduced. These goals and measurements will help us track our progress and ensure that we positively impact the lives of children in need.



9. **Forward 2040 Integration.** *(click here to read the report):* Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☒ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

Based on the options you provided, it seems that CASA's strategic pillar of choice would be "Foster a Supportive and Inclusive Community Culture." This is because our actions, such as creating a central communications platform, removing barriers to inclusion, opening the door to new people and ideas, and actively seeking youth involvement, all contribute to fostering a supportive and inclusive community culture.

- 1) CASA utilizes various strategies to create a central communications platform for the community. One of these strategies is conducting community education courses on the third Tuesday of the month at noon. These courses serve as a platform for teaching and sharing information with the community. Additionally, CASA advertises on local radio stations with a wide reach, targeting not only the residents of Mitchell but also those living in rural South Dakota. This advertising encourages people from surrounding communities to travel to Mitchell for CASA's training and events. Furthermore, CASA utilizes a communications platform to send out quarterly newsletters. This platform allows CASA to effectively communicate important updates, news, and events to its volunteers and stakeholders. CASA uses the same communication tool to ensure consistent and efficient communication with all relevant parties.
- 2) To deliberately remove barriers to inclusion, CASA has implemented several strategies. Firstly, CASA is open to serving all children ages 0-18 brought before the court due to abuse and neglect. This ensures that no child is excluded based on their circumstances. Additionally, CASA has been actively working on recruiting a more diverse, equitable, and inclusive (DEI) volunteer base. They have been doing this by building relationships with ICWA representatives who serve on the cases. This helps reach out to target populations reflective of the communities and children served. CASA strives to create a culture of inclusiveness and equitable practices, as well as build a more culturally competent volunteer force. They believe that by having volunteers who share the lived experiences of the youth they serve, they can better meet their needs. CASA has been a leading voice for the area's youth in foster care for over 20 years, training over 130 volunteers to serve more than 325 youth

impacted by abuse and neglect. Notably, 98% of the youth served by CASA are individuals of color, highlighting the organization's commitment to serving diverse communities.

- 3) To open the door to new people, CASA actively supports and assists an average of 39 new children each year. This not only brings in new children but also new families into the CASA community. Additionally, the state of South Dakota is constantly recruiting and training new foster parents, further expanding the network of individuals involved. On average, CASA recruits and trains 14 new volunteers annually, ensuring a continuous influx of new people into the organization.
- 4) To actively seek youth involvement in the community, CASA has implemented several strategies. Firstly, CASA offers internships to students from both MTC and DWU. These internships are essential for MTC students to graduate as they are part of their coursework, while DWU students receive credit toward graduation. Additionally, CASA has hired interns from each school to fill open positions, such as Assistant Program Manager and Community Outreach Director. This provides valuable experience for the interns and keeps new graduates living and participating in the Mitchell community. Furthermore, CASA's program is centered around youth, serving children ages 0 to 18. CASA advocates not only provide support to these children in school, helping them with their schoolwork but also advocate for Individualized Education Programs (IEPs) when needed. By actively involving youth in the community and providing them with support and opportunities, CASA aims to empower and uplift the next generation.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

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Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.

Click or tap here to enter text.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Jackie Horton

Title: Executive Director

- ☒ By checking this box, I acknowledge my agreement to the above certification.
- ☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.
- ☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 11, 2023

**FIRST CIRCUIT COURT APPOINTED
SPECIAL ADVOCATE PROGRAM**

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

***CM* Carlon
& Millar, Prof. L.L.C.**
certified public accountants

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
First Circuit CASA Program
Mitchell, South Dakota 57301

We have reviewed the accompanying financial statements of First Circuit CASA Program (a South Dakota nonprofit organization) which comprise the statement of assets, liabilities, and net assets – modified cash basis as of December 31, 2022 and 2021, and the related statement of revenues, expenses and changes in net assets-modified cash basis and functional expenses – modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of the First Circuit CASA Program and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Report on Supplementary Information

The supplementary information included in the schedule of fundraisers revenue is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Carlene Miller, Prof LLC

Mitchell, South Dakota
February 7, 2023

First Circuit Court Appointed Special Advocate Program
Statement of Assets, Liabilities and Net Assets - Modified Cash Basis
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets		
Cash in Bank - Checking	\$ 454,075	\$ 367,510
Certificates of Deposit	31,422	42,573
Prepaid Rent	6,825	6,825
Prepaid Software Subscription	1,050	2,497
Rent Deposit	975	975
Total Current Assets	<u>494,347</u>	<u>420,380</u>
Property and Equipment		
Office Equipment and Furniture	42,427	42,627
Less Accumulated Depreciation	<u>(28,429)</u>	<u>(23,737)</u>
Net Property and Equipment	<u>13,998</u>	<u>18,890</u>
	<u><u>\$ 508,345</u></u>	<u><u>\$ 439,270</u></u>
 Net Assets		
Net Assets Without Restrictions	<u>508,345</u>	439,270
	<u><u>\$ 508,345</u></u>	<u><u>\$ 439,270</u></u>

See accompanying notes to these statements.

First Circuit Court Appointed Special Advocate Program
Statement of Revenues, Expenses and Changes in Net Assets - Modified Cash Basis
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues		
Grants		
VOCA	\$ 202,230	\$ 210,187
South Dakota CASA	28,000	24,220
Court Improvement	22,216	23,000
Other	11,400	62,950
Court Improvement - Extra	4,800	3,468
Fundraisers	95,204	79,254
Major Gifts	80,452	71,893
Donations	31,232	43,626
United Way	16,000	15,888
Memorials	250	75
	<u>491,784</u>	<u>534,561</u>
Total Revenues		
	<u>491,784</u>	<u>534,561</u>
Expenses		
Program	281,607	307,608
Management and General	80,881	76,089
Fund Raising	62,075	52,790
	<u>424,563</u>	<u>436,487</u>
Total Expenses		
	<u>424,563</u>	<u>436,487</u>
Other Income		
PPP Loan Forgiveness	-	82,280
Interest	1,854	666
	<u>1,854</u>	<u>82,946</u>
Total Other Income		
	<u>1,854</u>	<u>82,946</u>
Change in Net Assets	69,075	181,020
Net Assets, Beginning of Year	439,270	258,250
Net Assets, End of Year	<u>\$ 508,345</u>	<u>\$ 439,270</u>

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program
Statement of Functional Expenses- Modified Cash Basis
For the Year Ended December 31, 2022**

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 167,527	\$ 36,210	\$ 28,504	\$ 232,241
Health Insurance	26,970	5,835	4,601	37,406
Travel	27,195	3,591	-	30,786
Payroll Taxes	13,036	2,820	2,224	18,080
Advertising and Public Relation	10,841	-	2,710	13,551
Special Events	-	-	13,307	13,307
Rent	5,265	5,265	1,170	11,700
Software Expense	5,740	1,914	1,914	9,568
Insurance	4,535	3,539	193	8,267
Supplies	2,113	3,932	2,112	8,157
Retirement	4,844	1,048	826	6,718
Utilities	2,680	2,680	596	5,956
Leased Equip/Service Contract	-	5,911	-	5,911
Depreciation	2,446	2,446	-	4,892
Training and Conferences	3,912	-	-	3,912
Direct Mail	-	-	3,599	3,599
Volunteers Appreciation	2,984	-	-	2,984
Maintenance	-	2,128	-	2,128
Professional Fees	-	1,405	-	1,405
Telephone	584	583	-	1,167
Dues	497	497	-	994
Postage	-	638	319	957
Internet	438	439	-	877
Total	<u>\$ 281,607</u>	<u>\$ 80,881</u>	<u>\$ 62,075</u>	<u>\$ 424,563</u>

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program
Statement of Functional Expenses- Modified Cash Basis
For the Year Ended December 31, 2021**

	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 171,233	\$ 38,750	\$ 8,611	\$ 218,594
Advertising and Public Relations	36,137	-	4,015	40,152
Health Insurance	24,936	5,643	1,254	31,833
Special Events	-	-	19,867	19,867
Travel	16,032	3,410	-	19,442
Payroll Taxes	13,522	3,060	680	17,262
Rent	5,265	5,265	1,170	11,700
Consulting Fees	-	-	11,422	11,422
Volunteers Appreciation	8,442	-	-	8,442
Insurance	3,915	4,309	114	8,338
Training and Conferences	7,251	-	-	7,251
Software Expense	3,832	1,278	1,278	6,388
Retirement	4,396	995	221	5,612
Leased Equip/Service Contract	-	5,378	-	5,378
Utilities	3,472	852	481	4,805
Depreciation	2,219	2,218	-	4,437
Supplies	2,899	1,103	411	4,413
Repairs and Miscellaneous	1,256	1,257	-	2,513
Direct Mail	-	-	2,473	2,473
Postage	634	159	793	1,586
Dues	1,513	-	-	1,513
Professional Fees	-	1,339	-	1,339
Telephone	654	653	-	1,307
Internet	-	420	-	420
Total	\$ 307,608	\$ 76,089	\$ 52,790	\$ 436,487

See accompanying notes to these statements.

**First Circuit Court Appointed Special Advocate Program
Notes to Financial Statements**

1. Organization and Nature of Activities:

The First Circuit Court Appointed Special Advocate Program (CASA) is a non-profit organization and is affiliated with national and state CASA organizations.

CASA provides trained community volunteers appointed by a judge to promote and protect the best interests of abused and neglected children that are involved in the court system through no fault of their own. CASA volunteers provide the court with a carefully researched background of the child to assist the court in making sound decisions about the child's future. The CASA volunteer may make recommendations about foster care, reuniting with parents, legal freedom or adoption based on their visitations with the child, the parents and those who are knowledgeable about the child's history. The CASA program was originally developed by the Davison County Child Protection Team in 2000.

2. Summary of Significant Accounting Policies:

Basis of Accounting: The Organization's policy is to prepare its financial statements on the modified cash basis of accounting; consequently, contributions and other revenues are recognized when received rather than when promised or earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Financial Statement Presentation: The Organization has adopted FASB Accounting Standards Update (ASU) No. 2016-14, "Presentation of Financial Statements of Not-For-Profit Entities." Under ASU 2016-14, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Contributions: Contributions received including unconditional promises to give, are recorded as support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use. Contributions to be received in the future are recorded at their present value.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations: The fund-raising and service activities of the Organization are confined to the First Circuit geographical area of South Dakota. The Organization had cash in bank accounts that exceeded the FDIC insured limit by \$157,740.

**First Circuit Court Appointed Special Advocate Program
Notes to Financial Statements....Continued**

Property and Equipment: Property and equipment are recorded at cost, when purchased, or if donated, at their estimated fair market value at date of donation. All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Depreciation is provided on the straight-line method over estimated useful lives ranging from three to ten years.

Cash and Cash Equivalents: The Organization considers all short-term securities purchased with a maturity of three months or less to be current assets.

Advertising and Public Relations Costs: Advertising and public relations costs are expensed as incurred.

3. **Tax Status:**
The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Donations are deductible for income tax purposes.
4. **Contributed Services:**
Numerous individuals volunteer their time and perform valuable tasks that assist the Organization with its program and supporting services. These services typically do not meet the criteria for recognition of income under SFAS No. 116.
5. **Net Assets with Donor Restrictions:**
At December 31, 2022 and 2021, the Organization had no net assets with donor restrictions.
6. **Income Taxes:**
The federal tax returns (Form 990) of CASA for years ending December 31, 2022, 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they are filed.
7. **Retirement Plan:**
In 2016 the Organization adopted a SIMPLE retirement plan whereby eligible employees' contributions are matched up to 3% of qualified wages.
8. **Leases:**
On August 1, 2018, the Organization moved into its present location. The rent is \$975 per month plus utilities. The new lease runs through July 31, 2023.

Starting in October, 2016, a Toshiba copier was leased from A & B Business, Inc. for \$368 per month, including maintenance. The new lease runs for 63 months through December, 2023.
9. **Fund Raising Costs:**
Fund raising costs made up 14.6% of total expenses in 2022 and 12.1% of total expenses in 2021.

**First Circuit Court Appointed Special Advocate Program
Notes to Financial Statements....Continued**

The following is a schedule by years of future minimum payments under the non-cancelable leases as of December 31, 2022:

Calendar year:

2023	<u>\$10,266</u>
------	-----------------

10. Accrued Vacation:

The organization's vacation policy allows carryover of a maximum of 80 hours. At December 31, 2022, there was unused vacation pay of \$9,310.

11. Subsequent Events:

Management has evaluated subsequent events through February 7, 2023, the date the financial statements were available to be issued.

**First Circuit Court Appointed Special Advocate Program
Schedule of Fundraisers Revenue
For the Years Ended December 31, 2022 and 2021**

	2022	2021
CASA's Got Talent	\$ 67,834	\$ 60,134
Murder Mystery	11,561	14,271
Church Concerts	7,895	-
Kids Helping Klds	4,443	3,972
Community Awareness Fair	1,520	-
Fill the Calendar	1,431	-
Santa Pictures	500	-
Charity Shoot Out	20	395
CASA Walk	-	482
Total	<u>\$ 95,204</u>	<u>\$ 79,254</u>

CASA - First Circuit
Profit & Loss Budget vs. Actual
January 1 through March 22, 2023

	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense		
Income		
205 · Grants		
210 · VOCA Grant	250,000.00	50.0%
215 · SD Casa Grant	30,000.00	6.0%
220 · Court Improvements Grant	28,000.00	6.0%
240 · Other Grants	10,000.00	2.0%
221 · Court Improvement Other Funds	3,500.00	1.0%
Total 205 · Grants	<u>321,500.00</u>	<u>65.0%</u>
260.1 · Fundraisers		
269.1 · CASA's Got Talent	80,000.00	16.0%
263 · Concert	10,000.00	2.0%
Total 260.1 · Fundraisers	<u>90,000.00</u>	<u>18.0%</u>
285 · Annual Fund Drive		
283 · County/City Gifts	11,500.00	3.0%
286 · Board Fund Drive	2,500.00	0.5%
287 · March	8,000.00	2.0%
288 · June	2,500.00	0.5%
289 · Holiday	14,500.00	3.0%
Total 285 · Annual Fund Drive	<u>39,000.00</u>	<u>9.0%</u>
284 · Major Gifts	25,700.00	5.0%
250 · United Way	16,000.00	3.0%
Total Income	<u>492,200.00</u>	<u>100.0%</u>
Expense		
300 · Personnel		
340.3 · Case Management	18,720.00	4.0%
310 · Executive Director	100,528.00	20.0%
330 · Program Manager	65,755.00	13.0%
340 · Community Outreach	46,000.00	9.0%
340.1 · Asst Program Manager	48,000.00	10.0%
Total 300 · Personnel	<u>279,003.00</u>	<u>56.0%</u>
314 · Health Insurance Benefit	36,609.00	7.0%
734 · Liability& Property Insurance		
735 · Cyber Liability	1,810.00	0.25%
731 · Hired & Non-Auto	500.00	0.25%
730 · General Liability & Property	5,650.00	1.0%
736 · Workers Compensation Insurance	680.00	0.25%
732 · D & O Insurance	1,000.00	0.25%
Total 734 · Liability& Property Insurance	<u>9,640.00</u>	<u>2.0%</u>
325 · FICA & Fed. WH		
SUTA	3,500.00	1.0%
325 · FICA & Fed. WH - Other	21,345.00	4.0%
Total 325 · FICA & Fed. WH	<u>24,845.00</u>	<u>5.0%</u>
315.1 · Retirement	8,500.00	2.0%

CASA - First Circuit
Profit & Loss Budget vs. Actual
January 1 through March 22, 2023

	<u>Budget</u>	<u>% of Budget</u>
600 · Events & Direct Mail		
640 · Special Events Expense		
630 · Fundraising Expense	1,000.00	0.5%
648 · CASA's Got Talent	18,000.00	3.0%
Total 640 · Special Events Expense	19,000.00	3.5%
650 · Direct Mail Expense	3,000.00	1.0%
Total 600 · Events & Direct Mail	22,000.00	4.5%
500 · Travel		
550 · Volunteer Travel - Mileage		
552 · Volunteer Travel - Airfare	1,000.00	0.25%
556 · Volunteer Travel - Hotel	1,700.00	0.5%
558 · Volunteer Travel - Per Diem	650.00	0.25%
550 · Volunteer Travel - Mileage - Other	15,000.00	2.0%
Total 550 · Volunteer Travel - Mileage	18,350.00	3.0%
510 · Staff - Travel		
512 · Staff - Airfare	1,500.00	0.5%
516 · Staff - Hotel	2,600.00	1.0%
518 · Staff - Per Diem	1,150.00	0.5%
510 · Staff - Travel - Other	9,800.00	2.0%
Total 510 · Staff - Travel	15,050.00	4.0%
Total 500 · Travel	33,400.00	7.0%
400 · Training/Recruitment/Support		
413 · Background Check fees	2,000.00	0.5%
412 · Snacks for Training	250.00	0.25%
416 · Training Expenses	250.00	0.25%
422 · Registration Fees	3,500.00	1.0%
645 · Volunteer Appreciation	4,500.00	1.0%
Total 400 · Training/Recruitment/Support	10,500.00	2.75%
800 · Office Expense		
862 · Rent	11,700.00	2.0%
811 · Software	9,500.00	1.0%
620 · Advertising & Public Relations		
620.4 · Radio	12,000.00	3.0%
620.2 · Newspaper	500.00	0.25%
620.1 · Movie Theatre	5,000.00	1.0%
Total 620 · Advertising & Public Relations	17,500.00	4.25%
814 · Leased Equipment	5,500.00	1.0%
820 · Supplies		
Total 820 · Supplies	4,000.00	1.0%
865 · NWPS	5,500.00	1.0%
852 · Postage	1,000.00	0.25%
872 · Professional Fees	2,000.00	0.5%
864 · Telephone		
868 · Internet	1,200.00	0.25%

CASA - First Circuit
Profit & Loss Budget vs. Actual
January 1 through March 22, 2023

	Budget	% of Budget
864 · Telephone - Other	800.00	0.25%
Total 864 · Telephone	2,000.00	0.5%
815 · Maintenance	6,000.00	0.5%
810 · Furniture & Equipment	2,300.00	0.5%
Total 800 · Office Expense	67,000.00	12.5%
882 · Membership Fees	700.00	0.25%
Depreciation	3,000.00	1.0%
Total Expense	492,197.00	100.0%
Net Ordinary Income	3.00	0.0%
Other Income/Expense		
Other Income		
295 · Interest Income	0.00	0.0%
Total Other Income	0.00	0.0%
Net Other Income	0.00	0.0%
Net Income	3.00	0.0%

FIRST CIRCUIT CASA
Mitchell, SD
Board of Directors 2023

CHAIR Terry Reyelts (12/31/25) – First National Insurance 213 S Harmon Dr, Mitchell, SD 57301 933-1565 cell <u>trevelts@firstnatins.com</u>	VICE-CHAIR Jesse Tolsma (12/31/25) – Dice Financial 1010 Circle Dr, Mitchell SD 57301 996-7171 work, 999-8472 cell <u>jesse@dicefinancial.com</u>
TREASURER Michael Weiss (12/31/25) – BankWest PO Box 610, Armour SD 57313 724-2155 work, <u>Michael.weiss@bankwest-sd.bank</u>	SECRETARY Stacy Giblin (12/31/25) – Nedved Media 151 N Harmon Dr., Mitchell, SD 57301 996-1073 work, 351-9758 cell <u>sgiblin@kornq107.com</u>
MEMBERS Lydia Brink (12/31/25) - L&J Kreations 1222 E 2nd Ave, Mitchell, SD 57301 770-7915 cell <u>lydiambeauty@aol.com</u>	Ashley Miller (12/31/25) – Mitchell Roofing 104 E 3rd Street, Plankinton SD 57368 656-1349 cell <u>ashley@mitchellroofingsd.com</u>
Dan Fechner (12/31/25) – Mitchell PD 618 S Iowa St, Mitchell SD 57301 605-770-0173 cell <u>DanF@mitchelldps.com</u>	Melisa Kriens (12/31/25) – Make-It-Mine 819 E 5th Ave, Mitchell SD 57301 (785)806-7010 cell <u>MelissaSusan11@gmail.com</u>
Sandi Floyd (12/31/26) – FIB President 714 S Burr Street, Ste. 101, Mitchell SD 57301 299-0304 work, 597-0615 cell <u>sandi.floyd@fib.com</u>	Destiny Rohrer (Reimnitz) – (12/31/26) – Mid-Dakota 817 N Sanborn, Mitchell SD 57301 999-9457 cell <u>destiny.reimnitz@gmail.com</u>
Pam Iverson (12/31/26) – Nedved Media 821 W Ash St., Mitchell, SD 57301 605-770-2976 cell <u>piverson@kornq107.com</u>	Jim Taylor (12/31/25) – P.C. Atty/Counselor at Law 520 N. Lawler Street #100, Mitchell, SD 57301 996-3882 work <u>taylor@tmlawsd.com</u>
Steve Laufman (12/31/25) – Innovative Systems 25079 407th Ave, Mitchell, SD 57301 990-7118 work, 630-9403 cell <u>steve.laufman@gmail.com</u>	Mike Weins (12/31/24) – A&B 400 E Havens Street, Mitchell, SD 57301 995-1993 work, 999-9393 cell <u>mikew@abbusiness.com</u>
Mark Limberg (12/31/25) – CFO Iverson 41210 SD Hwy 38, Mitchell, SD 770-6683 cell, 996-5683 work <u>markl@iversonauto.com</u>	Cody Wilson (12/31/25) – Mitchell Roofing 41136 273rd St, Parkston, SD 57366 214-0425 cell <u>cody@mitchellroofingsd.com</u>
Ryan Loker (12/31/24) – Special Assistant AG 773-3884 work <u>ryan.loker@state.sd.us</u>	
* Names in bold are serving 3rd 3 yr. term	

2024 APPLICATION FOR CITY FUNDS

THE NATIONAL EXCHANGE CLUB OF MITCHELL, SD

PROJECT AND FUNDING REQUEST: The Exchange Club of Mitchell is requesting \$10,000 to help in funding the City's 4th of July fireworks show for 2024. The fireworks show is provided annually out at Lake Mitchell. With the help of the City's contribution, along with numerous other donations from local Mitchell businesses, the Exchange Club can provide a firework show for Mitchell.

Aaron Moller



Treasurer

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Exchange Club of Mitchell, SD

Address: PO Box 811, Mitchell, SD 57301

Telephone: 605-996-7717 (Aaron Moller's work phone)

Contact (individual responsible for the project):

Name: Aaron Moller

Title: Treasurer

Address: 1820 N Sanborn Blvd, PO Box 249, Mitchell, SD 57301 (work address – ELO CPAs & Advisors)

Telephone: 605-996-7717 (Aaron Moller's work phone)

Email: aaron@elocpa.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 10,000

Date(s) of Implementation: July 4, 2024 (annual fireworks display)

1. **Brief History of Organization/Applicant.**

The Exchange Club has been chartered in Mitchell since 1966. We are most known for providing the concessions at the state amateur baseball tournament. Other things that do, include: 1) Organize flags to be hung at Mitchell businesses during certain holidays; 2) Put up the 'flag field' along the bypass on certain holidays; 3) Host 'Casino Nights' for local business/organizations; 4) Give scholarships to Mitchell graduates; 5) Donate to several Organizations throughout Mitchell.

2. **Provide a description of the program characteristics which distinguish it from others in Mitchell.**

The Exchange Club is the only Organization that specifically focuses on Americanism, youth, the prevention of child abuse, and community service. For the 4th of July, the Exchange Club contacts several businesses in the City to help pay for the 4th of July fireworks show out at Lake Mitchell.

3. **Identify the key issues facing your organization at this time.**

Members are getting older, so we are trying to attract as many younger members as possible. While membership has been down in the past, we are holding steady in the last fiscal year.

4. **Summary Project Description**

The money being used will go towards the fireworks show which cost \$17,500 in 2023.

5. **Provide the name of the project or program and describe in it in 50 words or less.**

Name – 4th of July Fireworks Show. The Exchange Club of Mitchell contracts with a fireworks company to shoot fireworks off near Lake Mitchell. The Exchange Club raises money to help cover the costs.

6. **Location of project or program**

Lake Mitchell

7. **Project Summary:** State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

The purpose is to provide a fireworks show to the residents of Mitchell on July 4th, 2023. Hundreds of residents watch the show either from their residence, along Lake Mitchell, or even on the Lake.

8. **Goals/Performance Measurers:** Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

We measure our performance based on public input. We have received many compliments regarding the fireworks show and very few, if any, complaints.



9. **Forward 2040 Integration.** [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☒ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** (1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community

Providing a city-wide fireworks show for the community makes the community feel more welcome and helps the culture of Mitchell going forward. This will provide another activity for Mitchell families to take part of.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

By providing the fireworks show out at Lake Mitchell, it gives people an opportunity to use the Lake. It also encourages people to help with Lake clean-up as more and more people begin to see how valuable the Lake can be for the community members of Mitchell.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Aaron Moller

Title: Treasurer

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 19, 2023

Form **990-EZ**

Short Form

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2021**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form, as it may be made public.

▶ Go to www.irs.gov/Form990EZ for instructions and the latest information.**A For the 2021 calendar year, or tax year beginning 07/01/21, and ending 06/30/22**

B Check if applicable:		C Name of organization		D Employer identification number
☐ Address change		NATIONAL EXCHANGE CLUB OF MITCHELL		23-7019555
☐ Name change				E Telephone number
☐ Initial return				605-996-6946
☐ Final return/terminated				F Group Exemption Number ▶
☐ Amended return		Number and street (or P.O. box if mail is not delivered to street address)		
☐ Application pending		Room/suite		
		P0 BOX 811		
		City or town, state or province, country, and ZIP or foreign postal code		
		MITCHELL SD 57301		
G Accounting Method: ☒ Cash ☐ Accrual Other (specify) ▶		H Check ☐ if the organization is not required to attach Schedule B (Form 990).		
I Website: ▶ N/A				
J Tax-exempt status (check only one) — ☐ 501(c)(3) ☒ 501(c)(4) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527				
K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other				
L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ		▶ \$ 150,586		

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)Check if the organization used Schedule O to respond to any question in this Part I ☒

Revenue	1 Contributions, gifts, grants, and similar amounts received	1	18,900
	2 Program service revenue including government fees and contracts	2	
	3 Membership dues and assessments	3	6,405
	4 Investment income	4	547
	5a Gross amount from sale of assets other than inventory	5a	
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	5c	
	6 Gaming and fundraising events:		
	a Gross income from gaming (attach Schedule G if greater than \$15,000)	6a	
	b Gross income from fundraising events (not including \$ 18,050 of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)	6b	124,421
c Less: direct expenses from gaming and fundraising events	6c	94,001	
d Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)	6d	30,420	
7a Gross sales of inventory, less returns and allowances	7a		
b Less: cost of goods sold	7b		
c Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)	7c		
8 Other revenue (describe in Schedule O)	8	313	
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8	9	56,585	
Expenses	10 Grants and similar amounts paid (list in Schedule O)	10	21,202
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	
	13 Professional fees and other payments to independent contractors	13	266
	14 Occupancy, rent, utilities, and maintenance	14	
	15 Printing, publications, postage, and shipping	15	
	16 Other expenses (describe in Schedule O)	16	22,885
	17 Total expenses. Add lines 10 through 16	17	44,353
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 9)	18	12,232
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	113,599
	20 Other changes in net assets or fund balances (explain in Schedule O)	20	
	21 Net assets or fund balances at end of year. Combine lines 18 through 20	21	125,831

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990-EZ** (2021)

Form 990-EZ (2021)

NATIONAL EXCHANGE CLUB OF MITCHELL 23-7019555Page **2****Part II Balance Sheets** (see the instructions for Part II)Check if the organization used Schedule O to respond to any question in this Part II ☒

	(A) Beginning of year		(B) End of year
22 Cash, savings, and investments	112,605	22	125,010
23 Land and buildings	0	23	
24 Other assets (describe in Schedule O)	994	24	821
25 Total assets	113,599	25	125,831
26 Total liabilities (describe in Schedule O)	0	26	0
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	113,599	27	125,831

Part III Statement of Program Service Accomplishments (see the instructions for Part III)Check if the organization used Schedule O to respond to any question in this Part III ☐

What is the organization's primary exempt purpose?

COMMUNITY SERVICE

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.

Expenses

(Required for section 501(c)(3) and 501(c)(4) organizations; optional for others.)

28 DONATIONS TO VARIOUS COMMUNITY ORGANIZATIONS, ACTIVITIES AND INDIVIDUALS

(Grants \$ **21,202**) If this amount includes foreign grants, check here ☐ **28a** **21,202**

29

(Grants \$) If this amount includes foreign grants, check here ☐ **29a**

30

(Grants \$) If this amount includes foreign grants, check here ☐ **30a**

31 Other program services (describe in Schedule O)

(Grants \$) If this amount includes foreign grants, check here ☐ **31a**

32 Total program service expenses (add lines 28a through 31a) **32** **21,202**

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated — see the instructions for Part IV)Check if the organization used Schedule O to respond to any question in this Part IV ☐

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC/1099-NEC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
KEVIN BRUSCHER PRESIDENT	6.00	0	0	0
BONNIE SCOTT SECRETARY	2.00	0	0	0
AARON MOLLER TREASURER	2.00	0	0	0
JOLEEN BUCHHOLZ DIRECTOR	2.00	0	0	0
DENNIS NATH DIRECTOR	2.00	0	0	0
DAN REW DIRECTOR	2.00	0	0	0
BRIAN LOKEN DIRECTOR	2.00	0	0	0
TERRY ASLESEN DIRECTOR	2.00	0	0	0
COLE MORGAN DIRECTOR	2.00	0	0	0
DIANA GOLDAMMER DIRECTOR	2.00	0	0	0

Form 990-EZ (2021)

NATIONAL EXCHANGE CLUB OF MITCHELL 23-7019555Page **3**

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V ☐

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		X
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions		X
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		X
b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		X
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		X
37a Enter amount of political expenditures, direct or indirect, as described in the instructions 37a		
b Did the organization file Form 1120-POL for this year?		X
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?		X
b If "Yes," complete Schedule L, Part II, and enter the total amount involved 38b		
39 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on line 9 39a		
b Gross receipts, included on line 9, for public use of club facilities 39b		
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 40a ; section 4912 40a ; section 4955 40a		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T		X
41 List the states with which a copy of this return is filed 41 NONE		
42a The organization's books are in care of 42a AARON M MOLLER Telephone no. 42a 605-996-7717 1820 N SANBORN Located at 42a MITCHELL SD ZIP + 4 42a 57301		
b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country 42b		X
See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
c At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country 42c		X
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 — Check here 43 ☐		
and enter the amount of tax-exempt interest received or accrued during the tax year 43		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ		X
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ		X
c Did the organization receive any payments for indoor tanning services during the year?		X
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions		X

DAA

Form **990-EZ** (2021)

Form 990-EZ (2021)

NATIONAL EXCHANGE CLUB OF MITCHELL 23-7019555Page **4**

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

	Yes	No
46		X

Part VI Section 501(c)(3) Organizations Only

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI ☐

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

	Yes	No
47		

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

48		
-----------	--	--

49a Did the organization make any transfers to an exempt non-charitable related organization?

49a		
------------	--	--

b If "Yes," was the related organization a section 527 organization?

49b		
------------	--	--

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) 1099-NEC (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000 **▶** _____

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000 **▶** _____

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A **▶** ☐ Yes ☐ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer KEVIN BRUSCHER	Date PRESIDENT
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name AARON M. MOLLER, CPA	Preparer's signature AARON M. MOLLER, CPA	Date 11/03/22	Check ☐ if self-employed	PTIN
	Firm's name ▶ ELO PROF LLC			Firm's EIN ▶	
	Firm's address ▶ PO BOX 249 MITCHELL, SD 57301			Phone no. 605-996-7717	

May the IRS discuss this return with the preparer shown above? See instructions **▶** ☒ Yes ☐ No

Form **990-EZ** (2021)

**Schedule B
(Form 990)**Department of the Treasury
Internal Revenue Service**Schedule of Contributors**▶ **Attach to Form 990 or Form 990-PF.**
▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2021

Name of the organization

Employer identification number

NATIONAL EXCHANGE CLUB OF MITCHELL**23-7019555**

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(**4**) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒
- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐
- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33
- ¹
- /
- ₃
- % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of
- (1)**
- \$5,000; or
- (2)**
- 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

- ☐
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000
- exclusively*
- for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

- ☐
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions
- exclusively*
- for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an
- exclusively*
- religious, charitable, etc., purpose. Don't complete any of the parts unless the
- General Rule**
- applies to this organization because it received
- nonexclusively*
- religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990) (2021)

Schedule B (Form 990) (2021)

PAGE 1 OF 1Page **2**

Name of organization

Employer identification number

NATIONAL EXCHANGE CLUB OF MITCHELL**23-7019555****Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	N/A	\$ 10,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II for noncash contributions.)

Schedule B (Form 990) (2021)

**SCHEDULE G
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Information Regarding Fundraising or Gaming Activities**

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021Open to Public
Inspection

Name of the organization

NATIONAL EXCHANGE CLUB OF MITCHELL

Employer identification number

23-7019555**Part I Fundraising Activities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.**1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** ☐ Mail solicitations **e** ☐ Solicitation of non-government grants
- b** ☐ Internet and email solicitations **f** ☐ Solicitation of government grants
- c** ☐ Phone solicitations **g** ☐ Special fundraising events
- d** ☐ In-person solicitations

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No**b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total				▶		

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

.....

.....

.....

.....

.....

Schedule G (Form 990) 2021

NATIONAL EXCHANGE CLUB OF MITCHELL 23-7019555Page **2****Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		BASEBALL PLAYOFF (event type)	FIREWORKS (event type)	1 (total number)	(add col. (a) through col. (c))
Revenue	1 Gross receipts	112,110	18,050	9,584	139,744
	2 Less: Contributions ..		18,050		18,050
	3 Gross income (line 1 minus line 2)	112,110		9,584	121,694
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	71,741	15,230	6,674	93,645
	10 Direct expense summary. Add lines 4 through 9 in column (d)				93,645
	11 Net income summary. Subtract line 10 from line 3, column (d)				28,049

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes % ☐ No	☐ Yes % ☐ No	☐ Yes % ☐ No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities:**a** Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No**b** If "No," explain:
.....
.....**10a** Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No**b** If "Yes," explain:
.....
.....

Schedule G (Form 990) 2021

NATIONAL EXCHANGE CLUB OF MITCHELL 23-7019555Page **3**

- 11** Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No
- 12** Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13** Indicate the percentage of gaming activity conducted in:
- | | | |
|--------------------------------------|------------|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ►

Address ►

- 15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No
- b** If "Yes," enter the amount of gaming revenue received by the organization ►\$ and the amount of gaming revenue retained by the third party ►\$
- c** If "Yes," enter name and address of the third party:

Name ►

Address ►

16 Gaming manager information:

Name ►

Gaming manager compensation ►\$

Description of services provided ►

☐ Director/officer
☐ Employee
☐ Independent contractor
17 Mandatory distributions:

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No
- b** Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ►\$

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

Schedule G (Form 990) 2021

**SCHEDULE O
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021**Open to Public
Inspection**

Name of the organization

NATIONAL EXCHANGE CLUB OF MITCHELL

Employer identification number

23-7019555**FORM 990-EZ, PART I, LINE 8 - OTHER REVENUE**

DESCRIPTION	AMOUNT
DONATION	\$ 169
SALES TAX ALLOWANCE	\$ 79
MISCELLANEOUS	\$ 65
TOTAL	\$ 313

FORM 990-EZ, PART I, LINE 10 - GRANTS/SIMILAR AMTS PAID TO ORGANIZATIONS**CLASS OF ACTIVITY: SPONSORSHIPS****NAME: MITCHELL PARK & REC****ADDRESS: LOCAL****MITCHELL, SD 57301****CASH CONTRIBUTION: 5,750****FORM 990-EZ, PART I, LINE 16 - OTHER EXPENSES**

DESCRIPTION	AMOUNT
EXPENSES	
INSURANCE	\$ 4,896
DUES	\$ 8,166
AWARDS	\$ 628
ADVERTISING AND PROMOTION	\$ 245
PRINTING AND PUBLICATION	\$ 1,295
SUPPLIES	\$ 1,462
POSTAGE	\$ 214
BANQUET	\$ 2,770

LICENSES & PERMITS	\$	84
ALL SERVICE CLUB	\$	192
MISCELLANEOUS	\$	399
DISTRICT CONVENTION	\$	1,573
FREEDOM SHRINE	\$	555
SPECIAL EVENTS	\$	406
TOTAL	\$	22,885

FORM 990-EZ, PART II, LINE 24 - OTHER ASSETS			
DESCRIPTION	BEG. OF YEAR		END OF YEAR
EQUIPMENT	\$	20,142	\$ 20,142
LESS ACCUMULATED DEPRECIATION	\$	19,148	\$ 19,321
TOTAL	\$	994	\$ 821

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2021Attachment
Sequence No. **179**

Name(s) shown on return

NATIONAL EXCHANGE CLUB OF MITCHELLIdentifying number
23-7019555

Business or activity to which this form relates

WISH N SPIN**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,050,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,620,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2020 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2022. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	173

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2021	17	0
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2021 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C—Assets Placed in Service During 2021 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	173
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

DAA

THERE ARE NO AMOUNTS FOR PAGE 2 Form **4562** (2021)

Tax Depreciation

FYE: 6/30/2022

Asset	Property Description	Date Acquired	d t	Tax-Meth Conv	Tax Period	Tax Cost	Tax Sec 179 Exp	Tax Bonus Amt	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Adj Basis
Group:												
1	2 WISH/SPIN MACHINES	3/28/17		S/L-MO	10.00	1,729	0	0	735	173	908	821
3	ID MACHINE	4/15/02		S/L-MO	7.00	2,115	0	0	2,115	0	2,115	0
4	WISH N SPIN MACHINE	6/11/02		S/L-MO	7.00	595	0	0	595	0	595	0
5	SNO CONE MACHINE	10/02/01		S/L-MO	7.00	1,600	0	0	1,600	0	1,600	0
7	7 X 16 CARGO FLAG TRAILER	8/30/05		S/L-MO	5.00	4,550	0	0	4,550	0	4,550	0
8	GRILL	5/14/07		S/L-MO	7.00	5,300	0	0	5,300	0	5,300	0
9	TRAILER FOR CASINO	12/16/10		S/L-MO	7.00	2,400	0	0	2,400	0	2,400	0
10	POST DRIVER	9/10/12		S/L-MO	7.00	1,853	0	0	1,853	0	1,853	0
No Group						20,142	0	0	19,148	173	19,321	821
Grand Total						20,142	0	0	19,148	173	19,321	821

AMT Depreciation

FYE: 6/30/2022

Asset	Property Description	Date Acquired	d t	AMT Method	AMT Period	AMT Cost	AMT Sec 179 Exp	AMT Prior Depreciation	AMT Curr Depreciation	AMT End Depr
Group:										
1	2 WISH/SPIN MACHINES	3/28/17			0.0	0	0	0	0	0
3	ID MACHINE	4/15/02		S/L	7.00	2,115	0	2,115	0	2,115
4	WISH N SPIN MACHINE	6/11/02		S/L	7.00	595	0	595	0	595
5	SNO CONE MACHINE	10/02/01		S/L	7.00	1,600	0	1,600	0	1,600
7	7 X 16 CARGO FLAG TRAILER	8/30/05			0.0	0	0	0	0	0
8	GRILL	5/14/07			0.0	0	0	0	0	0
9	TRAILER FOR CASINO	12/16/10		S/L	7.00	2,400	0	2,400	0	2,400
10	POST DRIVER	9/10/12			0.0	0	0	0	0	0
No Group						<u>6,710</u>	<u>0</u>	<u>6,710</u>	<u>0</u>	<u>6,710</u>
Grand Total						<u>6,710</u>	<u>0</u>	<u>6,710</u>	<u>0</u>	<u>6,710</u>

Asset	Property Description	Date In Service	Tax Cost	Tax Sec 179 Exp	Tax Salvage Value	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value	Tax Method	Tax Period
<u>Group:</u>											
1	2 WISH/SPIN MACHINES	3/28/17	1,729	0	0	908	173	1,081	648	S/L	10.00
3	ID MACHINE	4/15/02	2,115	0	0	2,115	0	2,115	0	S/L	7.00
4	WISH N SPIN MACHINE	6/11/02	595	0	0	595	0	595	0	S/L	7.00
5	SNO CONE MACHINE	10/02/01	1,600	0	0	1,600	0	1,600	0	S/L	7.00
7	7 X 16 CARGO FLAG TRAILER	8/30/05	4,550	0	0	4,550	0	4,550	0	S/L	5.00
8	GRILL	5/14/07	5,300	0	0	5,300	0	5,300	0	S/L	7.00
9	TRAILER FOR CASINO	12/16/10	2,400	0	0	2,400	0	2,400	0	S/L	7.00
10	POST DRIVER	9/10/12	1,853	0	0	1,853	0	1,853	0	S/L	7.00
No Group			<u>20,142</u>	<u>0</u>	<u>0</u>	<u>19,321</u>	<u>173</u>	<u>19,494</u>	<u>648</u>		
Grand Total			<u>20,142</u>	<u>0</u>	<u>0</u>	<u>19,321</u>	<u>173</u>	<u>19,494</u>	<u>648</u>		

The National Exchange Club of Mitchell, SD

Updated Board Listing

7/19/2023

1. Kevin Bruscher – President
2. Joleen Buchholz – Past President
3. Aaron Moller – Treasurer
4. Bonnie Scott - Secretary
5. Terry Aslesen
6. Brian Loken
7. Cole Morgan
8. Dennis Nath
9. Dan Rew
10. Liz Salmonson
11. Johanna Allen



July 17, 2023

Stephanie Ellwein, City Administrator
City of Mitchell
612 N. Main Street
Mitchell, SD 57301

Dear Ms. Ellwein:

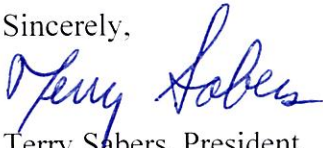
Please accept the attached **Application for 2024 Subsidy of City Funds** and attachments on behalf of Mitchell Area Housing Inc. (MAHI).

We are respectfully requesting \$75,000 for acquiring in-fill lots, demolishing the deteriorating property and building less expensive single-family homes. Currently MAHI has been reimbursed \$28,317 of the \$75,000 the City of Mitchell included in its budget for the same purpose this year. We have made an offer on a property really poor condition on E. 5th Avenue.

Our attachments are:

- Application
- In lieu of an audit (which we have not had yet), our current net income/loss statement.
- Current Budget
- List of board members

If you have any questions, please do not hesitate to reach out to me.

Sincerely,

Terry Sabers, President
Mitchell Area Housing, Inc.

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Area Housing Inc. (MAHI)

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-1140

Contact (individual responsible for the project):

Name: Terry Sabers

Title: President

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-1140

Email: terry@sabers.us

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other Click or tap here to enter text.

Amount Requested: \$ 75,000

Date(s) of Implementation: 1/1/2024-12/31/2024

1. Brief History of Organization/Applicant.

Mitchell Area Housing Incorporated (MAHI) was created on February 4, 2022 to facilitate and assist low-income families in securing good quality housing and to encourage home ownership for people living in a 60-mile geographical area around Mitchell.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

MAHI focuses on creating single family housing that costs \$250,000 and under, and provides forgivable home rehab loans to make necessary repairs to the homes of low-income families in the Mitchell area.

3. Identify the key issues facing your organization at this time.

MAHI is finding it difficult to find in-fill lots to develop. The delay in the Governor's housing funding has kept MAHI from moving forward with South Lake Housing Development. HUD's requirement to have an archeology survey on the Avera land along with an environmental review has delayed the Ridgeview on Foster Housing Development. With the increase of building materials and increase in interest rates, it's hard to build houses less than \$250,000 and find buyer who can afford the increase in monthly mortgage payments.

4. Summary Project Description

MAHI is requesting \$75,000 to acquire in-fill lots, demolish deteriorating property, and build less expensive single-family homes.

5. Provide the name of the project or program and describe in it in 50 words or less.

Revitalization of old housing in poor condition in Mitchell and encourage home ownership by building single family homes that cost \$250,000 and under.

6. Location of project or program

City of Mitchell.

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

MAHI's purpose is to increase the availability of less expensive workforce housing in Mitchell with the hope of growing the community's population over time. Between 2010-2020 the number of single-family homes under \$200,000 decreased by 462, while houses over \$200,000 increased by 480, creating a squeeze on less expensive houses. The funds requested will allow MAHI to continue tearing down old homes in poor condition and build new homes.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Purchase three additional in-fill lots and build new homes; move forward with the South Lake and Ridgeview on Foster Housing Developments and continue to work on houses that need rehabilitation.



9. Forward 2040 Integration. [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** (1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community

MAHI's efforts to replace deteriorating housing with new, less expensive workforce homes, leading two housing developments, and rehabilitating old homes will help remove the barrier of finding affordable housing.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

Increasing the number of less expensive homes in Mitchell will make attracting and retaining workforce easier. If job seekers can find homes more easily, they are more likely to move and stay in Mitchell.

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

Increasing and improving housing in Mitchell will help it become a destination location. South Dakota Housing recognized MAHI's leadership by having Terry Sabers present at their annual conference.

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

Adding less expensive housing will help strengthen industry clusters by helping attract and retain needed workforce; especially for the South Dakota Soybean Processors new plant which is expected to open in the fall of 2025.

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center of state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

Adding and improving less expensive housing will help recruit and retain needed workforce.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Terry Sabers

Title: President

- ☒ By checking this box, I acknowledge my agreement to the above certification.
- ☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.
- ☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: 7/24/23



Mitchell Area Housing Inc.
Profit & Loss
May 1, 2022 - July 17, 2023

Income-

City of Mitchell- Sale of Lot	\$ 30,000.00
Interest	61.22
MADC/Avera Donation	40,000.00
Beyond Idea Grant - SDCF	100,000.00
Reimbursement from City of Mitchell	28,317.00
Sam Weller Grant	50,000.00
Mitchell Area Charitable Foundation Grant	5,000.00
Proceeds from House Sale- South Duff	176,728.55
Total Revenue:	\$ 430,106.77

Expenses-

Professional Fees	\$ 13,250.93
Title Fees	\$ 804.25
Property Costs	\$ 462,530.78
Insurance	
United Fire	\$ 1,564.00
	\$ 1,564.00
Taxes	
1301 E. Birch - Davison County PTs	\$ 2,408.71
	\$ 2,408.71
Total Expenses:	\$ 480,558.67
Net Income:	\$ (50,451.90)



Mitchell Area Housing Inc.
Budget
2023

Income-

Interest	25.00	
MACF - Home Rehab Grants	5,000.00	
City Subsidy for in-fill lots	30,000.00	
MADC/Avera Donation	40,000.00	
Sam Weller Grant - Home Rehab Grants	50,000.00	
Beyond Idea Grant - SDCF - Home Rehab	100,000.00	
SDH HOME Grant - Home Rehab Grants	214,000.00	
Est. Proceeds from Sale of E. Birch	225,000.00	
Est. Proceeds from Sale of N. Duff	220,000.00	
Total Revenue:		\$ 884,025.00

Expenses-

Administrative Costs	\$ 30,500.00
Insurance	\$ 1,500.00
Interest - HAPI LOC	\$ 4,525.00
Professional Fees	\$ 5,000.00
Title Fees	\$ 2,500

Property Costs:

Rehab Grants	\$ 240,000.00
E. Birch	\$ 220,000.00
N. Duff	\$ 195,000.00
Another In-fill lot	\$ 185,000.00
	\$ 840,000.00

Total Expenses: \$ 884,025.00

Net Income: \$ -



**Mitchell Area Housing Incorporated
Board of Directors
2023**

President

Terry Sabers, Retired Co-President of Muth Electric
27 Arrowhead Pass
Mitchell, SD 57301

Vice President

Hilary Rockwell, MD, Regional President and CEO
Avera Queen of Peace
525 Foster Street
Mitchell, SD 57301

Secretary-Treasurer

Geri Beck, CEO
Mitchell Area Development Corp. and Chamber
601 N. Main Street
Mitchell, SD 57301

Jacqson Collins, Director of Commercial and Agribusiness Banking
First National Bank of Omaha
210 N. Lawler St.
Mitchell, SD 57301

Lee Anderson, Vice President Human Resources
Trail King
300 East Norway
Mitchell, SD 57301

Teresa Sternhagen, General Manager
Toshiba America
901 Foster St.
Mitchell, SD 57301

Josh Lawson, President, Mitchell Housing Authority
Business Banking Officer, First Dakota National Bank
500 E Norway Ave
Mitchell, SD 57301

Mitchell Area Housing, Inc.

Balance Sheet

As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
1101 · CASH IN BANK CHECKING BANKWEST	86,329.08
Total Checking/Savings	86,329.08
Total Current Assets	86,329.08
Fixed Assets	
HOUSE	80,000.00
1147 · LAND	2,000.00
Total Fixed Assets	82,000.00
TOTAL ASSETS	168,329.08
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
1215 · LOC-HAPI	200,000.00
Total Other Current Liabilities	200,000.00
Total Current Liabilities	200,000.00
Total Liabilities	200,000.00
Equity	
Net Income	-31,670.92
Total Equity	-31,670.92
TOTAL LIABILITIES & EQUITY	168,329.08

1:52 PM

07/24/23

Accrual Basis

Mitchell Area Housing, Inc.
Profit & Loss
October 2021 through September 2022

	<u>Oct '21 - Sep 22</u>
Income	
1401 · INCOME- CONTRIBUTIONS	30,000.00
1490 · INTEREST INCOME- INVESTMENTS	2.16
Total Income	30,002.16
Expense	
1505 · PROPERTY TAX EXPENSE	2,408.71
1511 · PROPERTY IMPROVEMENT EXPENSE	48,030.84
1524 · SUPPLIES	832.79
1525 · PROFESSIONAL FEES	9,419.74
1526 · INSURANCE	769.00
1533 · TITLE FEES	212.00
Total Expense	61,673.08
Net Income	-31,670.92

Mitchell Area Housing, Inc.

Balance Sheet

As of July 24, 2023

	Jul 24, 23
ASSETS	
Current Assets	
Checking/Savings	
1101 · CASH IN BANK CHECKING BANKWEST	23,041.81
Total Checking/Savings	23,041.81
Total Current Assets	23,041.81
Fixed Assets	
HOUSE	206,082.00
1147 · LAND	16,788.57
Total Fixed Assets	222,870.57
TOTAL ASSETS	245,912.38
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
1215 · LOC-HAPI	200,000.00
Total Other Current Liabilities	200,000.00
Total Current Liabilities	200,000.00
Total Liabilities	200,000.00
Equity	
32000 · Unrestricted Net Assets	51,825.16
Net Income	-5,912.78
Total Equity	45,912.38
TOTAL LIABILITIES & EQUITY	245,912.38

1:53 PM

07/24/23

Accrual Basis

Mitchell Area Housing, Inc.
Profit & Loss
October 1, 2022 through July 24, 2023

	Oct 1, '22 - Jul 24, 23
Income	
1401 · INCOME- CONTRIBUTIONS	118,317.00
1403 · INCOME- HOME SALES	180,000.00
1490 · INTEREST INCOME- INVESTMENTS	59.06
Total Income	298,376.06
Expense	
1501 · HOPE GRANT EXPENSE	10,645.25
1505 · PROPERTY TAX EXPENSE	1,007.62
1506- EXCISE TAX	2,751.33
1511 · PROPERTY IMPROVEMENT EXPENSE	191,266.15
1516 · UTILITIES	2,112.73
1524 · SUPPLIES	1,073.74
1525 · PROFESSIONAL FEES	4,896.74
1526 · INSURANCE	794.00
1530 · REPAIRS & MAINTENANCE	0.00
1533 · TITLE FEES	343.44
1598 · MISCELLANEOUS EXPENSE	5,901.76
Total Expense	220,792.76
Net Income	77,583.30



July 19, 2023

City of Mitchell
612 N Main St
Mitchell, SD 57301

Dear City Officials,

Safe Place of Eastern South Dakota is pleased to present this proposal for your review. We respectfully request a grant in the amount of \$20,000 to operate our facility, including utilities, maintenance, shelter food and supplies, and administrative expenses.

Safe Place is the only emergency shelter in an eight-county radius that provides emergency assistance for victims of domestic violence, sexual assault, stalking, and human trafficking. The local police departments and sheriff's offices rely heavily on Safe Place to provide these specific emergency services. Safe Place is also one of six visitation centers in the state of South Dakota which allows for non-custodial parents to establish or maintain relationships with their children through supervised visits. Our emergency housing program also assists qualified applicants to receive housing assistance for up to twenty-four months. Safe Place provides essential resources and programs to combat various forms of violence and promote awareness and prevention in the communities we serve. We are taking a proactive approach to offer educational opportunities to help raise awareness, promote better understanding, and to increase support and engagement from the community.

Safe Place aims to empower individuals with knowledge and skills to identify warning signs, protect themselves and others, and seek assistance when needed.

Thank you for your consideration and continued support of Safe Place.

Sincerely,

Coleen Hoffman
Executive Director



APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Area Safehouse dba Safe Place of Eastern South Dakota

Address: 1809 N Wisconsin St

Telephone: (605) 996-6622

Contact (individual responsible for the project):

Name: Coleen Hoffman

Title: Executive Director

Address: 1809 N Wisconsin St

Telephone: (605) 996-6622

Email: coleen@safeplace-esd.org

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 20,000

Date(s) of Implementation: Will be used for operating costs starting the first of the month once the funds are received.

1. Brief History of Organization/Applicant.

The Mitchell Area Safehouse was established in 1984 in Mitchell, SD. Two generous donations in the late 1990's by philanthropist Tanta Osterhaus allowed the organization to expand and build a new facility on N Wisconsin Street. Safe Place's mission is to provide a safe and empowering environment for victims of domestic violence and sexual assault through advocacy, education, and family support services. We currently serve an eight-county region and support victims of domestic violence, sexual violence, stalking, dating violence, and human trafficking, as well as advocate for these victims and for healing families. In 2023, Safe Place of Eastern South Dakota is moving forward with the Building a Safe Future Campaign to support our mission, services, education, and new building.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

Safe Place provides a number of services, including emergency shelter, advocacy services, family visitation, financial/housing assistance, support groups/classes, and community education. Our emergency shelter is for adult victims and their children escaping domestic violence, sexual assault, stalking, and human trafficking. We have trained advocates on staff who aid with protection orders, safety planning, referrals for healthcare, social/legal services, employment/education referrals, and transportation for those fleeing violence, or searching for employment or housing. Advocates also provide sexual assault advocacy at the hospital and law enforcement agencies. Through our financial and housing assistance we help assist victims to regain stability after experiencing a crisis. The Family Visitation Center serves as a neutral location for the transfer of children and as a location for monitored on-site visitation. The FVC is intended for families with separated parents in cases where there has been conflict involved, such as domestic abuse, child abuse, and/or substance abuse. Additionally, we offer support groups for women, an educational program for abusers, and free parenting classes for parents, grandparents, and caregivers. Through community education we also offer a variety of resources to the public including speaking events, materials, and programs designed for awareness and prevention.

3. Identify the key issues facing your organization at this time.

Funding is a key issue we face. Safe Place has a long and successful history of providing shelter and program services to victims who are escaping domestic abuse, sexual assault, human trafficking, and stalking. Funding is needed to maintain the current level of service and increase the number of clients served to help meet the unmet needs in the community.

4. Summary Project Description

Grant funds from the City of Mitchell are used to operate our facility, utilities, maintenance, food, supplies, and administrative expenses.

5. Provide the name of the project or program and describe in it in 50 words or less.

Safe Place Operating Costs

6. Location of project or program

1809 N Wisconsin, Mitchell, SD 57301

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

See attached.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Safe Place focuses on providing education and resources to raise awareness and prevent various forms of violence. Our organization offers a range of resources, services, films, and materials to educate the community about domestic violence, sexual violence, stalking, and human trafficking. Safe Place also implements programs for awareness and prevention, which aim to equip individuals with the knowledge and skills necessary to identify and address these issues. By measuring certain outcomes, Safe Place can assess the impact of their efforts and evaluate our success in achieving our mission. Some of the metrics used to measure our outcomes include number of victims served, number of hours of family visits provided, number of crisis calls taken, number of shelter nights provided, and number of prevention/educational presentations completed. By monitoring these numbers, we can assess the impact, identify areas for improvement, and demonstrate the value of our programs and resources in the community. Safe Place will continue to raise awareness, provide resources, and empower individuals with knowledge to prevent violence.



9. **Forward 2040 Integration.** [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

Domestic Violence does not only effect victims, but the communities they are a part of as well. Consequences such as loss of employment, and homelessness can have financial impacts on communities. The impact of domestic abuse is strongly correlated with diminished psychological and physical health, quality of life as well as educational and economic productivity. As a result, there is an immediate need for human service organizations, such as Safe Place, to address and prevent domestic violence within our community and to assure the availability of critical resources, and provide emergency services. Safe Place works with victims to overcome barriers to become productive members of the community, and with the community as a whole to ensure safety and security.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create*

strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.

[Click or tap here to enter text.](#)

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

[Click or tap here to enter text.](#)

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Coleen Hoffman

Title: Executive Director

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: 7/19/2023

Project Summary

Domestic violence has a significant impact on individuals, families, friends, and communities. It is a deeply concerning issue that affects various aspects of people's lives and communities.

Impacts of domestic violence are both physical and emotional. Victims of domestic violence can suffer severe physical injuries, including bruises, cuts, broken bones, and even life-threatening conditions. Domestic violence creates a toxic and hostile environment within the family. It leads to a breakdown of trust, communication, and support among family members. Children who witness domestic violence are particularly vulnerable and may suffer from emotional/developmental issues and isolation from friends and support networks. Domestic violence can also disrupt the sense of community and safety within neighborhoods, creating an atmosphere of fear and mistrust among residents. Domestic violence can result in financial strain, as victims may be unable to work, or the costs associated with seeking help and protection can be overwhelming. This can lead to poverty and dependence on social services. Children who witness or experience domestic violence are more likely to experience behavioral problems, academic difficulties, and may perpetuate the cycle of violence in their own relationships as they grow up. Domestic violence often leads to increased healthcare costs due to injuries and mental health treatments. Additionally, the legal system may bear the burden of prosecuting abusers and providing protection to victims. Victims of domestic violence may face challenges in the workplace due to physical injuries, emotional distress, or the need to attend court hearings or seek medical help, leading to decreased productivity.

Addressing domestic violence requires a comprehensive approach that involves raising awareness, providing support and resources for victims, holding perpetrators accountable, and promoting healthy relationships and respectful behavior. It is crucial for all members of society to work together to break the cycle of violence and create safe and supportive environments for everyone.

Safe Place collaborates with the Mitchell Police Department, Lutheran Social Services, the Department of Social Services, Avera, LifeQuest, South Dakota Department of Labor, Salvation Army, Goodwill, Career Connections, Mitchell Housing Authority, Mitchell Public Schools, Mitchell Head Start, Davison County Community Health Nurse, Davison County Safety Department, Davison County WIC, Davison County ROCS, Palace Transit, Dakota Wesleyan University, Mitchell Technical Institute, area churches, local schools, and other civic organizations.

Although Safe Place does not contribute to the tax base of the city, it makes an incredible contribution to the city by providing essential services for victims. If Safe Place was not operating to provide these services, the City of Mitchell would be responsible for housing, feeding, and providing safety for our clients. The incurred annual cost would be over \$750,000 (including staff, facility, and operations).

Unfortunately, Safe Place will never be “out of business” as domestic violence, sexual assault, stalking, and human trafficking will never completely stop. In 2022 Safe Place served a total 132 shelter clients with 893 shelter days, 94 non-shelter advocacy, 28 protection orders, 10 sexual assault, and 6 human trafficking victims. Advocates also answered 350 crisis calls. Family visitation served 61 families and our housing program assisted 28 clients. Community outreach educated 407 people with 26 educational programs. Safe Place has an annual budget of \$669,000. The costs continue to rise for facility upkeep and maintenance, staffing support, technological advances for security and privacy, training requirements for new policies and mandates for domestic violence victims and supervised visits. Funding for these services comes from federal grants through the Department of Justice, county subsidies, public foundations, and private donors. Each grant requires meticulous tracking and match funding of some variety and measurable outcomes of services provided.

Safe Place of Eastern South Dakota is a necessary part of our community. We provide a confidential emergency shelter for adult victims and their children escaping domestic violence, sexual assault, stalking, and human trafficking. Trained advocates aid with protection orders, referrals, and transportation to flee. Advocates are on call twenty-four hours a day, three hundred sixty-five days a year.

The Family Visitation Center serves as a neutral location for the transfer of children for traditional visitation and as a location for monitored on-site visitation. FVC is designed for children and their separated or divorced parents in cases where there has been conflict involved with visitation, domestic abuse, child abuse, and/or substance abuse. Visits may be through the Department of Social Services or court ordered.

Another goal of Safe Place is to provide education and awareness, assist others to become aware of the signs, and how to help someone who is seeking services. Our goals and outcomes are measured by; number of victims served, number of hours of family visits provided, number of crisis hotline calls received, number of shelter nights provided, and number of prevention/educational presentations completed. Grant funds received by the City of Mitchell will allow Safe Place to continue providing essential services, in our community, to victims of domestic violence, sexual assault, stalking, and human trafficking.

MITCHELL AREA SAFEHOUSE

Statement of Activity

January - December 2022

	TOTAL	
	JAN - DEC 2022	JAN - DEC 2021 (PY)
Revenue		
Cities and Counties		
County Fee	3,285.50	6,819.56
County Grant	25,905.02	17,825.00
Total Cities and Counties	29,190.52	24,644.56
Family Visitation Center		
Access to Visitation - FVC	9,805.13	15,564.82
DSS - FVC	15,916.22	20,913.81
Visitation Fees - FVC	2,841.52	2,761.30
Total Family Visitation Center	28,562.87	39,239.93
Foundation		
MASFoundation Distribution	25,207.28	21,776.13
Total Foundation	25,207.28	21,776.13
Grant Income		17,314.01
DASA	16,113.27	13,192.46
ESG	27,197.43	13,006.98
ESG - Covid	26,894.25	37,520.39
FVPSA	133,266.02	163,809.20
Justice	32,061.58	49,846.30
OVW Prevention Grant	119,523.09	70,054.22
Rural	19,949.31	21,109.11
SASP	5,587.22	
STOP	34,654.34	18,377.72
VOCA	60,052.00	105,079.06
Total Grant Income	475,298.51	509,309.45
Instructional Classes	2,848.00	4,086.85
Other Types of Income	9,615.96	
Miscellaneous Revenue	6,278.56	5,072.52
Total Other Types of Income	15,894.52	5,072.52
Public Support	1,450.67	3,834.50
Sales	75.00	
SDAP - Security Deposit	5,151.30	10,645.16
United Way	28,000.00	23,800.00
Total Revenue	\$611,678.67	\$642,409.10
GROSS PROFIT	\$611,678.67	\$642,409.10
Expenditures		
Administrative Offices		
Dues, Fees & Subscriptions	2,352.60	3,615.05
Insurance	18,432.10	18,475.00
Office Equipment & Repairs	1,599.00	11,406.17
Office/Facility Supplies	6,904.04	19,000.79
Postage, Mailing Service	1,202.84	908.55

MITCHELL AREA SAFEHOUSE

Statement of Activity January - December 2022

	TOTAL	
	JAN - DEC 2022	JAN - DEC 2021 (PY)
Printing and Copying	3,207.66	5,173.95
Professional Fees	24,867.50	16,550.00
Staff Expense	2,010.64	5,001.87
Tech Support	6,638.25	5,918.76
Travel		110.00
Total Administrative Offices	67,214.63	86,160.14
Class Expense	840.00	
Client		
Client Services	2,441.21	7,743.87
Emergency Services	360.72	135.16
Financial Assistance		1,430.19
Rent Assistance	37,796.00	22,141.00
Travel & Mileage		456.36
Total Client	40,597.93	31,906.58
Community Education/Awareness	8,718.70	3,826.18
Facility Repairs & Maintenance	10,949.16	16,957.22
Facility Utilities		
Electric & Gas	1,428.06	7,015.40
Sewer Water & Garbage	4,641.65	5,204.51
Telephone, Internet, Cable	3,479.61	13,112.88
Total Facility Utilities	9,549.32	25,332.79
FVC - Family Visitation Center	416.58	753.40
Payroll Expenses		
Bonus	3,093.65	3,585.26
Classes	1,700.00	1,560.00
Health Insurance	29,684.21	13,190.77
Holiday	18,299.24	15,209.68
In Lieu	0.00	11,200.00
On Call	14,216.19	11,661.75
Overtime	1,022.91	1,056.45
PTO	26,482.19	24,585.09
Wages	341,100.76	335,500.80
Total Payroll Expenses	435,599.15	417,549.80
Payroll Taxes	32,416.90	31,761.50
SD Network Expenses		
Rural Mileage		80.81
Total SD Network Expenses		80.81
SDAP Expenses	5,208.00	7,179.00
Shelter		
Shelter Equipment & Furnishings		10,129.20
Shelter Food	925.00	606.10
Shelter Mileage	-10.93	52.55

MITCHELL AREA SAFEHOUSE

Statement of Activity January - December 2022

	TOTAL	
	JAN - DEC 2022	JAN - DEC 2021 (PY)
Shelter Security	280.00	992.50
Shelter Supplies	561.58	4,242.03
Total Shelter	1,755.65	16,022.38
Training & Development	4,404.54	3,044.76
Vehicle Fuel & Expenses	3,121.03	4,646.58
Total Expenditures	\$620,791.59	\$645,221.14
NET OPERATING REVENUE	\$ -9,112.92	\$ -2,812.04
Other Revenue	\$314,829.45	\$ -2,870.28
Other Expenditures		
COVID Expenses (deleted)		-0.50
Depreciation	10,155.00	11,164.00
Development Director	-0.01	0.00
Total Other Expenditures	\$10,154.99	\$11,163.50
NET OTHER REVENUE	\$304,674.46	\$ -14,033.78
NET REVENUE	\$295,561.54	\$ -16,845.82

MITCHELL AREA SAFEHOUSE

Statement of Financial Position

As of December 31, 2022

	TOTAL	
	AS OF DEC 31, 2022	AS OF DEC 31, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
Building Checking	66.20	89.61
Checking - First Dakota	4,293.65	16,386.50
Designated Savings	0.00	0.00
Reserve	20,498.41	18,273.48
Stock the Shelves	741.76	741.76
Total Designated Savings	21,240.17	19,015.24
Petty Cash	0.00	0.00
Petty Cash - Family Visitation	50.00	50.00
Petty Cash - Shelter	50.00	50.00
Total Petty Cash	100.00	100.00
Total Bank Accounts	\$25,700.02	\$35,591.35
Accounts Receivable		
Accounts Receivable	64,147.15	63,905.75
Total Accounts Receivable	\$64,147.15	\$63,905.75
Other Current Assets		
Construction In Progress	144,595.00	
Total Other Current Assets	\$144,595.00	\$0.00
Total Current Assets	\$234,442.17	\$99,497.10
Fixed Assets		
Building	380,671.56	380,671.56
FVC Furniture & Equipment	12,324.77	12,324.77
Land	170,559.44	
Shelter Furniture and Equipment	29,567.86	29,567.86
xAccumulated Depreciation	-250,324.56	-240,169.56
Total Fixed Assets	\$342,799.07	\$182,394.63
TOTAL ASSETS	\$577,241.24	\$281,891.73
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	81.90	136.17
Total Accounts Payable	\$81.90	\$136.17
Credit Cards		
Credit Cards - Admin & Shelter	0.00	727.52
Total Credit Cards	\$0.00	\$727.52
Other Current Liabilities		
Payroll Liabilities	0.00	517.08
Aflac	79.74	79.74

MITCHELL AREA SAFEHOUSE

Statement of Financial Position

As of December 31, 2022

	TOTAL	
	AS OF DEC 31, 2022	AS OF DEC 31, 2021 (PY)
Federal Withholding	1,245.00	1,376.00
Health Insurance - PT	5,475.41	3,958.67
Medicare Company	236.59	274.52
Medicare Employee	236.59	274.52
SD Unemployment	176.46	175.02
Social Security Company	1,011.59	1,173.83
Social Security Employee	1,011.59	1,173.83
United Way	100.00	0.00
Total Payroll Liabilities	9,572.97	9,003.21
Total Other Current Liabilities	\$9,572.97	\$9,003.21
Total Current Liabilities	\$9,654.87	\$9,866.90
Total Liabilities	\$9,654.87	\$9,866.90
Equity		
Net Assets	272,024.83	288,870.65
Net Revenue	295,561.54	-16,845.82
Total Equity	\$567,586.37	\$272,024.83
TOTAL LIABILITIES AND EQUITY	\$577,241.24	\$281,891.73

MITCHELL AREA SAFEHOUSE

Budget Overview: 2023 FY Approved Budget - FY23 P&L

January - December 2023

	TOTAL
Revenue	
Cities and Counties	25,000.00
Family Visitation Center	8,860.00
Access to Visitation - FVC	8,500.00
Total Family Visitation Center	17,360.00
Foundation	
MASFoundation Distribution	22,000.00
Total Foundation	22,000.00
Grant Income	
DASA	25,000.00
ESG	49,017.00
ESG - Covid	45,000.00
FVPSA	119,375.00
Justice	35,000.00
OVW Prevention Grant	147,373.00
Rural	18,000.00
SASP	17,375.00
STOP	50,591.00
VOCA	56,937.00
Total Grant Income	563,668.00
Instructional Classes	1,500.00
SDAP - Security Deposit	15,000.00
United Way	30,000.00
Total Revenue	\$674,528.00
GROSS PROFIT	\$674,528.00
Expenditures	
Administrative Offices	
Dues, Fees & Subscriptions	2,000.00
Insurance	18,000.00
Office Equipment & Repairs	2,100.00
Office/Facility Supplies	7,000.00
Postage, Mailing Service	1,000.00
Printing and Copying	4,000.00
Professional Fees	22,000.00
Staff Expense	2,000.00
Tech Support	6,700.00
Total Administrative Offices	64,800.00
Client	
Client Services	2,700.00
Emergency Services	300.00
Financial Assistance	500.00
Rent Assistance	36,000.00
Total Client	39,500.00

	TOTAL
Community Education/Awareness	5,000.00
Facility Repairs & Maintenance	10,000.00
Facility Utilities	
Electric & Gas	5,300.00
Sewer Water & Garbage	2,700.00
Telephone, Internet, Cable	7,000.00
Total Facility Utilities	15,000.00
Payroll Expenses	
Health Insurance	29,757.00
Holiday	17,955.00
On Call	14,858.00
Overtime	860.00
PTO	28,665.00
Retirement Expense	6,378.00
Wages	381,690.00
Total Payroll Expenses	480,163.00
Payroll Taxes	36,292.00
SDAP Expenses	6,500.00
Shelter	
Shelter Equipment & Furnishings	2,000.00
Shelter Food	2,000.00
Shelter Supplies	1,000.00
Total Shelter	5,000.00
Training & Development	4,000.00
Vehicle Fuel & Expenses	3,000.00
Total Expenditures	\$669,255.00
NET OPERATING REVENUE	\$5,273.00
NET REVENUE	\$5,273.00

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022**Open to Public Inspection****A For the 2022 calendar year, or tax year beginning , and ending****B** Check if applicable:

- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization**MITCHELL AREA SAFEHOUSE INC**

Doing business as

SAFE PLACE OF EASTERN SOUTH DAKOTA

Number and street (or P.O. box if mail is not delivered to street address)

1809 N WISCONSIN

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

MITCHELL**SD 57301****D** Employer identification number**46-0389086****E** Telephone number**605-996-6622****G** Gross receipts \$ **1,002,362****F** Name and address of principal officer:**LENORA HEYDUK
LOCAL DELIVERY
MITCHELL****SD 57301****H(a)** Is this a group return for subordinates? ☐ Yes ☒ No**H(b)** Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. See instructions

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () (insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: **WWW.MITCHELLAREASAFEHOUSE.ORG****H(c)** Group exemption number**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation: **1984****M** State of legal domicile: **SD****Part I Summary**

Activities & Governance	1 Briefly describe the organization's mission or most significant activities:		
	TO PROVIDE A SAFE AND EMPOWERING ENVIRONMENT FOR VICTIMS OF DOMESTIC VIOLENCE THROUGH ADVOCACY, EDUCATION, SHELTER AND FAMILY SUPPORT SERVICES.		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	8
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
	5 Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	20
	6 Total number of volunteers (estimate if necessary)	6	35
Revenue	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0
	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	589,028	891,172
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	43,327	31,486
Expenses	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4	25
	12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	68,690	79,679
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	701,049	1,002,362
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	516,548	546,731
	b Total fundraising expenses (Part IX, column (D), line 25)		0
Net Assets or Fund Balances	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	79,679	
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	201,351	160,073
	19 Revenue less expenses. Subtract line 18 from line 12	717,899	706,804
	20 Total assets (Part X, line 16)	-16,850	295,558
	21 Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
22 Net assets or fund balances. Subtract line 21 from line 20	281,892	577,241	
	9,874	9,665	
	272,018	567,576	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

Date

LENORA HEYDUK**PRESIDENT**

Type or print name and title

Paid**Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed PTIN**JONATHAN J. GUENTHNER, CPA****JONATHAN J. GUENTHNER, CPA****07/20/23****P01250035**

Firm's name

ELO PROF LLC

Firm's EIN

46-0434947

Firm's address

**PO BOX 249
MITCHELL, SD 57301**

Phone no.

605-996-7717

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2022)

DAA



Current Operating Board of Directors

Officers

President: Jason Spicer

Vice President: Allison Hohn

Treasurer: Deryk Thomsen

Secretary: Whitney Olinger

Committees:

Human Resources: Becker, Zink

Finance: Hohn, Olinger, Spicer, Thomsen

Facility:

Building: Becker, Spicer

Board Member	Term End Date	Address	Contact Information
Anderson, Cleo	07/2026 (1)	209 West 2 nd Ave Apt 9 Mitchell, SD 57301	cleof.anderson@yahoo.com (605) 770-0580
Becker, Andrew	07/2024 (2)	1515 Augusta Ave Mitchell, SD 57301	andrew.becker@cityofmitchellsd.gov (605) 995-8400 x 5205 (605) 759-5353
Hohn, Allison	07/2024 (1)	1500 E Ash Ave Mitchell, SD 57301	allihohn@hotmail.com (605) 999-7710
Olinger, Whitney	01/2025 (2)	40850 256th St Mitchell, SD 57301	whitney.olinger@elocpa.com (605) 933-1433
Spicer, Jason	01/2025 (1)	308 McCabe St Mitchell, SD 57301	jspicer@firstdakota.com (605) 553-7978 (605) 995-7906W
Thomsen, Deryk	01/2024 (1)	1435 Country Drive Mitchell, SD 57301	thomsend@stifel.com (605) 999-0245
Voje, Katina	07/2026 (1)	415 W 10 th Ave Mitchell, SD 57301	katvoje@gmail.com (605) 505-0293



Zink, Kristy	01/2025 (2)	PO Box 196 Mt Vernon, SD 57363	kristy.zink@vantagepnt.com (605) 842-5363
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MICHELLE L. CARPENTER
Executive Director

ROSWITHA KONZ, M.A.
Clinical Director

JANAE OETKEN, CCDCIII
Clinical Supervisor



July 21, 2023

Mitchell City Council
612 N Main St
Mitchell SD 57301

Dear Council Members:

On behalf of the Board of Directors, the staff, and most importantly our clients, Dakota Counseling Institute would like to thank the City of Mitchell for decades of continuous support.

We would like to request our funding to be restored to \$26,250 for 2024.

The dollars we receive from the City are dedicated to provide crisis services to the residents in the City of Mitchell. These funds allow us to provide the necessary regular and 24-hour emergency services to keep clients functioning in the community rather than expensive hospitalizations or long-term placements. Regular follow up visits with their providers also reduce the likelihood or frequency of emergency contacts with EMT's and law enforcement which are costly, time consuming, and emotionally taxing for all involved.

Please don't hesitate to contact me if you have any questions regarding our application.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle L. Carpenter", with a long, sweeping flourish extending to the right.

Michelle L. Carpenter
Executive Director

MENTAL HEALTH

910 West Havens • Mitchell, SD 57301
605-996-9686 • fax: 605-996-1624

PATHWAY

900 West Havens • Mitchell, SD 57301
605-996-3723 • fax: 605-996-1126

STEPPING STONES

901 South Miller • Mitchell, SD 57301
605-995-8180 • fax: 605-995-8183

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Dakota Counseling Institute, Inc.

Address: 910 W Havens, Mitchell SD 57301

Telephone: (605) 996-9686

Contact (individual responsible for the project):

Name: Michelle Carpenter

Title: Executive Director

Address: 910 W Havens, Mitchell SD 57301

Telephone: (605) 996-9686

Email: m.carpener@dakotacounseling.net

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other Click or tap here to enter text.

Amount Requested: \$ 26,250

Date(s) of Implementation: Ongoing.

1. Brief History of Organization/Applicant.

Through the Davison County Mental Health Association our facility began by providing education part-time on mental health issues in the Mitchell community in July of 1955 and later services two days per week. The standalone agency we know today as Dakota Counseling Institute, Inc., incorporated in January of 1970. Other programs joined with Pathway being built in 1993, the purchase of Westview Apartments in 2009, and the purchase of Rosewood Court Assisted Living in 2011. One of the bigger moments in our history was the merging of Dakota Mental Health Center and Community Alcohol and Drug in 2005 to provide a fluid care for all behavioral health services. Twenty-eight years ago, the agency employed 18 staff with that number now being 90 staff members.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

Dakota Counseling Institute is the only agency in Mitchell capable of offering both mental health treatment and treatment for substance use disorders provided by licensed practitioners. This allows for a unique blending of approaches and resources for those who have both substance use and mental health disorders. Although there are other licensed providers that offer quality services, none are providing both, and all are to be paid for privately or through insurance. We are the only agency in Mitchell that is accredited by the State of South Dakota, and the only one with access to funding for mental health and substance use treatment for those that are unable to pay, able to pay only reduced fees, or that need the full continuity of care for co-occurring disorders. We are able to extend services to include living arrangements as well through our low-income housing and psychiatric focused Medicaid assisted living facility. Dakota Counseling Institute is the only local provider to offer 24-hour on-call emergency services, working closely with law enforcement (Mitchell Police Department, Davison County Sheriff) and providing mental health assessments when needed by law enforcement or the local hospital.

3. Identify the key issues facing your organization at this time.

Funding and Work Force. Our agency struggles to balance cost recovery with our capped state contracts. Our rates are established with historical data and although this year our contract inflation ranged from 5%-16% we have not met what the true cost of providing services has increased to. Our salaries, benefits, and contracting providers are 80% of our cost, with health insurance being more and more difficult to provide at an affordable level. To balance having licensed professional staff available 24/7, meeting the increase community demands for services, and the ever rising competitive market for wage and benefits, we are left with limited resources.

4. Summary Project Description

Our programs include Prevention and Education, First Offender DUI Class, Social Detoxification, Halfway House, Intensive Outpatient Drug and Alcohol Treatment, Intensive Meth Treatment, Medically Monitored Inpatient Treatment, Aftercare, Psychiatric Evaluation, Psychiatric Medication Management, Comprehensive Assistance with Recovery and Empowerment (Pathway case management), home based and/or school based therapy through Children Youth and Family Services program, Functional Family Therapy (FFT), individual/couples/family psychotherapy for all ages, Hypnotherapy, DBT group (Dialectical Behavior Therapy), Grief Group, low-income housing, and Medicaid funded assisted living with a psychiatric diagnosis.

5. Provide the name of the project or program and describe in it in 50 words or less.

Project Dakota Counseling provides a full array of scheduled and urgent mental health services, substance use prevention and treatment, as well as housing. The agency prides itself on individualized service goals and knowledge of resources to help each client excel to the best of their ability.

6. Location of project or program

910 W Havens, 900 W Havens, 901 S Miller, 816 N Minnesota, 2101 N Sanborn, Mitchell SD

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

The purpose of Dakota Counseling's funding request is to continue to provide crisis services 24/7 to the residents of Mitchell. The ultimate measure of success is to have clients and families at their full potential as a contributing citizen by ensuring their healthy wellbeing, safe community, and minimize emergency resources of area hospital and clinics, sheriff's department including the jail, law enforcement, state's attorney office, and court services. This year we started exploring alternatives to individuals and families having a crisis situation.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Dakota Counseling gathers outcome measurements upon initial services and with updates done as appropriate for the program(s) the client is involved in. These are submitted to the South Dakota Division of Behavioral Health, Department of Social Services for agency and statewide data comparison. The results are available to the public and presented during Legislative Budget Hearings. Programming provided are Evidence Based Programs that require extensive staff training with constant internal and external reviews for fidelity of the model. We have numerous on-site monitorings and accreditation reviews from the Division of Behavioral Health, Department of Health, Housing and Urban Development, United States Probation Office, and the federal office of SAMPSA (Substance Abuse and Mental Health Services Administration). The outcome tools, monitorings, and fidelity reviews all help administration determine efficiency and effectiveness.



9. Forward 2040 Integration. *(click here to read the report)*: Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☒ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

The benefit to our community is the safety of clients, their families, and citizens of the City. At any point in time, we have approximately 2,000 active clients with over half having a City of Mitchell address, 17% under the age of 18, and provided more than 200 hours of after hour/weekend crisis services. We work very closely with other resources in our community to make sure our clients have the best chance of success. These include but are not limited to the Mitchell Police Department, Davison County Sheriff's Department and Jail, surrounding area law enforcement, Mitchell Public Schools and other school districts throughout our catchment area, Dakota Wesleyan University, Mitchell Technical College, James Valley Drug/DUI Court, Juvenile Detention Alternatives Initiative, Court Services, Davison County and area State's Attorney Offices, Department of Corrections, Davison County Child Protection Team, Local Emergency Planning Committee, Abbott House, Love Feast, Lutheran Social Services, Mitchell Area Safe House, Salvation Army, Meals on Wheels, Mitchell Advisory Council for People with Disabilities, ROCS, Life Quest, Big Friends/Little Friends First Circuit CASA, Weekend Snack Pack, and Mitchell Housing Authority

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

Not Applicable

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** (1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.

Not Applicable

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** (1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.

Not Applicable

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** (1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center of state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.

Not Applicable

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Michelle L. Carpenter

Title: Executive Director

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements as required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 21, 2023

**Dakota Counseling Institute
(A Nonprofit Organization)**

**Independent Auditor's Report
and Financial Statements**

**For the Years Ended
December 31, 2022 and 2021**

Dakota Counseling Institute
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Independent Auditor's Report

To the Board of Directors of
Dakota Counseling Institute

Opinion

We have audited the accompanying financial statements of Dakota Counseling Institute (a nonprofit organization), which comprise the statements of financial position as of December 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dakota Counseling Institute as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dakota Counseling Institute and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota Counseling Institute's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Dakota Counseling Institute's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Dakota Counseling Institute's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Mitchell, South Dakota
July 13, 2023

Dakota Counseling Institute
Statements of Financial Position

	December 31,	
	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,050,176	\$ 1,695,252
Receivables		
State agencies	883,535	883,531
Private pay, net of allowance for uncollectible accounts 2022 \$65,005; 2021 \$65,000	403,164	327,917
Other	22,549	58,749
Prepaid expenses	1,740	4,116
Total Current Assets	<u>3,361,164</u>	<u>2,969,565</u>
Noncurrent Assets		
Tenant deposits - restricted	3,228	3,088
Right of use assets	263,807	--
Property and equipment		
Land, buildings and improvements	2,892,779	2,885,670
Equipment, furniture and fixtures	275,290	279,811
Vehicles	187,152	145,863
	<u>3,355,221</u>	<u>3,311,344</u>
Less accumulated depreciation	1,691,068	1,581,953
Net property and equipment	<u>1,664,153</u>	<u>1,729,391</u>
Total Noncurrent Assets	<u>1,931,188</u>	<u>1,732,479</u>
Total Assets	<u><u>\$ 5,292,352</u></u>	<u><u>\$ 4,702,044</u></u>
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long term debt	\$ 98,600	\$ 95,700
Current maturities of long-term operating leases	41,671	--
Accounts payable	4,228	4,625
Deferred income and reimbursements	614,864	229,327
Accrued compensation	302,879	300,904
Accrued payroll liabilities	1,041	--
Other accrued expenses	21,175	9,455
Total Current Liabilities	<u>1,084,458</u>	<u>640,011</u>
Noncurrent Liabilities		
Long-term debt, net of current maturities	873,686	971,803
Long-term operating leases, net of current maturities	222,136	--
Total Noncurrent Liabilities	<u>1,095,822</u>	<u>971,803</u>
Total Liabilities	2,180,280	1,611,814
Net Assets		
Without donor restrictions	<u>3,112,072</u>	<u>3,090,230</u>
Total Liabilities and Net Assets	<u><u>\$ 5,292,352</u></u>	<u><u>\$ 4,702,044</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statements of Activities

	Years Ended December 31,	
	2022	2021
Public Support and Revenue		
Public Support		
City of Mitchell	\$ 26,250	\$ 26,251
Grants	519,171	36,796
United Way	26,000	22,000
County funds	25,624	25,626
Total Public Support	<u>597,045</u>	<u>110,673</u>
Revenue		
Client fees		
Mental Health Outpatient	852,634	859,395
Medication Management	745,108	637,939
CARE	1,246,674	1,197,877
Section 8 Housing	191,728	165,953
Assisted Living	729,054	689,891
Mental Health Children's Services	339,066	373,997
Early Intervention	154,782	155,046
Detoxification	99	431
Criminal Justice Initiative	162,073	223,727
Transitional Housing	310,632	280,515
Intensive Meth Treatment	649,490	666,084
Substance Use Disorder Intensive Outpatient	232,236	214,208
Medically Monitored Inpatient	554,602	487,962
Total Client Fees	<u>6,168,178</u>	<u>5,953,025</u>
Less fee discounts	<u>(178,798)</u>	<u>(237,788)</u>
Net Client Fees	5,989,380	5,715,237
State grants	3,965	1,091,107
Other income	--	21,710
Bad debt recoveries	8,042	9,621
Gain on sale of assets	100	--
Interest income	4,201	499
Total revenue	<u>6,005,688</u>	<u>6,838,174</u>
Total Public Support and Revenue	<u>\$ 6,602,733</u>	<u>\$ 6,948,847</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statements of Activities (Continued)

	Years Ended December 31,	
	2022	2021
Expenses		
Program services		
Mental Health Outpatient	\$ 805,952	\$ 879,897
Medication Management	716,400	765,937
CARE	1,105,069	908,226
Section 8 Housing	112,907	91,452
Assisted Living	1,034,211	1,002,461
Mental Health Children's Services	632,745	619,496
Early Intervention	180,389	181,467
Detoxification	21,891	42,788
Criminal Justice Initiative	123,809	138,758
Transitional Housing	320,208	234,033
Intensive Meth Treatment	520,726	500,451
Substance Use Disorder Intensive Outpatient	107,406	100,312
Medically Monitored Inpatient	418,006	360,758
Total Program Services	<u>6,099,719</u>	<u>5,826,036</u>
Administration	481,172	475,948
Total Expenses	<u>6,580,891</u>	<u>6,301,984</u>
Changes in Net Assets Without Donor Restrictions	21,842	646,863
Net Assets, Beginning of Year	<u>3,090,230</u>	<u>2,443,367</u>
Net Assets, End of Year	<u><u>\$ 3,112,072</u></u>	<u><u>\$ 3,090,230</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statement of Functional Expenses
For the Year Ended December 31, 2022

	Mental Health Outpatient	Medication Management	CARE	Section 8 Housing	Assisted Living	Mental Health Children's Services	Early Intervention
Salaries and wages	\$ 450,122	\$ 377,471	\$ 689,174	\$ 1,150	\$ 595,041	\$ 387,796	\$ 88,456
Payroll taxes	31,192	26,282	47,293	70	42,533	28,214	5,137
Employee benefits	200,926	116,368	173,903	641	148,960	111,785	59,687
Total salaries and related expenses	682,240	520,121	910,370	1,861	786,534	527,795	153,280
Professional services	10,764	140,493	8,308	7,252	11,991	5,356	2,640
Occupancy expenses	25,801	6,697	53,152	53,379	46,235	40,808	3,144
Interest expense	--	--	--	8,440	23,991	--	--
Telephone	1,009	199	648	9,470	11,149	3,251	1,230
Transportation	45	21	13,898	44	4,952	5,352	216
Food	--	--	19,355	--	66,816	25	1
Supplies	10,555	6,852	31,725	11,290	35,649	10,510	2,999
Insurance	14,294	6,717	11,853	61	9,260	7,787	3,833
Bad debts	20,576	19,636	--	5,912	--	--	1,890
Conference registration	5,382	1,720	2,244	2	3,005	3,278	3,385
Advertising	2,962	588	1,010	--	1,207	1,356	386
Equipment repairs and rentals	7,404	3,337	15,430	2,868	9,614	7,720	2,035
Dues and subscriptions	3,630	1,505	2,637	180	2,927	1,622	834
Miscellaneous	5,505	1,664	3,745	7	2,721	5,652	834
Depreciation	15,785	6,850	30,694	12,141	18,160	12,233	3,682
Total expenses	\$ 805,952	\$ 716,400	\$ 1,105,069	\$ 112,907	\$ 1,034,211	\$ 632,745	\$ 180,389

Dakota Counseling Institute
Statement of Functional Expenses
For the Year Ended December 31, 2022 (Continued)

		Criminal Justice Initiative	Transitional Housing	Intensive Meth Treatment	Substance Use Disorder Intensive Outpatient	Medically Monitored Inpatient	Program Service Total	Administra- tion	2022 Total
\$	9,660	\$ 70,656	\$ 193,706	\$ 325,936	\$ 65,605	\$ 261,847	\$ 3,516,620	\$ 278,860	\$ 3,795,480
	528	3,300	10,443	22,509	3,693	16,740	237,934	24,661	262,595
	4,795	26,679	54,491	55,997	24,291	30,145	1,008,668	68,055	1,076,723
	14,983	100,635	258,640	404,442	93,589	308,732	4,763,222	371,576	5,134,798
	991	1,033	3,298	2,925	1,282	3,293	199,626	11,602	211,228
	1,095	1,733	6,568	7,663	1,095	6,568	253,938	17,516	271,454
	--	--	--	--	--	--	32,431	--	32,431
	241	1,139	4,834	7,136	1,149	7,217	48,672	865	49,537
	10	2,024	757	192	6	850	28,367	3,139	31,506
	1,431	7,191	18,619	58,713	--	57,281	229,432	284	229,716
	879	3,138	10,247	20,359	2,422	18,809	165,434	17,641	183,075
	566	1,502	4,807	4,256	1,864	3,298	70,098	10,237	80,335
	--	--	2,748	--	1,912	--	52,674	--	52,674
	52	365	260	4,355	386	2,123	26,557	1,315	27,872
	50	131	420	1,134	163	1,050	10,457	499	10,956
	296	1,290	2,516	2,630	1,021	2,587	58,748	7,683	66,431
	113	306	947	939	375	698	16,713	5,631	22,344
	69	195	593	1,266	329	1,354	23,934	21,267	45,201
	1,115	3,127	4,954	4,716	1,813	4,146	119,416	11,917	131,333
\$	21,891	\$ 123,809	\$ 320,208	\$ 520,726	\$ 107,406	\$ 418,006	\$ 6,099,719	\$ 481,172	\$ 6,580,891

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statement of Functional Expenses
For the Year Ended December 31, 2021

	Mental Health Outpatient	Medication Management	CARE	Section 8 Housing	Assisted Living	Mental Health Children's Services	Early Intervention
Salaries and wages	\$ 543,970	\$ 425,535	\$ 550,002	\$ 1,141	\$ 569,010	\$ 398,655	\$ 86,129
Payroll taxes	37,889	29,598	37,148	77	40,540	27,478	6,234
Employee benefits	185,922	110,272	163,830	615	142,139	107,943	56,924
Total salaries and related expenses	767,781	565,405	750,980	1,833	751,689	534,076	149,287
Professional services	5,713	148,884	4,584	6,752	8,343	2,590	1,328
Occupancy expenses	25,352	6,033	49,038	41,858	47,338	35,677	3,827
Interest expense	--	--	--	13,697	34,903	--	--
Telephone	1,825	1,069	1,435	2,706	3,734	3,571	899
Transportation	275	82	7,037	--	2,081	2,735	46
Food	35	3	9,384	--	64,417	100	13
Supplies	11,055	9,609	21,095	10,357	35,821	7,481	2,318
Insurance	14,521	6,824	12,037	62	9,407	7,913	3,894
Bad debts	19,213	14,078	--	--	5,420	--	11,609
Conference registration	2,735	598	1,514	28	1,754	2,910	809
Advertising	2,323	1,069	2,066	--	--	1,309	632
Equipment repairs and rentals	10,070	4,603	14,819	1,860	10,810	11,359	2,538
Dues and subscriptions	2,245	1,205	1,554	100	1,818	1,505	890
Miscellaneous	3,983	1,043	5,644	4	1,410	(2,168)	506
Depreciation	12,771	5,432	27,039	12,195	23,516	10,438	2,871
Total expenses	\$ 879,897	\$ 765,937	\$ 908,226	\$ 91,452	\$ 1,002,461	\$ 619,496	\$ 181,467

Dakota Counseling Institute
Statement of Functional Expenses
For the Year Ended December 31, 2021 (Continued)

		Criminal Justice Initiative	Transitional Housing	Intensive Meth Treatment	Substance Use Disorder Intensive Outpatient	Medically Monitored Inpatient	Program Service Total	Administra- tion	2021 Total
\$	8,890	\$ 88,689	\$ 123,483	\$ 338,477	\$ 53,251	\$ 231,732	\$ 3,418,964	293,427	\$ 3,712,391
	645	6,272	8,911	24,434	3,420	16,800	239,446	19,551	258,997
	4,486	25,772	51,270	52,917	22,911	28,258	953,259	63,428	1,016,687
	14,021	120,733	183,664	415,828	79,582	276,790	4,611,669	376,406	4,988,075
	800	499	1,985	1,414	620	9,255	192,767	23,850	216,617
	977	1,850	5,857	6,834	977	5,857	231,475	15,620	247,095
	--	--	--	--	--	--	48,600	--	48,600
	158	661	2,657	3,859	694	3,750	27,018	1,188	28,206
	7	471	205	92	21	268	13,320	7,085	20,405
	23,920	6,214	16,156	39,471	--	38,514	198,227	391	198,618
	676	2,134	8,227	13,495	1,534	12,666	136,468	11,573	148,041
	575	1,525	4,884	4,324	1,893	3,350	71,209	9,526	80,735
	--	--	1,098	--	11,080	--	62,498	--	62,498
	84	279	505	4,657	348	772	16,993	581	17,574
	95	260	851	808	318	659	10,390	964	11,354
	370	1,368	3,233	4,846	1,330	4,837	72,043	7,187	79,230
	74	192	613	683	238	421	11,538	9,555	21,093
	33	89	324	320	258	333	11,779	1,448	13,227
	998	2,483	3,774	3,820	1,419	3,286	110,042	10,574	120,616
\$	42,788	\$ 138,758	\$ 234,033	\$ 500,451	\$ 100,312	\$ 360,758	\$ 5,826,036	\$ 475,948	\$ 6,301,984

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statements of Cash Flows

	Years Ended December 31,	
	2022	2021
Cash Flows from Operating Activities		
Cash received from services	\$ 6,335,866	\$ 4,245,382
Cash paid to suppliers and employees	(6,400,412)	(6,126,449)
Cash received from public support	597,045	110,673
Other cash receipts	12,007	1,122,438
Interest received	4,201	499
Interest paid	(32,431)	(48,600)
	<u>516,276</u>	<u>(696,057)</u>
Net Cash Provided (Used) by Operating Activities		
Cash Flows from Investing Activities		
Purchase of property and equipment	(66,095)	(45,845)
Cash received for sale of assets	100	--
	<u>(65,995)</u>	<u>(45,845)</u>
Net Cash (Used) by Investing Activities		
Cash Flows from Financing Activities		
Principal payments on long-term debt	(95,217)	(76,637)
	<u>(95,217)</u>	<u>(76,637)</u>
Net Cash (Used) by Financing Activities		
Increase (Decrease) in Cash	355,064	(818,539)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>1,698,340</u>	<u>2,516,879</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u><u>\$ 2,053,404</u></u>	<u><u>\$ 1,698,340</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Statements of Cash Flows (Continued)

	Years Ended December 31,	
	2022	2021
Reconciliation of Change in Net Assets to Net Cash		
Provided (Used) by Operating Activities:		
Change in net assets	\$ 21,842	\$ 646,863
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	131,333	120,616
(Gain) on sale of assets	(100)	--
(Increase) Decrease in:		
Accounts receivable	(39,051)	(684,337)
Prepaid expenses	2,376	1,420
Increase (Decrease) in:		
Accounts payable	(397)	(19,592)
Deferred income	385,537	(785,518)
Accrued compensation	1,975	28,831
Accrued payroll tax liabilities	1,041	(362)
Other accrued expenses	11,720	(3,978)
	<u>516,276</u>	<u>(696,057)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 516,276</u>	<u>\$ (696,057)</u>
Composition of Cash, Cash Equivalents, and Restricted Cash		
Cash and cash equivalents	\$ 2,050,176	\$ 1,695,252
Tenant deposits - restricted	3,228	3,088
	<u>\$ 2,053,404</u>	<u>\$ 1,698,340</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

Dakota Counseling Institute
Notes to Financial Statements
December 31, 2022 and 2021

1. Significant Accounting Policies:

Nature of Activities: Dakota Counseling Institute is a nonprofit organization providing prevention, treatment, and community education services for mental illnesses, behavioral disabilities, and substance abuse for Davison County and the surrounding counties in South Dakota.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers all instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable: Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from clients, grantors and others. Balances still outstanding after management has used reasonable collections efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable.

Allocation of Expenses: Certain expenses benefiting several programs and/or supporting services are allocated by using formulas with salaries or occupied building space as bases. The intent is to reflect a reasonably equitable distribution of these expenses. Expenses of a general and administrative nature are not specifically allocated to programs. Costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses can be found at pages 6 and 7.

Depreciation: The Organization follows the South Dakota Department of Human Services capitalization policy, which states property and equipment in excess of \$5,000 be capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using principally the straight-line method.

Revenue Recognition: The Organization's client fee revenues are derived primarily from contracts with patients and various state agencies. These contracts can be written or implied. For each contract, the Organization determines the transaction price based on the consideration they expect to be received. The Organization allocates the transaction price to each performance obligation. The Organization recognizes revenue for each performance obligation at the point in time when the obligation was fulfilled or the service was rendered. The state grants and contracts are typically written contracts with various stipulations and requirements to provide specific services to patients. Payments are typically due and received within 90 days of billing.

Contributions received from government, foundation, corporate, and individual sponsors are generally recorded as revenues without donor restrictions in the year in which they are received, unless specific donor-imposed restrictions on their use are indicated.

Income Taxes: Dakota Counseling Institute is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The State of South Dakota does not levy an income tax.

Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

1. Significant Accounting Policies: (Continued)

Property and Equipment: Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Purchased property and equipment are recorded at cost.

Leases: The Organization leases certain buildings, equipment, and vehicles. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The Organization has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that we are reasonably certain to exercise, are not recorded on the statement of financial position. Long-term operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities in our statement of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities in our statement of financial position. The Organization recognizes lease liabilities and corresponding assets with an initial, individual value of \$30,000 or more.

ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable. Since most of the Organization's leases do not provide an implicit rate, to determine the present value of lease payments, management uses the Organization's incremental borrowing rate based on the information available at lease commencement. Operating lease ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise the option.

The Organization has lease agreements with lease and non-lease components, which are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices. For certain equipment leases, like vehicles, the Organization accounts for the lease and non-lease components as a single lease. Additionally, for certain equipment leases, we apply a portfolio approach to account for the operating lease ROU assets and liabilities.

Certain of our building lease agreements may include provisions for variable rent payments, which are adjusted periodically for inflation. None of our lease agreements contain any material residual value guarantees.

1. Significant Accounting Policies: (Continued)

New Accounting Standards: In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under *Topic 840, Leases*. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*; ASU 2018-10, *Codification Improvements to Topic 842, Leases*; ASU 2018-11, *Leases (Topic 842): Targeted Improvements*; ASU 2018-20, *Narrow-scope Improvements for Lessors*; and ASU 2019-01, *Leases (Topic 842): Codification Improvements*. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Organization elected to adopt these ASUs effective January 1, 2022 and utilized all of the available practical expedients, utilizing the simplified transition option available in the New Lease Standard. This allows the Organization to continue to apply the legacy guidance in ASC 840, including its disclosure requirements, in the comparative periods presented in the year of adoption. The adoption had a material impact on the Organization's statement of financial position but did not have a material impact on the statement of activities and net assets or cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. The accounting for finance leases remained substantially unchanged. Adoption of the standard required the Organization to adjust amounts as of January 1, 2022, resulting in an increase in operating lease ROU assets of \$296,137, an increase in current portion of operating lease liabilities of \$32,330, and an increase in long-term liabilities of \$263,807.

Subsequent Events: Subsequent events have been evaluated for potential recognition or disclosure in the financial statements through July 13, 2023, the date the financial statements were available to be issued.

2. Pension Plan:

The Organization has established a retirement plan for the benefit of its employees. The plan is a defined contribution plan under Internal Revenue Code Section 401(k). The Organization's contributions to the plan are discretionary. An employee who has completed one year of service and attained age 18 is eligible. For the years ended December 31, 2022 and 2021, the Organization's contribution expenses were approximately \$104,500 and \$116,300, respectively, of which approximately \$4,900 and \$4,300 was payable at December 31, 2022 and 2021, respectively.

3. Restricted Funds:

The Organization has regulations through HUD to maintain an account entitled "Tenant Deposits" for Westview Apartments. This account must be non-interest earning and contain only the security deposits of the tenants.

4. Concentration of Credit Risk:

At various times during the fiscal year, the Organization's cash balances exceeded the federally insured limits. The Organization has not experienced any losses due to this concentration.

Dakota Counseling Institute
Notes to Financial Statements
December 31, 2022 and 2021

5. Liquidity and Availability of Financial Assets:

The following reflects the Organization's financial assets as of the balance sheet date, reduce by amounts not available for general use because of contractual restrictions within one year of the balance sheet date.

	December 31,	
	2022	2021
Financial assets at year-end	\$ 3,362,652	\$ 2,968,537
Less those unavailable for general expenditure within one year:		
Tenant security deposits	3,228	3,088
	<u>3,228</u>	<u>3,088</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 3,359,424</u>	<u>\$ 2,965,449</u>

As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments.

6. Long-Term Debt:

Long-term debt consisted of the following at December 31, 2022 and 2021:

Description and Security	Terms	2022	2021
Great Western Bank - secured by real estate	Variable rate - 3% at December 31, 2022; due in monthly installments of \$3,790. Final payment is due June 15, 2029.	\$ 257,295	\$ 294,335
Great Western Bank - secured by real estate.	Fixed Rate; 3%; due in monthly installments of \$3,316. Final balloon payment is due on May 15, 2024.	421,027	447,569
Great Western Bank-secured by real estate.	Variable rate - 3% at December 31, 2022; due in monthly installments of \$3,425. Final payment is due June 15, 2031.	293,964	325,599
		972,286	1,067,503
	Less Current Portion	(98,600)	(95,700)
	Long-Term Debt	<u>\$ 873,686</u>	<u>\$ 971,803</u>

Dakota Counseling Institute
Notes to Financial Statements
December 31, 2022 and 2021

6. Long-Term Debt: (Continued)

Estimated aggregate maturities of long-term debt for the five years ended December 31 are as follows:

2023	\$	98,600
2024	\$	466,500
2025	\$	75,400
2026	\$	77,700
2027	\$	80,100

7. Economic Dependence:

Services provided to clients were billed to the following sources for the years ended December 31, 2022 and 2021:

Source	2022	2021
South Dakota Department of Social Services - Division of Community Behavioral Health Mental Health Contract	\$ 2,414,092	\$ 2,453,320
Medicaid - Title XIX	1,630,213	1,437,625
Private pay, Medicare, and insurance	1,002,517	1,028,243
Others	1,121,478	1,033,837
Gross Client Fees	<u>6,168,300</u>	<u>5,953,025</u>
Less Fee Discounts	<u>(178,798)</u>	<u>(237,788)</u>
	<u>\$ 5,989,502</u>	<u>\$ 5,715,237</u>

Concentrated areas of accounts receivable for the year ended December 31, 2022 and 2021 are as follows:

	2022	2021
State contracts	\$ 657,149	\$ 677,952
Medicaid	226,386	205,579

8. Accounting for Uncertain Tax Positions:

The Organization files income tax returns in the U.S. federal jurisdictions. With few exceptions, the Organization is no longer subject to U.S. federal, state, or local tax examinations by tax authorities for years before 2019.

The Organization includes all penalties and interest assessed by income taxing authorities in operating expenses. The Organization did not have penalties and interest expenses for the years ended December 31, 2022 and 2021.

Dakota Counseling Institute
Notes to Financial Statements
December 31, 2022 and 2021

9. Leasing Arrangements:

The Organization has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that we are reasonably certain to exercise, are not recorded on the statement of financial position.

The Organization has long-term operating leases of buildings and equipment. The leases have remaining lease terms of 5 to 20 years, some of which include options to extend the leases for up to an additional year, and some of which include options to terminate the leases within 1 year. Only lease options that the Organization believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities.

The following summarizes the line items in the statement of financial position which include amounts for leases as of December 31:

	<u>2022</u>
Assets:	
Operating leases	
Right of use assets (ROU)	\$ 263,807
Total lease assets	<u>\$ 263,807</u>
 Liabilities	
Operating leases	
Current operating lease liability	\$ 41,671
Noncurrent operating lease liability	222,136
Total lease liabilities	<u>\$ 263,807</u>

The following summarizes the line items in the statements of activities which include the components of lease expense for the year ended December 31:

	<u>2022</u>
Operating Leases:	
Lease costs included in operating expenses	\$ 39,876
	<u>\$ 39,876</u>

Dakota Counseling Institute
Notes to Financial Statements
December 31, 2022 and 2021

9. Leasing Arrangements: (Continued)

The following summarizes the line items in the statements of cash flows which include the components of leases for the year ended December 31:

	<u>2022</u>
Cash Flow Information:	
Cash paid for amounts included	
in the measurement of lease liabilities:	
Operating cash flows for operating leases	(39,876)
Lease assets obtained in exchange for lease liabilities:	
Operating leases	296,137

The following summarizes additional information related to the Organization's leases as of December 31:

Lease Term and Discount Rate:	
Weighted Average Remaining Lease Terms (years)	
Operating leases	13.14
Weighted Average Discount Rate	
Operating leases	3.00%

Upon adoption of the new lease standard, the incremental borrowing rate used for existing leases was established as of January 1, 2022.

Maturities of lease liabilities as of December 31, 2022:

	<u>Operating</u>
2023	\$ 41,671
2024	41,671
2025	29,445
2026	27,000
2027	27,000
Thereafter	<u>153,000</u>
Total lease payments	319,787
Less: interest	<u>(55,980)</u>
Present value of lease liabilities	<u>\$ 263,807</u>

10. Future Accounting Standards Update:

In June 2016, FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326), commonly known as CECL. CECL's main goal is to improve financial reporting by requiring earlier recognition of credit losses on financing receivables and other financial assets in scope. This ASU is effective for periods beginning after December 15, 2022, including interim periods within those fiscal years. The Organization is currently evaluating this guidance to determine the impact, if any, it may have on the financial statements.

DAKOTA COUNSELING INSTITUTE, INC.
2023 PROJECTED BUDGET - CALENDAR YEAR

Calendar Year
Budget 2023

PUBLIC SUPPORT AND REVENUE

Public Support	
County funds	\$29,624.00
City of Mitchell	\$13,000.00
United Way	\$28,000.00
Grants	\$5,000.00
Total public support	\$75,624.00
Revenue	
Client fees	\$5,900,000.00
Less - fee discounts	(\$178,800.00)
Net client fees	\$5,721,200.00
Other income	\$82,000.00
Rental Income	\$945,000.00
TOTAL PUBLIC SUPPORT AND REVENUE	\$6,823,824.00

EXPENDITURES

Salaries and Related Expenses	\$5,300,000.00
Professional services	\$197,000.00
Occupancy expenses	\$270,000.00
Interest expense	\$30,027.00
Telephone	\$31,500.00
Transportation	\$32,000.00
Supplies	\$410,000.00
Insurance	\$127,000.00
Bad debts	\$50,000.00
Conference registration	\$25,000.00
Advertising	\$12,000.00
Equipment repairs and rentals	\$57,000.00
Dues and subscriptions	\$22,000.00
Miscellaneous	\$75,000.00
Depreciation	\$139,000.00
TOTAL EXPENDITURES	\$6,777,527.00

OPERATING SURPLUS **\$46,297.00**

**DAKOTA COUNSELING INSTITUTE
BOARD OF DIRECTORS
FY23**

NAME	ADDRESS	PHONE	TERM EXPIRES
<u>PRESIDENT</u>			
Theresa Kriese	2709 Gamble Ct. Mitchell SD 57301 thkriese63@gmail.com	995-7791 W 770-5255 C	Dec 2023
<u>VICE-PRESIDENT</u>			
Joshua Klumb	26296 401 Ave Mt. Vernon SD 57365 jmkumb@gmail.com	770-9708 C	Dec 2025
<u>SECRETARY/TREASURER</u>			
JP Skelly	620 E Hanson St. Mitchell SD 57301 jpradio1@mit.midco.net	770-3900 C	Dec 2023
<u>MEMBERS-AT-LARGE</u>			
John Bumgardner	Alexandria SD 57311 j.d.bumgardner@outlook.com	933-2022 C	Dec 2024
Sue Burris	210 W 10 th Ave Mitchell SD 57301 sbburris.new@gmail.com	996-0047 H 630-0152 C	Dec 2023
Sheriff Steve Harr	1015 S Miller Mitchell SD 57301 steve.harr@davisoncountysheriff.com	995-8639 W	Dec 2024
Dennis Kiner	24998 406 th Ave Mitchell SD 57301 kinerdr@santel.net	995-0444 H 999-8816 C	Dec 2023
Elizabeth Kitchens	Mitchell SD 57301 lkitchens@cityofmitchell.org	995-8417 W 999-2660 C	Dec 2024
Major Mike Koster	201 W 1 st Ave Mitchell SD 57301 mikek@mitcheiddps.com	995-8400 W	Dec 2023



July 20, 2023

Mayor Bob Everson
Mitchell City Council

Dear Mayor Everson and Members of the Mitchell City Council:

The Board of Directors and the staff of the Mitchell Prehistoric Indian Village wishes to thank the City Council and Mayor of Mitchell for its ongoing support of this National Historic Landmark. Your hard work in continuing to make Mitchell the best small city in the state makes us work even harder to offer the best experience for our residents and visitors.

This year is bringing changes to the Village. We have completed the new David B. Jones Conservation Facility, much needed as we are bursting at the seams with artifacts. Our new living exhibit received funding from the Toomey Foundation for Natural Sciences and will be completed by summer 2023. We are beginning work on several new exhibits in the Archeodome and the museum and are updating other exhibits.

The funding that we are requesting from the City of Mitchell will be utilized special events, overhead, and marketing. Events are critical to the success of the Village and important to our community. This year's Archeology Awareness Days brought several hundred visitors from all over the country and from all over the Northern Plains and our newest event, Children's Day, brought even more visitors. January's Lakota Games on Ice saw a record number of attendees – more than 200 people came to play ancient Native American games on Lake Mitchell. Our marketing campaigns have proven once again that they are successful and are taking us in the right direction.

I personally want to thank each and every one of the City Council members and Mayor Everson for believing in what we do by supporting us. Your support means a lot to me and our board of directors, but even more to the staff at the Village who return each summer (some have been with us for more than two decades) to share with visitors their enthusiasm for the Mitchell Prehistoric Indian Village.

Sincerely,

Cynthia Gregg

Cynthia Gregg
Executive Director

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Prehistoric Indian Village Preservation Society

Address: PO Box 621 3200 Indian Village Road, Mitchell SD 57301

Telephone: 605-996-5473

Contact (individual responsible for the project):

Name: Cindy Gregg

Title: Executive Director

Address: PO Box 321 Mitchell, SD 57301

Telephone: 605-999-6808

Email: Director@mitchellindianvillage.org

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 19,000

Date(s) of Implementation: Fiscal Year 2023

1. Brief History of Organization/Applicant.

The Mitchell Prehistoric Indian Village is a National Historic Landmark and on the National Register of Historic Places. It is the only National Historic Landmark open to the public in eastern South Dakota. As a research center, we attract historians, scientists, and authors from around the world. We are the summer field school for the University of Exeter, England and an important teaching site for Native Americans and non-Natives. The MPIV was declared a 501c3 nonprofit in 1978

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

The Mitchell Prehistoric Indian Village is the only active archaeological site in South Dakota that is open to the public. Visitors can look onto the excavated homes of the Native Americans who lived in this large village, examine their tools and weapons and admire their decorative objects. Children can dig for “artifacts.” For these reasons and more the Village has repeatedly ranked high on tourist site review web pages and has been described as one of South Dakota’s “must-see attractions.” There simply is no other attraction or museum like the Prehistoric Indian Village in the Northern Plains. For the generations raised on Disneyesque theme parks, we are an authentic experience, where one can see archaeologists working, share in the excitement of new discovery; and learn about the history of the first people to live in South Dakota, which is also why we have become a popular teaching destination for grade school, junior high and high school classes from throughout the region.

3. Identify the key issues facing your organization at this time.

Our main concern in the coming years is the labor market and being able to pay employees a competitive wage without sacrificing the quality of our tours. Finding and retaining employees has become a challenge in recent years, much in part because of that nature of our tourism industry (we are seasonal). Another main concern is keeping up the maintenance of our aging structures, mechanical equipment, and grounds. Our geothermal system needs to be replaced, the cost will be approximately \$50,000. The new system will be far more efficient and will save us a considerable amount of money (we are currently spending more than \$10,000 annually to repair and maintain the current, 24 year-old first generation system). Should the City of Mitchell opt to refuse to fund our site, we will lose more than \$30,000 in annual funding from foundations that currently support us because we receive support from the City.

4. Summary Project Description

We are seeking funding for our special events, overhead, and marketing for fiscal year 2024.

5. Provide the name of the project or program and describe in it in 50 words or less.

The goal for 2023 is to make the Mitchell Prehistoric Indian Village a destination, a planned stop on the way to the Black Hills and Yellowstone National Park. Our marketing strategies have been successful and we want to continue and expand our endeavors

6. Location of project or program

The Mitchell Prehistoric Indian Village, Mitchell, South Dakota.

7. Project Summary: State the project and/or program’s purpose, significance, ownership, schedule and anticipated outcomes.

The Mitchell Prehistoric Indian Village is the only active archaeological site in South Dakota that is open to the public. Visitors can look onto the excavated homes of the Native Americans who lived in this large village, examine their tools and weapons and admire their decorative objects. Children can dig for “artifacts.” For these reasons and

more the Village has repeatedly ranked high on tourist site review web pages and has been described as one of South Dakota's "must-see attractions." There simply is no other attraction or museum like the Prehistoric Indian Village in the Northern Plains. For the generations raised on Disneyesque theme parks, we are an authentic experience, where one can see archaeologists working, share in the excitement of new discovery; and learn about the history of the first people to live in South Dakota. We offer several events each year – this year we added two new events – with an average annual cost to hold these events of \$11,190 (this includes advertising). Our events have seen an increase in attendance every year.

8. **Goals/Performance Measurers:** Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

[Click or tap here to enter text.](#)

9.  **Forward 2040 Integration.** [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

We work diligently at including our Native American community members, as employees and as visitors. Our mantra has been that Native American history does not begin in 1492 and we shall continue to educate and enlighten community members and visitors alike on the early history of our first residents. We are among a few businesses that employs those on the Autism spectrum (we currently have two with Asperger's Syndrome and one on the high-functioning Autism spectrum). Overhead funding will help cover the cost of employee wages.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

We have and will continue to work with area schools offering outreach programs to classrooms in our region. Our school tour program brings in hundreds of children each year to learn about the first farmers in this region and our outreach program (where we travel to schools to teach the children about the first people to settle in South Dakota 1,000 years ago) reaches several hundred students. The letters we receive from the students amaze us with the reality that they actually do learn and retain what they learned after visiting the site or attending the outreach programs.

We have expanded our educational programs in recent years to provide quality tours for universities and high schools beyond our immediate region. We have been giving tours (3 annually) for the University of Nebraska, Omaha since 2021 (one each fall, two in the spring) to an average of 25 students on each trip. Dakota Wesleyan University does at least three tours a year with us. Little Wound High School, Kyle SD,

has been bringing their botany students here since 2021 to learn more about the Kentucky Coffeetrees that grow on our grounds.

The recent documentary, “Prehistoric Truth: Inside the Archeodome”, has been distributed to 120 public school history and civics teachers at the request the SD Department of Education, which will further expand the awareness of the Village among students and teachers and increase visitation to both the Village and Mitchell by students as well as their families.

Our internship program resumed this year after a two-year hiatus. This program brings young South Dakotans who are majoring in one of the STEM subjects to the Village to learn more about archaeology, anthropology, museum science, the tourism industry, and more while working at the Village.

City funding will help to cover the costs of our programs and special events that help bring visitors from all over the world, many of whom stay in Mitchell because of our site.

□ Strategic Pillar: Position Mitchell as a regional leadership center *(1) Leverage Mitchell’s geographic location to become a major ‘Destination Location’, (2) Aggressively promote Mitchell’s unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

We are working on further expanding our ability to become a destination, thereby bringing income to the City itself.

The documentary mentioned above will air on SDPB and other regional public television stations starting in October, 2023. This will be our community’s second major documentary to air on SDPB this year.

City funding helps us cover the expenses of our extensive advertising campaigns each year.

□ Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell *(1) Diversify and intensify Mitchell’s technology and agricultural sectors, (2) Build Mitchell’s capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

Our gift shop encourages entrepreneurship within the Native American and regional artisan community by purchasing handmade Native American and local artist jewelry, art, sculpture, and other items. Our gift shop receives accolades as one of the finest Native American gift, art, and jewelry stores in South Dakota.

□ Strategic Pillar: Enhance Mitchell’s Recreation, Tourism, and Place-Making *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique*

and authentic 'Mitchell experiences'.

As a tourist attraction in the City of Mitchell we help to enhance the visitors' experiences during their time in the City. For the City's small investment in the Prehistoric Indian Village we can be sure that the Village will continue to thrive and not be another statistic such as the Balloon and Doll museums.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: [Click or tap here to enter text.](#)

Title: [Click or tap here to enter text.](#)

- ☐ By checking this box, I acknowledge my agreement to the above certification.
- ☐ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.
- ☐ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: [Click or tap here to enter text.](#)

A For the 2022 calendar year, or tax year beginning

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

MITCHELL PREHISTORIC INDIAN VILLAGE

Doing business as **PRESERVATION SOCIETY**

Number and street (or P.O. box if mail is not delivered to street address)

PO BOX 621

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

MITCHELL

SD 57301

F Name and address of principal officer:

**CYNTHIA GREGG
LOCAL DELIVERY
MITCHELL**

SD 57301

D Employer identification number

46-0345946

E Telephone number

605-996-5473

G Gross receipts \$

194,319

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No

If "No," attach a list. See instructions

I Tax-exempt status:

☒ 501(c)(3)

☐ 501(c)

() (insert no.)

☐ 4947(a)(1) or

☐ 527

J Website:

WWW.MITCHELLINDIANVILLAGE.ORG

H(c) Group exemption number

K Form of organization:

☒ Corporation

☐ Trust

☐ Association

☐ Other

L Year of formation: **1978**

M State of legal domicile: **SD**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE PRESERVATION & DEVELOPMENT OF ARCHEOLOGICAL SITE RELATED TO INHABITANTS OF LOCAL SITE AND PUBLIC EDUCATION OF SUCH SITE.		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	10
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	15
	6 Total number of volunteers (estimate if necessary)	6	0
	Revenue	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a
b Net unrelated business taxable income from Form 990-T, Part I, line 11		7b	0
Expenses	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	137,961	111,625
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	48,737	37,086
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3	0
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	32,991	26,455
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	219,692	175,166
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	106,655	128,491
	b Total fundraising expenses (Part IX, column (D), line 25)		0
Net Assets or Fund Balances	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	175,228	174,457
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	281,883	302,948
	19 Revenue less expenses. Subtract line 18 from line 12	-62,191	-127,782
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
21 Total liabilities (Part X, line 26)	1,268,405	1,188,691	
22 Net assets or fund balances. Subtract line 21 from line 20	74,331	122,399	
	1,194,074	1,066,292	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

CYNTHIA GREGG

EXECUTIVE DIRECTOR

Type or print name and title

Date

Paid

Print/Type preparer's name

JONATHAN J. GUENTHNER, CPA

Preparer's signature

JONATHAN J. GUENTHNER, CPA

Date

07/19/23

Check ☐ if PTIN

self-employed **P01250035**

Preparer Use Only

Firm's name

ELO PROF LLC

Firm's EIN

46-0434947

PO BOX 249

MITCHELL, SD 57301

Phone no.

605-996-7717

May the IRS discuss this return with the preparer shown above? See instructions

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2022)

**MITCHELL PREHISTORIC INDIAN VILLAGE
2023**

INCOME

Admissions	\$42,000.00
Gift Shop	\$45,000.00
Membership	\$4,600.00
Discovery Circle	\$10,000.00
City	\$19,000.00
Thomsen Enterprises	\$10,000.00
Kinsella	\$2,000.00
Gladys Kriebel Delmas Foundation	\$6,500.00
Elfrieda Frank Foundation	\$11,700.00
Sheldon F. Reese Foundation	\$7,500.00
BNSF Foundation	\$7,500.00
Sam F. Weller Foundation	\$6,000.00
Boehnen Family	\$2,000.00
Brick & Charitable Deed Sales	\$2,500.00
Anonymous Family	\$20,000.00
Toomey Foundation	\$5,000.00
First Interstate Bank	\$5,000.00
First Dakota Bank	\$2,500.00
Misc. Income	\$3,600.00

Total Income **\$212,400.00**

Cost of Goods Sold **(\$13,500.00)**

Gross Profit **\$198,900.00**

EXPENSE

Accounting & Legal	\$523.00
Administrative Salary	\$41,600.00
Management Salary (1@3/4 time)	\$6,400.00
Guide Wages (2@full time)	\$30,000.00
High School Employees (4@3/4 time)	\$7,700.00
Summer Interns	\$6,000.00
Payroll Taxes	\$8,500.00
Advertising	\$20,619.00
Archeodome Expense	\$10,750.00
Building Maintenance	\$2,500.00
Bank & Service Charges	\$75.00
Dues & Subscriptions	\$1,275.00
Insurance	\$14,900.00
Workmans Comp	\$809.00
Licenses & permits	\$10.00
Loan - SBA	\$4,512.00
Augustana University	\$1,200.00

MITCHELL PREHISTORIC INDIAN VILLAGE**2023**

Office Expense		\$1,200.00
Postage & Delivery		\$594.00
Programs Development		\$11,190.00
Telephone		\$2,650.00
Utilities		\$22,000.00
Credit Card Fees		\$900.00
Site Maintenance	Audrey's Garden	\$1,000.00
	Grounds	\$1,000.00
Travel & Meals		\$1,000.00
Total Expense		\$198,907.00
Net Ordinary Income		\$198,900.00
Other Income/Expense		\$35.00
Net Income		\$28.00

MITCHELL PREHISTORIC INDIAN VILLAGE
2023

NOTES

ACTUAL AMOUNT

Offset by Pledge from Thomsens

Liability Insurance raised for 2023

**MITCHELL PREHISTORIC INDIAN VILLAGE
2023**

To be offset by grants

y

MITCHELL PREHISTORIC INDIAN VILLAGE

BOARD OF DIRECTORS 2022 - 2023

President	Myron Sonne – Retired Ag instructor at MTI
Vice President	Richard Hansen – Retired U. of KY. Cancer Researcher
Treasurer	Grant Uecker – Retired accounting instructor at MTI
Secretary	Deb Everson – Morgan, Theeler LLP
	Matthew Culhane - Financial planner
	John Erck – Retired JAG attorney/judge
	Jerauld Garry - Financial planner
	Steven Kinsella - Public relations consultant
	John Koons – Media Marketing Specialist
	Mel Olson – Retired Educator, Radio Personality
	Tamara St. John – Sisseton Wahpeton Historical Archivist, SD State Legislator

Ex Officio and Staff

Cynthia Gregg	Executive Director
Dr. L. Adrien Hannus	Lead Archaeologist
Dr. Alan Outram	Lead Archaeologist
Mike Marshall	Native American Cultural Representative



Dakota Heartland
Development Association

601 N. Main Street
Mitchell, SD 57301
605/996-1140

Stephanie Ellwein, City Administrator
City of Mitchell
612 N. Main Street Mitchell, SD 57301

July 21, 2023

Dear Ms. Ellwein,

Please accept the attached FY 2024 City Subsidy Funding Application and additional requested documentation on behalf of the Dakota Heartland Development Association (DHDA).

If you have additional questions regarding this request, please feel free to contact me at your earliest convenience.

Thank you for your time, attention and professionalism.

Warm Regards,

David Lambert

Director of Regional Development

attachments

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Dakota Heartland Development Association

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605/996-1140

Contact (individual responsible for the project):

Name: David Lambert

Title: Director of Regional Development

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605/996-1140

Email: dlambert@mittchellsd.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 25,000.00

Date(s) of Implementation: January 1 – December 31, 2024

1. Brief History of Organization/Applicant.

Since 2007, member communities of Dakota Heartland Development Association (DHDA) have an exclusive contract with Mitchell Area Development Corporation (MADC) to provide professional technical assistance to the community's non-profit economic development organizations in accordance with state law (SDCL 9-27-37). While the communities of Parkston, Corsica, White Lake and Armour receive individualized business development assistance, DHDA works to assist all economic development efforts within a six-county region. This region includes Aurora, Davison, Douglas, Hanson, Hutchinson and Sanborn Counties.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

DHDA is the only regional organization that exclusively focuses on the growth of the Mitchell area's private sector economy.

3. Identify the key issues facing your organization at this time.

Key economic issues currently facing the Mitchell region are 1) Workforce development and recruitment; 2) affordable workforce housing; and 3) retention and expansion of existing business and industries.

4. Summary Project Description

DHDA seeks to work both individually and collaboratively with regional communities to enhance their economic base through efforts to grow the financial wealth of the population by enhancing businesses in the creation of jobs, sales tax revenues and capital investment in equipment and real estate.

5. Provide the name of the project or program and describe in it in 50 words or less.

DHDA offers professional, comprehensive economic development assistance to communities in the six-county Mitchell region. This assistance is crafted to meet the individual needs of member communities while facilitating the potential larger regional opportunities that seek the resources of more than a single community. Parkston, Corsica, White Lake, Armour and Tripp are active members in our association.

6. Location of project or program

DHDA's program of work is driven by member communities (Parkston, Corsica, White Lake, Armour & Tripp) as well as the six-county Mitchell region (Aurora, Davison, Douglas, Hanson, Hutchinson and Sanborn Counties).

7. Project Summary: State the project and/or program's purpose, significance, ownership, schedule and anticipated outcomes.

DHDA's purpose, significance, ownership, schedule and anticipated outcomes are listed on the attached DHDA Fact Sheet. In addition, all five of my communities have engaged in housing development projects including two new housing subdivisions, two Governor's Home projects, acquisition of an existing 40-unit housing sub-division and two new business parks.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

DHDA's goals are driven by the local community's development corps. A common theme among all five of the local development corps. is creating WORKFORCE HOUSING DEVELOPEMENT. White Lake, Corsica and Armour have engaged in developing single family housing sub-divisions while Parkston has continued to focus a portion of their

efforts on single and multi-family housing. Each community has also been engaged in utilizing in-fill lots, cleaning up dilapidated homes or rehabilitation of existing housing for their individual community. BUSINESS PARK EXPANSIONS continues to be pursued by Parkston and Corsica for a new generation of local business growth as well as opportunities for recruitment of new business. Armour, Tripp and White Lake continue to focus on working with existing Main Street buildings or land for green field development.



9. **Forward 2040 Integration.** [\(click here to read the report\)](#): Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

DHDA continues to emphasize a regional approach to inclusiveness as 40% of Mitchell's workforce still drives in from the region. A relationship has developed between our regional communities and Mitchell to use the resources of each to promote our region as a place where new people are welcomed. Businesses have continued to seek a growing immigrant population from Huron to fill needed jobs – causing continued discussions regarding embracing this new wave of population growth.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

DHDA has supported regional involvement in Mitchell Development's workforce training opportunities for youth and young adults thru our CTE (Career and Technical Education) programs as well the special workshops and summer camps offered thru the Middle School's Smart Lab and partnership with technology based businesses have been marketed throughout the regional schools and development corps.

Over the last several years, we have gleaned over 15 participants who have taken Certified Nurse Assistance (CNA) and are working in the nursing care field.

DHDA's connection to Dakota Wesleyan and Mitchell Technical College has been instrumental in launching an entrepreneurial training program through Dakota Resources and the Kauffman Center for Entrepreneurship.

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

DHDA along with sister organizations (Mitchell Area Chamber and Development Corp.) have worked diligently

to emphasize our central location to potential employers and those potential employees seeking opportunities to thrive in a low-crime, low-tax, less regulated state.

We (DHDA & MADC) have been leading discussions on affordable housing, regional rail opportunities and potential growth in redundancy of resources (water and natural gas) for our region. This effort is leading to a gathering of resource providers and interested parties to identify new developable parcels for future industrial development sites in our region. While several years in the future, we believe it sets the stage for a bright future for the Mitchell region.

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

DHDA seeks to work both individually and collectively with various State and Federal organizations to enhance our agricultural economy through value-added ag production and processing positioning and marketing. Both MADC and DHDA played behind-the-scene roles in fostering the expansion of the South Dakota Soybean Processors footprint to our region.

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center of state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

DHDA has been supportive of our ever-expanding agritourism sector including Farm Life Creamery, Dimock Cheese, Wooden Shoe Cheese and various livestock products in development for retail sales in regional marketplaces.

Continued promotion of the Corn Palace being a natural location for National Corn Hole Championships yearly as well as Klock Werk's growth in ATV market celebrate the unique and authentic "outside expectations" experience.

It may also be the time to consider adding another icon to the Mitchell landscape by erecting the first and World's Only Soybean/Oil Seeds Palace.... Just a thought.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: David Lambert

Title: Director of Regional Development

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: July 21, 2023

MITCHELL AREA DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 and 2021

CM **Carlton**
& Millar, Prof. L.L.C.
certified public accountants

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CM Carlon & Millar, Prof. L.L.C.

certified public accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**To Board of Directors
Mitchell Area Development Corporation
Mitchell, South Dakota**

We have reviewed the accompanying financial statements of Mitchell Area Development Corporation (a South Dakota non-profit corporation), which comprise the statement of financial position as of September 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying combining statements of financial position and activities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to this

supplementary information. We have not audited this supplementary information and do not express an opinion on such information.

Carlson + Miller, Prof LLC

**Mitchell, South Dakota
December 16, 2022**

MITCHELL AREA DEVELOPMENT CORPORATION

Statement of Financial Position

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 455,188	\$ 433,261
Restricted Cash	61,898	71,593
Current Portion of Notes Receivable	32,791	16,289
Accounts Receivable	9,248	-
Accrued Interest	7,469	-
Total Current Assets	<u>566,594</u>	<u>521,143</u>
Property and Equipment:		
Land and Land Improvements	529,239	575,402
Building	2,331,209	2,331,209
Leasehold Improvements	6,509	145,589
Equipment	149,688	156,078
Total Property and Equipment	<u>3,016,645</u>	<u>3,208,278</u>
Less Accumulated Depreciation	<u>(1,005,533)</u>	<u>(947,438)</u>
Net Property and Equipment	<u>2,011,112</u>	<u>2,260,840</u>
Long-Term Assets:		
SD Equity Partners LP investment	123,419	121,245
Certificates of Deposit	1,087,180	1,086,548
Loan Receivable - Avera	40,000	40,000
Note Receivable - Chamber	570,147	570,147
Loan Closing Costs, less amortization	1,526	1,895
Less current portion of notes receivable	<u>(32,791)</u>	<u>(16,289)</u>
Total Long-Term Assets	<u>1,789,481</u>	<u>1,803,546</u>
	<u><u>\$ 4,367,187</u></u>	<u><u>\$ 4,585,529</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 3,536	\$ 11,065
Accrued Wages	10,749	9,556
Accrued Vacation	17,591	10,043
Accrued Interest	550	666
Current Portion of Long Term Liabilities	62,894	59,791
Deferred Compensation	-	4,050
Deferred Income	-	3,000
Total Current Liabilities	<u>95,320</u>	<u>98,171</u>
Long-Term Liabilities:		
Note Payable - Cortrust Bank	282,836	342,627
Less Current Portion	<u>(62,894)</u>	<u>(59,791)</u>
Total Long-Term Liabilities	<u>219,942</u>	<u>282,836</u>
Total Liabilities	<u>315,262</u>	<u>381,007</u>
Net Assets:		
Net Assets with Restrictions	3,921,334	4,089,922
Net Assets without Restrictions	130,591	114,600
Total Net Assets	<u>4,051,925</u>	<u>4,204,522</u>
	<u><u>\$ 4,367,187</u></u>	<u><u>\$ 4,585,529</u></u>

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Activities
For the Years Ended September 30, 2022 and 2021

	2022		2021	
	Without Restrictions	With Restrictions	Without Restrictions	With Restrictions
Revenues:				
City and County Support	\$ 207,000	\$ -	\$ 177,000	\$ -
Building Lease	-	184,136	-	191,896
Contributions	118,748	5,000	138,514	280,000
PPP Loans Forgiven	54,676	-	-	-
Dues	41,947	-	39,955	-
Gain on Sale of Property	765	31,391	25	70,137
Investment Income	44	9,605	-	-
SDEP Income	-	7,600	-	-
SD GOED Grant	-	1,700	-	-
Miscellaneous	979	-	-	-
Total Revenues	424,159	239,432	355,494	542,033
Net Assets Released from Restrictions:				
Satisfaction of Purpose Restriction	41,765	(41,765)	66,776	(66,776)
Expenses:				
Administrative	408,291	-	420,550	-
Program Services	41,642	-	31,148	4,116
Support	-	366,255	-	195,768
Total Expenses	449,933	366,255	451,698	199,884
Increase (Decrease) in Net Assets	15,991	(168,588)	55,898	275,373
Net Assets, Beginning of Year	114,600	4,089,922	58,702	3,814,549
Net Assets, End of Year	\$ 130,591	\$ 3,921,334	\$ 114,600	\$ 4,089,922

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION

**Statement of Functional Expenses
For the Year Ended September 30, 2022**

	General	Development	DHDA	Workforce Development	Total
Administrative:					
Salaries and Wages	\$ 178,706	\$ -	\$ 61,100	\$ 36,168	\$ 275,974
Professional Fees	52,847	-	-	-	52,847
Payroll Taxes	12,965	-	4,459	2,895	20,319
Telephone	5,278	-	3,697	2,837	11,812
Health Insurance	2,965	-	8,136	-	11,101
Rent	7,200	-	1,800	1,800	10,800
Supplies	7,174	-	2,172	806	10,152
Depreciation	5,181	-	424	530	6,135
Retirement	3,864	-	1,713	-	5,577
Repairs and Maintenance	2,260	-	-	-	2,260
Training	526	-	89	699	1,314
Total	278,966	-	83,590	45,735	408,291
Program Services:					
Dues and Subscriptions	8,174	-	3,500	120	11,794
Travel and Vehicle Expense	2,447	-	6,492	509	9,448
Postage and Printing	3,275	-	2,359	125	5,759
Meetings and Conferences	2,101	-	2,013	-	4,114
Meals	-	-	3,825	-	3,825
Promotion/Marketing	1,376	-	-	1,062	2,438
Website Expense	1,957	-	23	-	1,980
Workforce Development	710	-	-	648	1,358
Software Renewals	926	-	-	-	926
Total	20,966	-	18,212	2,464	41,642
Support:					
Property Donations	-	127,546	-	-	127,546
Workforce Development	-	74,646	-	-	74,646
Depreciation	-	71,415	-	-	71,415
Marketing and Promotion	-	21,808	-	-	21,808
Property Maintenance	-	20,572	-	-	20,572
Interest Expense	-	15,855	-	-	15,855
Property Taxes	-	13,425	-	-	13,425
Insurance	-	11,331	-	-	11,331
Legal Fees	-	8,804	-	-	8,804
Miscellaneous	-	483	-	-	483
Amortization	-	370	-	-	370
Total	-	366,255	-	-	366,255
Total by Fund	\$ 299,932	\$ 366,255	\$ 101,802	\$ 48,199	\$ 816,188

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Functional Expenses
For the Year Ended September 30, 2021

	General	Development	DHDA	Workforce Development	Total
Administrative:					
Salaries and Wages	\$ 137,952	\$ -	\$ 66,726	\$ 39,390	\$ 244,068
Professional Fees	100,414	-	-	-	100,414
Payroll Taxes	9,570	-	4,533	3,070	17,173
Health Insurance	5,959	-	9,058	-	15,017
Rent	7,200	-	1,800	1,800	10,800
Telephone	4,671	-	2,775	2,729	10,175
Supplies	5,675	-	1,710	731	8,116
Depreciation	4,456	-	580	558	5,594
Retirement	2,179	-	1,813	-	3,992
Repairs and Maintenance	3,511	-	-	-	3,511
Training	1,290	-	50	350	1,690
Total	282,877	-	89,045	48,628	420,550
Program Services:					
CNA Education Grant	-	-	-	14,116	14,116
Travel and Vehicle Expense	1,062	-	4,458	71	5,591
Dues and Subscriptions	3,809	-	1,000	-	4,809
Meals	-	-	3,862	-	3,862
Postage and Printing	2,201	-	1,633	-	3,834
Promotional Marketing	676	-	-	1,141	1,817
Website Expense	516	-	23	39	578
Meetings	357	-	-	-	357
Software Renewals	300	-	-	-	300
Total	8,921	-	10,976	15,367	35,264
Support:					
Depreciation	-	74,448	-	-	74,448
Workforce Development	-	55,712	-	-	55,712
Property Taxes	-	19,626	-	-	19,626
Interest Expense	-	18,827	-	-	18,827
Insurance	-	11,361	-	-	11,361
Legal Fees	-	9,723	-	-	9,723
Property Maintenance	-	3,119	-	-	3,119
Marketing and Promotion	-	2,522	-	-	2,522
Amortization	-	370	-	-	370
Miscellaneous	-	60	-	-	60
Total	-	195,768	-	-	195,768
Total by Fund	\$ 291,798	\$ 195,768	\$ 100,021	\$ 63,995	\$ 651,582

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Cash Flows (Without Restrictions)
For the Years Ended September 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from City and County	\$ 207,000	\$ 177,000
Cash received from dues	41,947	39,955
Cash received from sale of land	39,357	-
Cash received from contributions and grants	125,448	223,840
Cash received from leases	184,136	191,896
Cash paid to suppliers and employees	(547,641)	(527,042)
Cash paid for restricted support	(151,169)	(102,123)
Interest and miscellaneous income received	10,648	35,169
Interest paid	(15,971)	(18,827)
Net Cash Provided (Used) by Operating Activities	<u>(106,245)</u>	<u>19,868</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of liquor license	-	120,000
Net redemptions of certificates of deposit	(632)	238,348
Payments on notes receivable	-	21,845
Purchase of property and equipment	(1,809)	(7,051)
Costs of property donated/transferred	172,088	-
Cost of lot sold	11,566	-
SDEP distribution	6,750	3,375
Net Cash Provided by Investing Activities	<u>187,963</u>	<u>376,517</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on notes payable	(59,791)	(56,842)
Net Cash (Used) by Financing Activities	<u>(59,791)</u>	<u>(56,842)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,927	339,543
UNRESTRICTED CASH AND CASH EQUIVALENTS, Beginning of Year	433,261	93,718
UNRESTRICTED CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 455,188</u>	<u>\$ 433,261</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Change in net assets	\$ (152,597)	\$ 331,271
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	77,550	80,039
Amortization	369	370
Land gifted to organization	-	(280,000)
Undistributed earnings from SDEP	(850)	(36,977)
Decrease in loan receivable	-	10,000
(Increase) in receivables	(16,716)	-
Transfer to restricted cash	(8,047)	-
Increase (Decrease) in accounts payable	(7,529)	(52,346)
Increase (Decrease) in accrued expenses	8,625	(5,939)
(Decrease) in deferred compensation	(4,050)	(29,550)
Increase in deferred income	(3,000)	3,000
Net Cash Provided (Used) By Operating Activities	<u>\$ (106,245)</u>	<u>\$ 19,868</u>
CASH PAYMENTS FOR INTEREST	<u>\$ 15,971</u>	<u>\$ 18,938</u>

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Cash Flows (With Restrictions)
For the Years Ended September 30, 2022 and 2021

	2022	2021
RESTRICTED CASH, BEGINNING OF YEAR	\$ 71,593	\$ 75,763
DECREASES:		
Capital calls paid	<u>(9,695)</u>	<u>(4,170)</u>
RESTRICTED CASH, END OF YEAR	<u>\$ 61,898</u>	<u>\$ 71,593</u>

See accompanying notes.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

Mitchell Area Development Corporation (MADC) was incorporated in 1985. It is a non-profit organization established to improve the economic base of the Mitchell area through the creation of new jobs involving the production or distribution of goods and services sold primarily outside the local trade area.

MADC is funded by voluntary donations, membership dues, grants, city funds, county funds, earnings from investments, support from area communities, and leases of commercial buildings located in Mitchell, South Dakota.

A separate division of MADDC is the Dakota Heartland Development Association (DHDA). It was organized to offer professional, comprehensive economic development assistance to communities in the region. This assistance is crafted to meet the individual needs of member communities while facilitating the potential larger opportunities available to the region.

The Economic Development component of MADDC is a restricted fund. MADDC, in a prior year, conducted a major fund drive which enabled it to obtain land for future prospects, to purchase a building which is leased to commercial tenants and to acquire property for economic development. Donors entrusted the Board of MADDC to leverage these funds to facilitate the recruitment of businesses to locate in the Mitchell area.

Workforce Development is a recently created division of MADDC. The Governor's Office of Economic Development funded a grant to create a new staff position of Regional Workforce Coordinator. It is anticipated that the Coordinator will provide assistance and development of the Mitchell Area workforce. The goal is to facilitate planned manufacturing and business expansions in the Mitchell region.

Significant Accounting Policies:

Basis of Presentation: The financial statements of the Organization have been prepared using the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: without restrictions and with restrictions. The Organization has no permanently restricted assets. Contributions received, including unconditional promises to give, are recorded as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions. Net assets with restrictions are reclassified to net assets without restrictions upon satisfaction of time or purpose restrictions. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenue Recognition: Revenue from donations is recorded when received. Income from pledges is recorded when the pledge is made. Income from grants is recorded when the grant is awarded. Other income is recorded on the accrual basis. The adoption of FASB ASC 606 has not affected how the Organization recognizes revenue.

Cash and Cash Equivalents: Cash includes checking and savings accounts and certificates of deposit with a maturity of 90 days or less. At certain times during the fiscal year, the Organization's bank balances exceeded Federally insured limits (\$250,000).

Property and Equipment: Property and equipment are valued at cost for purchased assets and fair value at date of receipt for donated assets. All depreciable assets are being depreciated by the straight-line method over their estimated useful lives. Repairs and maintenance, which do not increase the useful lives of the assets, are expensed as incurred.

Tax Status: The Organization has been determined to be exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. Donations to the Organization are deductible for income tax purposes.

Notes and Accounts Receivable and Allowance for Doubtful Accounts: Notes and Accounts receivable are recorded at the amount the Organization expects to collect on balances outstanding at year end. An allowance for doubtful accounts is recorded based on a combination of write-off history, aging analysis and any specific known troubled accounts. Accounts are written off when they are determined to be uncollectible. Presently all receivables are deemed to be collectible and no allowance has been recorded.

Investments: Investments consist of certificates of deposit and an investment in a limited partnership. The certificates of deposit are carried at cost. The limited partnership is carried at book value and described in Note 14.

Advertising: Advertising costs are expensed as incurred.

Amortization: The loan costs of refinancing are being amortized over the 15-year term of the note.

Deferred Income: Deferred income consisted of prepaid rent from a tenant in the Verifications building.

Allocation of Costs between Program and Support Functions: Allocation between functions are governed by the chart of accounts.

2. NET ASSETS WITH RESTRICTIONS:

Net assets with restrictions are as follows at September 30, 2022 and 2021:

	2022	2021
Economic Development	\$3,859,436	\$4,018,329
South Dakota Equity Partners	61,898	71,593
Total	<u>\$3,921,334</u>	<u>\$4,089,922</u>

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

3. RELATED PARTIES:

MADC shares office space and staff with the Mitchell Area Chamber of Commerce (Chamber). MADC is billed for its share of occupancy expenses and personnel costs on a monthly basis. The two entities have separate boards, but do share the chief executive officer (CEO) and chief financial officer (CFO). Rent paid for office space was \$10,800 for 2021 and for for 2022. Also, during a prior year MADC advanced the cost of the remodel of the building to the Chamber, which amounted to \$591,992. Upon completion, a note was executed for \$591,992 at 1.31% for 30 years with annual payments of \$23,758.

4. LONG-TERM DEBT

Long-term debt at September 30, 2020 and 2019 consisted of the following:

	2022	2021
5.00% note payable to CorTrust Bank, payable in monthly installments of \$6,315 including interest through November, 2026. Note is secured by a mortgage on Verifications Building	\$ 282,836	\$ 342,627
Less current maturities	<u>(62,894)</u>	<u>(59,791)</u>
Noncurrent maturities	<u>\$ 219,942</u>	<u>\$ 282,636</u>

Maturities of long-term debt during the next five years ending September 30,
are as follows:

2023	\$ 62,894
2024	66,129
2025	69,588
2026	73,200
2027	<u>11,025</u>
	<u>\$ 282,836</u>

5. NET ASSETS RELEASED FROM RESTRICTIONS:

The following expenditures are those which satisfied the restricted purpose of the Building Our Future campaign:

	2022	2021
Promotion of MADC	<u>\$ 41,765</u>	<u>\$ 66,776</u>

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

5. NET ASSETS RELEASED FROM RESTRICTIONS: (Continued)

The expenditures were for supporting activities of the Governor's Office of Economic Development (GOED) which provides leads to participating communities, developing a website, and promoting jobs in Mitchell. Certain expenditures, while not sponsored directly by GOED, contributed significantly to the above purposes and were charged to the restricted funds with Board approval.

6. LOAN RECEIVABLE – AVERA HEALTH

In January, 2013, MADC advanced \$100,000 to Avera Health (Avera) for job creation funds. The grant is structured as a forgivable loan to Avera. MADC forgives \$2,000 for each new full-time job created after January, 2013 for a 60-month period. There were no jobs reported during the current or prior year. In 2018, the loan period was extended for an additional 5 years.

7. VERIFICATIONS BUILDING LEASES:

On January 1, 2018, MADC and Avera Health executed a new 5 year lease for the half of the building that was previously rented. The rent will continue to be \$7,708 per month. Avera Health will pay all utilities and also reimburse MADC \$30,000 for property taxes in the first year of the lease and 73% of property taxes assessed over the remaining 4 years of the lease term. Avera Health will also reimburse MADC 50% of the cost of casualty, fire and extended coverage insurance over the term of the lease.

During the prior year, MADC executed a short-term lease with Resolve for \$1,000 per month from July 1, 2021 through December 31, 2021. At September 30, 2021, the lease was paid in full through December 31, 2021, resulting in deferred income of \$3,000 for the remaining three months of the lease. In the current year Resolve paid \$1,000 per month through July, 2022 when they vacated.

8. LEASE ON 514 N. MAIN BUILDING:

On April 16, 2019, MADC and Forum Communications Company entered into a lease agreement for the property commonly known as "the Old Northwestern Building". The lease commenced on June 1, 2019 and will run for five years, terminating on May 31, 2024. The Tenant has an option to extend the lease for one additional period of three years. Monthly rent was \$3,983 per month. This lease ended in July, 2022.

9. LEASE ON 620 N. LAWLER ST. BUILDING:

On May 17, 2019, MADC purchased the property and immediately leased it to Behavior Care Specialists, Inc. (BCS) The lease is for \$3,600 per month and runs through January 18, 2023. At that time, the lease could be renewed for two additional terms of five years each. The lease is a triple net lease. Due to the Covid pandemic, MADC reduced the rent by \$1,800 for six months from March through September, 2020, to \$1,800 per month. Starting October, 2020, BCS increased rent payments by \$900 per month for twelve months. For the year ended September 30, 2021, the rent collected was \$48,600. For 2022, the rent collected was \$43,200. BCS has moved out, but will pay rent through the end of the lease agreement.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

10. RETIREMENT BENEFITS:

Effective January 1, 1998, MADC established a Simple IRA pension plan, covering all employees who are expected to earn \$5,000 or more during the year. MADC contributes a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's annual compensation. The employer contributions for the years ended September 30, 2021 and 2020, were \$3,992 and \$5,576, respectively.

11. CONCENTRATIONS OF CREDIT RISK:

The Organization maintains cash balances at several financial institutions located in Mitchell, South Dakota. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2022 the Organization's uninsured cash balances total \$153,560. At September 30, 2021, the uninsured cash balance was \$168,582.

12. COMMITMENTS AND CONTINGENCIES:

MADC has guaranteed approximately \$490,000 in borrowings by the City of Mitchell (the City) for a Tax Increment Financing District. These bonds have maturity dates through November 1, 2028. As of September 30, 2021, all bond payments are current. MADC has also agreed to maintain adequate funds at all times to cover the amount of the outstanding balance of the bonds associated with TIF District #14 (Pepsi/Wis-Pak). These funds must be invested in FDIC insured bank accounts. At September 30, 2022, these accounts exceeded the outstanding bond balance. During the prior year and the current year there was no shortfall in tax revenues versus debt service and no reimbursements were required.

In November, 2019, a lawsuit was filed against the City of Mitchell by the owners of the Crafty Fox building in Mitchell. MADC was named as a co-defendant in the suit. The suit was filed in U.S. District Court and asked for damages of \$510,867. During the prior year the suit went to mediation and MADC paid \$20,000 to settle the matter.

MADC entered into a development agreement with John and Diane Adamo to renovate the Western Building and develop the MADC lots across the street. MADC will serve as the developer in the TIF. MADC also committed to \$33,400 in asbestos removal costs. To facilitate the transfer of the building, MADC will form an LLC to be called the Western Building Project Exchange, LLC.

13. INCOME TAXES:

The federal tax returns (Forms 990 and 990-T) of MADC for fiscal years ending September 30, 2022, 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they are filed. For the current and prior years there was no tax due on the Form 990-T.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

14. INVESTMENT IN SOUTH DAKOTA EQUITY PARTNERS LIMITED PARTNERSHIP:

In 2018 MADC subscribed for a limited partnership interest in South Dakota Equity Partners, LP (SDEP), with a capital commitment of \$225,000. The Governor's Office of Economic Development (GOED), using Enterprise 605 funds, made a grant of \$125,000 to MADC. MADC agreed to a binding investment commitment of \$225,000. The funds will be held by MADC, subject to required capital calls from SDEP. During prior years \$153,407 was remitted to SDEP to satisfy capital calls. During the current year \$9,695 was remitted to SDEP to cover capital calls. The remaining amount of restricted cash for this purpose at September 30, 2022, was \$61,898.

15. LAND DONATION:

During the prior year, First Dakota National Bank donated land to MADC that is adjacent to the property acquired by Runnings. The land was appraised at \$280,000. MADC is required to hold the property for three years before it can be transferred to Runnings.

16. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization's financial assets as of the balance sheet dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	<u>2022</u>	<u>2021</u>
Financial Assets at year end	\$1,542,375	\$1,519,809
Less those unavailable for general expenditures within one year, due to:		
Donor-restricted to payment of long-term debt	(62,894)	(59,791)
Designated to pay deferred compensation	<u>-</u>	<u>(4,050)</u>
Financial assets available to meet cash needs for general expenditures within one year.	<u>\$1,479,481</u>	<u>\$1,455,968</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term certificates of deposit.

17. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through December 16, 2022, the date which the financial statements were available for issue.

SUPPLEMENTAL INFORMATION

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Financial Position
September 30, 2022

	Dakota Heartland Development Association Workforce				
	General	Economic Development	Development Association	Development Workforce	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 14,499	\$ 379,626	\$ 25,192	\$ 35,871	\$ 455,188
Current Portion of Notes Receivable	-	32,791	-	-	32,791
Restricted Cash	-	61,898	-	-	61,898
Accounts Receivable	-	9,248	-	-	9,248
Accrued Interest	-	7,469	-	-	7,469
Total Current Assets	14,499	491,032	25,192	35,871	566,594
Property and Equipment:					
Land	70,126	459,113	-	-	529,239
Building	-	2,331,209	-	-	2,331,209
Leasehold Improvements	6,509	-	-	-	6,509
Equipment	35,362	100,423	7,493	6,410	149,688
Total Property and Equipment	111,997	2,890,745	7,493	6,410	3,016,645
Less Accumulated Depreciation	(26,635)	(966,538)	(6,646)	(5,714)	(1,005,533)
Net Property and Equipment	85,362	1,924,207	847	696	2,011,112
Long-Term Assets:					
SDEP Investment	-	123,419	-	-	123,419
Certificates of Deposit	-	1,087,180	-	-	1,087,180
Loan Receivable -Avera	-	40,000	-	-	40,000
Note Receivable - Chamber	-	570,147	-	-	570,147
Loan Closing Costs, less amortization	-	1,526	-	-	1,526
Less Current Portion of Loans Receivable	-	(32,791)	-	-	(32,791)
Total Long-Term Assets	-	1,789,481	-	-	1,789,481
	\$ 99,861	\$ 4,204,720	\$ 26,039	\$ 36,567	\$ 4,367,187
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts Payable	\$ 2,258	\$ -	\$ 1,114	\$ 164	\$ 3,536
Accrued Wages	6,668	-	2,483	1,598	10,749
Accrued Vacation	14,761	-	2,830	-	17,591
Accrued Interest	-	550	-	-	550
Current Portion of Long Term Liabilities	-	62,894	-	-	62,894
Total Current Liabilities	23,687	63,444	6,427	1,762	95,320
Long-Term Liabilities:					
Note Payable - Cortrust Bank	-	282,836	-	-	282,836
Less Current Portion	-	(62,894)	-	-	(62,894)
Total Long-Term Liabilities	-	219,942	-	-	219,942
Total Liabilities	23,687	283,386	6,427	1,762	315,262
Net Assets:					
Net Assets with Restrictions	-	3,921,334	-	-	3,921,334
Net Assets without Restrictions	76,174	-	19,612	34,805	130,591
Total Net Assets	76,174	3,921,334	19,612	34,805	4,051,925
	\$ 99,861	\$ 4,204,720	\$ 26,039	\$ 36,567	\$ 4,367,187

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Financial Position
September 30, 2021

			Dakota Heartland Development Association	Workforce Development	Total
ASSETS	General	Economic Development			
Current Assets:					
Cash and Cash Equivalents	\$ 9,486	\$ 383,529	\$ 12,058	\$ 28,188	\$ 433,261
Current Portion of Notes Receivable	-	16,289	-	-	16,289
Restricted Cash	-	71,593	-	-	71,593
Total Current Assets	9,486	471,411	12,058	28,188	521,143
Property and Equipment:					
Land	70,126	505,276	-	-	575,402
Building	-	2,331,209	-	-	2,331,209
Leasehold Improvements	6,509	139,080	-	-	145,589
Equipment	35,751	106,424	7,493	6,410	156,078
Total Property and Equipment	112,386	3,081,989	7,493	6,410	3,208,278
Less Accumulated Depreciation	(23,376)	(912,657)	(6,221)	(5,184)	(947,438)
Net Property and Equipment	89,010	2,169,332	1,272	1,226	2,260,840
Long-Term Assets:					
SDEP Investment	-	121,245	-	-	121,245
Certificates of Deposit	-	1,086,548	-	-	1,086,548
Loan Receivable -Avera	-	40,000	-	-	40,000
Loan Receivable - Chamber	-	570,147	-	-	570,147
Loan Closing Costs, less amortization	-	1,895	-	-	1,895
Less Current Portion of Loans Receivable	-	(16,289)	-	-	(16,289)
Total Long-Term Assets	-	1,803,546	-	-	1,803,546
	\$ 98,496	\$ 4,444,289	\$ 13,330	\$ 29,414	\$ 4,585,529
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts Payable	\$ 1,728	\$ 8,074	\$ 1,108	\$ 155	\$ 11,065
Accrued Wages	5,494	-	2,063	1,999	9,556
Accrued Vacation	3,986	-	6,057	-	10,043
Accrued Interest	-	666	-	-	666
Deferred Income	-	3,000	-	-	3,000
Current Portion of Long Term Liabilities	-	59,791	-	-	59,791
Deferred Compensation	4,050	-	-	-	4,050
Total Current Liabilities	15,258	71,531	9,228	2,154	98,171
Long-Term Liabilities:					
Note Payable - Cortrust Bank	-	342,627	-	-	342,627
Less Current Portion	-	(59,791)	-	-	(59,791)
Total Long-Term Liabilities	-	282,836	-	-	282,836
Total Liabilities	15,258	354,367	9,228	2,154	381,007
Net Assets:					
Net Assets with Restrictions	-	4,089,922	-	-	4,089,922
Net Assets without Restrictions	83,238	-	4,102	27,260	114,600
Total Net Assets	83,238	4,089,922	4,102	27,260	4,204,522
	\$ 98,496	\$ 4,444,289	\$ 13,330	\$ 29,414	\$ 4,585,529

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Activities
For the Year Ended September 30, 2022

	General W/O Rest.	DHDA W/O Rest.	Workforce Develop. W/O Rest.	Total W/O Rest.	Economic Development Restricted
Revenues:					
City and County Support	\$ 177,000	\$ 30,000	\$ -	\$ 207,000	\$ -
Building Lease Income	-	-	-	-	184,136
Contributions	-	71,238	47,510	118,748	5,000
PPP Loan Forgiven	30,384	16,058	8,234	54,676	-
Dues	41,947	-	-	41,947	-
Gain on Sale of Assets	765	-	-	765	36,391
Investment Income	-	-	-	-	9,625
SDEP Income	-	-	-	-	7,600
SD GOED Grant	-	-	-	-	1,700
Miscellaneous	979	-	-	979	-
Interest Income	28	16	-	44	-
Total Revenues	251,103	117,312	55,744	424,159	244,452
Net Assets Released From Restrictions:					
Satisfaction of Purpose Restriction	41,765	-	-	41,765	(41,765)
Expenses:					
Administrative:					
Salaries	178,706	61,100	36,168	275,974	-
Professional Fees	52,847	-	-	52,847	-
Payroll Taxes	12,965	4,459	2,895	20,319	-
Telephone	5,278	3,697	2,837	11,812	-
Health Insurance	2,965	8,136	-	11,101	-
Rent	7,200	1,800	1,800	10,800	-
Supplies	7,174	2,172	806	10,152	-
Depreciation	5,181	424	530	6,135	-
Retirement	3,864	1,713	-	5,577	-
Repairs and Maintenance	2,260	-	-	2,260	-
Training	526	89	699	1,314	-
Total Administrative Expenses	278,966	83,590	45,735	408,291	-
Program Services:					
Dues and Subscriptions	8,174	3,500	120	11,794	-
Travel/Vehicle	2,447	6,492	509	9,448	-
Postage and Printing	3,275	2,359	125	5,759	-
Meetings and Conferences	2,101	2,013	-	4,114	-
Meals	-	3,825	-	3,825	-
Promotion/Marketing	1,376	-	1,062	2,438	-
Website Expense	1,957	23	-	1,980	-
Workforce Development	710	-	648	1,358	-
Software Renewal	926	-	-	926	-
Total Program Expenses	20,966	18,212	2,464	41,642	-
Total Expenses	299,932	101,802	48,199	449,933	-
Support:					
Property Donations	-	-	-	-	127,546
Workforce Development	-	-	-	-	74,646
Depreciation	-	-	-	-	71,415
Marketing and Promotion	-	-	-	-	21,808
Property Maintenance	-	-	-	-	20,522
Interest Expense	-	-	-	-	15,855
Property Taxes	-	-	-	-	13,475
Insurance	-	-	-	-	11,331
Legal Fees	-	-	-	-	8,804
Supplies	-	-	-	-	483
Amortization	-	-	-	-	370
Total Support	-	-	-	-	366,255
Increase (Decrease) in Net Assets	(7,064)	15,510	7,545	15,991	(168,588)
Net Assets, Beginning of the Year	83,238	4,102	27,260	114,600	4,089,922
Net Assets, End of Year	\$ 76,174	\$ 19,612	\$ 34,805	\$ 130,591	\$ 3,921,334

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION

Combining Statement of Activities
For the Year Ended September 30, 2021

	General W/O Rest.	DHDA W/O Rest.	Workforce Develop. W/O Rest.	Total W/O Rest.	Economic Development Restricted	Workforce Restricted
Revenues:						
Contributions	\$ -	\$ 92,970	\$ 45,544	\$ 138,514	\$ 280,000	\$ -
Building Lease Income	-	-	-	-	191,896	-
City and County Support	177,000	-	-	177,000	-	-
SD Covid Grant	75,326	-	-	75,326	-	-
Investment Income	-	-	-	-	70,137	-
Dues	39,955	-	-	39,955	-	-
SD Advantage Grant	-	-	10,000	10,000	-	-
Interest Income	18	7	-	25	-	-
Total Revenues	292,299	92,977	55,544	440,820	542,033	-
Net Assets Released From Restrictions:						
Satisfaction of Purpose Restriction	66,776	-	-	66,776	(66,776)	-
Expenses:						
Administrative:						
Salaries	137,952	66,726	39,390	244,068	-	-
Professional Fees	100,414	-	-	100,414	-	-
Payroll Taxes	9,570	4,533	3,070	17,173	-	-
Health Insurance	5,959	9,058	-	15,017	-	-
Rent	7,200	1,800	1,800	10,800	-	-
Telephone	4,671	2,775	2,729	10,175	-	-
Supplies	5,675	1,710	731	8,116	-	-
Depreciation	4,456	580	558	5,594	-	-
Retirement	2,179	1,813	-	3,992	-	-
Repairs and Maintenance	3,511	-	-	3,511	-	-
Training	1,290	50	350	1,690	-	-
Total Administrative Expenses	282,877	89,045	48,628	420,550	-	-
Program Services:						
CNA Education Grant	-	-	10,000	10,000	-	4,116
Travel/Vehicle	1,062	4,458	71	5,591	-	-
Dues and Subscriptions	3,809	1,000	-	4,809	-	-
Meals	-	3,862	-	3,862	-	-
Postage and Printing	2,201	1,633	-	3,834	-	-
Promotion/Marketing	676	-	1,141	1,817	-	-
Website Expense	516	23	39	578	-	-
Meeting Expense	357	-	-	357	-	-
Software Renewal	300	-	-	300	-	-
Total Program Expenses	8,921	10,976	11,251	31,148	-	4,116
Total Expenses	291,798	100,021	59,879	451,698	-	4,116
Support:						
Depreciation	-	-	-	-	74,448	-
Workforce Development	-	-	-	-	55,712	-
Property Taxes	-	-	-	-	19,626	-
Interest Expense	-	-	-	-	18,827	-
Insurance	-	-	-	-	11,361	-
Legal Fees	-	-	-	-	9,723	-
Property Maintenance	-	-	-	-	3,119	-
Marketing and Promotion	-	-	-	-	2,522	-
Amortization	-	-	-	-	370	-
Miscellaneous	-	-	-	-	60	-
Total Support	-	-	-	-	195,768	-
Increase (Decrease) in Net Assets	67,277	(7,044)	(4,335)	55,898	279,489	(4,116)
Net Assets, Beginning of the Year	15,961	11,146	31,595	58,702	3,810,433	4,116
Net Assets, End of Year	\$ 83,238	\$ 4,102	\$ 27,260	\$ 114,600	\$ 4,089,922	\$ -

See accompanying notes.

Dakota Heartland Development Association
2023-2024 PROPOSED ADMINISTRATIVE BUDGET

	2022-2023
REVENUE	Proposed
Income-Banks	7,000
Income-Utility Companies	6,000
Income-Health Care	12,500
Income-Communities	53,299
Income-City of Mitchell	25,000
Income-Agri-Business	4,000
Income-Miscellaneous	-
Income-Interest	80
Total Revenue	\$ 107,879
EXPENSES	
PERSONNEL EXPENSES	
Salaries & Wages	69,525
Retirement	2,086
Payroll Tax Expense	5,419
Insurance	9,801
Total Personnel Expenses	\$ 86,831
COMMUNICATIONS EXPENSE	
Annual and Board Meetings	-
Meals	4,000
Memberships & Subscriptions	5,000
Postage/Printing/Newsletter	900
Telephone Services	3,000
Travel & Auto	4,519
Website Expenses	25
Workshops & Conferences	-
Professional Development	100
Total Communications Expense	\$ 17,544
ADMINISTRATIVE EXPENSES	
Property and Equipment	-
Maintenance/Repairs	-
Professional Services	-
Rent	1,800
Supplies/Materials	959
Depreciation	741
Total Administrative Expenses	\$ 3,500
TOTAL EXPENSES	\$ 107,875
NET REVENUES (EXPENSES)	\$ 4



Background

Vision: Established in the Fall of 2007 the association was established to:

- Offer professional, comprehensive economic development assistance to communities in the region. This assistance will be crafted to meet the individual needs of member communities while facilitating the potential larger opportunities available to the region.

Purpose: Working with member communities and the region, we strive to provide:

- 1. Goal Setting/Planning**
- 2. Business Retention/Expansion**
- 3. Business Recruitment**
- 4. New Business Development**

CURRENT COMMUNITY INVESTORS

- ✓ **Parkston**
- ✓ **Corsica**
- ✓ ✓ **White Lake**
- ✓ ✓ **Armour**
- ✓ **Tripp**

Funding

Started with three-year seed capital grant from **Avera Health**, funding is provided by member communities and community partners.

- Member communities provide an initial \$10 per capita plus 3% annual increase to belong to the association.
- 2022-23 Assn. budget is \$99,744.00
- Other funding sources* include:
 - Banks
 - Utilities
 - Health Care
 - Agri-Business
 - Railroads
 - Others

**An identified future list of communities and funding sources is listed on the reverse side.*

Current Board Members

President – Mike Maxwell, Parkston

V. President – Charlie Christensen, White Lake

Sec./Treasurer – Jamie Rexwinkel, Corsica

Member – Caleb Finck, Tripp

Member – Otto Fousek, Armour

Member – Geri Beck, Mitchell Area Dev. Corp.

Ex-Officio – Greg Henderson, District III

5. Business Development

Current Funding Sources

SOURCE	Committed
Communities	\$ 51,744
<i>City of Mitchell</i>	\$ 25,000
<i>Banks</i>	\$ 4,000
<i>Utilities</i>	\$ 4,000
<i>Health Care</i>	\$ 12,500
<i>Agri-Business</i>	\$ 2,500
<i>Others</i>	\$
TOTAL	\$ 99,744

Communities – Projected 2023-24:

Community	Population	Funding Amt.
Parkston	1,674	\$25,319.00
Corsica	644	\$ 8,957.00
White Lake	405	\$ 6,125.00
Armour	699	\$ 4,298.00
Tripp	632	\$ 8,596.00
Subtotal	4,054	\$53,295.00
Mitchell	Proposed	\$25,000.00
		\$78,295.00
Prospects		
Plankinton	707	\$ 7,070.00
Woonsocket	655	\$ 6,550.00
Mt. Vernon	462	\$ 4,620.00
Alexandria	615	\$ 6,150.00
Salem	1,347	\$13,470.00

Community Partners:

BANKS

- ☐ Farmers State Bank
- ☐ First Dakota
- ☐ Farmers & Merchants
- ☐ BankWest

UTILITIES

- ☐ Northwestern Energy
- ☐ Santel

- ☐ Douglas Co. REA

HEALTH CARE

- ☐ Avera St. Benedict
- ☐ Avera Queen of Peace

AG PROCESSING

- ☐ Dakota Plains Grain
- ☐ POET - Mitchell
- ☐ C&B Enterprises.

Recent Accomplishments

Parkston Area Development Corp.

Parkston Business Park/Multi-Family Development

- Two Business Expansions with new buildings.
- Three duplexes built since early 2022 w/ at least one new duplex and new business condos are projected to be completed by 1st Qtr. 2024.

Secured Infrastructure Financing for Major Business

- Working with business and Small Business Development Center, participated in business expansion into a new building. Construction of a new professional office complex along SD Hwy 37 is projected to be completed by 2023.

Corsica Development Corp.

Continued Offering Governor's Homes to Community

- Utilizing the SD Housing's programs, we have been developing two single-family housing units in Corsica for qualified buyers each year.

New 20 acre Business Park Projected for 2024

- Dev. Corp. in conjunction with a \$500,000 grant from GOED is building a 15 lot Business Park at a cost of over \$2million.
- Working with at least three businesses on new buildings potentially for our new park projected in 2024-25..

White Lake Development Corp.

Building a New Housing Subdivision

- Utilizing a gift of land from the White Lake School District, community is developing a new 9 acre, 17-lot housing subdivision.
- Local investors, tax-increment financing and State Funding will cover the \$523,000 total project costs.

Armour Community Development Corp.

New Housing Offered thru Governor's Home Project

- Seeking to assist with the shortage of affordable housing in Armour, the development corp. is involved in their second Gov.'s Home project.

Tripp Development Corp.

Commercial and Housing Development

- Focusing on commercial and housing development, Tripp Dev. sold a Main St. Building, purchase and cleanup dilapidated housing lots for redevelopment and built a new two bedroom home for \$200,000.

July 24, 2023

Stephanie Ellwein, City Administrator
City of Mitchell
612 N. Main Street
Mitchell, SD 57301

Dear Ms. Ellwein:

Please accept the attached **Application for 2024 Subsidy of City Funds** and attachments on behalf of the Mitchell Area Development Corporation (MAHI).

We are respectfully requesting \$167,000 for the annual operating costs of the MADC to continue to work on the key issues laid out in this application.

Our attachments are:

- Application
- Most recent audit
- Most recent budget
- List of board members

If you have any questions, please do not hesitate to reach out to me.

Sincerely,



Geri Beck, CEO
Mitchell Area Development Corporation and Chamber

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Area Development Corporation

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-1140

Contact (individual responsible for the project):

Name: Geri Beck

Title: CEO

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-1140

Email: gbeck@mittchellsd.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 167,000

Date(s) of Implementation: 1/1/2024 -12/31/2024

1. Brief History of Organization/Applicant.

The MADC was incorporated in 1985 as a nonprofit economic development organization in accordance with state law (SDCL 9-27-37) exclusively for charitable purposes, “to promote and foster the social welfare, well-being, and the interests of all the people of the City of Mitchell, SD and the Mitchell area.” MADC has been in continuous operation since its founding.

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

The MADC is the only Mitchell organization that exclusively focuses on the growth of the Mitchell private sector economy. We are the facilitator and collaborator between the private sector entities, a resource provider, and a connector with Mitchell’s largest stake holders including MTC, MSD, DWU, Avera, the City of Mitchell and Davison County.

3. Identify the key issues facing your organization at this time.

1. Workforce development – recruiting and retaining workers with an unemployed rate less than 2%
2. Workforce housing – increasing houses that cost \$250,000 or less, which is difficult with the increased cost of building materials and the increase in interest rates which has made home buyers unable to afford the increased monthly mortgage payment.
3. Downtown/urban revitalization – facilitating the improvement of homes and commercial property.
4. Retaining and expanding existing exporting businesses and industries which has become more challenging with the increase cost of building materials and interest rates – commercial loans are now around 8-9% and the risk of not being able to find workers.
5. Attracting, recruiting and supporting retail and industrial businesses.

4. Summary Project Description

The MADC is requesting funding to continue working on the key issues shown above and others.

5. Provide the name of the project or program and describe in it in 50 words or less.

The MADC is requesting funding for the annual operating costs of the organization.

6. Location of project or program

City of Mitchell, Davison County and the primary trade area which includes the five-county area.

7. Project Summary: State the project and/or program’s purpose, significance, ownership, schedule and anticipated outcomes.

MADC is fostering growth in the Mitchell area through workforce development and an increase of less-expensive housing.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

1) Workforce housing: developed 3 in-fill lots and intend to do the same next year or within two years: Applying for funding for housing infrastructure for both South Lake and Ridgeview on Foster Housing Developments; Entering a grant agreement with HUD for infrastructure funding for Ridgeview on Foster; and Started a home rehab program with \$369,000 grant funding and intend to apply for additional grant funding next year.

2) Workforce recruitment: MADC is matching funding for a new scholarship at DWU for a Mitchell employer; Hosting monthly city-wide hiring events and Workforce Wednesday Solutions group meetings; and Continue to recruit out-of-state workers (focusing on Puerto Rico); 3) Improving Mitchell’s Quality of Place: hosting the Mitchell Area Inclusion Coalition and hired a Community Concierge to help Mitchell become more welcoming and inclusive and better able to

recruit and retain workforce; ultimately growing the population; and Facilitate ‘Enhance Mitchell’ Forward 2040 Task Force - have hosted several Lake Mitchell informational meetings and gatherings and a Main Street Informational meeting. 4) Revitalizing downtown and older neighborhoods in Mitchell: Holding the 2nd session of entrepreneurship training in the fall of 2023; partnered with MMS&B and the Mitchell Area Council of the Arts to host an arts contest with winning submissions covering insulation/studs showing through the east side windows of the 5th and Main Building; and started a home rehab program.



9. **Forward 2040 Integration.** *(click here to read the report)*: Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☐ **Strategic Pillar: Foster a Supportive and Inclusive Community Culture** *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

Implemented the ‘Everything Mitchell’ app to serve as a communications platform for the whole community; Promote and send out the Chamber’s Monday Memo and the CVB’s Community Newletters on Wednesdays to e-mail subscribers; Hosting the Mitchell Area Inclusion Coalition to open the door to new people and ideas and hired a Community Concierge to help Mitchell become a more welcoming and inclusive community; Recruit ‘youth’ entrepreneurs to participate in Co-Starters training; Welcome and encourage interns to explore Mitchell through a new ‘Mitchell Passport’ with free entry to the rec center and a round of golf; welcome DWU and MTC at registration days in the spring and at their ‘welcome back’ events in the fall.

☐ **Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities.** *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

Started ‘The State of the Schools’ 2040 Task Force which created a brochure depicting all educational institutions and their varying offerings for all ages – from preschool to life-long learning. This task force meets periodically. The Community Concierge shares this brochure with business professionals who are visiting Mitchell as part of their interview process for a new job and with new comers to Mitchell. Staff members from DWU and MTC attend Workforce Wednesday meetings to build strong career pathways between students and local industry. The Chamber works to promote Mitchell as a hotbed of educational excellence through its marketing and by hosting the annual State of the Schools luncheon each year. Finally, the Chamber/MADC supported the bonding measure for the High School athletic facilities by hosting a First Friday Coffee on the topic, and marketing information about the issue through its normal channels.

☐ **Strategic Pillar: Position Mitchell as a regional leadership center** *(1) Leverage Mitchell’s geographic location to become a major ‘Destination Location’, (2) Aggressively promote Mitchell’s unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

The Regional Leadership 2040 Task Force has gathered twice to discuss ways to leverage Mitchell’s location to

become more of a destination location including by supporting the new Soybean Processors Plant including the County TIF; involving and inviting local legislators (not just those from District 20) to legislative meetings and events, working with ROCS (Rural Office of Community Services); and hosting meetings for organizations such as Dakota Resources. Innovative programs like Ag Connections (which had 2 legislators and a former Secretary of State Department of Agriculture attend in the summer of 2023); and the Commodities Seminar provided thought-leadership on regional and state agriculture topics. Furthermore, the MADC and Heartland Development provided leadership by lobbying for the housing infrastructure funding and increasing the PT exemption for economic development organizations state-wide. Finally, the Chamber offers 'Leadership Mitchell' for not only Mitchell community leaders, but also regional to learn more about local, regional and state issues.

☐ **Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell** *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

Similar to the previous strategic pillar, MADC has helped diversify and intensify Mitchell's ag sector by supporting the new Soybean Plant. Currently the MADC has an opportunity to purchase land south of interstate 90 which could help give Mitchell the capacity to support emerging industry hubs. Also the, Ag Connections and Ag Commodity Seminar sponsored by the Chamber's Ag Committee had knowledge-sharing and innovation: as has its Legislative lunch, First Friday Coffee and cracker barrel. Regarding fostering entrepreneurship and start-up businesses, Accelerate Mitchell was launched and is continuing through the co-hort based program called Co.Starters. A resource fair was held in the fall of 2022, not only to provide resources for the eleven participants, but also anyone trying to starting a business. The resources attending included the SBA, accounting, legal, financing, the City of Mitchell, and other services. Moving forward we want to involve and empower telecommunication and tech leaders to help strengthen their industries.

☐ **Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making** *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center/state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

Through the Enhance Mitchell 2040 Task Force, informational meetings and gatherings have taken place on the topics of Lake Mitchell and downtown Mitchell (another informational meeting on downtown is planned for the fall of 2023 at the Western Building including tours of the renovation.) Tourism is enhanced by the staff at the visitor center as well as marketing of the Corn Palace and other tourist attractions including the Indian Village and special community events including the Palace City Pre-Sturgis Party. The MADC/Chamber led efforts to collect 462 petition signatures for the initiated measure for Lake Mitchell and funded radio ads, letters in the Mitchell Republic and yard signs for the June 6th vote. Additionally the Chamber organizes volunteers to help with Dakotafest and its brunch which brings people to Mitchell.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Geri Beck

Title: CEO

- ☒ By checking this box, I acknowledge my agreement to the above certification.
- ☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.
- ☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: 7/24/23

MITCHELL AREA DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2022 and 2021

CM **Carlton**
& Millar, Prof. L.L.C.
certified public accountants

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CM Carlon & Millar, Prof. L.L.C.

certified public accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**To Board of Directors
Mitchell Area Development Corporation
Mitchell, South Dakota**

We have reviewed the accompanying financial statements of Mitchell Area Development Corporation (a South Dakota non-profit corporation), which comprise the statement of financial position as of September 30, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The accompanying combining statements of financial position and activities are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to this

supplementary information. We have not audited this supplementary information and do not express an opinion on such information.

Carlson + Miller, Prof LLC

**Mitchell, South Dakota
December 16, 2022**

MITCHELL AREA DEVELOPMENT CORPORATION

Statement of Financial Position

September 30, 2022 and 2021

	2022	2021
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 455,188	\$ 433,261
Restricted Cash	61,898	71,593
Current Portion of Notes Receivable	32,791	16,289
Accounts Receivable	9,248	-
Accrued Interest	7,469	-
Total Current Assets	<u>566,594</u>	<u>521,143</u>
Property and Equipment:		
Land and Land Improvements	529,239	575,402
Building	2,331,209	2,331,209
Leasehold Improvements	6,509	145,589
Equipment	149,688	156,078
Total Property and Equipment	<u>3,016,645</u>	<u>3,208,278</u>
Less Accumulated Depreciation	<u>(1,005,533)</u>	<u>(947,438)</u>
Net Property and Equipment	<u>2,011,112</u>	<u>2,260,840</u>
Long-Term Assets:		
SD Equity Partners LP investment	123,419	121,245
Certificates of Deposit	1,087,180	1,086,548
Loan Receivable - Avera	40,000	40,000
Note Receivable - Chamber	570,147	570,147
Loan Closing Costs, less amortization	1,526	1,895
Less current portion of notes receivable	<u>(32,791)</u>	<u>(16,289)</u>
Total Long-Term Assets	<u>1,789,481</u>	<u>1,803,546</u>
	<u><u>\$ 4,367,187</u></u>	<u><u>\$ 4,585,529</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 3,536	\$ 11,065
Accrued Wages	10,749	9,556
Accrued Vacation	17,591	10,043
Accrued Interest	550	666
Current Portion of Long Term Liabilities	62,894	59,791
Deferred Compensation	-	4,050
Deferred Income	-	3,000
Total Current Liabilities	<u>95,320</u>	<u>98,171</u>
Long-Term Liabilities:		
Note Payable - Cortrust Bank	282,836	342,627
Less Current Portion	<u>(62,894)</u>	<u>(59,791)</u>
Total Long-Term Liabilities	<u>219,942</u>	<u>282,836</u>
Total Liabilities	<u>315,262</u>	<u>381,007</u>
Net Assets:		
Net Assets with Restrictions	3,921,334	4,089,922
Net Assets without Restrictions	130,591	114,600
Total Net Assets	<u>4,051,925</u>	<u>4,204,522</u>
	<u><u>\$ 4,367,187</u></u>	<u><u>\$ 4,585,529</u></u>

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Activities
For the Years Ended September 30, 2022 and 2021

	2022		2021	
	Without Restrictions	With Restrictions	Without Restrictions	With Restrictions
Revenues:				
City and County Support	\$ 207,000	\$ -	\$ 177,000	\$ -
Building Lease	-	184,136	-	191,896
Contributions	118,748	5,000	138,514	280,000
PPP Loans Forgiven	54,676	-	-	-
Dues	41,947	-	39,955	-
Gain on Sale of Property	765	31,391	25	70,137
Investment Income	44	9,605	-	-
SDEP Income	-	7,600	-	-
SD GOED Grant	-	1,700	-	-
Miscellaneous	979	-	-	-
Total Revenues	424,159	239,432	355,494	542,033
Net Assets Released from Restrictions:				
Satisfaction of Purpose Restriction	41,765	(41,765)	66,776	(66,776)
Expenses:				
Administrative	408,291	-	420,550	-
Program Services	41,642	-	31,148	4,116
Support	-	366,255	-	195,768
Total Expenses	449,933	366,255	451,698	199,884
Increase (Decrease) in Net Assets	15,991	(168,588)	55,898	275,373
Net Assets, Beginning of Year	114,600	4,089,922	58,702	3,814,549
Net Assets, End of Year	\$ 130,591	\$ 3,921,334	\$ 114,600	\$ 4,089,922

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION

**Statement of Functional Expenses
For the Year Ended September 30, 2022**

	General	Development	DHDA	Workforce Development	Total
Administrative:					
Salaries and Wages	\$ 178,706	\$ -	\$ 61,100	\$ 36,168	\$ 275,974
Professional Fees	52,847	-	-	-	52,847
Payroll Taxes	12,965	-	4,459	2,895	20,319
Telephone	5,278	-	3,697	2,837	11,812
Health Insurance	2,965	-	8,136	-	11,101
Rent	7,200	-	1,800	1,800	10,800
Supplies	7,174	-	2,172	806	10,152
Depreciation	5,181	-	424	530	6,135
Retirement	3,864	-	1,713	-	5,577
Repairs and Maintenance	2,260	-	-	-	2,260
Training	526	-	89	699	1,314
Total	278,966	-	83,590	45,735	408,291
Program Services:					
Dues and Subscriptions	8,174	-	3,500	120	11,794
Travel and Vehicle Expense	2,447	-	6,492	509	9,448
Postage and Printing	3,275	-	2,359	125	5,759
Meetings and Conferences	2,101	-	2,013	-	4,114
Meals	-	-	3,825	-	3,825
Promotion/Marketing	1,376	-	-	1,062	2,438
Website Expense	1,957	-	23	-	1,980
Workforce Development	710	-	-	648	1,358
Software Renewals	926	-	-	-	926
Total	20,966	-	18,212	2,464	41,642
Support:					
Property Donations	-	127,546	-	-	127,546
Workforce Development	-	74,646	-	-	74,646
Depreciation	-	71,415	-	-	71,415
Marketing and Promotion	-	21,808	-	-	21,808
Property Maintenance	-	20,572	-	-	20,572
Interest Expense	-	15,855	-	-	15,855
Property Taxes	-	13,425	-	-	13,425
Insurance	-	11,331	-	-	11,331
Legal Fees	-	8,804	-	-	8,804
Miscellaneous	-	483	-	-	483
Amortization	-	370	-	-	370
Total	-	366,255	-	-	366,255
Total by Fund	\$ 299,932	\$ 366,255	\$ 101,802	\$ 48,199	\$ 816,188

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Functional Expenses
For the Year Ended September 30, 2021

	General	Development	DHDA	Workforce Development	Total
Administrative:					
Salaries and Wages	\$ 137,952	\$ -	\$ 66,726	\$ 39,390	\$ 244,068
Professional Fees	100,414	-	-	-	100,414
Payroll Taxes	9,570	-	4,533	3,070	17,173
Health Insurance	5,959	-	9,058	-	15,017
Rent	7,200	-	1,800	1,800	10,800
Telephone	4,671	-	2,775	2,729	10,175
Supplies	5,675	-	1,710	731	8,116
Depreciation	4,456	-	580	558	5,594
Retirement	2,179	-	1,813	-	3,992
Repairs and Maintenance	3,511	-	-	-	3,511
Training	1,290	-	50	350	1,690
Total	282,877	-	89,045	48,628	420,550
Program Services:					
CNA Education Grant	-	-	-	14,116	14,116
Travel and Vehicle Expense	1,062	-	4,458	71	5,591
Dues and Subscriptions	3,809	-	1,000	-	4,809
Meals	-	-	3,862	-	3,862
Postage and Printing	2,201	-	1,633	-	3,834
Promotional Marketing	676	-	-	1,141	1,817
Website Expense	516	-	23	39	578
Meetings	357	-	-	-	357
Software Renewals	300	-	-	-	300
Total	8,921	-	10,976	15,367	35,264
Support:					
Depreciation	-	74,448	-	-	74,448
Workforce Development	-	55,712	-	-	55,712
Property Taxes	-	19,626	-	-	19,626
Interest Expense	-	18,827	-	-	18,827
Insurance	-	11,361	-	-	11,361
Legal Fees	-	9,723	-	-	9,723
Property Maintenance	-	3,119	-	-	3,119
Marketing and Promotion	-	2,522	-	-	2,522
Amortization	-	370	-	-	370
Miscellaneous	-	60	-	-	60
Total	-	195,768	-	-	195,768
Total by Fund	\$ 291,798	\$ 195,768	\$ 100,021	\$ 63,995	\$ 651,582

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Cash Flows (Without Restrictions)
For the Years Ended September 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from City and County	\$ 207,000	\$ 177,000
Cash received from dues	41,947	39,955
Cash received from sale of land	39,357	-
Cash received from contributions and grants	125,448	223,840
Cash received from leases	184,136	191,896
Cash paid to suppliers and employees	(547,641)	(527,042)
Cash paid for restricted support	(151,169)	(102,123)
Interest and miscellaneous income received	10,648	35,169
Interest paid	(15,971)	(18,827)
Net Cash Provided (Used) by Operating Activities	<u>(106,245)</u>	<u>19,868</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of liquor license	-	120,000
Net redemptions of certificates of deposit	(632)	238,348
Payments on notes receivable	-	21,845
Purchase of property and equipment	(1,809)	(7,051)
Costs of property donated/transferred	172,088	-
Cost of lot sold	11,566	-
SDEP distribution	6,750	3,375
Net Cash Provided by Investing Activities	<u>187,963</u>	<u>376,517</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on notes payable	(59,791)	(56,842)
Net Cash (Used) by Financing Activities	<u>(59,791)</u>	<u>(56,842)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,927	339,543
UNRESTRICTED CASH AND CASH EQUIVALENTS, Beginning of Year	433,261	93,718
UNRESTRICTED CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 455,188</u>	<u>\$ 433,261</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Change in net assets	\$ (152,597)	\$ 331,271
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	77,550	80,039
Amortization	369	370
Land gifted to organization	-	(280,000)
Undistributed earnings from SDEP	(850)	(36,977)
Decrease in loan receivable	-	10,000
(Increase) in receivables	(16,716)	-
Transfer to restricted cash	(8,047)	-
Increase (Decrease) in accounts payable	(7,529)	(52,346)
Increase (Decrease) in accrued expenses	8,625	(5,939)
(Decrease) in deferred compensation	(4,050)	(29,550)
Increase in deferred income	(3,000)	3,000
Net Cash Provided (Used) By Operating Activities	<u>\$ (106,245)</u>	<u>\$ 19,868</u>
CASH PAYMENTS FOR INTEREST	<u>\$ 15,971</u>	<u>\$ 18,938</u>

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Statement of Cash Flows (With Restrictions)
For the Years Ended September 30, 2022 and 2021

	2022	2021
RESTRICTED CASH, BEGINNING OF YEAR	\$ 71,593	\$ 75,763
DECREASES:		
Capital calls paid	<u>(9,695)</u>	<u>(4,170)</u>
RESTRICTED CASH, END OF YEAR	<u>\$ 61,898</u>	<u>\$ 71,593</u>

See accompanying notes.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

Mitchell Area Development Corporation (MADC) was incorporated in 1985. It is a non-profit organization established to improve the economic base of the Mitchell area through the creation of new jobs involving the production or distribution of goods and services sold primarily outside the local trade area.

MADC is funded by voluntary donations, membership dues, grants, city funds, county funds, earnings from investments, support from area communities, and leases of commercial buildings located in Mitchell, South Dakota.

A separate division of MADC is the Dakota Heartland Development Association (DHDA). It was organized to offer professional, comprehensive economic development assistance to communities in the region. This assistance is crafted to meet the individual needs of member communities while facilitating the potential larger opportunities available to the region.

The Economic Development component of MADC is a restricted fund. MADC, in a prior year, conducted a major fund drive which enabled it to obtain land for future prospects, to purchase a building which is leased to commercial tenants and to acquire property for economic development. Donors entrusted the Board of MADC to leverage these funds to facilitate the recruitment of businesses to locate in the Mitchell area.

Workforce Development is a recently created division of MADC. The Governor's Office of Economic Development funded a grant to create a new staff position of Regional Workforce Coordinator. It is anticipated that the Coordinator will provide assistance and development of the Mitchell Area workforce. The goal is to facilitate planned manufacturing and business expansions in the Mitchell region.

Significant Accounting Policies:

Basis of Presentation: The financial statements of the Organization have been prepared using the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: without restrictions and with restrictions. The Organization has no permanently restricted assets. Contributions received, including unconditional promises to give, are recorded as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions. Net assets with restrictions are reclassified to net assets without restrictions upon satisfaction of time or purpose restrictions. Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Revenue Recognition: Revenue from donations is recorded when received. Income from pledges is recorded when the pledge is made. Income from grants is recorded when the grant is awarded. Other income is recorded on the accrual basis. The adoption of FASB ASC 606 has not affected how the Organization recognizes revenue.

Cash and Cash Equivalents: Cash includes checking and savings accounts and certificates of deposit with a maturity of 90 days or less. At certain times during the fiscal year, the Organization's bank balances exceeded Federally insured limits (\$250,000).

Property and Equipment: Property and equipment are valued at cost for purchased assets and fair value at date of receipt for donated assets. All depreciable assets are being depreciated by the straight-line method over their estimated useful lives. Repairs and maintenance, which do not increase the useful lives of the assets, are expensed as incurred.

Tax Status: The Organization has been determined to be exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. Donations to the Organization are deductible for income tax purposes.

Notes and Accounts Receivable and Allowance for Doubtful Accounts: Notes and Accounts receivable are recorded at the amount the Organization expects to collect on balances outstanding at year end. An allowance for doubtful accounts is recorded based on a combination of write-off history, aging analysis and any specific known troubled accounts. Accounts are written off when they are determined to be uncollectible. Presently all receivables are deemed to be collectible and no allowance has been recorded.

Investments: Investments consist of certificates of deposit and an investment in a limited partnership. The certificates of deposit are carried at cost. The limited partnership is carried at book value and described in Note 14.

Advertising: Advertising costs are expensed as incurred.

Amortization: The loan costs of refinancing are being amortized over the 15-year term of the note.

Deferred Income: Deferred income consisted of prepaid rent from a tenant in the Verifications building.

Allocation of Costs between Program and Support Functions: Allocation between functions are governed by the chart of accounts.

2. NET ASSETS WITH RESTRICTIONS:

Net assets with restrictions are as follows at September 30, 2022 and 2021:

	2022	2021
Economic Development	\$3,859,436	\$4,018,329
South Dakota Equity Partners	61,898	71,593
Total	<u>\$3,921,334</u>	<u>\$4,089,922</u>

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

3. RELATED PARTIES:

MADC shares office space and staff with the Mitchell Area Chamber of Commerce (Chamber). MADC is billed for its share of occupancy expenses and personnel costs on a monthly basis. The two entities have separate boards, but do share the chief executive officer (CEO) and chief financial officer (CFO). Rent paid for office space was \$10,800 for 2021 and for for 2022. Also, during a prior year MADC advanced the cost of the remodel of the building to the Chamber, which amounted to \$591,992. Upon completion, a note was executed for \$591,992 at 1.31% for 30 years with annual payments of \$23,758.

4. LONG-TERM DEBT

Long-term debt at September 30, 2020 and 2019 consisted of the following:

	2022	2021
5.00% note payable to CorTrust Bank, payable in monthly installments of \$6,315 including interest through November, 2026. Note is secured by a mortgage on Verifications Building	\$ 282,836	\$ 342,627
Less current maturities	<u>(62,894)</u>	<u>(59,791)</u>
Noncurrent maturities	<u>\$ 219,942</u>	<u>\$ 282,636</u>

Maturities of long-term debt during the next five years ending September 30,
are as follows:

2023	\$ 62,894
2024	66,129
2025	69,588
2026	73,200
2027	<u>11,025</u>
	<u>\$ 282,836</u>

5. NET ASSETS RELEASED FROM RESTRICTIONS:

The following expenditures are those which satisfied the restricted purpose of the Building Our Future campaign:

	2022	2021
Promotion of MADC	<u>\$ 41,765</u>	<u>\$ 66,776</u>

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

5. NET ASSETS RELEASED FROM RESTRICTIONS: (Continued)

The expenditures were for supporting activities of the Governor's Office of Economic Development (GOED) which provides leads to participating communities, developing a website, and promoting jobs in Mitchell. Certain expenditures, while not sponsored directly by GOED, contributed significantly to the above purposes and were charged to the restricted funds with Board approval.

6. LOAN RECEIVABLE – AVERA HEALTH

In January, 2013, MADC advanced \$100,000 to Avera Health (Avera) for job creation funds. The grant is structured as a forgivable loan to Avera. MADC forgives \$2,000 for each new full-time job created after January, 2013 for a 60-month period. There were no jobs reported during the current or prior year. In 2018, the loan period was extended for an additional 5 years.

7. VERIFICATIONS BUILDING LEASES:

On January 1, 2018, MADC and Avera Health executed a new 5 year lease for the half of the building that was previously rented. The rent will continue to be \$7,708 per month. Avera Health will pay all utilities and also reimburse MADC \$30,000 for property taxes in the first year of the lease and 73% of property taxes assessed over the remaining 4 years of the lease term. Avera Health will also reimburse MADC 50% of the cost of casualty, fire and extended coverage insurance over the term of the lease.

During the prior year, MADC executed a short-term lease with Resolve for \$1,000 per month from July 1, 2021 through December 31, 2021. At September 30, 2021, the lease was paid in full through December 31, 2021, resulting in deferred income of \$3,000 for the remaining three months of the lease. In the current year Resolve paid \$1,000 per month through July, 2022 when they vacated.

8. LEASE ON 514 N. MAIN BUILDING:

On April 16, 2019, MADC and Forum Communications Company entered into a lease agreement for the property commonly known as "the Old Northwestern Building". The lease commenced on June 1, 2019 and will run for five years, terminating on May 31, 2024. The Tenant has an option to extend the lease for one additional period of three years. Monthly rent was \$3,983 per month. This lease ended in July, 2022.

9. LEASE ON 620 N. LAWLER ST. BUILDING:

On May 17, 2019, MADC purchased the property and immediately leased it to Behavior Care Specialists, Inc. (BCS) The lease is for \$3,600 per month and runs through January 18, 2023. At that time, the lease could be renewed for two additional terms of five years each. The lease is a triple net lease. Due to the Covid pandemic, MADC reduced the rent by \$1,800 for six months from March through September, 2020, to \$1,800 per month. Starting October, 2020, BCS increased rent payments by \$900 per month for twelve months. For the year ended September 30, 2021, the rent collected was \$48,600. For 2022, the rent collected was \$43,200. BCS has moved out, but will pay rent through the end of the lease agreement.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

10. RETIREMENT BENEFITS:

Effective January 1, 1998, MADC established a Simple IRA pension plan, covering all employees who are expected to earn \$5,000 or more during the year. MADC contributes a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's annual compensation. The employer contributions for the years ended September 30, 2021 and 2020, were \$3,992 and \$5,576, respectively.

11. CONCENTRATIONS OF CREDIT RISK:

The Organization maintains cash balances at several financial institutions located in Mitchell, South Dakota. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2022 the Organization's uninsured cash balances total \$153,560. At September 30, 2021, the uninsured cash balance was \$168,582.

12. COMMITMENTS AND CONTINGENCIES:

MADC has guaranteed approximately \$490,000 in borrowings by the City of Mitchell (the City) for a Tax Increment Financing District. These bonds have maturity dates through November 1, 2028. As of September 30, 2021, all bond payments are current. MADC has also agreed to maintain adequate funds at all times to cover the amount of the outstanding balance of the bonds associated with TIF District #14 (Pepsi/Wis-Pak). These funds must be invested in FDIC insured bank accounts. At September 30, 2022, these accounts exceeded the outstanding bond balance. During the prior year and the current year there was no shortfall in tax revenues versus debt service and no reimbursements were required.

In November, 2019, a lawsuit was filed against the City of Mitchell by the owners of the Crafty Fox building in Mitchell. MADC was named as a co-defendant in the suit. The suit was filed in U.S. District Court and asked for damages of \$510,867. During the prior year the suit went to mediation and MADC paid \$20,000 to settle the matter.

MADC entered into a development agreement with John and Diane Adamo to renovate the Western Building and develop the MADC lots across the street. MADC will serve as the developer in the TIF. MADC also committed to \$33,400 in asbestos removal costs. To facilitate the transfer of the building, MADC will form an LLC to be called the Western Building Project Exchange, LLC.

13. INCOME TAXES:

The federal tax returns (Forms 990 and 990-T) of MADC for fiscal years ending September 30, 2022, 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they are filed. For the current and prior years there was no tax due on the Form 990-T.

**MITCHELL AREA DEVELOPMENT CORPORATION
NOTES TO FINANCIAL STATEMENTS**

14. INVESTMENT IN SOUTH DAKOTA EQUITY PARTNERS LIMITED PARTNERSHIP:

In 2018 MADC subscribed for a limited partnership interest in South Dakota Equity Partners, LP (SDEP), with a capital commitment of \$225,000. The Governor's Office of Economic Development (GOED), using Enterprise 605 funds, made a grant of \$125,000 to MADC. MADC agreed to a binding investment commitment of \$225,000. The funds will be held by MADC, subject to required capital calls from SDEP. During prior years \$153,407 was remitted to SDEP to satisfy capital calls. During the current year \$9,695 was remitted to SDEP to cover capital calls. The remaining amount of restricted cash for this purpose at September 30, 2022, was \$61,898.

15. LAND DONATION:

During the prior year, First Dakota National Bank donated land to MADC that is adjacent to the property acquired by Runnings. The land was appraised at \$280,000. MADC is required to hold the property for three years before it can be transferred to Runnings.

16. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Organization's financial assets as of the balance sheet dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	<u>2022</u>	<u>2021</u>
Financial Assets at year end	\$1,542,375	\$1,519,809
Less those unavailable for general expenditures within one year, due to:		
Donor-restricted to payment of long-term debt	(62,894)	(59,791)
Designated to pay deferred compensation	<u>-</u>	<u>(4,050)</u>
Financial assets available to meet cash needs for general expenditures within one year.	<u>\$1,479,481</u>	<u>\$1,455,968</u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term certificates of deposit.

17. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through December 16, 2022, the date which the financial statements were available for issue.

SUPPLEMENTAL INFORMATION

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Financial Position
September 30, 2022

	Dakota Heartland Development Association Workforce				
	General	Economic Development	Development Association	Development	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 14,499	\$ 379,626	\$ 25,192	\$ 35,871	\$ 455,188
Current Portion of Notes Receivable	-	32,791	-	-	32,791
Restricted Cash	-	61,898	-	-	61,898
Accounts Receivable		9,248			9,248
Accrued Interest		7,469			7,469
Total Current Assets	14,499	491,032	25,192	35,871	566,594
Property and Equipment:					
Land	70,126	459,113	-	-	529,239
Building	-	2,331,209	-	-	2,331,209
Leasehold Improvements	6,509	-	-	-	6,509
Equipment	35,362	100,423	7,493	6,410	149,688
Total Property and Equipment	111,997	2,890,745	7,493	6,410	3,016,645
Less Accumulated Depreciation	(26,635)	(966,538)	(6,646)	(5,714)	(1,005,533)
Net Property and Equipment	85,362	1,924,207	847	696	2,011,112
Long-Term Assets:					
SDEP Investment	-	123,419	-	-	123,419
Certificates of Deposit	-	1,087,180	-	-	1,087,180
Loan Receivable -Avera	-	40,000	-	-	40,000
Note Receivable - Chamber	-	570,147	-	-	570,147
Loan Closing Costs, less amortization	-	1,526	-	-	1,526
Less Current Portion of Loans Receivable	-	(32,791)	-	-	(32,791)
Total Long-Term Assets	-	1,789,481	-	-	1,789,481
	\$ 99,861	\$ 4,204,720	\$ 26,039	\$ 36,567	\$ 4,367,187
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts Payable	\$ 2,258	\$ -	\$ 1,114	\$ 164	\$ 3,536
Accrued Wages	6,668	-	2,483	1,598	10,749
Accrued Vacation	14,761	-	2,830	-	17,591
Accrued Interest	-	550	-	-	550
Current Portion of Long Term Liabilities	-	62,894	-	-	62,894
Total Current Liabilities	23,687	63,444	6,427	1,762	95,320
Long-Term Liabilities:					
Note Payable - Cortrust Bank	-	282,836	-	-	282,836
Less Current Portion	-	(62,894)	-	-	(62,894)
Total Long-Term Liabilities	-	219,942	-	-	219,942
Total Liabilities	23,687	283,386	6,427	1,762	315,262
Net Assets:					
Net Assets with Restrictions	-	3,921,334	-	-	3,921,334
Net Assets without Restrictions	76,174	-	19,612	34,805	130,591
Total Net Assets	76,174	3,921,334	19,612	34,805	4,051,925
	\$ 99,861	\$ 4,204,720	\$ 26,039	\$ 36,567	\$ 4,367,187

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Financial Position
September 30, 2021

			Dakota Heartland		
	General	Economic Development	Development Association	Workforce Development	Total
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 9,486	\$ 383,529	\$ 12,058	\$ 28,188	\$ 433,261
Current Portion of Notes Receivable	-	16,289	-	-	16,289
Restricted Cash	-	71,593	-	-	71,593
Total Current Assets	9,486	471,411	12,058	28,188	521,143
Property and Equipment:					
Land	70,126	505,276	-	-	575,402
Building	-	2,331,209	-	-	2,331,209
Leasehold Improvements	6,509	139,080	-	-	145,589
Equipment	35,751	106,424	7,493	6,410	156,078
Total Property and Equipment	112,386	3,081,989	7,493	6,410	3,208,278
Less Accumulated Depreciation	(23,376)	(912,657)	(6,221)	(5,184)	(947,438)
Net Property and Equipment	89,010	2,169,332	1,272	1,226	2,260,840
Long-Term Assets:					
SDEP Investment	-	121,245	-	-	121,245
Certificates of Deposit	-	1,086,548	-	-	1,086,548
Loan Receivable -Avera	-	40,000	-	-	40,000
Loan Receivable - Chamber	-	570,147	-	-	570,147
Loan Closing Costs, less amortization	-	1,895	-	-	1,895
Less Current Portion of Loans Receivable	-	(16,289)	-	-	(16,289)
Total Long-Term Assets	-	1,803,546	-	-	1,803,546
	<u>\$ 98,496</u>	<u>\$ 4,444,289</u>	<u>\$ 13,330</u>	<u>\$ 29,414</u>	<u>\$ 4,585,529</u>
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts Payable	\$ 1,728	\$ 8,074	\$ 1,108	\$ 155	\$ 11,065
Accrued Wages	5,494	-	2,063	1,999	9,556
Accrued Vacation	3,986	-	6,057	-	10,043
Accrued Interest	-	666	-	-	666
Deferred Income	-	3,000	-	-	3,000
Current Portion of Long Term Liabilities	-	59,791	-	-	59,791
Deferred Compensation	4,050	-	-	-	4,050
Total Current Liabilities	15,258	71,531	9,228	2,154	98,171
Long-Term Liabilities:					
Note Payable - Cortrust Bank	-	342,627	-	-	342,627
Less Current Portion	-	(59,791)	-	-	(59,791)
Total Long-Term Liabilities	-	282,836	-	-	282,836
Total Liabilities	15,258	354,367	9,228	2,154	381,007
Net Assets:					
Net Assets with Restrictions	-	4,089,922	-	-	4,089,922
Net Assets without Restrictions	83,238	-	4,102	27,260	114,600
Total Net Assets	83,238	4,089,922	4,102	27,260	4,204,522
	<u>\$ 98,496</u>	<u>\$ 4,444,289</u>	<u>\$ 13,330</u>	<u>\$ 29,414</u>	<u>\$ 4,585,529</u>

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION
Combining Statement of Activities
For the Year Ended September 30, 2022

	General W/O Rest.	DHDA W/O Rest.	Workforce Develop. W/O Rest.	Total W/O Rest.	Economic Development Restricted
Revenues:					
City and County Support	\$ 177,000	\$ 30,000	\$ -	\$ 207,000	\$ -
Building Lease Income	-	-	-	-	184,136
Contributions	-	71,238	47,510	118,748	5,000
PPP Loan Forgiven	30,384	16,058	8,234	54,676	-
Dues	41,947	-	-	41,947	-
Gain on Sale of Assets	765	-	-	765	36,391
Investment Income	-	-	-	-	9,625
SDEP Income	-	-	-	-	7,600
SD GOED Grant	-	-	-	-	1,700
Miscellaneous	979	-	-	979	-
Interest Income	28	16	-	44	-
Total Revenues	251,103	117,312	55,744	424,159	244,452
Net Assets Released From Restrictions:					
Satisfaction of Purpose Restriction	41,765	-	-	41,765	(41,765)
Expenses:					
Administrative:					
Salaries	178,706	61,100	36,168	275,974	-
Professional Fees	52,847	-	-	52,847	-
Payroll Taxes	12,965	4,459	2,895	20,319	-
Telephone	5,278	3,697	2,837	11,812	-
Health Insurance	2,965	8,136	-	11,101	-
Rent	7,200	1,800	1,800	10,800	-
Supplies	7,174	2,172	806	10,152	-
Depreciation	5,181	424	530	6,135	-
Retirement	3,864	1,713	-	5,577	-
Repairs and Maintenance	2,260	-	-	2,260	-
Training	526	89	699	1,314	-
Total Administrative Expenses	278,966	83,590	45,735	408,291	-
Program Services:					
Dues and Subscriptions	8,174	3,500	120	11,794	-
Travel/Vehicle	2,447	6,492	509	9,448	-
Postage and Printing	3,275	2,359	125	5,759	-
Meetings and Conferences	2,101	2,013	-	4,114	-
Meals	-	3,825	-	3,825	-
Promotion/Marketing	1,376	-	1,062	2,438	-
Website Expense	1,957	23	-	1,980	-
Workforce Development	710	-	648	1,358	-
Software Renewal	926	-	-	926	-
Total Program Expenses	20,966	18,212	2,464	41,642	-
Total Expenses	299,932	101,802	48,199	449,933	-
Support:					
Property Donations	-	-	-	-	127,546
Workforce Development	-	-	-	-	74,646
Depreciation	-	-	-	-	71,415
Marketing and Promotion	-	-	-	-	21,808
Property Maintenance	-	-	-	-	20,522
Interest Expense	-	-	-	-	15,855
Property Taxes	-	-	-	-	13,475
Insurance	-	-	-	-	11,331
Legal Fees	-	-	-	-	8,804
Supplies	-	-	-	-	483
Amortization	-	-	-	-	370
Total Support	-	-	-	-	366,255
Increase (Decrease) in Net Assets	(7,064)	15,510	7,545	15,991	(168,588)
Net Assets, Beginning of the Year	83,238	4,102	27,260	114,600	4,089,922
Net Assets, End of Year	\$ 76,174	\$ 19,612	\$ 34,805	\$ 130,591	\$ 3,921,334

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION

Combining Statement of Activities
For the Year Ended September 30, 2021

	General W/O Rest.	DHDA W/O Rest.	Workforce Develop. W/O Rest.	Total W/O Rest.	Economic Development Restricted	Workforce Restricted
Revenues:						
Contributions	\$ -	\$ 92,970	\$ 45,544	\$ 138,514	\$ 280,000	\$ -
Building Lease Income	-	-	-	-	191,896	-
City and County Support	177,000	-	-	177,000	-	-
SD Covid Grant	75,326	-	-	75,326	-	-
Investment Income	-	-	-	-	70,137	-
Dues	39,955	-	-	39,955	-	-
SD Advantage Grant	-	-	10,000	10,000	-	-
Interest Income	18	7	-	25	-	-
Total Revenues	292,299	92,977	55,544	440,820	542,033	-
Net Assets Released From Restrictions:						
Satisfaction of Purpose Restriction	66,776	-	-	66,776	(66,776)	-
Expenses:						
Administrative:						
Salaries	137,952	66,726	39,390	244,068	-	-
Professional Fees	100,414	-	-	100,414	-	-
Payroll Taxes	9,570	4,533	3,070	17,173	-	-
Health Insurance	5,959	9,058	-	15,017	-	-
Rent	7,200	1,800	1,800	10,800	-	-
Telephone	4,671	2,775	2,729	10,175	-	-
Supplies	5,675	1,710	731	8,116	-	-
Depreciation	4,456	580	558	5,594	-	-
Retirement	2,179	1,813	-	3,992	-	-
Repairs and Maintenance	3,511	-	-	3,511	-	-
Training	1,290	50	350	1,690	-	-
Total Administrative Expenses	282,877	89,045	48,628	420,550	-	-
Program Services:						
CNA Education Grant	-	-	10,000	10,000	-	4,116
Travel/Vehicle	1,062	4,458	71	5,591	-	-
Dues and Subscriptions	3,809	1,000	-	4,809	-	-
Meals	-	3,862	-	3,862	-	-
Postage and Printing	2,201	1,633	-	3,834	-	-
Promotion/Marketing	676	-	1,141	1,817	-	-
Website Expense	516	23	39	578	-	-
Meeting Expense	357	-	-	357	-	-
Software Renewal	300	-	-	300	-	-
Total Program Expenses	8,921	10,976	11,251	31,148	-	4,116
Total Expenses	291,798	100,021	59,879	451,698	-	4,116
Support:						
Depreciation	-	-	-	-	74,448	-
Workforce Development	-	-	-	-	55,712	-
Property Taxes	-	-	-	-	19,626	-
Interest Expense	-	-	-	-	18,827	-
Insurance	-	-	-	-	11,361	-
Legal Fees	-	-	-	-	9,723	-
Property Maintenance	-	-	-	-	3,119	-
Marketing and Promotion	-	-	-	-	2,522	-
Amortization	-	-	-	-	370	-
Miscellaneous	-	-	-	-	60	-
Total Support	-	-	-	-	195,768	-
Increase (Decrease) in Net Assets	67,277	(7,044)	(4,335)	55,898	279,489	(4,116)
Net Assets, Beginning of the Year	15,961	11,146	31,595	58,702	3,810,433	4,116
Net Assets, End of Year	\$ 83,238	\$ 4,102	\$ 27,260	\$ 114,600	\$ 4,089,922	\$ -

See accompanying notes.

MITCHELL AREA DEVELOPMENT CORPORATION

2023-2024 GENERAL FUND BUDGET

2023-2024	
REVENUE	Proposed Budget
General Fund Revenue:	
Income - City Funds	\$ 167,000
Income-Membership Dues	\$ 44,536
Income - County Funds	\$ 10,000
Income - Interest	\$ 380
Income- Misc	\$ -
Transfer from Capital Funds	\$ 60,000
Workforce Development Revenue:	
Income-Industry Partners	\$ -
Income- Mitchell Development	\$ 52,705
Total Revenue	\$ 334,621
EXPENSES	
PERSONNEL EXPENSES	
Salaries	\$ 203,552
Simple IRA Exp	\$ 6,107
Payroll Tax Expense	\$ 15,903
Insurance-Health & Disability & Life	\$ 4,401
Training	\$ 1,000
Travel-Meals-Auto	\$ 1,000
Total Personnel Expenses	\$ 231,963
COMMUNICATIONS EXPENSES	
Membership Software	\$ 1,000
Postage & Printing & Newsletter	\$ 2,000
Telephone	\$ 5,000
Annual & Board Meeting Expense	\$ 3,000
Memberships/Subscriptions	\$ 3,000
Total Communications Expenses	\$ 14,000
ADMINISTRATION/OFFICE EXPENSES	
Rent	\$ 7,200
Supplies	\$ 5,500
Repairs & Maintenance	\$ 1,500
Professional (legal, acctg & eng) Fees	\$ 10,000
Miscellaneous Expense	\$ 100
Depreciation Expense	\$ 2,426
Total Admin/Office Expenses	\$ 26,726
MARKETING/PROGRAM EXPENSES	
Client Marketing & Development	\$ 1,000
Web Site Design, Maintenance & ISP	\$ 1,500
Workforce Recruitment & Development	\$ 6,000
Total Marketing/Program Expenses	\$ 8,500
WORKFORCE DEVELOPMENT EXPENSES	
Salaries & Benefits	\$ 46,405
Memberships & Subscriptions	\$ 200
Telephone & Interent	\$ 2,500
Training	\$ 500
Travel & Meals	\$ 500
Supplies	\$ 800
Office Rent	\$ 1,800
Total Workforce Development Expenses	\$ 52,705
TOTAL EXPENSES	\$ 333,894
NET REVENUES (EXPENSES)	\$ 727

**Mitchell Area Development Corporation
Board of Directors
2022-2023**

Officers

President.....Trevor Dierks
Vice President.....Ken Schlimgen
Treasurer.....Becky Pitz
Secretary/CEO.....Geri Beck
Past President.....Tim Bottum

Term Expires September 30, 2023

Tim Bottum..... Attorney, Morgan Theeler LLP (2017,2020)
Dr. Hilary Rockwell.....CEO, Avera Queen of Peace Hospital (2020*)

Term Expires September 30, 2024

Teresa Sternhagen.....GM, Toshiba America (2021)
Ryan Thompson.....GM/CEO, Santel Communications (2021)
Ken Schlimgen.....GM, Central Electric Cooperative (2021)
Becky Pitz.....Manager, POET Bio-processing (2021)
Chad Glanzer.....President, Vantage Point (2021)

Term Expires September 30, 2025

Trevor Dierks.....President, First Dakota National Bank (2019, 2022)
Brian Klock.....President, KlockWerks (2019, 2022)
Justin Luther..... President, County Fair Food Stores (2022)

Ex-Officios

Dr. Dan Kittle..... President, Dakota Wesleyan University
Dr. Joe Childs.....Superintendent, Mitchell School District
Mark Wilson.....President, Mitchell Technical College
Bob Everson.....Mayor, City of Mitchell
Stephanie Ellwein.....City Administrator, City of Mitchell
Jeff Smith.....City Council, City of Mitchell
Austen Iverson..... Past President, Chamber of Commerce
John Clagget.....County Commissioner, Davison County

*Hillary Rockwell assumed the board position of Doug Ekeren.

Outside expectations

Mitchell Convention & Visitors Bureau
601 North Main Street | Mitchell, SD 57301
Phone: 605.996.6223
MitchellSD.com



To: Mitchell City Council
From: Mitchell Convention & Visitors Bureau
Date: July 24, 2023
Subject: 2024 Funding Application for Mitchell Convention & Visitors Bureau

Mayor and Council,

Enclosed please find the request for continued funding for the Mitchell Convention & Visitors Bureau (CVB) in fiscal year 2024.

As the premiere marketing agency for Mitchell, the Convention & Visitors Bureau has been promoting the community of Mitchell for over 30 years. With an overarching mission to enhance the economic well-being of the City of Mitchell and its surrounding area, we respectfully request continued funding for our efforts.

We look forward to the continued development and implementation of plans, programs, and promotions that encourage tourism in our area while working towards strategic outcomes identified by the Mitchell Community Forward 2040 community vision.

Our commitment to leisure travel, group travel and outdoor enthusiasts, in addition to our efforts to attract and grow sporting events, meetings, conventions, and other related activities, continues to position Mitchell as an outstanding community whose residents out-think, out-produce and out-perform.

Thank you for your consideration,

A handwritten signature in black ink that reads "Johanna Allen". The script is fluid and cursive.

Johanna Allen
CVB Marketing Lead
Mitchell Convention & Visitors Bureau
601 North Main Street
Mitchell, SD 57301
Phone: (605) 996-6223

Outside expectations

APPLICATION FOR 2024 SUBSIDY OF CITY FUNDS

Applicant: Mitchell Convention & Visitors Bureau

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-6223

Contact (individual responsible for the project):

Name: Geri Beck

Title: CEO

Address: 601 N. Main Street, Mitchell, SD 57301

Telephone: 605-996-6223

Email: geri@mitchellsd.com

Applicant is:

- ☒ nonprofit organization
- ☐ government agency
- ☐ for-profit business
- ☐ an individual
- ☐ other [Click or tap here to enter text.](#)

Amount Requested: \$ 275,000

Date(s) of Implementation: January through December 2024

1. Brief History of Organization/Applicant.

The Mitchell Convention & Visitors Bureau (CVB) is a nonprofit organization founded 30+ years ago to increase visitor-related revenue from local, regional, state and national markets. Our marketing efforts are concentrated on three targeted geographical areas: Local/Residents within a 30-minute drive of Mitchell; Day Trippers: 30-140 minutes drive outside of Mitchell; National Visitors: 140+ minutes outside of Mitchell (likely to use hotels).

2. Provide a description of the program characteristics which distinguish it from others in Mitchell.

The Mitchell CVB is the only organization in our community entirely devoted to marketing the community to individuals, whether they be local, regional, statewide, or national travelers. While other organizations may have marketing responsibilities, the CVB is the only organization whose sole purpose is to attract and support visits to Mitchell and to ensure that positive experiences result in return visits. All efforts have the same goal of increasing sales and entertainment tax for the city of Mitchell.

3. Identify the key issues facing your organization at this time.

The key issue since the onset of Covid-19 has been the increase in competition to recruit and retain quality employees in the hospitality industry. After two record-breaking tourism seasons in 2021 and 2022, our next issue is how we market to get returning and new visitors now that all parts of the world are open and welcoming visitors. The CVB's most valuable resource is people. Everyone is pursuing top talent and we need to be competitive regarding compensation packages for our team. Website search engine issues; MitchellSD.com and VisitMitchell.com are competing for top placement in internet searches, visitor attention and dollars.

4. Summary Project Description

With our commitment to family, wander, and group travel markets, we will continue our collaboration with the South Dakota Department of Tourism; this matching fund partnership leverages \$40,000 in state funds (\$80,000 total marketing funds) and has increased our marketing reach in and out of South Dakota. To ensure the best results, it is important to draw new and returning visitors to our community. The CVB publishes the Mitchell Guide to Everything, a visitor and community guide, annually. With 50,000 printed and distributed throughout the nation, this guide includes information on area attractions, events, a listing of hospitality businesses and community information for new and existing residents. The pandemic changed the way people travel as well as what they expect when traveling, therefore, the CVB will continue to work diligently to develop and implement marketing messages and promotions that modify these programs based on business feedback which encourages spending locally. Our quarterly reports continuously show our digital marketing efforts are meeting or exceeding many benchmark areas. We believe our efforts have helped to keep the loss of entertainment and sales tax to a minimum and we are holding steady with an increase across the board. From May through October, our competent paid seasonal team greets visitors upon their arrival and exit of The Corn Palace facility and share businesses information in efforts to increase the length of stay in Mitchell. It is our commitment to play a leadership role in the implementation of the Forward 2040 Community Plan as it relates to "evolving Mitchell's Recreation, Tourism, and Place-Making" pillar. We are a natural fit to lead this community strategic pillar along with other community members and businesses in the hospitality industry.

5. Provide the name of the project or program and describe in it in 50 words or less.

Our program of work covers the marketing expenditures, including local, regional, state and national markets, as well as visitor support services and personnel costs associated with managing the projects outlined in question 4.

6. Location of project or program

The Convention & Visitor's Bureau is located on Mitchell's historic Main Street across the street from the Corn Palace. The CVB is a division of the Chamber of Commerce and works collectively with the Mitchell Area Development

Corporation and Dakota Heartland Development Association. Mitchell Main Street and Beyond also share a workspace with the listed organizations allowing for a collaborative work environment. The marketing efforts directly out of the CVB office will be “community marketing” and span the city of Mitchell and outlying areas, along with regional, state and national reach.

7. Project Summary: State the project and/or program’s purpose, significance, ownership, schedule and anticipated outcomes.

A division of the Mitchell Area Chamber of Commerce, the Mitchell Convention & Visitors Bureau seeks to increase revenue from local, regional, state and national markets. The CVB is the primary marketing agency for the city and region, promoting the Mitchell area for leisure and group travel, pheasant hunting, athletic and special events, meetings and conventions, workforce availability and quality of life. The result of the comprehensive efforts is a stronger economy for the Mitchell area.

8. Goals/Performance Measurers: Describe measurable goals and performance measurements that you intend to accomplish in the next year and two years.

Our goal is to increase the sales tax base in the Mitchell community by 3%. Our efforts will be measured by growth in both the overall sales tax increase as well as the entertainment tax increase. We have set a goal for hotel vacancies of no less than 48% for the year-round average. We will work to market Mitchell as a regional source for goods, services, careers, and quality of life.



9. Forward 2040 Integration. *(click here to read the report)*: Please tell us how this project integrates with strategic outcomes identified by the Mitchell Community in Forward2040 community vision. Be specific in how the program requesting funding will meet one of the goals listed in the strategic pillars.

☑ Strategic Pillar: Foster a Supportive and Inclusive Community Culture *(1) Create a central communications Platform for the whole community (2) deliberately remove barriers to inclusion (3) Open the door to new people and ideas (4) Actively seek youth involvement in the community*

As the primary marketing organization for the community of Mitchell, the CVB will continue to spread awareness and promote collective community events on our landing page for the community to receive up-to-date information at www.mitchellsd.com. Our marketing efforts will continue to remove barriers of inclusion to represent all Mitchell residents and will seek youth involvement when necessary. We will work in partnership with the Chamber of Commerce to help with the relocation of migrant workers from outside of Mitchell as those efforts continue. The CVB will provide support and information regarding moving to Mitchell. We will also actively participate in the newly created Mitchell Area Inclusion Coalition for marketing and event needs.

☑ Strategic Pillar: Create an Educational Hot Spot, emphasizing innovation opportunities. *(1) Forge strong partnerships across the entire educational sector, (2) Create a lifelong learning environment in Mitchell, (3) Build strong career pathways between students and local industry (4) Promote Mitchell as a hotbed of educational excellence.*

The CVB will continue to work closely with the Corn Place as well as Dakota Wesleyan’s Digital Media and Design students on the development of the yearly murals. We will also continue to promote this partnership between our organizations to visitors and guests in our community.

The CVB will also continue to work with all our education opportunities from Pre-K through secondary education

to promote both higher education offerings and our public school district when marketing to families and students. Due to the collaborative work environment, the CVB will assist the Development Corporation and Chamber of Commerce on all marketing needs as it relates to workforce, fostering entrepreneurial opportunities and creating a segue from high school and/or collegiate learners to future residents and business leaders.

Working closely with MACC and the State of the School Task Force that coincides with Forward 2040's planning, we will collaborate and assist the task force with any marketing efforts to promote and create stronger partnerships across Mitchell's entire educational sector, such as the education brochure and distribution.

☒ Strategic Pillar: Position Mitchell as a regional leadership center *(1) Leverage Mitchell's geographic location to become a major 'Destination Location', (2) Aggressively promote Mitchell's unique brand across the State and Region, (3) Attract innovative programs, services and funding to Mitchell, (4) Provide thought-leadership on important regional and State topics.*

"Home of the World's Only Corn Palace!" will continue to be our marketing leading headline. We will continue to capture an audience by creating interest and the desire to learn more. We will be able to market Mitchell's unique brand showcasing what makes Mitchell "Outside Expectations." Our team will continue to represent Mitchell at regional tourism organizations and boards and serve as the community representatives through the state tourism office. We will actively work with members of the Mitchell community to promote agrotourism and help the business owners stay up to date with state legislation.

☒ Strategic Pillar: Strengthen Industry Clusters in and Around Mitchell *(1) Diversify and intensify Mitchell's technology and agricultural sectors, (2) Build Mitchell's capacity to support emerging industry hubs, (3) Create strong industry ecosystems that drive knowledge-sharing and innovation, (4) Foster entrepreneurship and start-up businesses.*

Our team is dedicated to assisting the Development Corporation and Chamber of Commerce in any marketing avenues that may arise from the Regional Leadership Task Force.

☒ Strategic Pillar: Enhance Mitchell's Recreation, Tourism, and Place-Making *(1) Build-out multimodal infrastructure across Mitchell, (2) Clean up the Lake, revitalize the downtown, and celebrate the Corn Palace, (3) Position Mitchell as the premier center0state location for sports and recreation, (4) Develop and promote unique and authentic 'Mitchell experiences'.*

The CVB will continue to execute the marketing messages provided by the Forward 2040 plan. Along with the community branding that reaches locals, day trippers, regional and national visitors as well as creating awareness of available workforce options and quality of life opportunities. We have created the Enhance Mitchell Task Force to coincide with Forward 2040 to continue the progress of Mitchell's recreation, tourism, and place-making. The Enhance Mitchell task force will continue to dedicate resources to key issues that arise from Forward 2040. The CVB, along with the Enhance Mitchell task force, will plan informational meetings regarding issues important to Mitchell such as the clean up of Lake Mitchell and the revitalization of Mitchell's Historic Main Street.

Our marketing plan includes strategies to drive the Forward 2040 plan by providing clear, consistent messaging to residents, day trippers and regional visitors to promote Mitchell's business sector, community events, and quality

of life. We will promote the Mitchell community to attract the needed workforce and promote Mitchell as a tourism stop that welcomes families, wanderers, and group travel markets.

Lastly, we will continue our efforts to attract visitors to Mitchell by means of conventions, conferences, meetings, athletics, and special events by bidding, growing, and hosting various regional events.

Certification

Acting as the duly authorized representative for the described project and its sponsoring organization/agency/business, I certify that the information submitted is correct to the best of my knowledge and belief and submit this request for funding to the City of Mitchell.

Name: Johanna Allen

Title: CVB Marketing Lead

☒ By checking this box, I acknowledge my agreement to the above certification.

☒ By checking this box, I acknowledge I have included my most recent financial statements are required by the application for funds.

☒ By checking this box, I acknowledge the reporting requirements for receipt of City Subsidy Funds

Date: 7/24/2023

Mitchell Area Chamber of Commerce, Inc.

**Independent Accountant's Review Report
and Financial Statements**

**For the Years Ended
September 30, 2022 and 2021**

Mitchell Area Chamber of Commerce, Inc.
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Independent Accountant's Review Report

To Management and Board of Directors
Mitchell Area Chamber of Commerce, Inc.
Mitchell, South Dakota

We have reviewed the accompanying financial statements of Mitchell Area Chamber of Commerce, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Organization and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2022 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

The accompanying combining statements of financial position and Activities and Changes in Net Assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Report on 2021 Financial Statements

The financial statements of Mitchell Area Chamber of Commerce, Inc. as of September 30, 2021, were reviewed by other accountants whose report dated January 5, 2022, stated that based on their procedures, they were not aware of any material modifications that should be made to those financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. As discussed in Note 16 to the financial statements, there was a restatement to these financial statements relating to the deferred tax provisions. Accordingly, amounts within the statement of financial position, statement of activities, and statement of cash flows have been restated in the 2021 financial statements now presented. The opinion has not been changed with respect to the financial statement relating to this matter.

CIO of LLC

Mitchell, South Dakota
March 3, 2023

Mitchell Area Chamber of Commerce, Inc.
Statements of Financial Position

	September 30,	
	2022	2021 (Restated)
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,556,519	\$ 1,628,887
Certificates of deposit	174,590	174,329
Accounts receivable, net of allowance for doubtful accounts 2022 \$0; 2021 \$0	18,390	28,552
Due from employees	627	1,919
Inventory	200,419	144,459
Prepaid expenses	--	1,688
Total Current Assets	<u>1,950,545</u>	<u>1,979,834</u>
Property and Equipment, at cost		
Land	70,322	70,322
Buildings and improvements	1,288,394	1,372,576
Furniture and equipment	431,286	428,500
Total Property and Equipment	<u>1,790,002</u>	<u>1,871,398</u>
Less accumulated depreciation	<u>(764,343)</u>	<u>(745,832)</u>
Net Property and Equipment	<u>1,025,659</u>	<u>1,125,566</u>
Other Assets		
Rental - building, net of accumulated depreciation 2022 \$156,198; 2021 \$150,917	141,921	147,202
Goodwill, net of accumulated amortization 2022 \$9,669; 2021 \$8,236	<u>11,817</u>	<u>13,250</u>
Total Other Assets	<u>153,738</u>	<u>160,452</u>
Total Assets	<u>\$ 3,129,942</u>	<u>\$ 3,265,852</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 3,788	\$ 3,086
Accrued wages	16,437	105,767
Other accrued expenses	54,309	39,951
Deferred revenue	11,429	11,173
PPP Loan	--	166,325
Deferred tax liability	9,700	11,300
Current portion of long-term debt	<u>16,500</u>	<u>16,300</u>
Total Current Liabilities	<u>112,163</u>	<u>353,902</u>
Long-term Liabilities		
Long-term debt (net of current portion)	<u>537,359</u>	<u>553,847</u>
Total Long-term Liabilities	<u>537,359</u>	<u>553,847</u>
Net Assets		
Without restrictions	2,475,573	2,339,894
With restrictions	<u>4,847</u>	<u>18,209</u>
Total Net Assets	<u>2,480,420</u>	<u>2,358,103</u>
Total Liabilities and Net Assets	<u>\$ 3,129,942</u>	<u>\$ 3,265,852</u>

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.
Statements of Activities

	Without Restrictions	With Restrictions	2022 Total	2021 Total (Restated)
Revenues				
Net sales	\$ 1,246,008	\$ --	\$ 1,246,008	\$ 1,638,152
City funds	250,000	--	250,000	255,448
Membership dues	159,610	--	159,610	167,004
Tear-off map income	25,625	--	25,625	21,274
Agribusiness committee	11,765	--	11,765	11,400
Website and directory	11,671	--	11,671	10,496
Government affairs committee	10,165	--	10,165	75
Literature rack sales	8,250	--	8,250	8,895
Annual banquet	8,220	--	8,220	1,900
Ambassadors committee	6,630	--	6,630	8,125
Miscellaneous	4,350	--	4,350	1,269
Membership committee	4,187	--	4,187	10,586
The network	3,005	--	3,005	2,371
Grants and donations	--	--	--	58,000
Assets released from restrictions	13,362	(13,362)	--	--
Total Revenue	<u>1,762,848</u>	<u>(13,362)</u>	<u>1,749,486</u>	<u>2,194,995</u>
Cost of Sales	<u>528,611</u>	<u>--</u>	<u>528,611</u>	<u>616,275</u>
Gross Margin	<u>1,234,237</u>	<u>(13,362)</u>	<u>1,220,875</u>	<u>1,578,720</u>
Expenses				
Management and general	305,981	--	305,981	163,781
Tourism and rental	624,530	--	624,530	706,221
Program	321,278	--	321,278	343,015
Total Expenses	<u>1,251,789</u>	<u>--</u>	<u>1,251,789</u>	<u>1,213,017</u>
Change in Net Assets from Operations	<u>(17,552)</u>	<u>(13,362)</u>	<u>(30,914)</u>	<u>365,703</u>

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.
Statements of Activities (Continued)

	Without Restrictions	With Restrictions	2022 Total	2021 Total (Restated)
Other Income (Expense)				
Rental income	50,066	--	50,066	45,726
Rental depreciation	(5,281)	--	(5,281)	(4,802)
Interest income	1,986	--	1,986	1,194
Interest expense	(7,469)	--	(7,469)	(7,755)
(Loss) on abandonment of assets	(48,520)	--	(48,520)	--
Gain on extinguishment of debt	166,226		166,226	--
Other Income - Net	<u>157,008</u>	<u>--</u>	<u>157,008</u>	<u>34,363</u>
Change in Net Assets Before Income Taxes	<u>139,456</u>	<u>(13,362)</u>	<u>126,094</u>	<u>400,066</u>
Income Tax Provisions				
Income tax (expense)	<u>(3,777)</u>	<u>--</u>	<u>(3,777)</u>	<u>(43,000)</u>
Total Income Tax Provisions	<u>(3,777)</u>	<u>--</u>	<u>(3,777)</u>	<u>(43,000)</u>
Change in Net Assets	<u>135,679</u>	<u>(13,362)</u>	<u>122,317</u>	<u>357,066</u>
Net Assets, Beginning of Year	<u>2,339,894</u>	<u>18,209</u>	<u>2,358,103</u>	<u>2,001,037</u>
Net Assets, End of Year	<u><u>\$ 2,475,573</u></u>	<u><u>\$ 4,847</u></u>	<u><u>\$ 2,480,420</u></u>	<u><u>\$ 2,358,103</u></u>

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.
Statements of Functional Expenses

Expenses	Management and General	Tourism and Rental	Program	2022 Total	2021 Total
Salaries	\$ 119,060	\$ 252,265	\$ 89,461	\$ 460,786	\$ 520,197
Advertising and promotion	--	47,063	141,553	188,616	188,365
Rent to city	--	120,000	--	120,000	120,000
Grant expense	61,436	--	--	61,436	--
Depreciation	20,837	18,802	14,533	54,172	52,628
Payroll taxes	6,517	26,656	7,185	40,358	30,556
Utilities and telephone	4,139	30,331	1,970	36,440	30,693
Credit card discount	896	31,270	--	32,166	36,519
Supplies	5,347	13,395	10,372	29,114	29,706
Professional fees	4,682	16,246	4,513	25,441	35,305
Employee benefits and retirement	6,596	12,285	4,658	23,539	37,609
Tear-off map expense	--	--	23,451	23,451	--
Insurance and bonding	--	20,188	--	20,188	17,017
Repairs	965	14,672	1,872	17,509	10,785
Community brand development	12,508	--	--	12,508	--
Property taxes	--	10,746	--	10,746	8,561
Computer maintenance and supplies	6,358	--	4,234	10,592	6,980
Hospitality	--	--	9,508	9,508	4,423
Agri/business committee	9,077	--	--	9,077	9,347
Ambassadors committee	8,851	--	--	8,851	6,680
Government affairs committee	8,242	--	--	8,242	367
Travel and meetings	2,047	3,175	2,774	7,996	4,482
Annual banquet	7,540	--	--	7,540	384
Postage and delivery	1,274	2,799	2,635	6,708	8,751
The network	3,522	--	--	3,522	3,067
Dues and subscriptions	2,079	1,409	--	3,488	2,071
Mitchell money	3,219	--	--	3,219	12,142
Copy expense	2,064	723	--	2,787	3,012
Membership committee	2,680	--	--	2,680	7,584
Training	1,253	--	950	2,203	1,841
In-town	1,914	--	--	1,914	1,129
Janitorial	1,873	--	--	1,873	1,860
Amortization	--	1,433	--	1,433	1,432
Miscellaneous	1,005	74	--	1,079	785
Freight and storage	--	998	--	998	534
Athletic events	--	--	995	995	--
Regional marketing	--	--	614	614	--
Newsletter and brochures	--	--	--	--	18,046
City beautification	--	--	--	--	159
Total Expenses	<u>\$ 305,981</u>	<u>\$ 624,530</u>	<u>\$ 321,278</u>	<u>\$ 1,251,789</u>	<u>\$ 1,213,017</u>

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.
Statements of Cash Flows

	Years Ended September 30,	
	2022	2021 (Restated)
Cash Flows from Operating Activities		
Cash received from Chamber activities	\$ 67,223	\$ 34,457
Cash received from customers	1,226,859	1,658,812
Cash received from City - Convention Visitors Bureau	250,000	255,448
Cash received from dues and contributions	159,610	225,004
Cash received from renters and others	50,066	45,726
Cash paid to suppliers and employees	(1,801,212)	(1,546,275)
Interest received	1,986	1,194
Interest paid	(7,469)	--
Net Cash Provided (Used) by Operating Activities	<u>(52,937)</u>	<u>674,366</u>
Cash Flows from Investing Activities		
Capital expenditures	(2,785)	(60,547)
(Investment) in certificates of deposit	(260)	(522)
Net Cash Provided (Used) by Investing Activities	<u>(3,045)</u>	<u>(61,069)</u>
Cash Flows from Financing Activities		
New borrowings	--	166,325
Payments of long-term debt	(16,386)	(21,845)
Net Cash Provided (Used) by Financing Activities	<u>(16,386)</u>	<u>144,480</u>
Net Increase (Decrease) In Cash	(72,368)	757,777
Cash and Cash Equivalents, Beginning of Year	1,628,887	871,110
Cash and Cash Equivalents, End of Year	<u>\$ 1,556,519</u>	<u>\$ 1,628,887</u>

See Independent Accountant's Review Report
The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.
Statements of Cash Flows (Continued)

(Continued)

	Years Ended September 30,	
	2022	2021 (Restated)
Reconciliation of Change in Net Assets to		
Net Cash provided (used) by Operating Activities		
Change in net assets	\$ 122,317	\$ 357,066
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	60,886	58,862
(Gain) on extinguishment of debt	(166,225)	--
Loss on abandonment of assets	48,519	
(Increase) decrease in:		
Accounts receivable	10,162	37,901
Due from employees	1,292	(1,919)
Inventory	(55,960)	90,595
Prepaid expenses	1,688	84
Deferred tax asset	--	31,700
Increase (decrease) in:		
Due to employees	--	(3,128)
Accounts payable	702	3,086
Accrued wages	(89,330)	71,820
Other accruals	14,356	20,578
Deferred tax liability	(1,600)	11,300
Deferred income	256	(3,579)
Net Cash Provided (Used) by Operating Activities	<u>\$ (52,937)</u>	<u>\$ 674,366</u>

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

1. Summary of Significant Accounting Policies:

Reporting Entity: Mitchell Area Chamber of Commerce, Inc. was organized to promote the growth of business located within the designated area around Mitchell, South Dakota and to promote visitation/tourism to the Mitchell area. Mitchell Area Chamber of Commerce, Inc. consists of three divisions. The General Fund of the Organization collects membership dues and receives funds through several committees which hold special events throughout the year. The gross margin from the general fund's operations was approximately \$217,000 and represented approximately 18% of the Organization's gross margin. The Tourism Enterprise Division operates a gift shop and souvenir business. The gross margin from operations of the Tourism Enterprise Division was approximately \$719,000 and represented approximately 59% of the Organization's gross margin. The Convention Visitors Bureau receives funding from the City of Mitchell; the funds are used in the promotion and development of conventions and regional promotion. The gross margin from the Convention Visitor's Bureau's operations was approximately \$285,000 and represented approximately 23% of the Organization's gross margin.

The accompanying financial statements include the accounts of all divisions of Mitchell Area Chamber of Commerce, Inc. (General Fund, Convention Visitors Bureau, and Tourism Enterprise Division Fund).

Basis of Accounting: The financial statements have been prepared on an accrual basis in conformity with generally accepted accounting principles. Net assets, revenue, expenses, gains and losses are classified based upon the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Net Asset Without Restrictions: Net assets that are not subject to donor-imposed stipulations.

Net Assets With Restrictions: Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with restrictions are reclassified to net assets without restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Inventory: Inventory is stated at the lower of cost or market. Cost is determined by the first-in first-out method, or net realizable value.

Accounts Receivable: Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probably uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables from members, grantors and others. Balances still outstanding after management has made reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable.

See Independent Accountant's Review Report

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

1. Summary of Significant Accounting Policies:

Property and Equipment: Property and equipment are recorded at cost at date of acquisition or fair value at date of donation in the case of gifts. The Organization reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as unrestricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives, principally on the straight-line basis:

	<u>Lives</u>
Land improvements	10-15 years
Buildings and improvements	20-40 years
Equipment	5-7 years

It is the Organization's capitalization policy to expense plant assets with an initial cost of less than \$500.

Revenue Recognition: Revenue from donations is recorded when received. Income from pledges is recorded when the pledge is made. Income from grants is recorded when the grant is awarded. Other income is recorded on the accrual basis. The adoption of FASB ASC 606 has not affected how the Organization recognized revenue.

Contributions: Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Contributions of property, plant and equipment are stated at fair value on the date of donation.

Allocation of Costs between Program and Support Functions: Allocations between functions are governed by the chart of accounts.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes: The Organization is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code and files Form 990, Return of Organization Exempt from Income Tax. The Tourism Enterprise Division of the Organization is treated as an unrelated trade or business for tax purposes and is consequently taxed on its income. The state of South Dakota does not levy an income tax.

See Independent Accountant's Review Report

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

1. Summary of Significant Accounting Policies: (Continued)

Accounting for Uncertain Tax Positions: The Organization has adopted the accounting standard regarding "Accounting for Uncertain Tax Positions". This accounting standard provides detailed guidance for financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the Organization's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. The Organization files income tax returns in the U.S. federal jurisdiction. With few exceptions, the Organization is no longer subject to U.S. tax examinations by tax authorities for years before 2019.

Date of Management's Review of Subsequent Events: Management has evaluated subsequent events through March 2, 2023, the date which the financial statements were available to be issued.

2. Related Party Transactions:

Mitchell Area Chamber of Commerce, Inc. General Fund receives rental income from the Mitchell Area Development Corporation. The rent received was \$10,800 for the years ended September 30, 2022, and 2021, respectively.

Mitchell Area Development Corporation also financed an extensive remodel on the Chamber building in 2020. The Chamber executed a note payable to MADC.

The two Organizations also share a CEO and CFO but have separate boards.

3. Net Assets With Restrictions:

Net assets with restrictions are available for the following purposes as of September 30, 2022 and 2021 are as follows:

	2022	2021
Convention Visitors Bureau	\$ 200,720	\$ 185,170

4. Designated Net Assets:

The Chamber Board of Directors has designated net assets to be used for the following purposes as of September 30, 2022 and 2021:

	2022	2021
Wage/Benefit Survey	\$ --	\$ 854
Corn Palace Museum - Dolls	74	74
Regional Marketing	4,773	17,281
	<u>\$ 4,847</u>	<u>\$ 18,209</u>

See Independent Accountant's Review Report

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

5. Retirement Benefits:

Effective January 1, 1998, the Mitchell Area Chamber of Commerce, Inc. established a Simple IRA pension plan covering all employees who are expected to earn \$5,000 or more during the year. The Organization contributes a matching contribution to each eligible employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the year. The employer contribution for the Organization for the years ended September 30, 2022, and 2021 was \$6,072 and \$8,699, respectively.

6. Concentration of Credit Risk:

The Organization maintains cash balances at several financial institutions located in Mitchell, South Dakota. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. On September 30, 2022, the Organization's uninsured cash balances totaled \$440,015.

7. Economic Dependence:

The Organization is economically dependent on funding from the City of Mitchell. The Organization received the following amounts from the City of Mitchell for the years ended September 30, 2022 and 2021:

	2022	2021
Convention Visitors Bureau	<u>\$ 250,000</u>	<u>\$ 255,448</u>

8. Lease Agreements:

The Corn Palace Concession rights are leased from the City of Mitchell. This exclusive right was in the form of a three-year lease from January 1, 2016, to December 31, 2018, and provided for annual rents of \$120,000 per summer season (June-August). Upon the expiration of the initial term, and again at the completion of the first renewal term, the Chamber and City may agree to renew the agreement for up to two additional three-year terms. Rent expense was \$120,000 for both years ending September 30, 2022, and 2021.

The Tourism Enterprise Division Fund leases shop space to various merchants. These shops are rented on a year-by-year basis running from January to December. For the years ended September 30, 2022, and 2021, Tourism Enterprise Division Fund collected \$39,266 and \$34,926 in rental income, respectively.

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

9. Income Taxes:

Federal income taxes are provided on the revenue and expense items included in the Statement of Activities, regardless of the period in which such items are recognized for income tax purposes, except for items representing a permanent difference between book accounting income and taxable income. Permanent differences include interest income, rental income, rental depreciation, and miscellaneous income which are not taxable or deductible for federal income tax purposes. Deferred taxes are provided for temporary differences between book accounting income and taxable income. The temporary difference consists of net operating loss carryovers, accrued vacation and depreciation. The measurement of deferred tax liability is based on provisions for the enacted tax law. The effect of future changes in tax laws or rate are not considered. The provision for income taxes consists of the following components, for the years ended September 30, 2022 and 2021:

	2022	2021 (Restated)
Deferred tax expense	\$ 3,777	\$ 43,000

Deferred tax assets and liabilities at September 30, consisted of the following:

	2022	2021 (Restated)
Deferred tax liability:		
Accrued vacation	\$ 1,890	\$ 2,181
Property, plant and equipment - net	(11,590)	(13,481)
Net deferred tax (liability)	\$ (9,700)	\$ (11,300)

10. Liquidity and Availability of Financial Assets:

The following reflects the Organization's financial assets as of the balance sheet dates, reduced by amounts not available for general use because of contractual or donor-imposed restrictions.

	2022	2021
Financial Assets, September 30	\$ 1,731,109	\$ 1,803,216
Less: Current portion of note payable	(16,500)	(16,300)
Financial assets available to meet cash needs for General expenditures within one year	\$ 1,714,609	\$ 1,786,916

As part of the Organization's liquidity management, it invests cash in excess of current requirements in short-term certificates of deposit.

See Independent Accountant's Review Report

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

11. Long Term Debt:

Long term debt at September 30, 2022 and 2021 consisted of the following:

	2022	2021
1.31% note payable to Mitchell Area Development Corporation payable in annual installments of \$23,758, including interest through September 2050	\$ 553,859	\$ 570,147
Less: current maturities	(16,500)	(16,300)
Long-term portion	<u>\$ 537,359</u>	<u>\$ 553,847</u>

Maturities of long-term debt during the next five years ending September 30, are as follows:

2023	\$ 16,500
2024	\$ 16,700
2025	\$ 17,000
2026	\$ 17,200
2027	\$ 17,400

12. Goodwill:

Goodwill of \$21,486 was recorded in 2016 in connection with the acquisition of Corn Palace Distributing, LLC. The cost is being amortized on a straight-line basis over 15 years.

13. Future Accounting Standards Update:

In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), which provides guidance for accounting for leases. The standard update requires the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as income or expenses on the income statement. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. This ASU is effective for periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022, with an early adoption permitted. It is to be adopted using the modified retrospective approach. The Organization is currently evaluating this guidance to determine the impact, if any, it may have on its financial statements.

Mitchell Area Chamber of Commerce, Inc.

Notes to Financial Statements

September 30, 2022 and 2021

14. Prior Period Adjustment:

Net assets without donor restrictions, deferred tax asset, and deferred tax liability as of September 30, 2021 have been adjusted for income tax provisions. The correction results in a decrease of unrestricted net assets for the year ended September 30, 2021 and a related decrease to the deferred tax asset and increase in deferred tax liability as of September 30, 2021. The financial statements issued as of September 30, 2021 have been restated to correct this error as shown in the following table:

Statement of Financial Position	As Previously Reported	Adjustment	Amount as Restated
Deferred tax asset	\$ 32,000	\$ (32,000)	\$ --
Deferred tax liability	--	11,300	11,300
Without donor restrictions	2,383,194	(43,300)	2,339,894
Statement of Activities			
Income tax benefit (expense)	300	(43,300)	(43,000)
Statement of Cash Flow			
Change in net assets	400,366	(43,300)	357,066
(Increase) decrease in:			
Deferred tax asset	(300)	32,000	31,700
Increase (decrease) in:			
Deferred tax liability	--	11,300	11,300

See Independent Accountant's Review Report

Supplemental Information

Mitchell Area Chamber of Commerce, Inc.
Supplemental Information
Combining Statement of Financial Position

	General	Tourism Enterprise	Convention Visitors Bureau	Elimination	2022 Total
Assets					
Current Assets					
Cash and cash equivalents	\$ 300,859	\$ 1,054,940	\$ 200,720	\$ --	\$ 1,556,519
Certificates of deposit	--	174,590	--	--	174,590
Accounts receivable	18,390	--	--	--	18,390
Due from employees	627	--	--	--	627
Inventory	--	200,419	--	--	200,419
Due from other divisions	6,945	--	--	(6,945)	--
Total Current Assets	326,821	1,429,949	200,720	(6,945)	1,950,545
Property and Equipment, at cost					
Land	--	70,322	--	--	70,322
Buildings and improvements	591,992	696,402	--	--	1,288,394
Furniture and equipment	154,325	191,606	85,355	--	431,286
Total Property and Equipment	746,317	958,330	85,355	--	1,790,002
Less accumulated depreciation	(150,464)	(555,071)	(58,808)	--	(764,343)
Net Property and Equipment	595,853	403,259	26,547	--	1,025,659
Other Assets					
Rental - building, net of accumulated depreciation \$150,917	--	141,921	--	--	141,921
Goodwill, net of accumulated amortization \$8,236	--	11,817	--	--	11,817
Total Other Assets	--	153,738	--	--	153,738
Total Assets	\$ 922,674	\$ 1,986,946	\$ 227,267	\$ (6,945)	\$ 3,129,942
Liabilities and Net Assets					
Current Liabilities					
Due to other divisions	\$ --	\$ 2,651	\$ 4,294	\$ (6,945)	\$ --
Accounts payable	--	3,788	--	--	3,788
Accrued wages payable	4,223	7,253	4,961	--	16,437
Other accrued expenses	5,492	45,818	2,999	--	54,309
Deferred income	11,429	--	--	--	11,429
Deferred tax liability	--	9,700	--	--	9,700
Current portion long-term debt	16,500	--	--	--	16,500
Total Current Liabilities	37,644	69,210	12,254	(6,945)	112,163
Long-term Liabilities					
Long-term debt (net of current portion)	537,359	--	--	--	537,359
Total Long-term Liabilities	537,359	--	--	--	537,359
Net Assets					
Without restrictions	342,824	1,917,736	215,013	--	2,475,573
With restrictions	4,847	--	--	--	4,847
Total Net Assets	347,671	1,917,736	215,013	--	2,480,420
Total Liabilities and Net Assets	\$ 922,674	\$ 1,986,946	\$ 227,267	\$ (6,945)	\$ 3,129,942

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.

Supplemental Information

Combining Statement of Activities and Changes in Net Assets

	General Without Restrictions	General With Restrictions	Total	Tourism Enterprise	Convention Visitors Bureau	Elimination	2022 Total
Revenues							
Net sales	\$ --	\$ --	\$ --	\$ 1,246,008	\$ --	\$ --	\$ 1,246,008
City funds	--	--	--	--	250,000	--	250,000
Membership dues	159,610	--	159,610	--	--	--	159,610
Tear-off map income	--	--	--	--	25,625	--	25,625
Agri/business committee	11,765	--	11,765	--	--	--	11,765
Website and directory	11,671	--	11,671	--	--	--	11,671
Government affairs committee	10,165	--	10,165	--	--	--	10,165
Literature rack sales	--	--	--	--	8,250	--	8,250
Annual banquet	8,220	--	8,220	--	--	--	8,220
Ambassadors committee	6,630	--	6,630	--	--	--	6,630
Miscellaneous	1,877	--	1,877	1,627	846	--	4,350
Membership committee	4,187	--	4,187	--	--	--	4,187
The network	3,005	--	3,005	--	--	--	3,005
Assets released from restrictions	13,362	(13,362)	--	--	--	--	--
Total Revenue	230,492	(13,362)	217,130	1,247,635	284,721	--	1,749,486
Cost of Sales	--	--	--	528,611	--	--	528,611
Gross Margin	230,492	(13,362)	217,130	719,024	284,721	--	1,220,875

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.

Supplemental Information

Combining Statement of Activities and Changes in Net Assets (Continued)

	General Without Restrictions	General With Restrictions	Total	Tourism Enterprise	Convention Visitors Bureau	Elimination	2022 Total
Expenses							
Salaries	119,060	--	119,060	252,265	89,461	--	460,786
Advertising and promotion	--	--	--	47,063	141,553	--	188,616
Rent to city	--	--	--	120,000	--	--	120,000
Grant expense	61,436	--	61,436	--	--	--	61,436
Depreciation	20,837	--	20,837	18,802	14,533	--	54,172
Payroll taxes	6,517	--	6,517	26,656	7,185	--	40,358
Utilities and telephone	4,139	--	4,139	30,331	1,970	--	36,440
Credit card discount	896	--	896	31,270	--	--	32,166
Supplies	5,347	--	5,347	13,395	10,372	--	29,114
Professional fees	4,682	--	4,682	16,246	4,513	--	25,441
Employee benefits and retirement	6,596	--	6,596	12,285	4,658	--	23,539
Tear-off map expense	--	--	--	--	23,451	--	23,451
Insurance and bonding	--	--	--	20,188	--	--	20,188
Repairs	965	--	965	14,672	1,872	--	17,509
Community brand development	12,508	--	12,508	--	--	--	12,508
Property taxes	--	--	--	10,746	--	--	10,746
Computer maintenance and supplies	6,358	--	6,358	--	4,234	--	10,592
Hospitality	--	--	--	--	9,508	--	9,508

See Independent Accountant's Review Report
The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.

Supplemental Information

Combining Statement of Activities and Changes in Net Assets (Continued)

	General Without Restrictions	General With Restrictions	Total	Tourism Enterprise	Convention Visitors Bureau	Elimination	2022 Total
Agri/business committee	9,077	--	9,077	--	--	--	9,077
Ambassadors committee	8,851	--	8,851	--	--	--	8,851
Government affairs committee	8,242	--	8,242	--	--	--	8,242
Travel and meetings	2,047	--	2,047	3,175	2,774	--	7,996
Annual banquet	7,540	--	7,540	--	--	--	7,540
Postage and delivery	1,274	--	1,274	2,799	2,635	--	6,708
The network	3,522	--	3,522	--	--	--	3,522
Dues and subscriptions	2,079	--	2,079	1,409	--	--	3,488
Mitchell money	3,219	--	3,219	--	--	--	3,219
Copy expense	2,064	--	2,064	723	--	--	2,787
Membership committee	2,680	--	2,680	--	--	--	2,680
Training	1,253	--	1,253	--	950	--	2,203
In-town	1,914	--	1,914	--	--	--	1,914
Janitorial	1,873	--	1,873	--	--	--	1,873
Amortization	--	--	--	1,433	--	--	1,433
Miscellaneous	1,005	--	1,005	74	--	--	1,079
Freight and storage	--	--	--	998	--	--	998
Athletic events	--	--	--	--	995	--	995
Regional marketing	--	--	--	--	614	--	614
Total Expenses	305,981	--	305,981	624,530	321,278	--	1,251,789
Change in Net Assets from Operations	(75,489)	(13,362)	(88,851)	94,494	(36,557)	--	(30,914)

See Independent Accountant's Review Report

The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Area Chamber of Commerce, Inc.

Supplemental Information

Combining Statement of Activities and Changes in Net Assets (Continued)

	General Without Restrictions	General With Restrictions	Total	Tourism Enterprise	Convention Visitors Bureau	Elimination	Total
Other Income (Expense)							
Rental income	19,830	--	19,830	30,236	--	--	50,066
Rental depreciation	--	--	--	(5,281)	--	--	(5,281)
Interest income	16	--	16	1,953	17	--	1,986
Interest expense	(7,469)	--	(7,469)	--	--	--	(7,469)
(Loss) on abandonment of assets	--	--	--	--	(48,520)	--	(48,520)
Gain on extinguishment of debt	77,983	--	77,983	67,304	20,939	--	166,226
Other Income - Net	90,360	--	90,360	94,212	(27,564)	--	157,008
Change in Net Assets Before Income Taxes	14,871	(13,362)	1,509	188,706	(64,121)	--	126,094
Income Tax Provisions							
Income tax (expense)	--	--	--	(3,777)	--	--	(3,777)
Total Income Tax Provisions	--	--	--	(3,777)	--	--	(3,777)
Change in Net Assets	14,871	(13,362)	1,509	184,929	(64,121)	--	122,317
Net Assets, Beginning of Year	327,953	18,209	346,162	1,732,806	279,134	--	2,358,102
Net Assets, End of Year	\$ 342,824	\$ 4,847	\$ 347,671	\$ 1,917,736	\$ 215,013	\$ --	\$ 2,480,420

See Independent Accountant's Review Report
The accompanying Notes to Financial Statements are an integral part of these financial statements.

Mitchell Convention & Visitors Bureau



2023-2024	
RESOURCES	
Income	
Income - City Funds	275,000
Income - Grants	1,500
Income - Interest	200
Income- Miscellaneous	-
Mitchell Guide Ad Sales	28,000
VIC Literature Rack Sales	6,700
Total Income	\$ 311,400
Total Resources	\$ 311,400
EXPENSES	
Personnel	
Salaries & Wages	115,000
Empers Simple Expense	2,075
Training	2,500
Insurance - Health	6,456
Insurance - Disability	245
FUTA/SUTA	217
FICA	5,292
Total Personnel	\$ 131,785
Administrative & Office	
Supplies	7,000
Telephone	2,500
Postage	4,000
Computer Expense	3,000
Repairs & Maintenance	500
Audit & Accounting	4,000
Depreciation	7,275
Miscellaneous	-
Total Administrative & Office	\$ 28,275
Marketing & Communications	
Digital Advertising	23,000
Broadcast Advertising, TV	5,000
Broadcast Advertising, Radio	13,000
Print Advertising, Newspaper & Magazine	5,000
Billboard	4,000
Hunting segmentation	5,000
Group Tour	5,000
Leisure Traveler	7,500
Market Research	5,000
Mitchell Guide Production	28,000
SD Dept of Tourism Coop	40,000
Total Marketing & Communication	\$ 140,500
Public Relations	
Hospitality	6,000
Promotional Items	7,500
Marketing Collateral	5,000
Community Pride	12,000
Website	4,000
Meetings & Travel	4,000
Total Public Realtions	\$ 38,500.0
Sales Manager	
Event Recruitment	-
Total Event Recruitment	\$ -
Services	
Visitor Centers	1,000
Total Services	\$ 1,000
Total Expenses	\$ 340,060
Net Revenue/Loss	\$ (28,660)

CHAMBER OF COMMERCE BOARD OF DIRECTORS

2022-2023 Officers

Eric Giblin—Chair

Josh Modoy—Vice Chair

Michelle White—Treasurer

Austen Iverson—Past Chair

Term Expires September 30, 2023

Karisa Hart	Hart Family Dental 714 West 18 th Ave Mitchell, SD 57301	996.0650
Josh Moody*	Dakota Physical Therapy 910 S. Edgerton Street Mitchell, SD 57301	996.4778
Jeff McCormick *	SPN & Associates 2100 N. Sanborn Blvd Mitchell, SD 57301	996.7761
Justin Thiesse**	JTZ Properties-All Stor 1001 North Commerce Street Mitchell, SD 57301	990.4444

Term Expires September 30, 2024

Doug Greenway*	Corn Palace 604 N Main Street Mitchell, SD 57301	995.8430
Austen Iverson*	Iverson Auto 600 S Burr Mitchell, SD 57301	996.5683
Corey Thelen*	C&B Operations 2600 W Havens Mitchell, SD 57301	996.6633

Term Expires September 30, 2025

Michelle White *	Mueller Lumber Company 400 N. Ohlman St. Mitchell, SD 57301	996.9175
Brian Loken*	LifeQuest 804 N Mentzer Mitchell, SD 57301	996.2032
Eric Giblin*	Subway 802 N Sanborn Blvd Mitchell, SD 57301	996.7582

Kristy Berg*	Granite Springs Lodge 25840 422 nd Ave Alexandria, SD 57311	239.4404
Jacqson Collins	FNBO 210 N Lawler Mitchell, SD 57301	996.7755
Mayor Bob Everson	Appointed Ex-Officio Directors City of Mitchell 612 North Main Street Mitchell, SD 57301	995.8420
Becky Roth	Mitchell School District 800 West 10th Avenue Mitchell, SD 57301	995.3010
Dr. Dan Kittle	Dakota Wesleyan University 1200 West University Boulevard Mitchell, SD 57301	995.2600
Mark Wilson	Mitchell Technical College 1800 East Spruce Street Mitchell, SD 57301	995.3062
Trevor Dierks	First Dakota National Bank (MADC Rep) 500 East Norway Mitchell, SD 57301	996.3364
Julie Hoffman	Avera Queen of Peace Health Services 525 North Foster Street Mitchell, SD 57301	995.2248
John Claggett	Davison County Commissioner 410 West 13th Avenue Mitchell, SD 57301	996.3898
Mike Bathke	City Council Representative 612 North Main Mitchell, SD 57301	999.9736
Ashley Endres/Elizabeth Luczak	Mitchell Main Street & Beyond 601 N Main Street Mitchell, SD 57301	990.4500

*Indicates second term.
**indicates Chairperson appointment.

Council Review Items									
Capital Improvements	Project	Item	Fund	Department		2024 Request	2024 Proposed	Council Changes	Notes
Equipment		AED Replacements, batteries & Patches	GF	HR	HR	\$ 5,250	\$ 5,250		
Equipment		Switch for Public Safety Server Room	GF	Admin	IT	\$ 6,500	\$ 6,500		
Equipment		NVR (recording for Video) upgrades	GF	Admin	IT	\$ 15,000	\$ 15,000		
Equipment		Replacement of Dept Head Surface Pros	GF	Admin	IT	\$ 16,500	\$ 16,500		
Equipment		NVR & Cameras at Lake & Watertower	GF	Admin	IT	\$ 7,500	\$ 7,500		
Equipment		IT Server	GF	Admin	IT	\$ 15,000	\$ 15,000		
Equipment		Cameras & Door Controls at Sports Complex & Hitchcock Park	GF	Admin	IT	\$ 21,480	\$ 21,480		
Equipment		Blocks for Walls at Shooting Range	GF	Police	Police	\$ 4,900	\$ 4,900		
Equipment		Power DMS Software	GF	Police	Police	\$ 11,894	\$ 11,894		
Equipment		Chevy Tahoe- Police Vehicle	GF	Police	Police	\$ 53,000	\$ 53,000		
Equipment		Chevy Tahoe- Police Vehicle	GF	Police	Police	\$ 53,000	\$ 53,000		
Equipment		Chevy Tahoe- Police Vehicle	GF	Police	Police	\$ 53,000	\$ 53,000		
Infrastructure		1st & 7th Signal Light Replacements (only 7th in proposed budget)	GF	Public Works	Traffic	\$ 1,150,000	\$ 575,000		
Equipment		Forklift	GF	Public Works	Traffic	\$ 17,000	\$ 17,000		
Equipment		Battery Back up for 7th & Sanborn	GF	Public Works	Traffic	\$ 9,000	\$ 9,000		
Equipment		Crosswalk RRFB	GF	Public Works	Traffic	\$ 40,000	\$ 20,000		
Equipment		Graco Line Driver- Paint Striper	GF	Public Works	Traffic	\$ 9,000	\$ 9,000		
Equipment		7 new gear sets	GF	Fire/EMS	Fire	\$ 28,205	\$ 28,205		
Equipment		Rescue Boat	GF	Fire/EMS	Fire	\$ 31,800	\$ 31,800		
Equipment		Motorola Radio Replacements	GF	Fire/EMS	Fire	\$ 63,561	\$ 63,561		
Equipment		Dump Truck Replacement	GF	Public Works	Street	\$ 235,000	\$ 235,000		
Equipment		Air Compressor Replacement	GF	Public Works	Street	\$ 28,000	\$ -		
Equipment		Bobcat with Attachments	GF	Public Works	Street	\$ 105,000	\$ 105,000		
Equipment		Crack Sealing Machine	GF	Public Works	Street	\$ 90,000	\$ 90,000		
Infrastructure		Gravel-Base (purchased)	GF	Public Works	Street	\$ 30,000	\$ 30,000		
Infrastructure		Rubber Crack Sealer	GF	Public Works	Street	\$ 38,500	\$ 38,500		
Infrastructure		Asphalt Mix	GF	Public Works	Street	\$ 100,000	\$ 80,000		
Equipment		used Pick up	GF	Public Works	PW Admin	\$ 40,000	\$ 40,000		
Equipment		Pictometry (2nd of 3 payments)	GF	Public Works	PW Admin	\$ 12,000	\$ 12,000		
Infrastructure		Chip Seal Aggregate	GF	Public Works	Street & Sidewalk Construction	\$ 77,000	\$ 77,000		
Infrastructure		Chip Seal Asphalt	GF	Public Works	Street & Sidewalk Construction	\$ 310,000	\$ 310,000		
Infrastructure		Gravel- Base (crushed)	GF	Public Works	Street & Sidewalk Construction	\$ 250,000	\$ 250,000		
Infrastructure	4th, 2nd, RR & Main	Street Overlay	GF	Public Works	Street & Sidewalk Construction	\$ 965,000	\$ 965,000		
Infrastructure	Street Overlay	Wisconsin 12- 15	GF	Public Works	Street & Sidewalk Construction	\$ 62,238	\$ 62,238		
Infrastructure	Street Overlay	Wallace Hanson to south	GF	Public Works	Street & Sidewalk Construction	\$ 64,538	\$ 64,538		
Infrastructure	Street Overlay	Kippes Cove	GF	Public Works	Street & Sidewalk Construction	\$ 122,688	\$ 122,688		
Infrastructure	Street Overlay	Sawgrass	GF	Public Works	Street & Sidewalk Construction	\$ 63,438	\$ 63,438		
Infrastructure	Street Overlay	Quince West of Miller	GF	Public Works	Street & Sidewalk Construction	\$ 142,688	\$ 142,688		
Infrastructure	Street Overlay	1st- Burr to Main	GF	Public Works	Street & Sidewalk Construction	\$ 149,488	\$ 149,488		
Infrastructure	Bike Paths	Golf Course/Cemetery (1950 feet 8' wide)	GF	Public Works	Street & Sidewalk Construction	\$ 150,000	\$ 150,000		
Infrastructure	Bike Paths	Dog Park Sidewalk (230 feet 8' wide)	GF	Public Works	Street & Sidewalk Construction	\$ 25,000	\$ 25,000		
Infrastructure	West End Bridge	Maintenance Project- BIG grant	GF	Public Works	Street & Sidewalk Construction	\$ 318,000	\$ 318,000		
Professional	Gun Range Project	New Gun Range Construction	GF	Public Works	Street & Sidewalk Construction	\$ 100,000	\$ 100,000		
Equipment		Replace one way blades	GF	Public Works	Snow Removal	\$ 20,000	\$ 20,000		
Infrastructure	3rd & Main	Storm Drainage Improvements. (amount over budget when bid was awarded)	GF	Public Works	Storm Drainage	\$ 70,000	\$ 70,000		
Infrastructure	Spruce RR Crossing	Storm Drainage Improvements. (amount over budget when bid was awarded)	GF	Public Works	Storm Drainage	\$ 30,000	\$ 30,000		
Infrastructure	4th, 2nd, RR & Main	Storm Drainage Improvements	GF	Public Works	Storm Drainage	\$ 520,000	\$ 520,000		
Facility Improvement		Replace Siding & Insulation in Cemetery Offices	GF	Park & Rec	Cemetery	\$ 20,000	\$ 20,000		
Facility Improvement		Replace & Widen Overhead Door in Cemetery Offices	GF	Park & Rec	Cemetery	\$ 7,000	\$ 7,000		
Professional		Design Improvements for Cemetery Expansion	GF	Park & Rec	Cemetery	\$ 15,000	\$ 15,000		
Facility Improvement		New Public Restroom Facility in Cemetery by Veterans Cemetery	GF	Park & Rec	Cemetery	\$ 72,000	\$ -		
Equipment		Payloader (shared with Golf)	GF	Park & Rec	Cemetery	\$ 44,000	\$ -		
Equipment		Snowblower for 4WD toro	GF	Park & Rec	Cemetery	\$ 10,900	\$ 10,900		
Equipment		Scan Pro 3500 Microfilm Scanner	GF	Library	Library	\$ 9,500	\$ -		
Equipment		Books	GF	Library	Library	\$ 47,000	\$ 47,000		

Council Review Items									
Capital Improvements	Project	Item	Fund	Department		2024 Request	2024 Proposed	Council Changes	Notes
Equipment		Audio/Visual Equipment	GF	Library	Library	\$ 4,000	\$ 4,000		
Equipment		E-books	GF	Library	Library	\$ 21,650	\$ 21,650		
Facility Improvement		Paint inside of Aquatics Building	Park	Park & Rec	Recreation & Aquatics	\$ 15,000	\$ 15,000		
Facility Improvement		Replace Sand in sand filters	Park	Park & Rec	Recreation & Aquatics	\$ 20,000	\$ 20,000		
Facility Improvement		Lighting- Rec Center	Park	Park & Rec	Recreation Center	\$ 12,000	\$ 12,000		
Facility Improvement		Carpet- Rec Center	Park	Park & Rec	Recreation Center	\$ 10,000	\$ 10,000		
Facility Improvement		Tile Flooring- Rec Center	Park	Park & Rec	Recreation Center	\$ 51,000	\$ 51,000		
Facility Improvement		Paint hallways/lobby- Rec Center	Park	Park & Rec	Recreation Center	\$ 5,000	\$ 5,000		
Facility Improvement		Youth Space Improvements: Climbing Wall, Mats, Obstacle Course & Cubbies	Park	Park & Rec	Recreation Center	\$ 20,000	\$ 20,000		
Facility Improvement		Irrigation Pumps at Cadwell	Park	Park & Rec	Sports Complex	\$ 150,000	\$ 150,000		
Equipment		Line Painter for Sports Fields	Park	Park & Rec	Sports Complex	\$ 26,000	\$ 26,000		
Equipment		Batteries & Controllers for Bumper Cars	Park	Park & Rec	Sports Complex	\$ 8,000	\$ 8,000		
Equipment		Mower- on field mowing	Park	Park & Rec	Sports Complex	\$ 92,000	\$ 92,000		
Facility Improvement		A/C for Patton Young Park	Park	Park & Rec	Parks	\$ 6,500	\$ 6,500		
Facility Improvement		Gainer Playground Equipment Replacement	Park	Park & Rec	Parks	\$ 90,000	\$ -		
Facility Improvement		Pickelball Courts	Park	Park & Rec	Parks	\$ 400,000	\$ 400,000		
Facility Improvement		Retaining Wall at Public Beach	Park	Park & Rec	Parks	\$ 25,000	\$ 25,000		
Equipment		128" wide mower	Park	Park & Rec	Parks	\$ 78,000	\$ 78,000		
Equipment		Snow Blade for Payloader	Park	Park & Rec	Parks	\$ 24,000	\$ 24,000		
Equipment		Snow Plow for Pick Up	Park	Park & Rec	Parks	\$ 10,500	\$ 10,500		
Facility Improvement	Lake Mitchell	Drawdown Structure	Lake	Admin	Lake	\$ 3,500,000	\$ 3,500,000		
Facility Improvement	Lake Mitchell	Jetty Construction Project	Lake	Admin	Lake	\$ 2,500,000	\$ 2,500,000		
Facility Improvement	4th, 2nd, RR & Main	Streetscape - Landscaping	Ent. Tax	Admin		\$ 250,000	\$ 250,000		
Equipment		4 new pc/workstation for dispatch console radios	E911	Police	E911	\$ 58,430	\$ 58,430		
Equipment		Dispatch Software	CS	Community Services	Palace Transit	\$ 48,472	\$ 48,472		
Equipment		Tablets lockbox, cradle points & antennas	CS	Community Services	Palace Transit	\$ 38,400	\$ 38,400		
Equipment		Bus Cameras	CS	Community Services	Palace Transit	\$ 6,000	\$ 6,000		
Equipment		Bus Garage Cameras	CS	Community Services	Palace Transit	\$ 8,000	\$ 8,000		
Equipment		Computer Replacements	CS	Community Services	Palace Transit	\$ 3,000	\$ 3,000		
Facility Improvement		Rooftop Exit Access	CS	Community Services	JVCC	\$ 6,000	\$ 6,000		
Professional	5th Avenue- Burr to Foster	Design of 5th Avenue from Burr to Foster	Water	Public Works	Collection	\$ 90,000	\$ 90,000		
Infrastructure	4th, 2nd, RR & Main	Water Improvements	Water	Public Works	Collection	\$ 250,000	\$ 250,000		
Infrastructure		Valve Replacements	Water	Public Works	Collection	\$ 105,000	\$ 105,000		
Infrastructure		Water Meters	Water	Public Works	Collection	\$ 40,000	\$ 40,000		
Professional	5th Avenue- Burr to Foster	Design of 5th Avenue from Burr to Foster	Sewer	Public Works	Collection	\$ 150,000	\$ 150,000		
Infrastructure		Manhole Rehabilitation	Sewer	Public Works	Collection	\$ 100,000	\$ 100,000		
Infrastructure		CIPP Replacements	Sewer	Public Works	Collection	\$ 200,000	\$ 200,000		
Infrastructure	4th, 2nd, RR & Main	Waste Water Improvements	Sewer	Public Works	Collection	\$ 265,000	\$ 265,000		
Equipment		Mini Excavator	Sanit.	Public Works	Recycling	\$ 105,000	\$ 105,000		
Equipment		Transfer Trailer	Sanit.	Public Works	Recycling	\$ 100,000	\$ 100,000		
Equipment		Pickup	Sanit.	Public Works	Collection	\$ 40,000	\$ 40,000		
Equipment		Garbage Truck	Sanit.	Public Works	Collection	\$ 385,000	\$ 385,000		
Equipment		Tire Chopper	Sanit.	Public Works	Landfill	\$ 34,000	\$ 34,000		
Facility Improvement		Additional Funds Needed for Phase II	Golf	Park & Rec	Golf	\$ 180,000	\$ 180,000		
Equipment		Payloader (shared with Golf)	Golf	Park & Rec	Golf	\$ 44,000	\$ -		
Equipment		Reel Grinders	Golf	Park & Rec	Golf	\$ 25,000	\$ 25,000		
Equipment		Greens Reels	Golf	Park & Rec	Golf	\$ 11,000	\$ 11,000		
Facility Improvement		Irrigation Filter System	Golf	Park & Rec	Golf	\$ 5,000	\$ 5,000		
Equipment		Replace Dock	Campground	Park & Rec	Campground	\$ 30,000	\$ 30,000		
\$ 15,601,520						\$ 14,699,020	\$ -		
Council Review Items						2024 Request	2024 Proposed	Council Changes	Notes

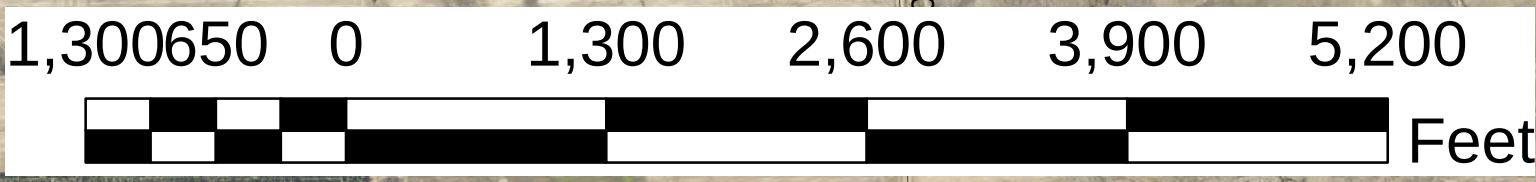
Council Review Items								
Capital Improvements	Project	Item	Fund	Department	2024 Request	2024 Proposed	Council Changes	Notes
					\$ -	\$ -	\$ -	
Subsidy Changes					2024 Request	2024 Proposed	Council Action	Notes
General Fund					\$ 419,250	\$ -	\$ -	
Entertainment Tax Fund					\$ 275,000	\$ -	\$ -	
					\$ 694,250	\$ -	\$ -	
Total Impact:							\$ -	

Follow Up Items / Council Questions										
Other Discussion Items/ Questions:										
History of Capital Improvement Breakdown										
Budget Year	Facility Improvements	Equipment	Total Capital Improvement s	General Fund	Outside funding in GF	Projects Funded by General Fund Operational \$\$				
2024	\$ 7,344,500	\$ 2,303,442	\$ 9,647,942	\$ 5,097,718	\$ 455,783	\$ 4,641,935.00				
2023	\$ 10,683,578	\$ 1,807,917	\$ 12,491,495	\$ 2,514,225	\$ 225,000	\$ 2,289,225.00				
2022	\$ 4,363,000	\$ 1,658,372	\$ 6,021,372	\$ 7,036,739	\$ 4,841,199	\$ 2,195,540.00				
2021	\$ 12,241,750	\$ 1,150,376	\$ 13,392,126	\$ 8,141,140	\$ 5,086,600	\$ 3,054,540.00				
2020	\$ 544,925	\$ 994,915	\$ 1,539,840	\$ 7,157,758	\$ 5,525,125	\$ 1,632,633.00				
5 year total	\$ 35,177,753	\$ 7,915,022	\$ 43,092,775	\$ 29,947,580	\$ 16,133,707	\$ 13,813,873				
Ballot Issue- Potential Loss of sales tax on groceries & consumables										
	Sales Tax from Grocery Sales in 2022		\$ 938,751							
	Consumables?									
Golf Fund Cart Repayment										
Res 3063	\$75,000 loan from 2013 - \$60,000 for Carts and \$40,000 for mower. (\$25,000 paid in 2014)									
	\$100,000 Budget authorized in 2021- cash never transferred									
Upcoming Maintenance/Equipment Needs 2-5 years out										
	Fire Truck Replacement	\$ 500,000	\$ 1,200,000							
	Corn Palace Boilers	\$ 250,000								
	Corn Palace Chillers	\$ 1,200,000								
Gainer Park Playground Equipment										
	Was removed in order to fund the Pickelball Courts (adult recreation) even if grant doesn't come through.									
	Park board had equipment at a higher priority									
	Initially Mayor and I had removed a mower to balance budget; P&R asked for the mower to go back and the playground out.									
Funding for Another Drug Dog/Position										
	Gross Annual Wages +k9 extra duty pa	\$ 85,313								
	Taxes	\$ 6,526								
	SDRS	\$ 6,825								
	Benefits	\$ 32,892								
	K9 Dog Supply	\$ 4,000								
	Uniform (contract)	\$ 500								
	Total Annual Costs	\$ 136,056								
	Dog Cost/Training	\$ 20,000								
	vehichle	\$ 35,000								
	Uniform (initial)	\$ 2,000								
	One- Time "Start up Costs"	\$ 57,000								
Microfil Scanner										
	Kevin K. was able to secure a used microfilm scanner from a national library for only the cost of hshipping!									

2024 Chip Seal

Legend

2024 Chip Seal







Location of Proposed
Sidewalk Reroute

Ave



Location of
Proposed Parking
Lot Improvements

2024 Budget Work Session Proposed Schedule

This is the initial presentation to City Council. The Council will be making changes to this requested budget throughout the budget review process.

-

Annual Budget Work Session Proposed Schedule:

August 28 at 6:00 PM- proposed budget overview

September 11 at 6:00 PM- Subsidy Application Review

September 18th at 5:00 PM (prior to council meeting)

October 16 at 5:00 PM (prior to council meeting)

October 30 at 6:00 PM

*Other dates may be scheduled as needed

The Annual Budget Hearings are scheduled for:

November 6th: First Reading

November 20: 2nd Reading & Adoption

August 28, 2024 Budget Work Session

Current Budget Status

Current Budget Status – 67% of Budget Year

**Budgets that receive General Fund Support*

Revenue

- General Fund: 73%
- *Park Fund: 68%*
- *Community Services: 48%*
- *Airport Fund: 42%*
- *Corn Palace Fund: 58%*
- *Golf Course Fund: 95%*
- *EMS Fund: 62%*

Expenditures

- General Fund: 47%
- *Park Fund: 57%*
- *Community Services Fund: 64%*
- *Airport Fund: 37%*
- *Corn Palace Fund: 68%*
- *Golf Course Fund: 32%*
- *EMS Fund: 62%*

Current Budget Status – 67% of Budget Year

**Budgets that receive General Fund Support*

- Contingency Commitments for 2023
- Health Insurance Transfers

Sales Tax Collections- Statewide Comparisons

City	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	10 year change	10 year change avg
Aberdeen	2.11%	-1.42%	2.21%	7.55%	3.11%	0.34%	3.45%	-0.50%	3.12%	4.99%	-2.82%	19.33%	-2.51%	1.14%		29.65%	2.95%
Brandon												4.93%	18.06%	15.04%			
Brookings	-6.01%	2.09%	1.15%	6.83%	10.25%	4.80%	1.83%	4.57%	1.56%	3.21%	3.88%	-1.89%	7.94%	6.31%		42.46%	3.58%
Huron	-0.70%	0.76%	8.09%	5.16%	-0.59%	2.24%	4.55%	5.63%	-2.75%	5.40%	-0.70%	-2.53%	16.83%	21.32%		49.40%	4.94%
Mitchell	-2.75%	4.90%	4.70%	9.01%	-2.77%	3.81%	3.00%	-1.29%	0.01%	4.25%	-0.94%	-1.14%	11.01%	9.31%		25.25%	3.11%
Pierre	4.01%	2.73%	2.08%	7.25%	1.58%	5.35%	4.70%	4.36%	-2.68%	1.84%	2.02%	2.44%	12.20%	8.13%		39.94%	4.26%
Rapid City	-2.36%	2.82%	5.10%	6.70%	3.37%	4.13%	4.03%	1.26%	1.85%	2.82%	2.08%	2.50%	18.64%	7.15%		47.83%	4.94%
Sioux Falls	-2.28%	4.05%	3.13%	6.26%	7.67%	5.10%	6.06%	3.08%	1.72%	4.19%	6.61%	-1.41%	19.25%	6.45%		58.72%	5.67%
Spearfish	-2.21%	1.65%	2.71%	3.85%	7.04%	5.07%	2.04%	0.20%	0.47%	4.55%	7.50%	6.94%	15.09%	12.47%		61.37%	6.04%
Sturgis												7.52%	18.43%	2.43%			
Vermillion												-1.30%	15.46%	2.14%			
Watertown	-1.96%	4.24%	4.71%	8.08%	0.62%	5.26%	0.37%	-0.40%	2.84%	3.19%	5.91%	1.84%	11.37%	11.48%		42.48%	4.65%
Yankton	1.58%	-0.59%	8.07%	7.28%	-0.73%	4.28%	5.84%	1.82%	2.53%	4.06%	3.93%	1.08%	11.14%	8.72%		42.67%	4.82%
Avg.	-1.06%	2.12%	4.20%	6.80%	2.96%	4.04%	3.59%	1.87%	0.87%	3.85%	2.75%	2.95%	13.30%	8.62%	#DIV/0!	43.98%	4.50%

Sales Tax Collections- Statewide Comparisons

Total Tax Due for Returns Filed in Calendar Year								
	2017	2018	2019	2020	2021	2022	Average \$ Change	Total \$ Change
Aberdeen	\$ 18,598,866	\$ 19,527,228	\$ 18,975,828	\$ 22,644,000	\$ 22,076,570	\$ 22,957,732	\$ 871,773	\$ 4,358,866
Brandon	\$ 3,229,684	\$ 3,481,717	\$ 3,612,389	\$ 3,790,451	\$ 4,474,996	\$ 5,148,154	\$ 383,694	\$ 1,918,470
Brookings	\$ 14,427,934	\$ 14,891,669	\$ 15,469,968	\$ 15,178,035	\$ 16,383,877	\$ 19,091,877	\$ 932,789	\$ 4,663,943
Huron	\$ 7,111,077	\$ 7,495,105	\$ 7,438,575	\$ 7,250,044	\$ 8,470,100	\$ 9,412,463	\$ 460,277	\$ 2,301,386
Mitchell	\$ 11,853,650	\$ 12,357,629	\$ 12,241,100	\$ 12,101,471	\$ 13,434,039	\$ 14,664,871	\$ 562,244	\$ 2,811,221
Pierre	\$ 8,297,243	\$ 8,449,851	\$ 8,620,493	\$ 8,830,584	\$ 9,907,917	\$ 10,604,230	\$ 461,397	\$ 2,306,987
Rapid City	\$ 60,758,794	\$ 62,471,437	\$ 63,771,484	\$ 65,366,366	\$ 77,549,278	\$ 83,592,498	\$ 4,566,741	\$ 22,833,704
Sioux Falls	\$ 130,439,571	\$ 135,906,268	\$ 144,892,947	\$ 142,854,319	\$ 170,359,460	\$ 191,408,855	\$ 12,193,857	\$ 60,969,284
Spearfish	\$ 9,250,887	\$ 8,626,018	\$ 9,272,733	\$ 9,915,806	\$ 11,411,988	\$ 12,644,191	\$ 678,661	\$ 3,393,304
Vermillion	\$ 4,041,851	\$ 4,108,908	\$ 4,408,331	\$ 4,351,065	\$ 5,023,638	\$ 5,131,263	\$ 217,882	\$ 1,089,412
Watertown	\$ 15,728,091	\$ 16,229,255	\$ 17,188,749	\$ 17,504,997	\$ 19,494,471	\$ 21,790,107	\$ 1,212,403	\$ 6,062,016
Yankton	\$ 9,825,871	\$ 10,235,607	\$ 10,637,414	\$ 10,752,469	\$ 11,950,307	\$ 12,967,328	\$ 628,291	\$ 3,141,457
Average	\$ 24,463,627	\$ 25,315,058	\$ 26,377,501	\$ 26,711,634	\$ 30,878,053	\$ 34,117,798	\$ 1,930,834	\$ 9,654,171
Minimum	\$ 3,229,684	\$ 3,481,717	\$ 3,612,389	\$ 3,790,451	\$ 4,474,996	\$ 5,131,263	\$ 217,882	\$ 1,089,412
Maximum	\$ 130,439,571	\$ 135,906,268	\$ 144,892,947	\$ 142,854,319	\$ 170,359,460	\$ 191,408,855	\$ 12,193,857	\$ 60,969,284

Sales Tax Collections- By Category

2021 FY	Jan	Feb	March	April	May	June	July	August	September	October	November	December	Annual
Ag Foerstery & Fishing	\$ 8,420.51	\$ 5,850.70	\$ 7,170.94	\$ 11,327.22	\$ 12,496.72	\$ 15,527.87	\$ 14,985.79	\$ 10,165.11	\$ 12,268.48	\$ 12,662.62	\$ 10,784.71	\$ 9,416.68	\$ 131,077.35
Construction	\$ 22,129.38	\$ 13,847.79	\$ 11,809.97	\$ 20,013.51	\$ 21,420.54	\$ 18,464.04	\$ 30,979.19	\$ 20,080.33	\$ 22,037.46	\$ 17,859.20	\$ 15,688.50	\$ 9,984.44	\$ 224,314.35
Manufacturing	\$ 30,592.13	\$ 19,657.38	\$ 18,881.00	\$ 23,608.22	\$ 37,575.88	\$ 25,505.92	\$ 30,293.26	\$ 29,104.85	\$ 25,563.76	\$ 25,227.72	\$ 23,791.81	\$ 31,457.87	\$ 321,259.80
Transportation, Communications, Electric, Gas & Sanitary Services	\$ 74,350.93	\$ 75,544.35	\$ 75,562.50	\$ 79,958.22	\$ 76,836.55	\$ 69,621.17	\$ 76,137.34	\$ 81,067.58	\$ 80,404.71	\$ 76,487.81	\$ 75,843.52	\$ 78,751.75	\$ 920,566.43
Wholesale Trade	\$ 64,023.27	\$ 41,673.03	\$ 46,660.63	\$ 68,285.34	\$ 32,993.15	\$ 54,930.94	\$ 66,391.63	\$ 60,288.26	\$ 62,557.22	\$ 62,242.19	\$ 57,414.04	\$ 56,203.34	\$ 673,663.04
Retail trade	\$ 709,648.44	\$ 577,454.64	\$ 520,944.03	\$ 685,688.28	\$ 660,434.65	\$ 698,548.74	\$ 764,788.88	\$ 689,692.90	\$ 715,515.62	\$ 679,867.36	\$ 736,865.99	\$ 740,751.35	\$ 8,180,200.88
Finance Insurance & Real Estate	\$ 10,994.63	\$ 10,843.93	\$ 8,996.44	\$ 11,215.03	\$ 13,443.96	\$ 10,836.19	\$ 18,525.05	\$ 16,583.60	\$ 16,836.61	\$ 17,015.99	\$ 12,545.30	\$ 12,351.41	\$ 160,188.14
Services (includes hotels)	\$ 147,046.95	\$ 120,434.51	\$ 119,934.76	\$ 150,202.55	\$ 147,976.78	\$ 150,512.07	\$ 190,029.16	\$ 188,602.93	\$ 199,186.14	\$ 17.00	\$ 155,953.78	\$ 149,087.80	\$ 1,718,984.43
Total	\$ 1,067,206.24	\$ 865,306.33	\$ 809,960.27	\$ 1,050,298.37	\$ 1,003,178.23	\$ 1,043,946.94	\$ 1,192,130.30	\$ 1,095,585.56	\$ 1,134,370.00	\$ 891,379.89	\$ 1,088,887.65	\$ 1,088,004.64	\$ 12,330,254.42
2022 FY	Jan	Feb	March	April	May	June	July	August	September	October	November	December	YTD
Ag Foerstery & Fishing	\$ 12,885.15	\$ 7,983.55	\$ 8,307.02	\$ 12,603.56	\$ 10,816.24	\$ 17,177.21	\$ 18,137.26	\$ 13,449.85	\$ 8,617.37	\$ 14,234.75	\$ 12,135.64	\$ 9,774.78	\$ 146,122.38
Construction	\$ 22,082.18	\$ 11,212.88	\$ 11,351.22	\$ 16,404.99	\$ 10,157.49	\$ 11,095.95	\$ 24,384.36	\$ 23,064.53	\$ 18,202.97	\$ 20,098.49	\$ 13,564.32	\$ 28,532.46	\$ 210,151.84
Manufacturing	\$ 27,347.13	\$ 22,772.54	\$ 22,644.29	\$ 23,390.61	\$ 23,544.41	\$ 28,520.91	\$ 34,753.03	\$ 26,353.50	\$ 31,759.21	\$ 36,224.57	\$ 36,993.12	\$ 32,747.67	\$ 347,050.99
Transportation, Communications, Electric, Gas & Sanitary Services	\$ 93,692.60	\$ 101,505.70	\$ 92,940.18	\$ 98,031.31	\$ 88,394.93	\$ 71,843.18	\$ 77,545.03	\$ 83,072.93	\$ 82,523.52	\$ 79,866.63	\$ 71,473.28	\$ 79,152.40	\$ 1,020,041.69
Wholesale Trade	\$ 83,278.03	\$ 63,916.13	\$ 53,840.90	\$ 73,351.70	\$ 68,332.00	\$ 71,340.69	\$ 94,069.47	\$ 69,503.61	\$ 94,033.45	\$ 93,701.32	\$ 84,943.48	\$ 85,278.28	\$ 935,589.06
Retail trade	\$ 788,155.05	\$ 599,077.38	\$ 577,240.68	\$ 689,010.07	\$ 671,126.39	\$ 730,790.28	\$ 812,197.73	\$ 757,500.94	\$ 786,712.58	\$ 762,627.05	\$ 765,821.46	\$ 784,423.09	\$ 8,724,682.70
Finance Insurance & Real Estate	\$ 19,881.01	\$ 16,106.67	\$ 11,996.27	\$ 14,697.89	\$ 11,363.14	\$ 10,932.37	\$ 18,868.36	\$ 16,163.86	\$ 16,868.48	\$ 14,793.79	\$ 15,896.68	\$ 12,558.90	\$ 180,127.42
Services (includes hotels)	\$ 176,678.85	\$ 134,749.13	\$ 142,490.84	\$ 176,231.33	\$ 171,987.84	\$ 152,311.08	\$ 198,065.51	\$ 203,412.18	\$ 207,059.33	\$ 192,700.59	\$ 195,026.97	\$ 159,909.22	\$ 2,110,622.87
Total	\$ 1,224,000.00	\$ 957,323.98	\$ 920,811.40	\$ 1,103,721.46	\$ 1,055,722.44	\$ 1,094,011.67	\$ 1,278,020.75	\$ 1,192,521.40	\$ 1,245,776.91	\$ 1,214,247.19	\$ 1,195,854.95	\$ 1,192,376.80	\$ 13,674,388.95

Sales Tax Collections- By Category

2021 FY	Jan	Feb	March	April	May	June	July	August	September	October	November	December	Annual
Ag Foerstery & Fishing	\$ 8,420.51	\$ 5,850.70	\$ 7,170.94	\$ 11,327.22	\$ 12,496.72	\$ 15,527.87	\$ 14,985.79	\$ 10,165.11	\$ 12,268.48	\$ 12,662.62	\$ 10,784.71	\$ 9,416.68	\$ 131,077.35
Construction	\$ 22,129.38	\$ 13,847.79	\$ 11,809.97	\$ 20,013.51	\$ 21,420.54	\$ 18,464.04	\$ 30,979.19	\$ 20,080.33	\$ 22,037.46	\$ 17,859.20	\$ 15,688.50	\$ 9,984.44	\$ 224,314.35
Manufacturing	\$ 30,592.13	\$ 19,657.38	\$ 18,881.00	\$ 23,608.22	\$ 37,575.88	\$ 25,505.92	\$ 30,293.26	\$ 29,104.85	\$ 25,563.76	\$ 25,227.72	\$ 23,791.81	\$ 31,457.87	\$ 321,259.80
Transportation, Communications, Electric, Gas & Sanitary Services	\$ 74,350.93	\$ 75,544.35	\$ 75,562.50	\$ 79,958.22	\$ 76,836.55	\$ 69,621.17	\$ 76,137.34	\$ 81,067.58	\$ 80,404.71	\$ 76,487.81	\$ 75,843.52	\$ 78,751.75	\$ 920,566.43
Wholesale Trade	\$ 64,023.27	\$ 41,673.03	\$ 46,660.63	\$ 68,285.34	\$ 32,993.15	\$ 54,930.94	\$ 66,391.63	\$ 60,288.26	\$ 62,557.22	\$ 62,242.19	\$ 57,414.04	\$ 56,203.34	\$ 673,663.04
Retail trade	\$ 709,648.44	\$ 577,454.64	\$ 520,944.03	\$ 685,688.28	\$ 660,434.65	\$ 698,548.74	\$ 764,788.88	\$ 689,692.90	\$ 715,515.62	\$ 679,867.36	\$ 736,865.99	\$ 740,751.35	\$ 8,180,200.88
Finance Insurance & Real Estate	\$ 10,994.63	\$ 10,843.93	\$ 8,996.44	\$ 11,215.03	\$ 13,443.96	\$ 10,836.19	\$ 18,525.05	\$ 16,583.60	\$ 16,836.61	\$ 17,015.99	\$ 12,545.30	\$ 12,351.41	\$ 160,188.14
Services (includes hotels)	\$ 147,046.95	\$ 120,434.51	\$ 119,934.76	\$ 150,202.55	\$ 147,976.78	\$ 150,512.07	\$ 190,029.16	\$ 188,602.93	\$ 199,186.14	\$ 17.00	\$ 155,953.78	\$ 149,087.80	\$ 1,718,984.43
Total	\$ 1,067,206.24	\$ 865,306.33	\$ 809,960.27	\$ 1,050,298.37	\$ 1,003,178.23	\$ 1,043,946.94	\$ 1,192,130.30	\$ 1,095,585.56	\$ 1,134,370.00	\$ 891,379.89	\$ 1,088,887.65	\$ 1,088,004.64	\$ 12,330,254.42
2022 FY	Jan	Feb	March	April	May	June	July	August	September	October	November	December	YTD
Ag Foerstery & Fishing	\$ 12,885.15	\$ 7,983.55	\$ 8,307.02	\$ 12,603.56	\$ 10,816.24	\$ 17,177.21	\$ 18,137.26	\$ 13,449.85	\$ 8,617.37	\$ 14,234.75	\$ 12,135.64	\$ 9,774.78	\$ 146,122.38
Construction	\$ 22,082.18	\$ 11,212.88	\$ 11,351.22	\$ 16,404.99	\$ 10,157.49	\$ 11,095.95	\$ 24,384.36	\$ 23,064.53	\$ 18,202.97	\$ 20,098.49	\$ 13,564.32	\$ 28,532.46	\$ 210,151.84
Manufacturing	\$ 27,347.13	\$ 22,772.54	\$ 22,644.29	\$ 23,390.61	\$ 23,544.41	\$ 28,520.91	\$ 34,753.03	\$ 26,353.50	\$ 31,759.21	\$ 36,224.57	\$ 36,993.12	\$ 32,747.67	\$ 347,050.99
Transportation, Communications, Electric, Gas & Sanitary Services	\$ 93,692.60	\$ 101,505.70	\$ 92,940.18	\$ 98,031.31	\$ 88,394.93	\$ 71,843.18	\$ 77,545.03	\$ 83,072.93	\$ 82,523.52	\$ 79,866.63	\$ 71,473.28	\$ 79,152.40	\$ 1,020,041.69
Wholesale Trade	\$ 83,278.03	\$ 63,916.13	\$ 53,840.90	\$ 73,351.70	\$ 68,332.00	\$ 71,340.69	\$ 94,069.47	\$ 69,503.61	\$ 94,033.45	\$ 93,701.32	\$ 84,943.48	\$ 85,278.28	\$ 935,589.06
Retail trade	\$ 788,155.05	\$ 599,077.38	\$ 577,240.68	\$ 689,010.07	\$ 671,126.39	\$ 730,790.28	\$ 812,197.73	\$ 757,500.94	\$ 786,712.58	\$ 762,627.05	\$ 765,821.46	\$ 784,423.09	\$ 8,724,682.70
Finance Insurance & Real Estate	\$ 19,881.01	\$ 16,106.67	\$ 11,996.27	\$ 14,697.89	\$ 11,363.14	\$ 10,932.37	\$ 18,868.36	\$ 16,163.86	\$ 16,868.48	\$ 14,793.79	\$ 15,896.68	\$ 12,558.90	\$ 180,127.42
Services (includes hotels)	\$ 176,678.85	\$ 134,749.13	\$ 142,490.84	\$ 176,231.33	\$ 171,987.84	\$ 152,311.08	\$ 198,065.51	\$ 203,412.18	\$ 207,059.33	\$ 192,700.59	\$ 195,026.97	\$ 159,909.22	\$ 2,110,622.87
Total	\$ 1,224,000.00	\$ 957,323.98	\$ 920,811.40	\$ 1,103,721.46	\$ 1,055,722.44	\$ 1,094,011.67	\$ 1,278,020.75	\$ 1,192,521.40	\$ 1,245,776.91	\$ 1,214,247.19	\$ 1,195,854.95	\$ 1,192,376.80	\$ 13,674,388.95

Sales Tax Collections- 2023 through July

1st & 2nd Penny						1st & 2nd Penny YTD % Change				
	2019	2020	2021	2022	2023		2020	2021	2022	2023
January	\$ 761,929	\$ 964,852	\$ 1,009,586	\$ 1,166,606	\$ 1,080,423	compared to 2019	4.50%	14.38%	24.56%	33.81%
February	\$ 950,102	\$ 802,795	\$ 740,180	\$ 742,043	\$ 1,070,061	compared to 2020		9.45%	19.20%	28.05%
March	\$ 879,659	\$ 797,782	\$ 779,775	\$ 1,061,132	\$ 1,036,021	compared to 2021			8.90%	16.99%
April	\$ 573,003	\$ 953,938	\$ 1,193,927	\$ 1,162,111	\$ 1,174,674	compared to 2022				7.43%
May	\$ 1,191,121	\$ 844,821	\$ 1,020,762	\$ 969,562	\$ 1,105,285					
June	\$ 452,704	\$ 309,523	\$ 296,349	\$ 1,112,221	\$ 1,139,074					
July	\$ 1,234,603	\$ 1,641,325	\$ 1,871,253	\$ 1,313,649	\$ 1,480,955					
August	\$ 1,296,737	\$ 989,814	\$ 1,018,482	\$ 1,072,840	\$ -					
September	\$ 927,041	\$ 929,259	\$ 1,163,794	\$ 1,307,552	\$ -					
October	\$ 975,780	\$ 1,040,949	\$ 1,080,675	\$ 1,229,680	\$ -					
November	\$ 1,071,957	\$ 883,891	\$ 923,563	\$ 1,058,664	\$ -					
December	\$ 976,010	\$ 1,072,587	\$ 1,277,104	\$ 1,355,563	\$ -					
Annual	\$ 11,290,646	\$ 11,231,537	\$ 12,375,451	\$ 13,551,624	\$ 8,086,493					
YTD- July	\$ 6,043,121	\$ 6,315,037	\$ 6,911,833	\$ 7,527,325	\$ 8,086,493					
3rd Penny						3rd Penny YTD Percentage Change				
	2019	2020	2021	2022	2023		2020	2021	2022	2023
January	\$ 51,577	\$ 59,398	\$ 55,833	\$ 69,159	\$ 58,654	compared to 2019	-6.35%	14.28%	23.80%	22.27%
February	\$ 62,860	\$ 56,494	\$ 50,072	\$ 43,370	\$ 75,561	compared to 2020		22.03%	32.20%	30.57%
March	\$ 59,878	\$ 56,550	\$ 52,154	\$ 71,726	\$ 64,985	compared to 2021			8.33%	6.99%
April	\$ 39,435	\$ 60,882	\$ 82,977	\$ 88,039	\$ 70,927	compared to 2022				-1.23%
May	\$ 78,469	\$ 40,520	\$ 65,404	\$ 65,623	\$ 60,049					
June	\$ 37,516	\$ 22,918	\$ 31,384	\$ 79,575	\$ 79,488					
July	\$ 89,756	\$ 96,077	\$ 141,572	\$ 101,834	\$ 103,248					
August	\$ 102,353	\$ 74,822	\$ 88,290	\$ 86,884	\$ -					
September	\$ 88,686	\$ 75,068	\$ 115,643	\$ 111,617	\$ -					
October	\$ 76,541	\$ 83,094	\$ 86,502	\$ 86,440	\$ -					
November	\$ 80,243	\$ 57,532	\$ 70,472	\$ 81,093	\$ -					
December	\$ 66,263	\$ 71,713	\$ 88,851	\$ 88,642	\$ -					
Annual	\$ 833,576	\$ 755,069	\$ 929,154	\$ 974,002	\$ 512,913					
YTD- July	\$ 419,490	\$ 392,840	\$ 479,396	\$ 519,326	\$ 512,913					

Sales Tax Collections vs. Budget

Year	Budget % Change	Actual % Change	Budget Amount	Total Collections	Difference
2016	4.0%	-1.6%	\$ 11,180,000	\$ 10,943,600	\$ (236,400)
2017	0.0%	0.0%	\$ 11,180,000	\$ 10,945,889	\$ (234,111)
2018	-2.1%	4.6%	\$ 10,943,600	\$ 11,449,682	\$ 506,082
2019	0.9%	-1.4%	\$ 11,043,600	\$ 11,290,646	\$ 247,046
2020	-2.6%	-0.5%	\$ 10,756,666	\$ 11,231,537	\$ 474,871
2021	4.0%	10.2%	\$ 11,186,666	\$ 12,375,451	\$ 1,188,785
2022	2.2%	9.5%	\$ 11,431,538	\$ 13,551,624	\$ 2,120,086
2023	3.2%		\$ 11,800,000	\$ 8,086,493	\$ (3,713,507)

Entertainment Tax Collections vs. Budget

Year	Budget % Change	Actual % Change	Budget	Total Collected	Difference
2016	3.9%	2.9%	\$ 750,000.00	\$ 793,240.17	\$ 43,240.17
2017	-9.3%	-0.4%	\$ 680,000.00	\$ 790,107.66	\$ 110,107.66
2018	20.6%	-0.1%	\$ 820,000.00	\$ 789,558.58	\$ (30,441.42)
2019	-3.7%	5.6%	\$ 790,000.00	\$ 833,576.12	\$ 43,576.12
2020	0.0%	-9.4%	\$ 790,000.00	\$ 755,428.66	\$ (34,571.34)
2021	-17.7%	23.0%	\$ 650,000.00	\$ 929,071.87	\$ 279,071.87
2022	16.2%	4.8%	\$ 755,000.00	\$ 974,002.42	\$ 219,002.42
2023	11.9%		\$ 845,000.00	\$ 489,153.49	\$ (355,846.51)

2024 Proposed Budget

Revenue

Expenditures

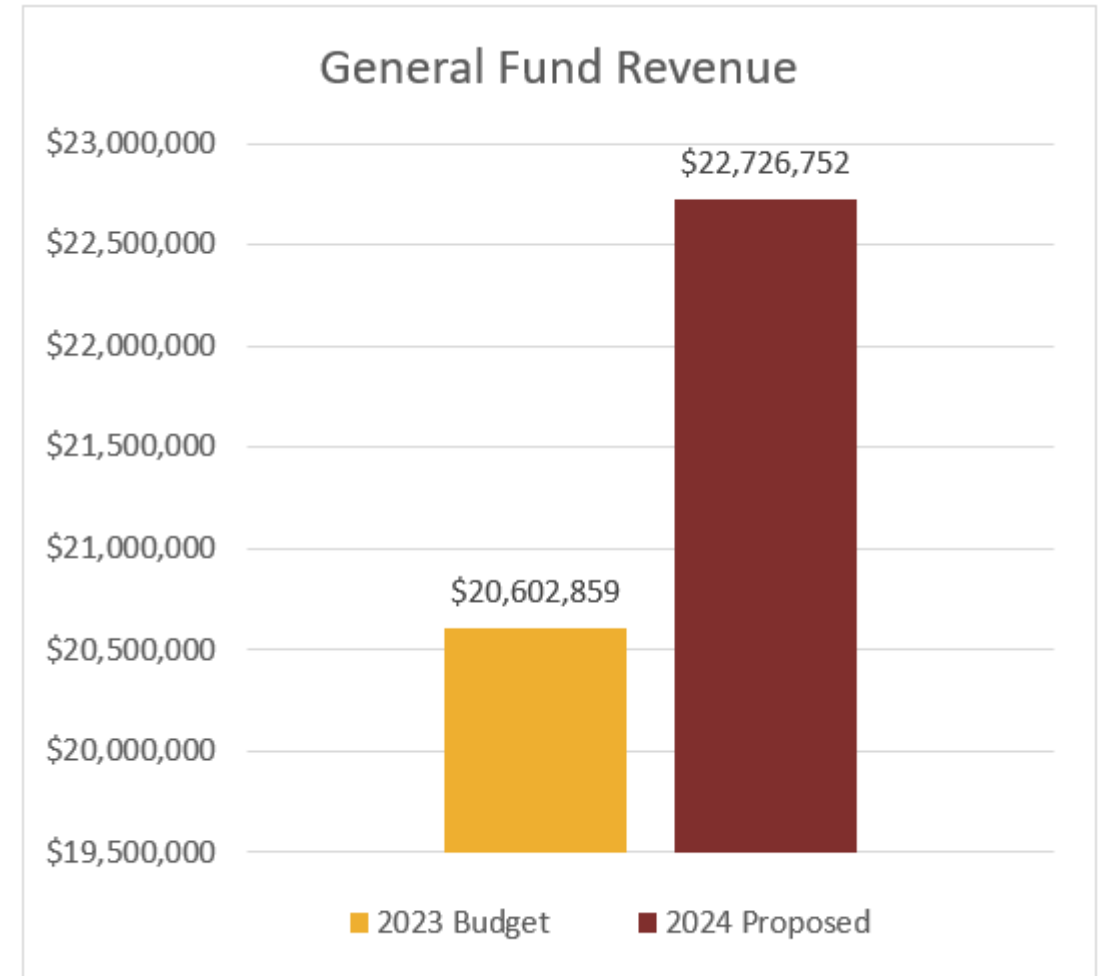
Cash Balances

Capital Items

Future Meetings

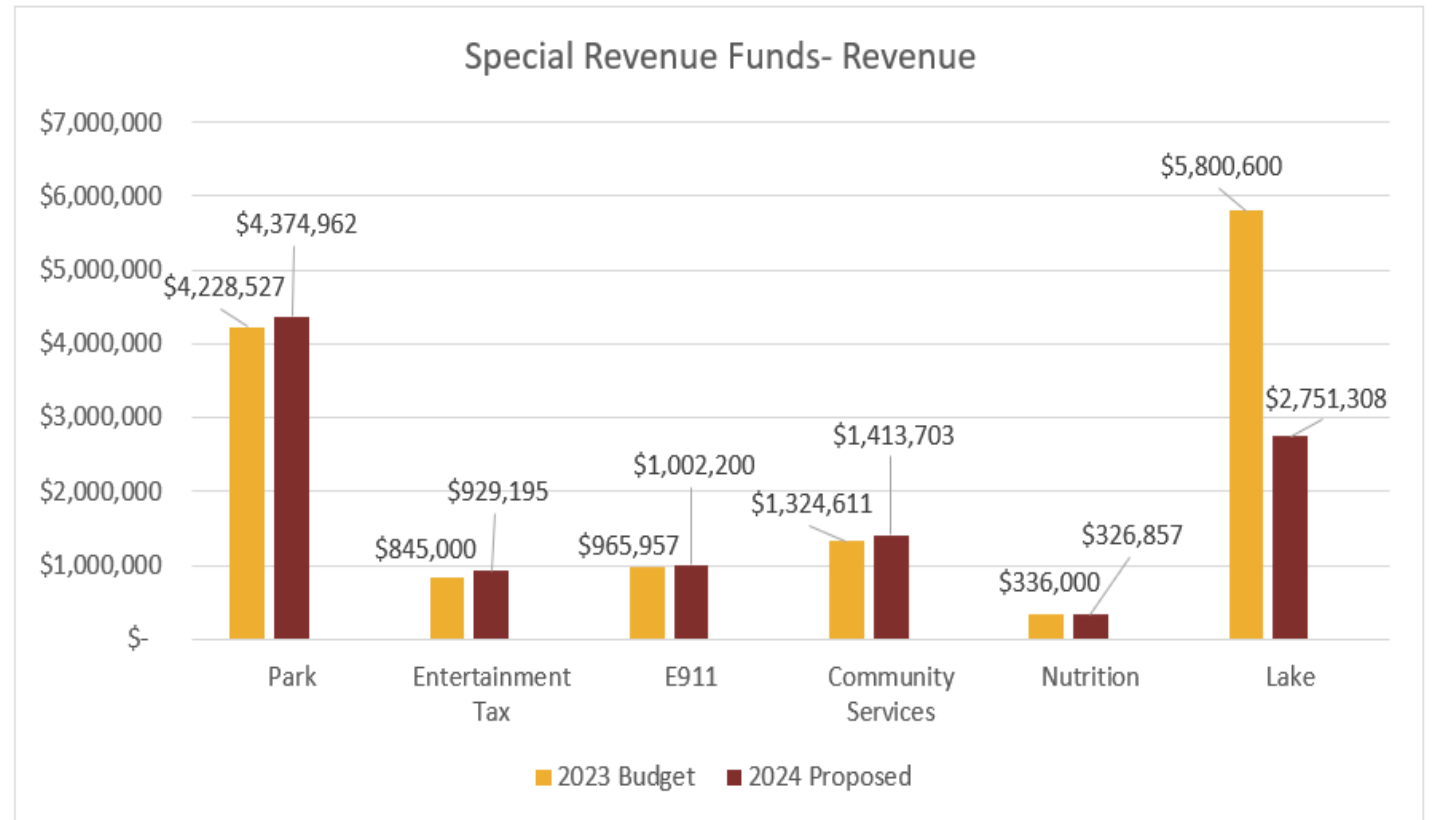
Proposed General Fund Revenue Budget

- Property Tax: 28% of Total Revenue
- Sales Tax: 47% of Total Revenue
- Total Revenue Projected to increase 10%
- Property Tax Projected to Increase 3% (CPI)
- Sales Tax Projected to Increase 10.6% (budget)



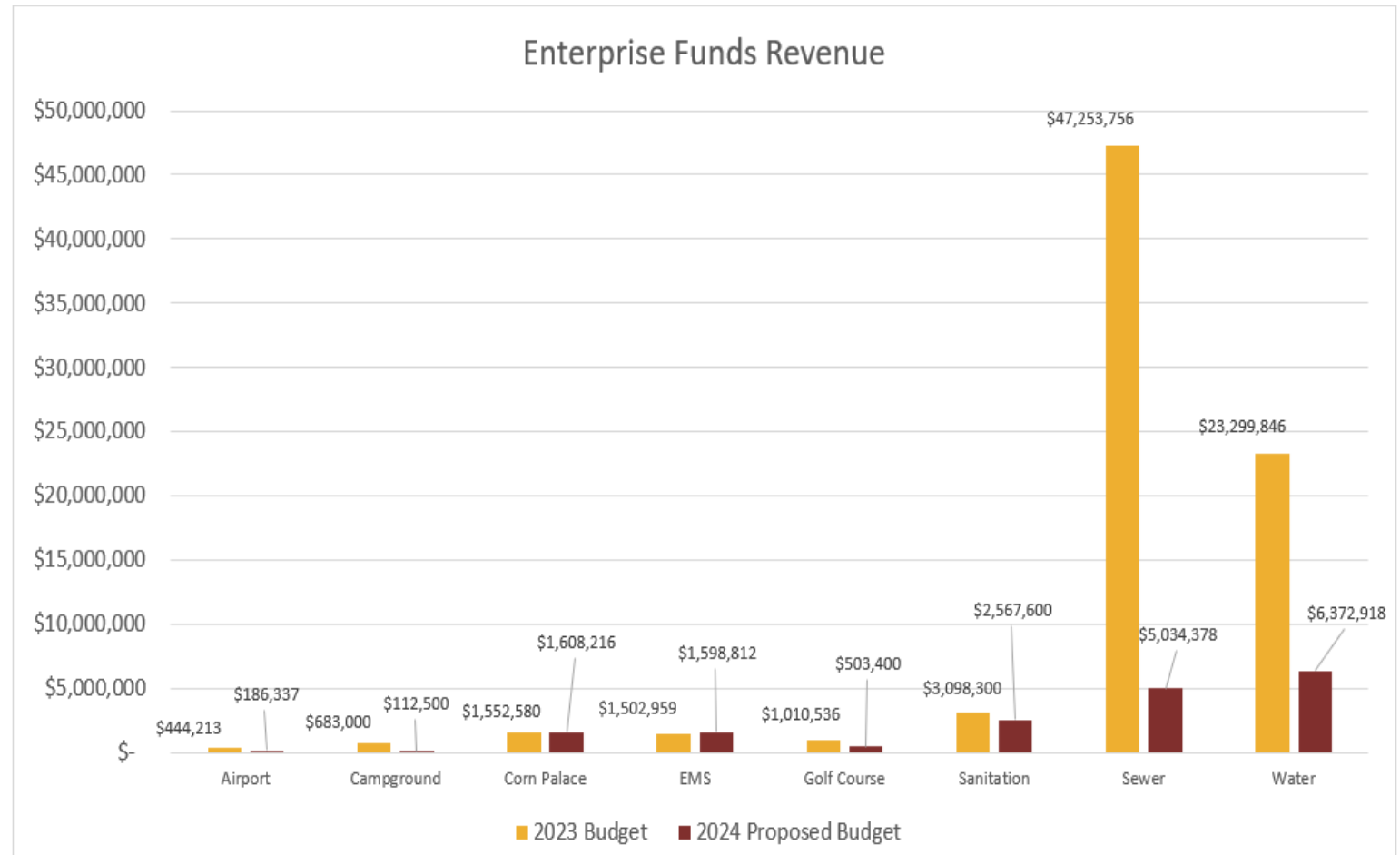
Proposed Special Revenue Fund Budgets

- Entertainment Tax projected to increase 7% (budget)



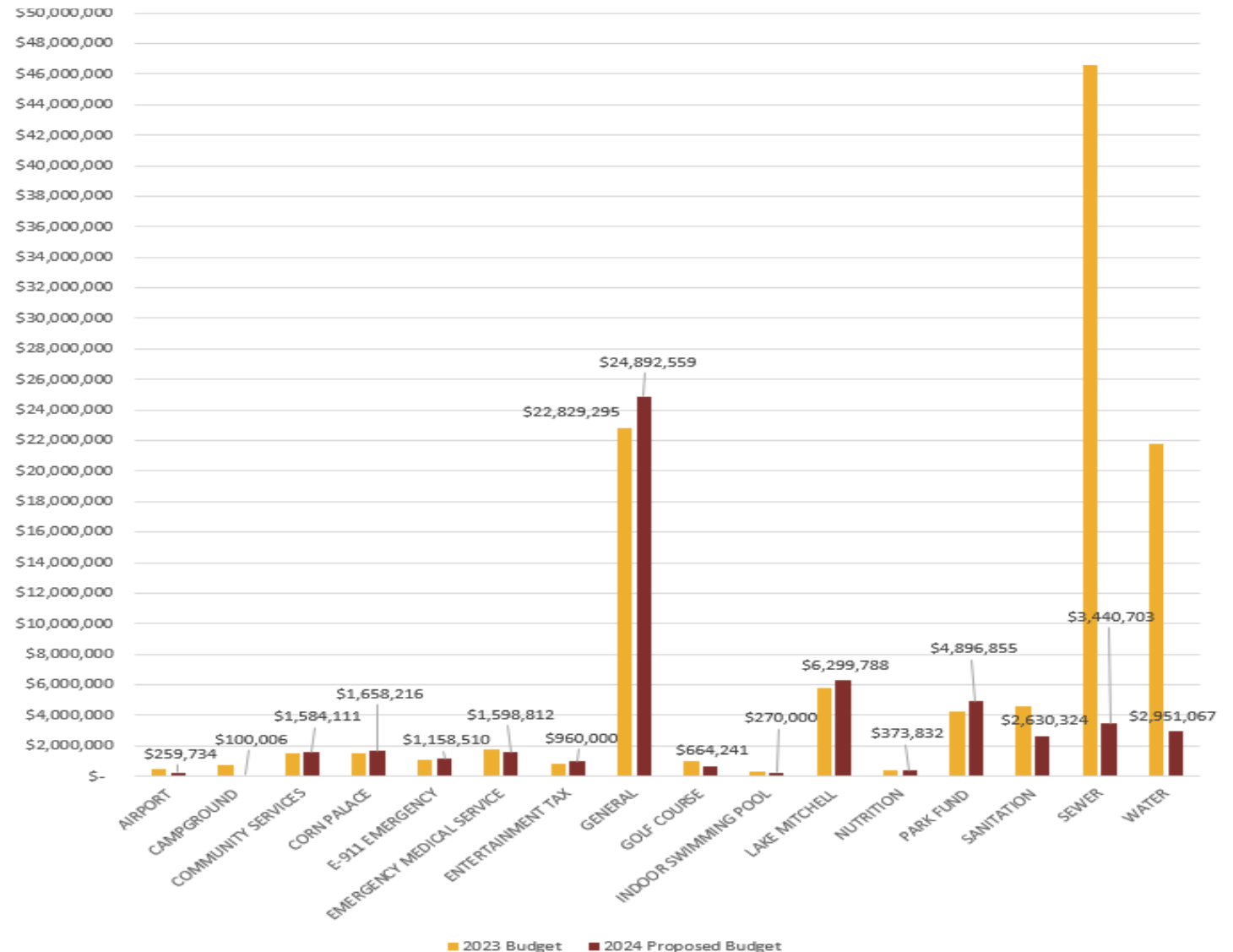
Proposed Enterprise Fund Revenue Budgets

- Entertainment Tax projected to increase 7% (budget)
- Golf Course Revenue decreased due to removing general fund transfer.
- Water & Sewer revenue decreased due to removing State Revolving Fund (SRF) Loan Revenue



Proposed Expenditure Budgets

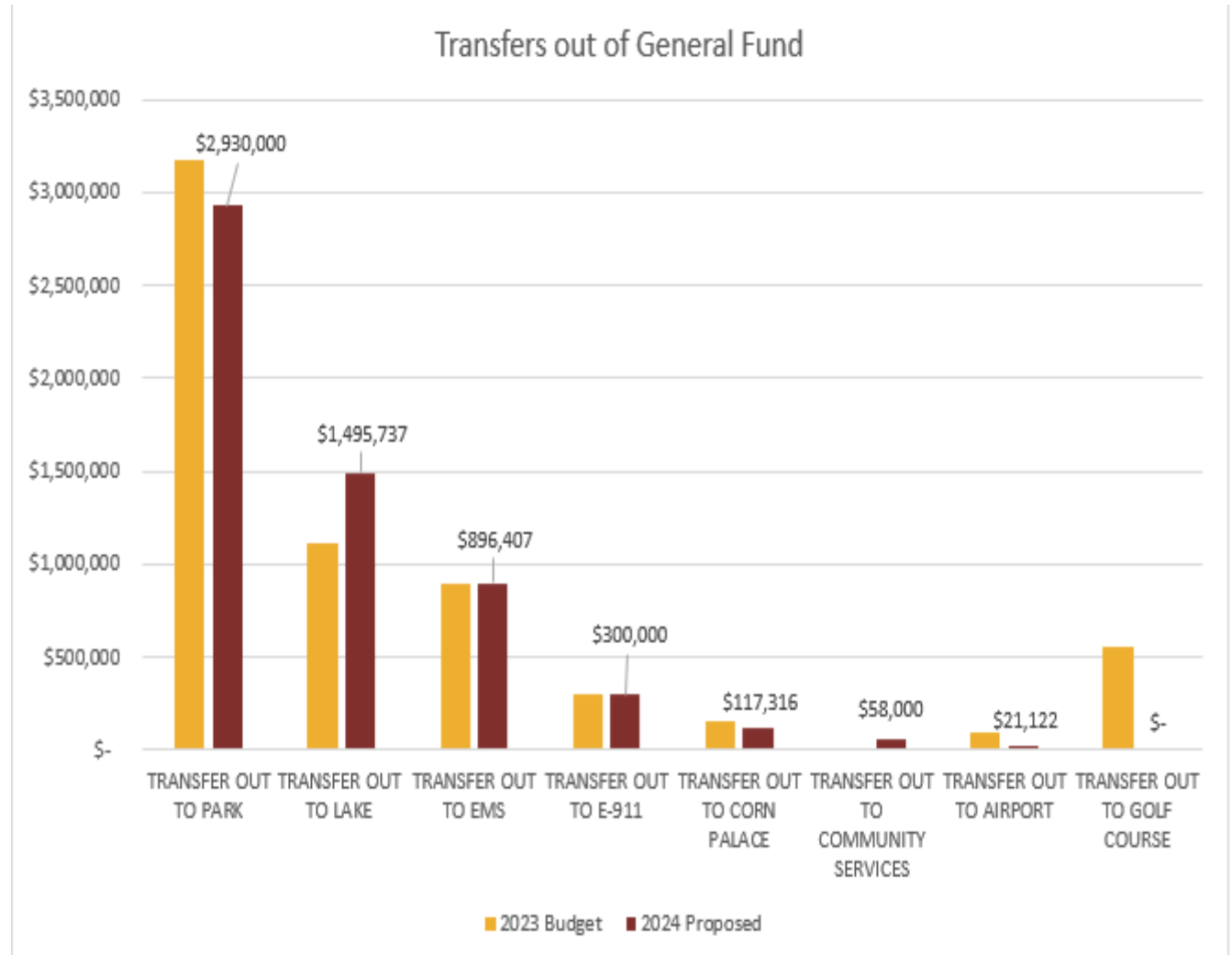
- Total Budgets Decreased 53% from 2023 (down \$61,8018,551)
- Budgets Increasing: Community Services, Corn Palace, E911, Entertainment Tax, General Fund, Lake Mitchell, Park
- Budgets Decreasing: Airport, Campground, EMS, Golf Course, Indoor Pool Debt Service, Nutrition, Sanitation, Sewer, Water



Proposed Transfers out of General Fund

Of Note: Transfer to Lake is from designated reserves for future capital projects

- \$500,000 for Jetty/Marina Construction
- \$995,737 for Lake Mitchell Drawdown Project



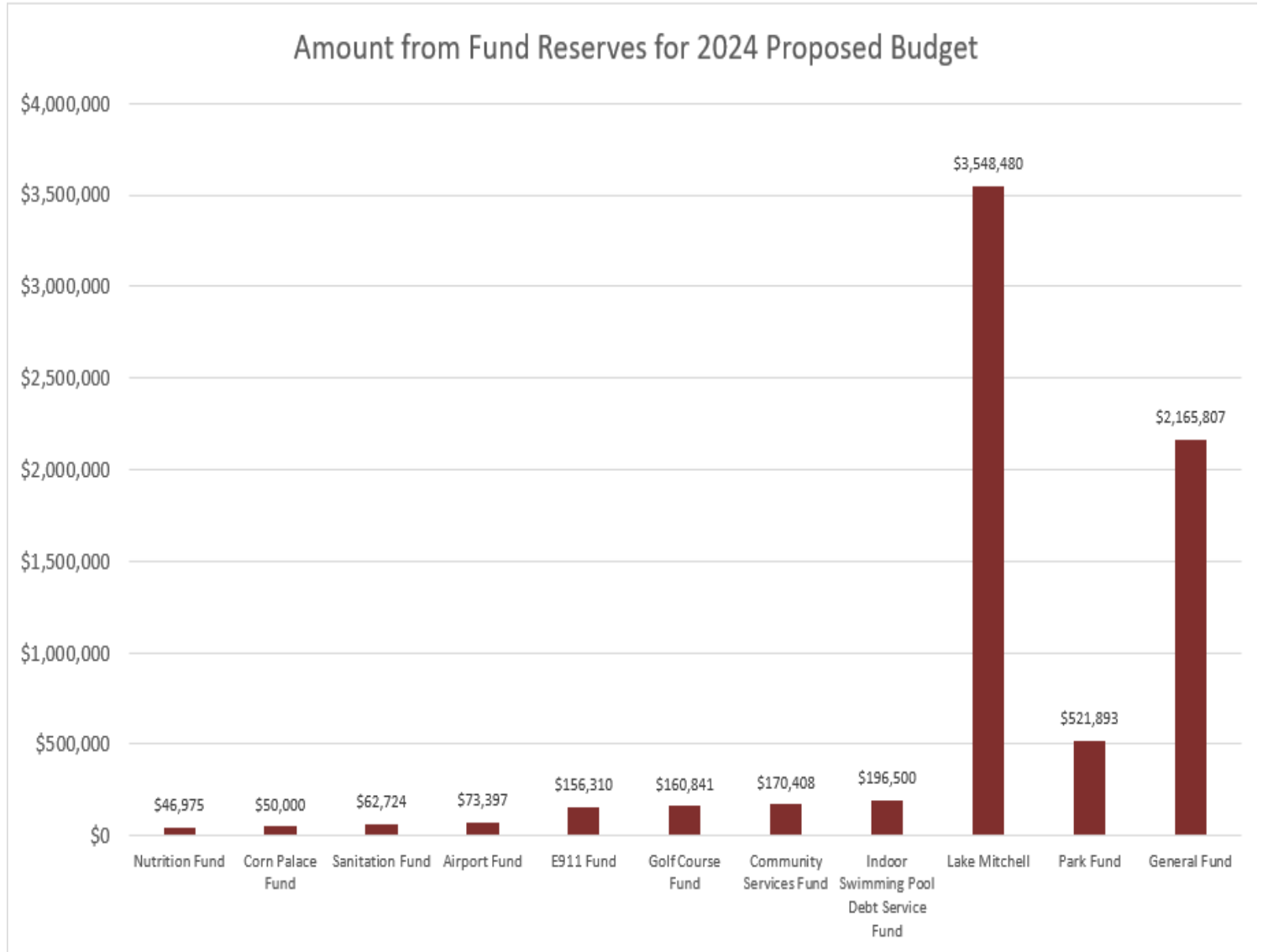
Proposed Cash Applied

General Fund Future Capital Projects:

- \$500,000 towards Jetty/Marina Construction
- \$995,737 towards Lake Mitchell Drawdown Project

Lake Mitchell Fund:

- \$1,000,000 (funds received in 2023) towards Jetty/Marina Construction
- \$2,548,480 towards Drawdown Construction Project



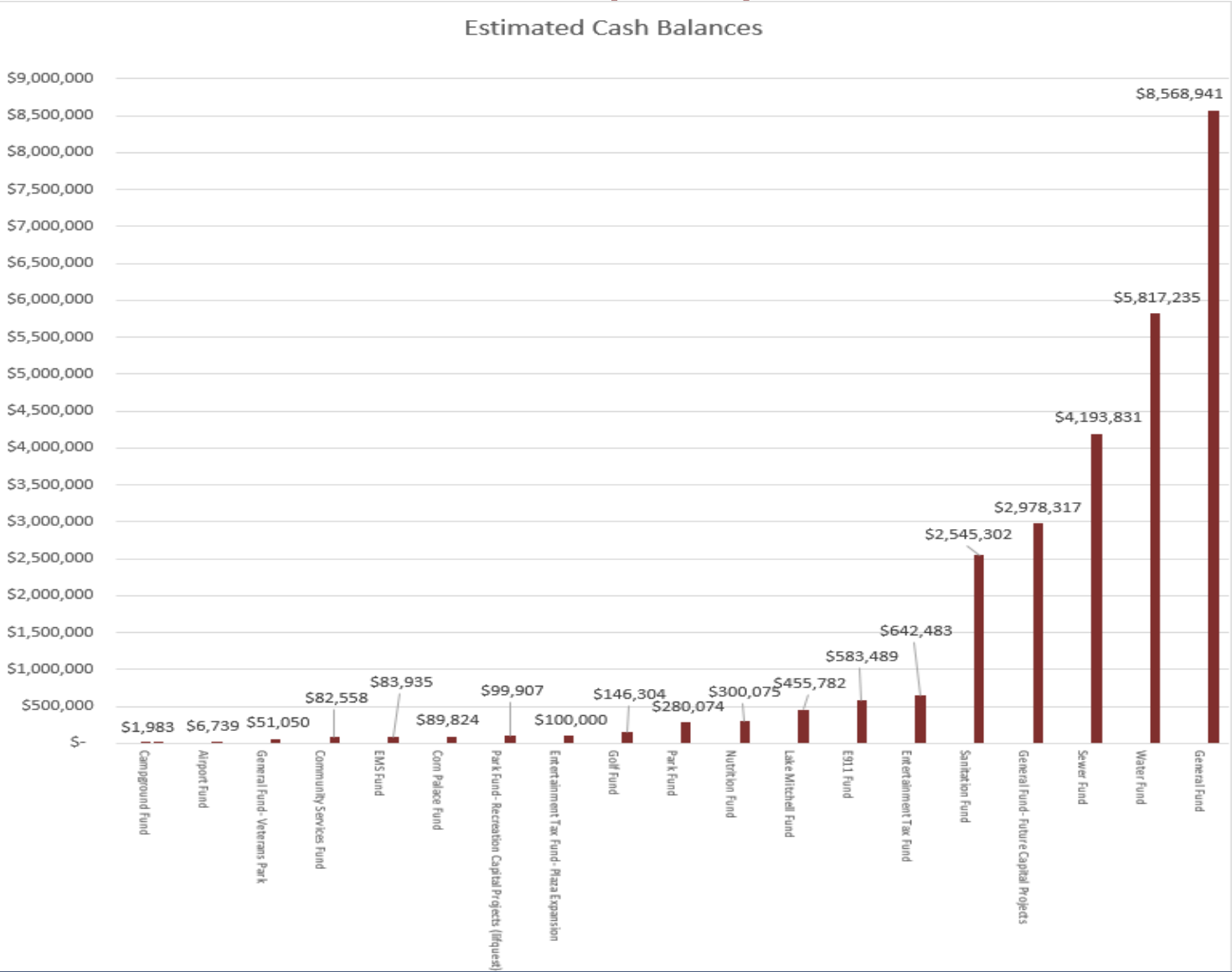
Projected Reserve Balances 12/31/2024

General Fund

- Estimated Balance at the end of 2024 is \$8,568,941
- 38% of 2024 Proposed Revenue
- Council could take action to designate additional funds in 2023

Utility Accounts

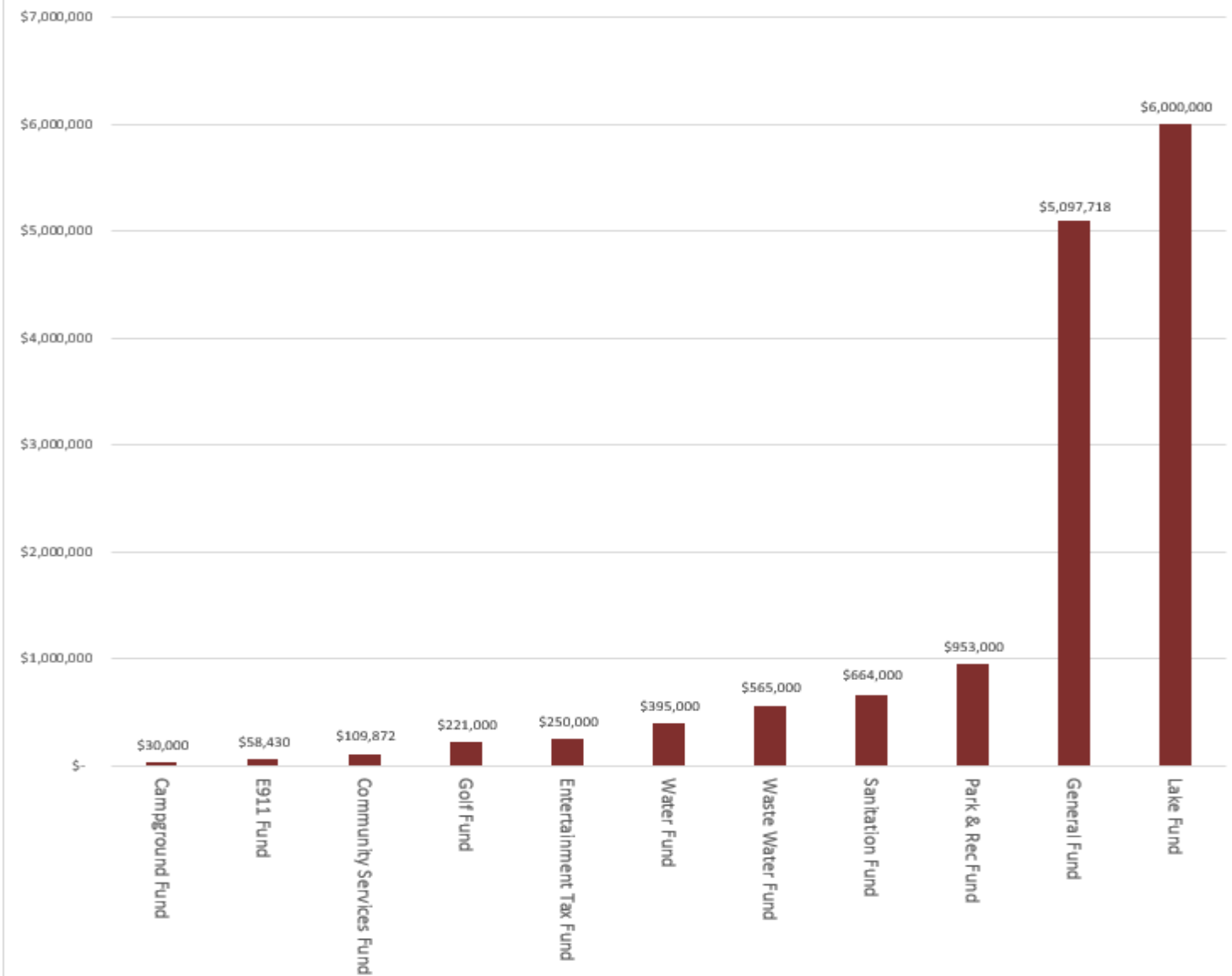
- Will have major projects starting in 2023-2024
- Funds for internal projects in 2024 or 2025



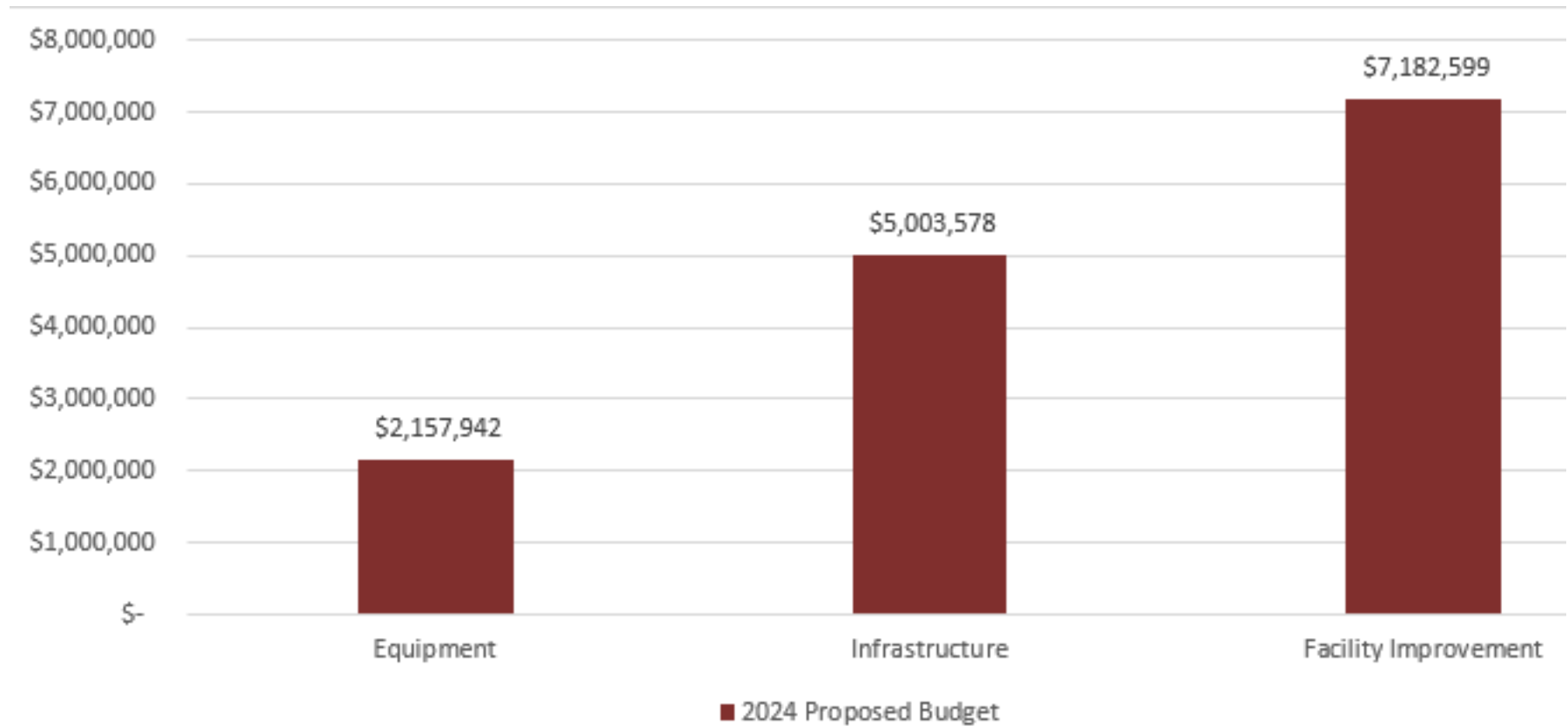
Proposed Capital Improvements for 2024

Total Proposed \$14,344,020

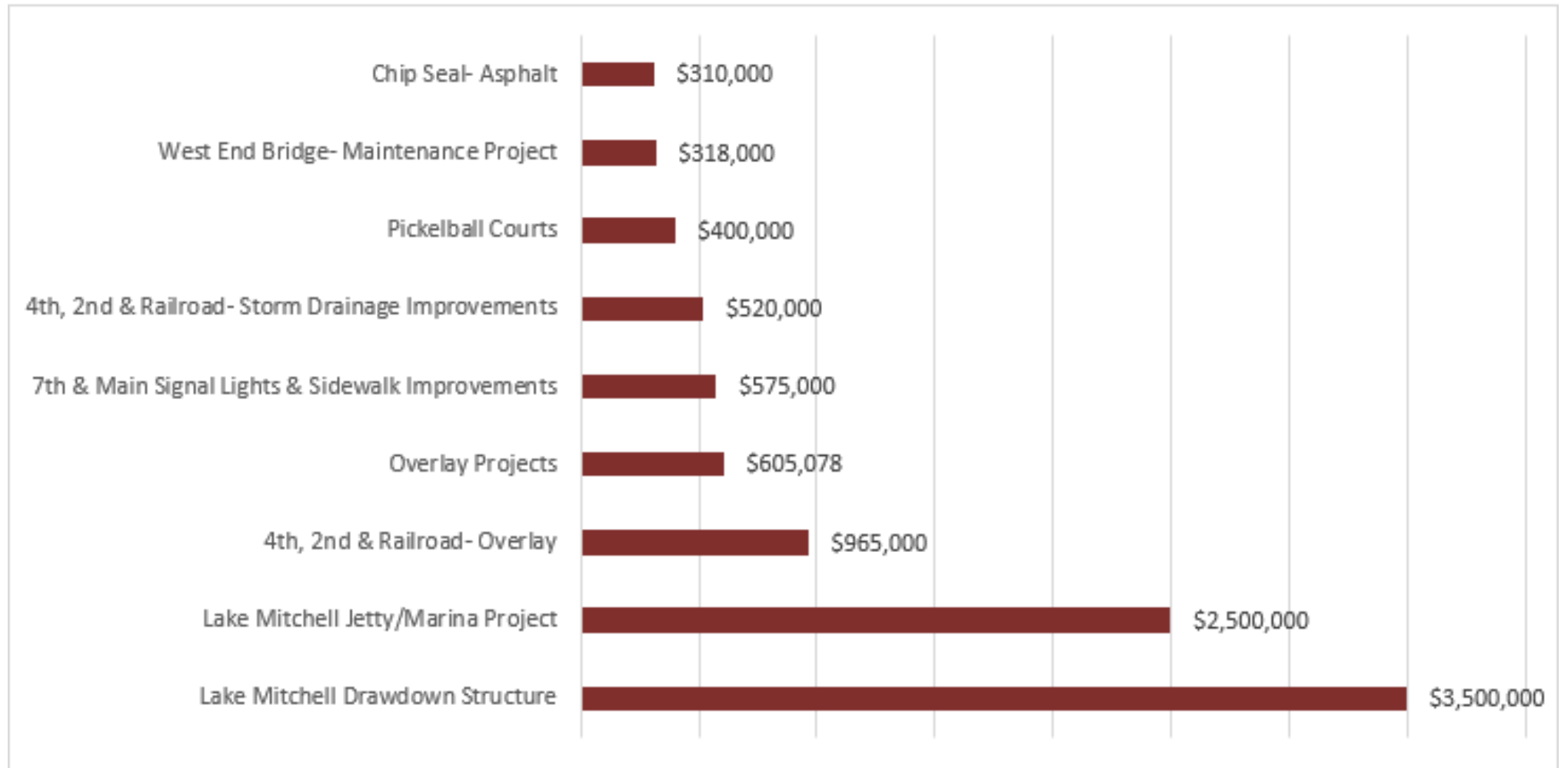
- Campground Fund: \$30,000
- E911 Fund: \$48,430
- Community Services Fund: \$109,872
- Golf Fund: \$221,000
- Entertainment Tax Fund: \$250,000
- Water Fund: \$395,000
- Sewer Fund: \$565,000
- Park & Recreation Fund: \$953,000
- General Fund: \$5,097,718
- Lake Fund: \$6,000,000



Proposed Capital Improvements for 2024



Proposed Capital Projects over \$300,000



Proposed Capital Projects - Infrastructure

Dog Park Sidewalk Bike Path	\$25,000
Spruce Rail Road Crossing	\$30,000
Gravel Base (purchased)	\$30,000
Rubber Crack Sealer	\$38,500
Water Meter Replacements	\$40,000
Wisconsin 12-15 Overlay	\$62,238
Sawgrass Overlay	\$63,438
Wallace Hanson to South Overlay	\$64,538
3rd & Main Storm Drainage Improvements	\$70,000
Chip Seal Aggregate	\$77,000
Waste Water Manhole Rehabilitations	\$100,000
Asphalt Mix	\$100,000
Water Valve Repalacements	\$105,000
Kippes Cove Overlay	\$122,688
Quince – West of Millery Overlay	\$142,688
1 st - Burr to Main Overlay	\$149,488
Golf Course/Cemetery Bike Path	\$150,000
Chip Seal Asphalt	\$310,000
Waste Water CIPP Improvements	\$200,000
Gravel Base (crushed)	\$250,000
4 th , 2 nd , RR, & Main Water Improvements	\$250,000
4 th , 2 nd , RR, & Main Waste Water Improvements	\$265,000
West End Bridge Maintenance Project	\$318,000
4 th , 2 nd , RR, & Main Storm Drainage Improvements	\$520,000
7 th & Main Intersection Lights & Sidewalk Improvements	\$575,000
4 th , 2 nd , & RR Overlay	\$965,000

Proposed Capital Projects – Facility Improvements

Recreation Center- Paint	\$5,000
Golf Course Irrigation Filter System	\$5,000
JVCC Rooftop Exit	\$6,000
Gainer Park A/C	\$6,500
Cemetery Offices- Replace & Widen Overhead Door	\$7,000
Recreation Center- Carpet Replacement	\$10,000
Recreation Center-Lighting Upgrades	\$12,000
Outdoor Aquatic Center- Paint Inside of Building	\$15,000
Recreation Center- Youth Area Upgrades: climbing wall, obstacle course, mats, cubbies	\$20,000
Cemetery Offices- Replace Siding & Insulation	\$20,000
Outdoor Aquatic Center- Replace Sand in Filters	\$20,000
Retaining Wall at Public Beach	\$25,000
Recreation Center- Tile Flooring	\$51,000
Sports Complex- Irrigation Pumps	\$150,000
Phase II Golf Course (additional funds)	\$180,000
Pickelball Courts	\$400,000
Lake Mitchell Jetty & Marina	\$2,500,000
Lake Mitchell Drawdown Structure	\$3,500,000

Proposed Capital Projects – Equipment

AED Replacements	\$5,250	Snow Blade for Payloader	\$24,000
Bus Cameras	\$6,000	Reel Grinders	\$25,000
Switch- Public Safety Server	\$6,500	Line Painter for Sports Fields	\$26,000
NVR & Cameras at Lake & Watertower	\$7,500	Fire/EMS Gear Sets	\$28,205
Bus Garage Cameras	\$8,000	Dock (campground)	\$30,000
Batteries & Controllers for Bumper Cars	\$8,000	Fire/EMS Rescue Boat	\$31,800
Battery Back up – 7th & Sanborn	\$9,000	Tire Chopper	\$34,000
Graco Line Driver Paint Striper	\$9,000	Tablets, lockbox, cradle points & antennas for busses	\$38,400
Snow Plow for Pick Up	\$10,500	Pick Up (used)- Public Works	\$40,000
Snowblower for 4WD Toro	\$10,900	Pick Up	\$40,000
Greens Reels	\$11,000	Books	\$47,000
Power DMS Software	\$11,894	Dispatch Software for Palace Transit Busses	\$48,472
NVR Upgrades	\$15,000	Chevy Tahoe – Police	\$53,000
IT Server	\$15,000	Chevy Tahoe- Police	\$53,000
Pictometry (2nd of 3 payments)	\$15,000	Chevy Tahoe- Police	\$53,000
Surface Pro Replacements	\$16,500	Dispatch workstation PCs (4)	\$58,430
Forklift	\$17,000	Motorola Radio Replacements	\$63,561
Crosswalk RRFB	\$20,000	128" wide mower	\$78,000
Snow Removal One Way Blades	\$20,000	Crack Sealing Machine	\$90,000
Cameras & Door Controls at Sports Complex & Hitchcock Park	\$21,480	Mower	\$92,000
E-books	\$21,650	Bobcat with Attachments	\$105,000
		Mini Excavator	\$105,000
		Transfer Trailer	\$100,000
		Dump Truck	\$235,000
		Garbage Truck	\$385,000

Alternate Fund of Capital Projects

Projects Receiving Grant & Donation Support- \$1,625,282

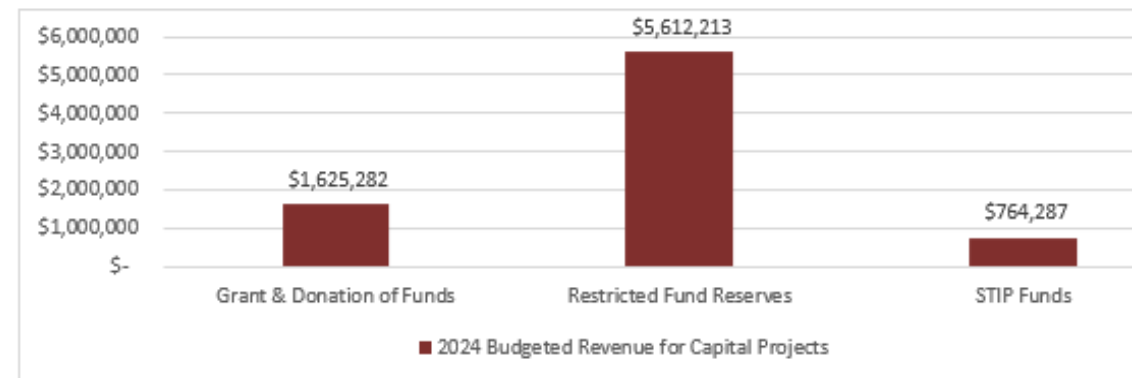
- BIIIG grant for the maintenance work at the West End Bridge. \$253,804
- State grant towards the Pickleball Courts. \$195,000
- Donations towards the Pickleball Courts. \$107,000
- EDA grant towards the Jetty & Marina Construction Project at Lake Mitchell. \$1,000,000
- State grants towards Palace Transit Equipment. \$69,478

Projects Utilizing Restricted Reserves: \$5,612,213

- Park Fund Donations- towards the Youth Improvements at the Recreation Center. \$98,000
- Lake Mitchell Jetty Project (EDA required matching funds) \$1,500,000
- Lake Mitchell Draw Down Construction Project. \$3,500,000
- Equipment upgrades in E911 Dispatch Center. \$58,430
- 4th, 2nd, & Railroad improvements. \$455,783

Projects Utilizing STIP Funds

- Chip Seal Asphalt- \$310,000
- 4th, 2nd, RR, & Main Overlay - \$392,000
- Wisconsin 12th- 15th Overlay- \$62,238



Proposed Professional Services/Design Projects

Gun Range Design

- \$100,000 out of General Fund

Design of 5th Avenue Burr to Foster

- \$150,000 out of Sewer Fund
- \$90,000 out of Water Fund

Subsidy Application Process for 2024

Subsidy Application Process for 2024

2024 Subsidy Applications Received: \$694,250

2023 Subsidy Funding Level: \$627,000

2024 Subsidy Applications

General Fund	2016	2017	2018	2019	2020	2021	2022	2023	2024 Application
Health & Welfare (440)									
Big Friend Little Friend									\$ 5,000
Dakota Counseling	\$ 62,000	\$ 50,000	\$ 50,000	\$ 40,000	\$ 35,000	\$ 26,250	\$ 26,250	\$ 13,000	\$ 26,250
LifeQuest (Adjustment Training Center)	\$ 12,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 6,750	\$ 9,000	\$ 8,000	\$ 9,000
Safe Place of Eastern SD	\$ 5,000	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 3,375	\$ 4,500	\$ 20,000	\$ 20,000
Culture & Recreation (450)									
CASA	\$ 5,000	\$ 4,000	\$ 4,000	\$ 3,000	\$ 3,000	\$ 2,250	\$ 3,000	\$ -	\$ 2,000
Exchange Club Fireworks Display	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 7,500	\$ 10,000	\$ 10,000	\$ 10,000
Mitchell Prehistoric Indian Village	\$ 17,000	\$ 13,500	\$ 17,000	\$ 16,500	\$ 15,000	\$ 11,250	\$ 13,000	\$ 13,000	\$ 19,000
Municipal Band	\$ 10,500	\$ 10,250	\$ 10,250	\$ 10,250	\$ 10,250	\$ -	\$ 12,540	\$ 11,000	\$ 11,000
Economic Development:									
Mitchell Area Development Association- <i>prior to 2018, amounts split between general fund and ent tax</i>	\$156,000	\$143,000	\$ 143,000	\$143,000	\$167,000	\$ 167,000	\$167,000	\$167,000	\$167,000
MAHI- Mitchell Area Housing Incorporated								\$ 75,000	\$ 75,000
Mitchell Main Street & Beyond	\$ 40,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 26,250	\$ 35,000	\$ 35,000	\$ 50,000
Regional Economic Development- Dakota Heartland	\$ 32,500	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 25,000	\$ 25,000
TOTAL General Fund	\$350,000	\$309,250	\$ 312,750	\$301,250	\$318,750	\$ 280,625	\$310,290	\$377,000	\$419,250

2024 Subsidy Applications

Entertainment Tax Fund		2016	2017	2018	2019	2020	2021	2022	2023	2024 Application
	CVB	\$300,000	\$272,000	\$ 273,000	\$273,000	\$273,000	\$ 250,000	\$250,000	\$250,000	\$275,000
Total Entertainment Tax Fund		\$300,000	\$272,000	\$ 273,000	\$273,000	\$273,000	\$ 250,000	\$250,000	\$250,000	\$275,000
Total Combined		\$650,000	\$581,250	\$ 585,750	\$574,250	\$591,750	\$ 530,625	\$560,290	\$627,000	\$694,250

Subsidy Application Process for 2024

2024 Subsidy Applications Received: \$694,250

2023 Subsidy Funding Level: \$627,000

Discussion on format of Subsidy Application Review for September 11 work session.

Future Meetings

This is the initial presentation to City Council. The Council will be making changes to this requested budget throughout the budget review process.

-

Annual Budget Work Session Proposed Schedule:

August 28 at 6:00 PM- proposed budget overview

September 11 at 6:00 PM- Subsidy Application Review

September 18th at 5:00 PM (prior to council meeting)

October 16 at 5:00 PM (prior to council meeting)

October 30 at 6:00 PM

*Other dates may be scheduled as needed

The Annual Budget Hearings are scheduled for:

November 6th: First Reading

November 20: 2nd Reading & Adoption



2024 Proposed Budget Overview

This is the initial presentation to City Council. The Council will be making changes to this requested budget throughout the budget review process.

Annual Budget Work Session Schedule:

August 28 at 6:00 PM- proposed budget overview
September 11 at 6:00 PM- Subsidy Application Review
September 18th at 5:00 PM (prior to council meeting)
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**Other dates may be scheduled as needed*

The Annual Budget Hearings are scheduled for:

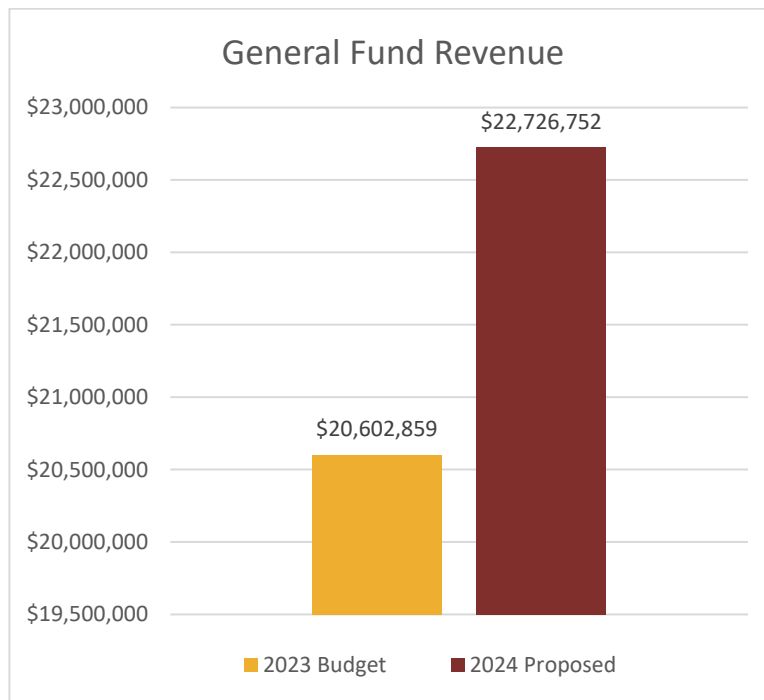
November 6th: First Reading
November 20: 2nd Reading & Adoption

Revenue

General Fund

General Fund Revenue serves as the main revenue for basic city operations. The major revenue sources for the 2024 General Fund include **Property Tax (28% of overall revenue for 2024, 33% of the total tax revenue for 2024)** and **Sales Tax (57% of the overall revenue in 2024, and 67% of the total tax revenue for 2024)**. Overall revenue projections **have increased** for the 2024 General Fund Budget in the amount of **\$2,123,893** as compared to 2023. The increase is a result in increased sales tax receipts, increased interest paid to city accounts and increased property tax collections.

The budget is proposing conservative revenue projections; however, if Sales Tax numbers increase above projections in 2024, the City Council could always consider a mid-year supplemental appropriation budget hearing that would allocate some of those increases received for projects not included in the 2024 budget. Likewise, if sales tax numbers fall below the 2024 Proposed Budget, then Contingency funds will be needed to balance the budget. The 2024 Proposed budget includes a 10.6% increase from the 2023 Sales Tax Budget but less than actual collections in 2022.



Of Note:

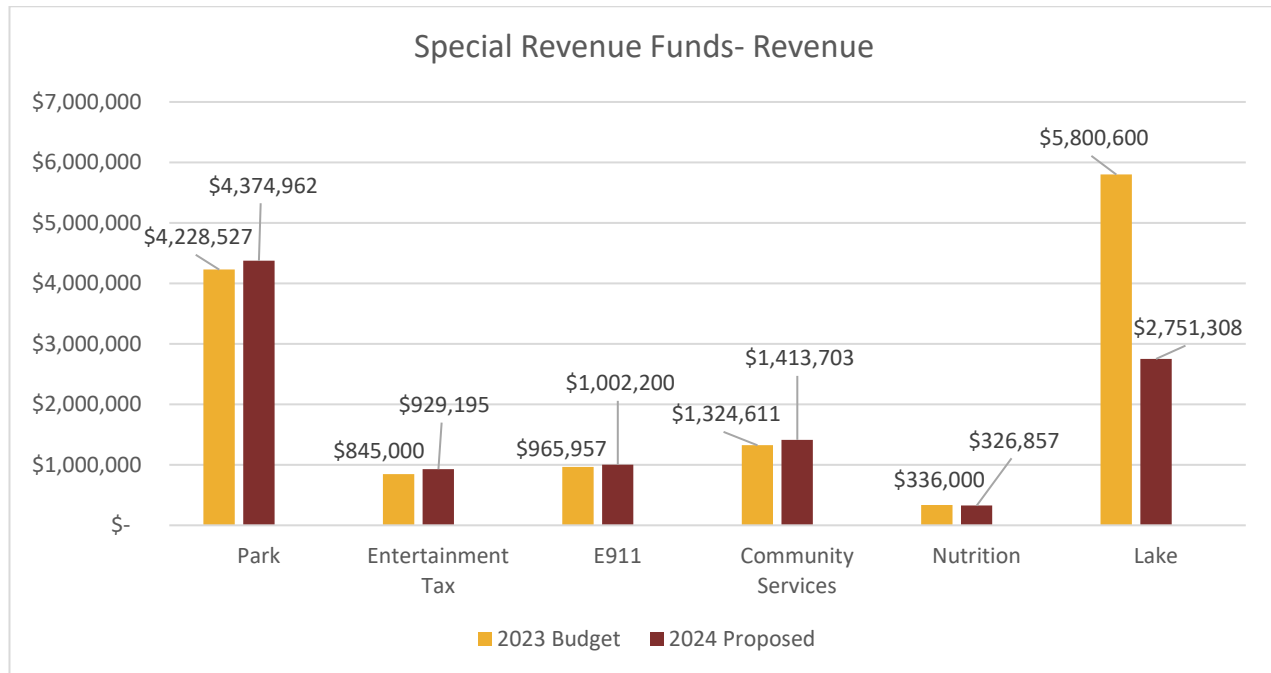
- The CPI for property tax increases was 3.0% which resulted in a property tax collection increase of \$185,657.
- The Growth for property tax for 2024 has not been received from the Davison County Auditor Yet. The revenue projections can be updated once that information is received. When the City does have growth in assessed value it typically results in an increase of under \$70,000 to revenue projections.
- The budget also projects a 10.6% increase from the 2023 Sales Tax Budget, an increase of \$1,253,634 from the 2023 Budget. This budget amount is still below the 2022 collection levels; and we continue to see increased sales tax collection in 2023 as compared to 2022. *We held off on increasing revenue projections in the 2023 budget wanting to be sure that sales tax numbers would stay up which is contrary to previous trends.*

Cash Applied from General Fund Designated Reserves:

- \$214,287 of STIP fund reserves, (in addition to the \$550,000 out of 2024 STIP Funds listed in the budget) to be used towards 2024 Road Repair & Construction projects. (Total Eligible Projects are: \$1,585,075 for Overlay; \$387,000 for Chip seal; \$280,000 for gravel base; \$38,500 for rubber crack sealer; and \$80,000 for Asphalt.)
- \$500,000 from the Designated Projects Reserves for the matching funds required for EDA grant for the construction of the jetty and boat docks at Lake Mitchell.
- \$1,429,837 towards the Lake Mitchell Drawdown Construction.
- \$455,783 towards STP eligible projects from designated for assessments.

Special Revenue Funds

In addition, special revenue funds and enterprise funds were reviewed to ensure that projections for 2024 matched actual collections in 2023 and future collections in 2024. This ensures that as administration reviewed the 2024 budget requests, the requests are attainable revenue projections. This continues the City's goal that the City will not rely on using reserves to balance the budget due to not reaching expected revenue projections.



Of Note:

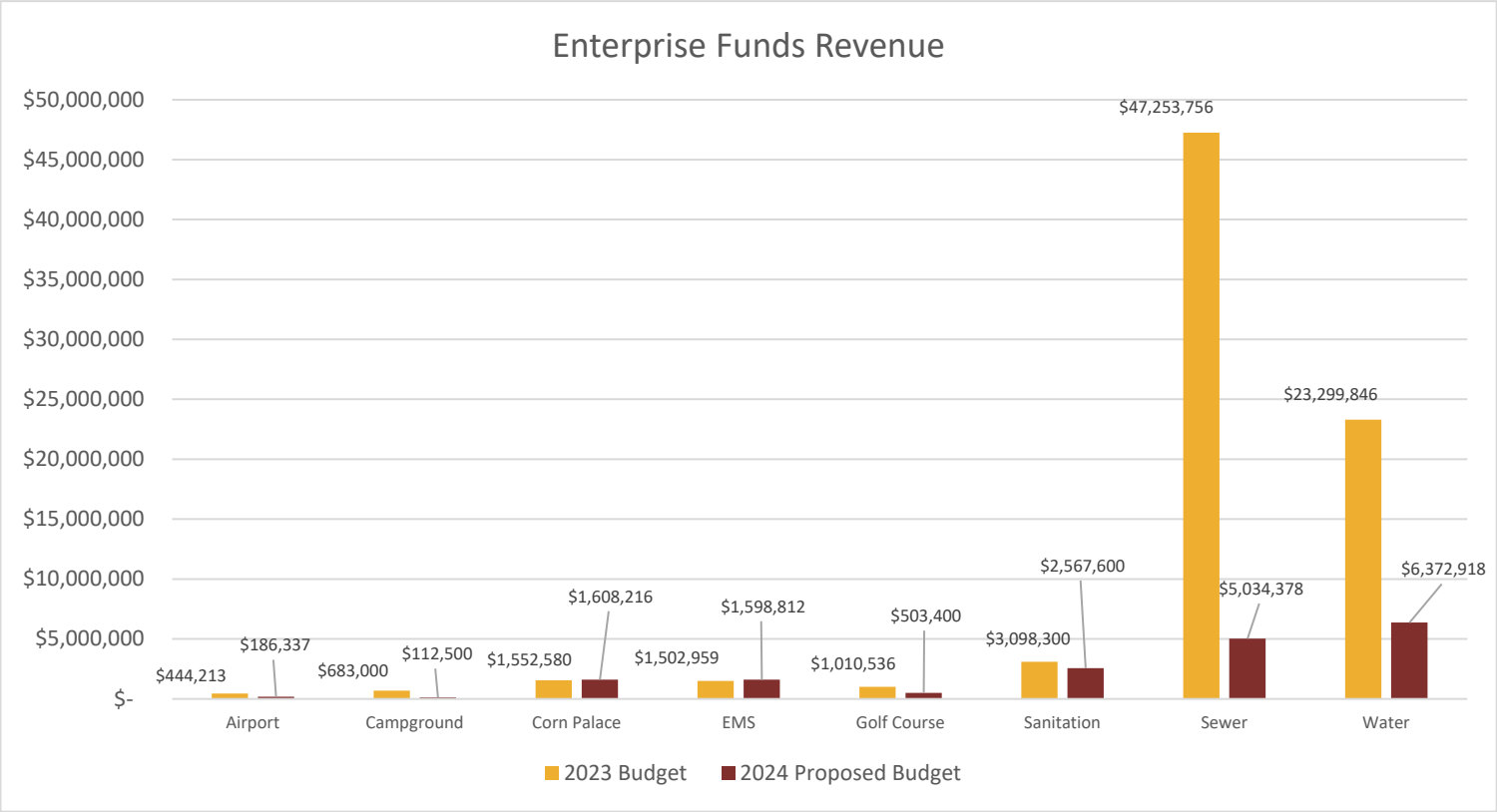
- Park fund revenue increased \$146,435 from 2023. The transfer from general fund is proposed at \$2,930,000.
- Entertainment tax revenue increased \$84,195, which is a 7% increase from the 2023 budgeted levels, but is still below the 2022 collections.
- E911 budgeted revenue increased \$36,243 from 2023. The PSAP funds and service contracts were changed to match actual collections. The City is applying cash from E911 reserves to assist with equipment upgrades and operations from funds received from CARES Act for wages in 2020.
- Community Services revenue increase \$89,092 largely due to a general fund transfer in the amount of \$58,000 and projected grant funds for budgeted equipment purchases.
- Nutrition Revenue decreased \$9,143 in an effort to make budget projections closer to actual revenue collected.
- Lake Fund Revenue is lower in the 2024 budget and includes \$1,000,000 from an EDA grant for the Jetty/Boat Dock project; and a general fund transfer of \$1,951,520 for the Jetty matching funds (\$500,000) and Lake Draw Down project.

Cash Applied from Special Revenue Fund Designated Reserves:

- Park fund will have \$98,000 out of designated reserves used towards dedicated capital improvement projects at the Rec Center; and \$423,893 of fund reserves (from previous general fund contributions & premium holidays) towards capital improvement projects.
- E911 will have \$156,310 applied from reserves (previous general fund contributions & CARES act funds received, towards equipment upgrades and operations.
- Community Services will have \$170,408 applied from reserves from previous general fund contributions & CARES act funds received.
- Nutrition will have \$46,975 applied from reserves towards operations.
- Lake Fund will have \$3,548,480 applied from fund reserves. Of those funds \$1,000,000 is dedicated funds for the Jetty/Marina project and \$2,548,480 towards the draw down construction.

Enterprise Funds

The City of Mitchell has eight designated enterprise operations. The enterprise funds include: Airport, Campground, Corn Palace, Emergency Medical Services, Golf Course, Sanitation, Water, and Sewer. Emergency Medical Services used to be a general fund operation, but was moved to enterprise operations in 2021 to properly track and account for those expenses and revenue. To be considered an enterprise fund, the fund should cover the cost of operation from the revenue the fund generates.

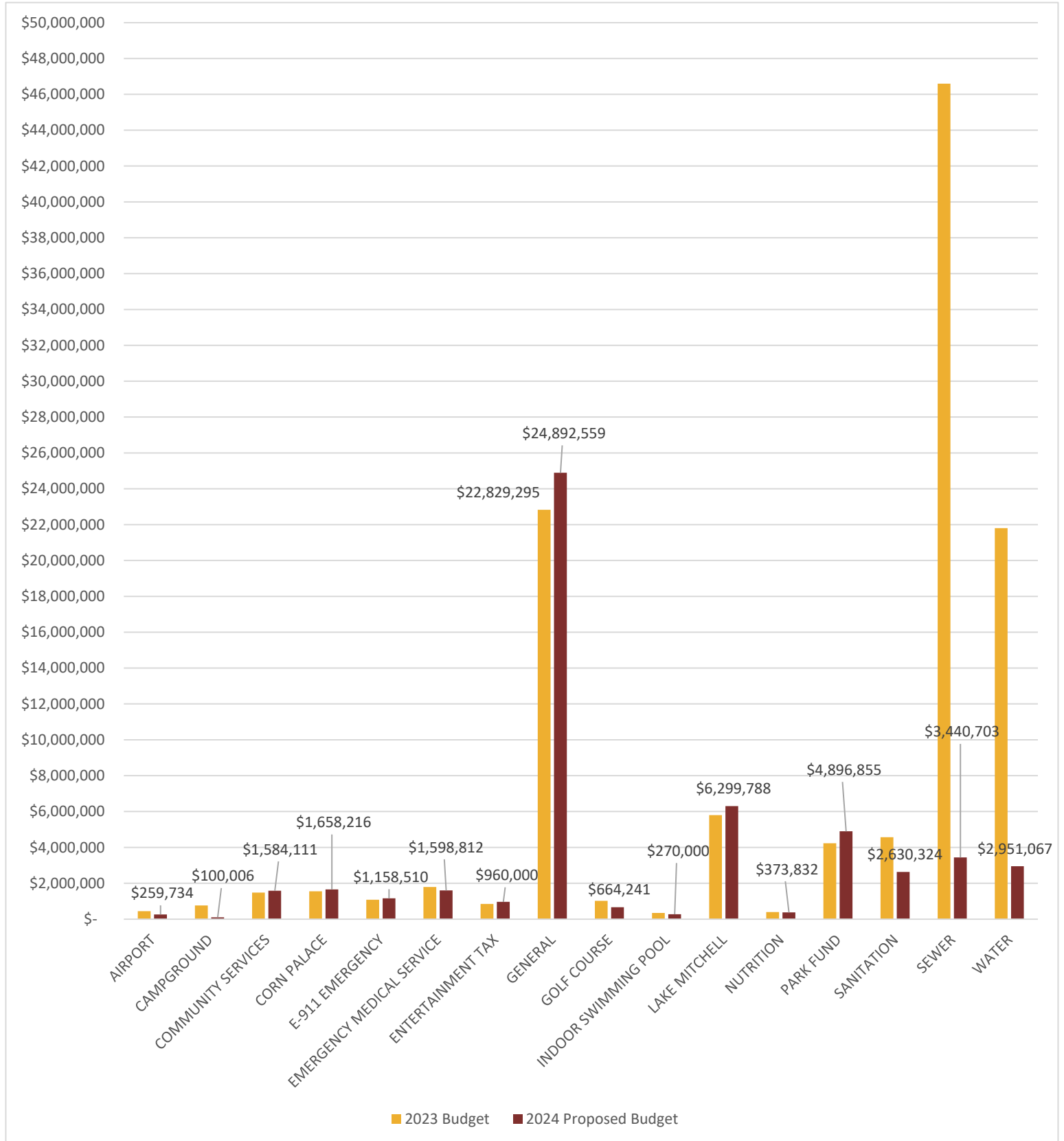


Of Note:

- Airport Fund revenue decreased \$257,876 in the 2024 budget in comparison to 2023. The major change in the 2024 revenue budget was the removal of anticipated grant funds for 2023.
- Campground Fund revenue decreased \$570,500 in the 2024 budget in comparison to 2023. The major change in the 2024 budget was the removal of anticipated grant funds for 2023.
- Corn Palace Fund revenue increased \$55,636. The transfer from Entertainment Tax remained the same in 2024 as in the 2023 budget; and the transfer from general fund decreased \$37,154. Other revenue projections increased due to new contract revenue in rentals and the gift shop operations.
- EMS Fund revenue increased \$95,853. The general fund transfer to EMS is increasing \$96,407 to a total budget of \$896,407 for 2024. The department is in the process of adjusting the fees and charges that will result in additional (unbudgeted) revenue for 2024. .
- Golf Course Fund revenue decreased \$507,136 in the 2024 budget as compared to 2023. The decrease is due to the general fund contribution in 2023, in the amount of \$550,836 being removed from the 2024 budget. This was a one-time funding towards Phase II of the Master Plan for the Golf Course.
- Sanitation Fund revenue decreased \$530,700 from 2023. The recycling building grant that was budgeted in 2023 was not included in the 2024 budget.
- Sewer Fund revenue decreased \$42,219,378 due to the removal of State Revolving Loan Fund (SRF) bond proceeds for projects budgeted in 2023.
- Water Fund revenue decreased \$16,926,928 due to the removal of Revolving Loan Fund (SRF) bond proceeds for projects budgeted in 2023.

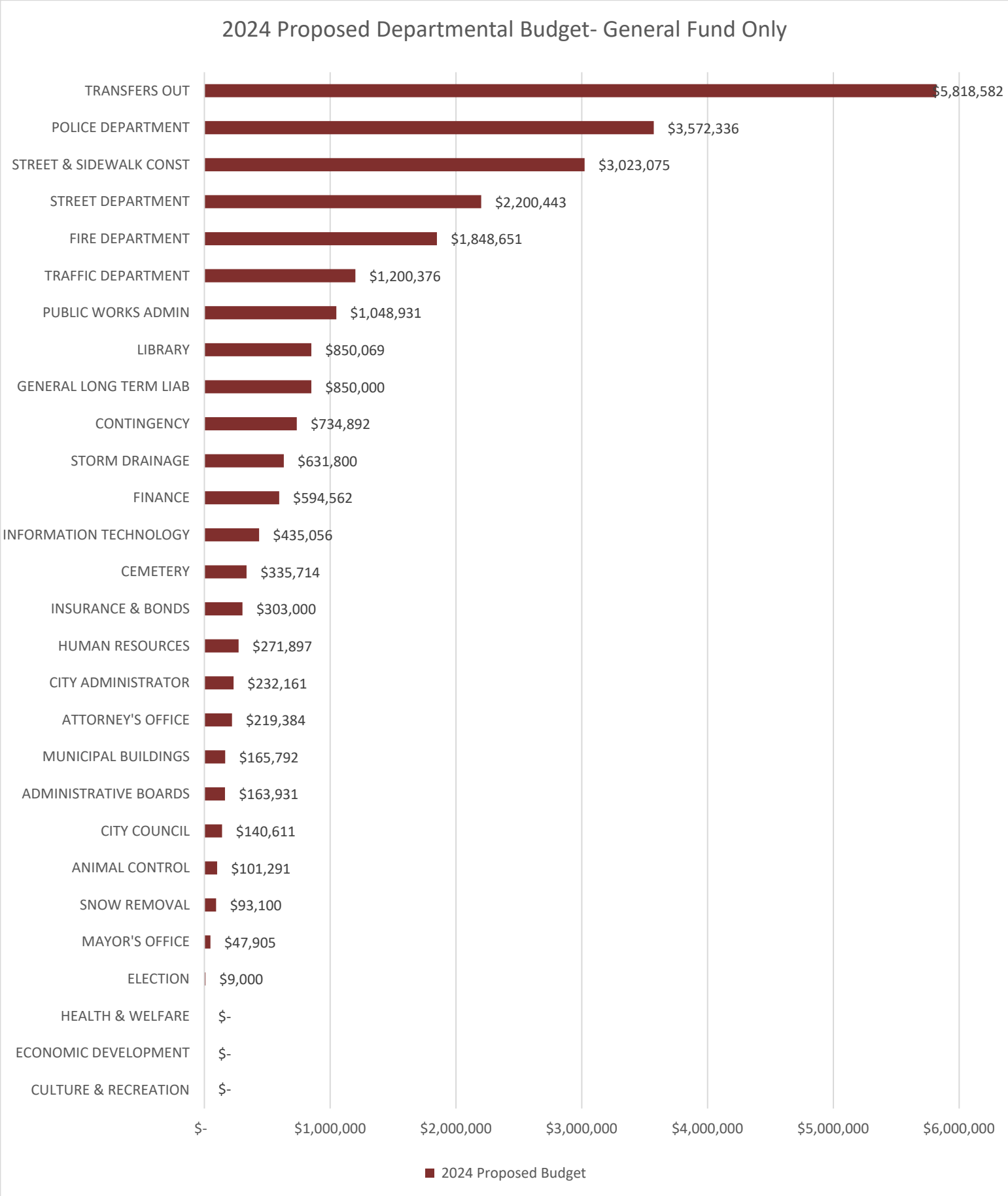
Expenditures

The 2024 Proposed Expenditures total \$53,738,758 which represents \$61,801,551 less, or a 53% decrease than the 2023 approved budget (\$115,540,309). The budgeted funds include general fund, special revenue funds, debt service funds, and enterprise funds



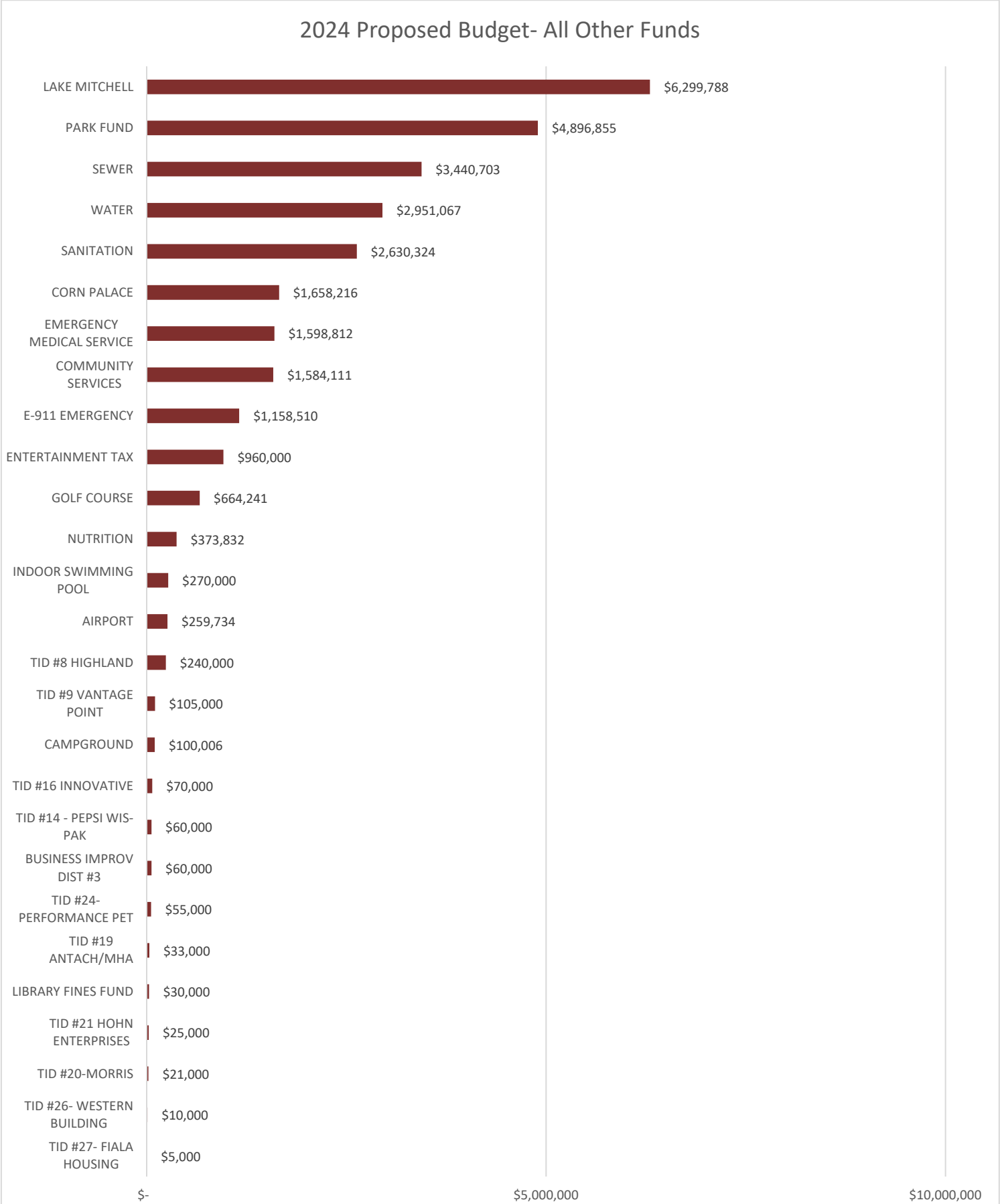
General Fund

General fund is the main operational fund for city services. Transfers out are made to other special revenue or enterprise funds in order for them to have a balanced budget.



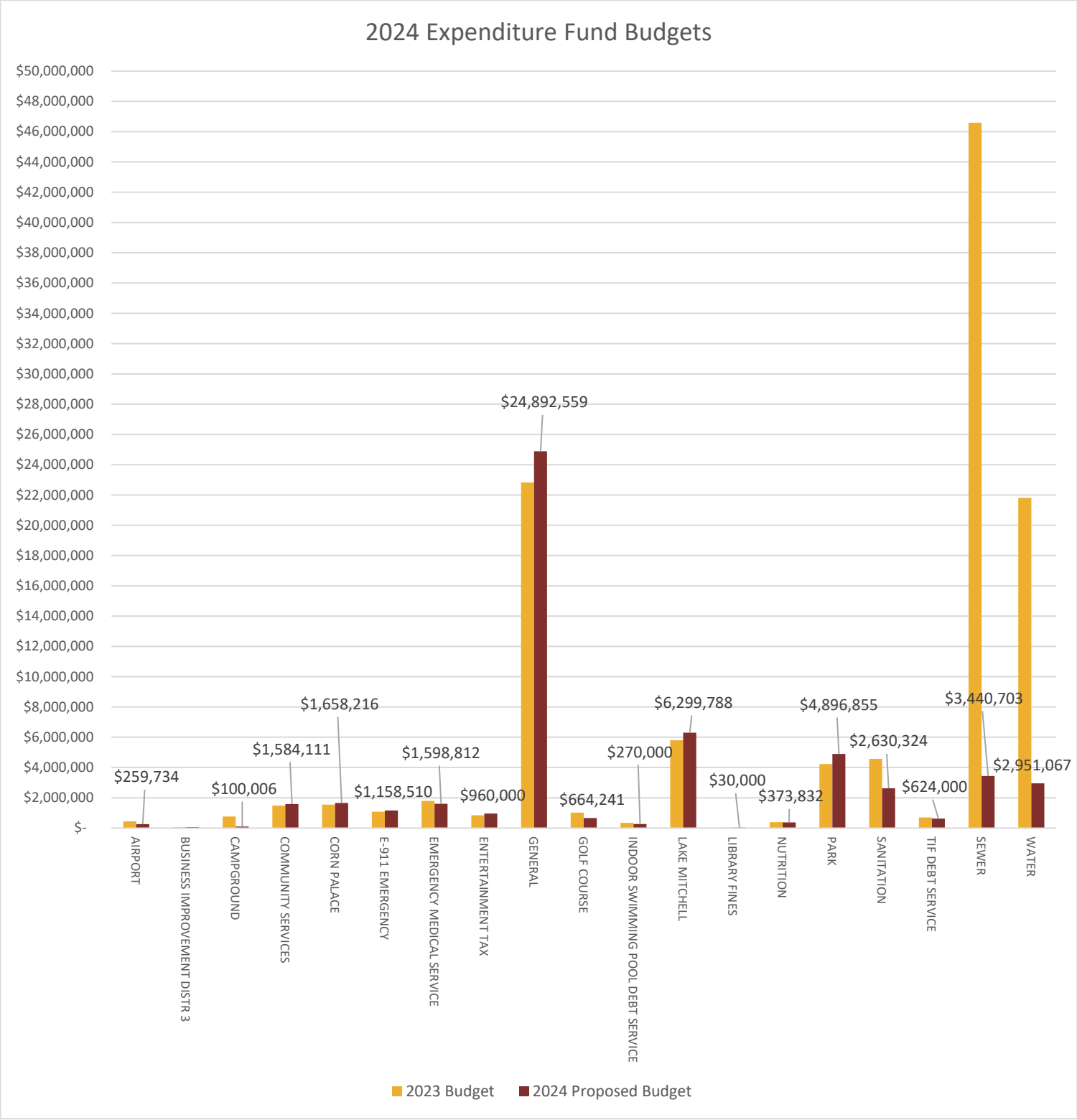
Other Funds

The other funds include the special revenue funds, the debt service funds, and enterprise operation funds. These funds are supported by revenue generated by the services offered. Some of the funds also receive general fund subsidies.



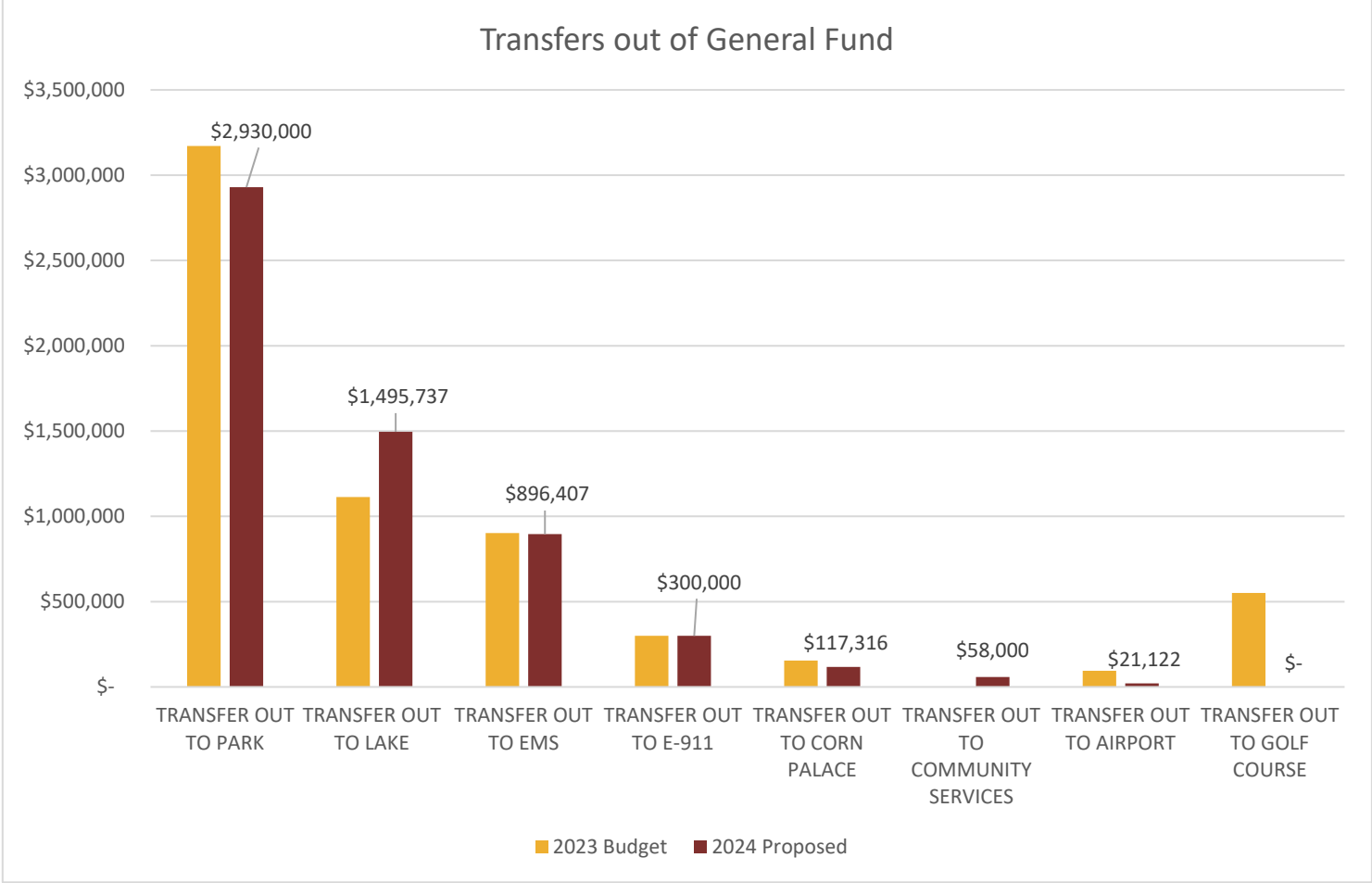
Fund Expenditure Increases

The expenditure budgets decreased \$61,867,551 in budgeted expenditures for 2024. The major decreases were in the water and sewer funds where projects financed by SRF loans in 2023 were removed.



Transfers Out

Each year the General Fund transfers funds from the general fund to assist other special revenue funds and at times to assist enterprise funds. These transfers out show a \$468,888 decrease from the 2023 Budget to the 2024 Proposed Budget.



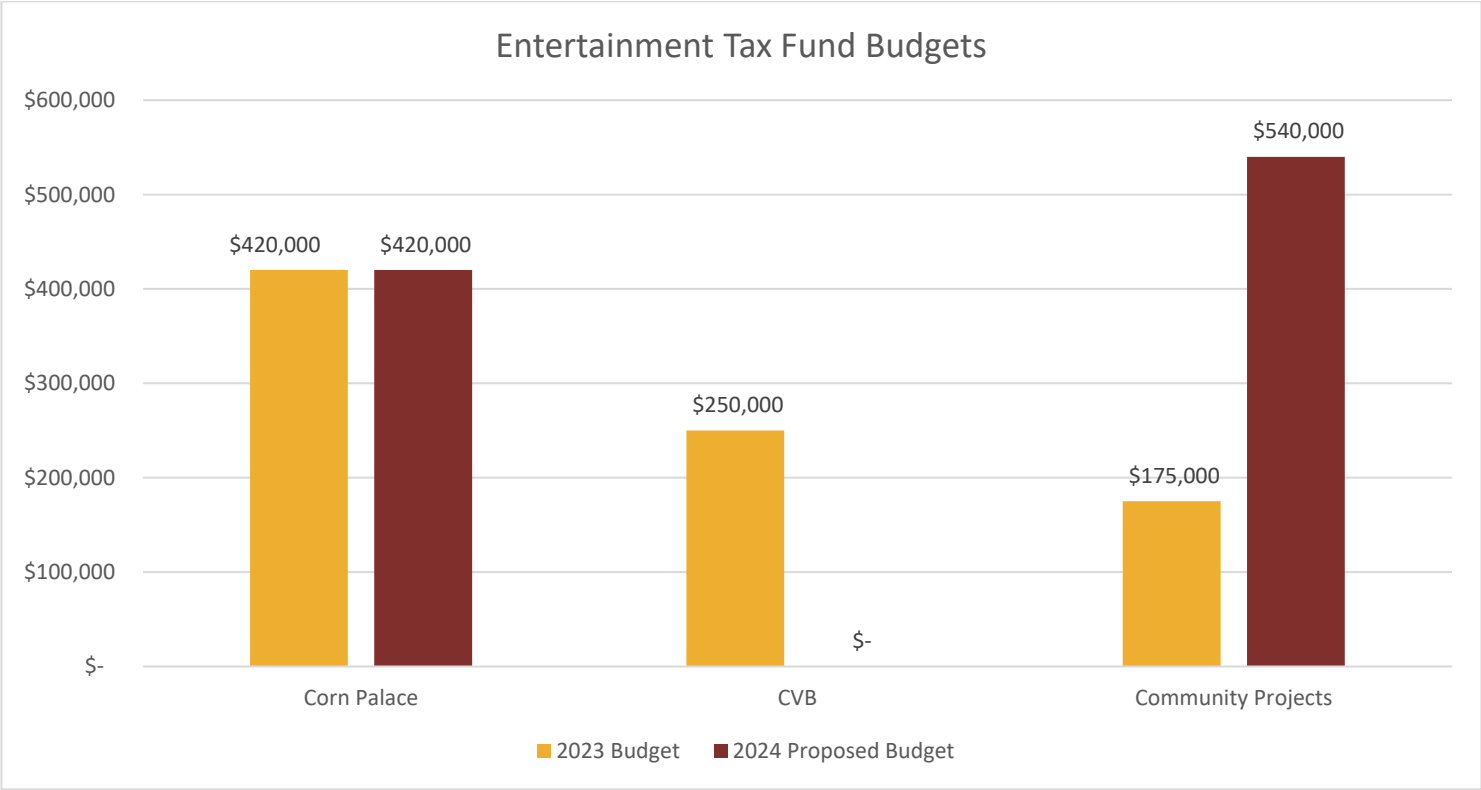
- Of Note:
- Transfer out to Park decreased \$241,505 in the 2024 Proposed Budget. This is due to spending down reserve funds on capital. Funds have been built from the insurance premium holiday the past four years.
 - Transfer out to Lake increased \$382,337. Last year, the dedicated reserves were used for the matching funds required for the Jetty/Marina Construction project. In 2024, an additional \$500,000 is being used for the Jetty/Marina Construction and \$995,737 for the drawdown construction project at Lake Mitchell. Council directed staff to fund that project out of reserves versus the proposed SRF financing.
 - Transfer out to EMS decreased \$5,854 for the proposed 2024 budget.
 - Transfer out to E-911 is budgeted at the same level as in the 2023 Budget.
 - Transfer out to Corn Palace decreased \$37,154 in the 2024 Proposed Budget due to projected other revenue increases.
 - Transfer out to Golf Fund decreased \$550,836 in the 2024 Proposed Budget. This is due to the General Fund contribution to Phase II of the Master Plan that was budgeted in 2023 being removed.
 - Transfer out to Airport decreased \$73,876. The 2023 transfer included funds to support the runway reconstruction. In 2024 the general fund transfer is used to support operation of the Airport.
 - Transfer out to Community services increased \$58,000 due to an expected fund balance of \$0 at the end of 2023.

Special Revenue Funds

The City’s special revenue funds are relying on either general fund transfers or cash from those special revenue fund reserves to balance operations. Park Fund, Lake Fund, E-911 Fund, and the Community Services fund all required cash transfers from General Fund to balance.

Entertainment Tax Funds

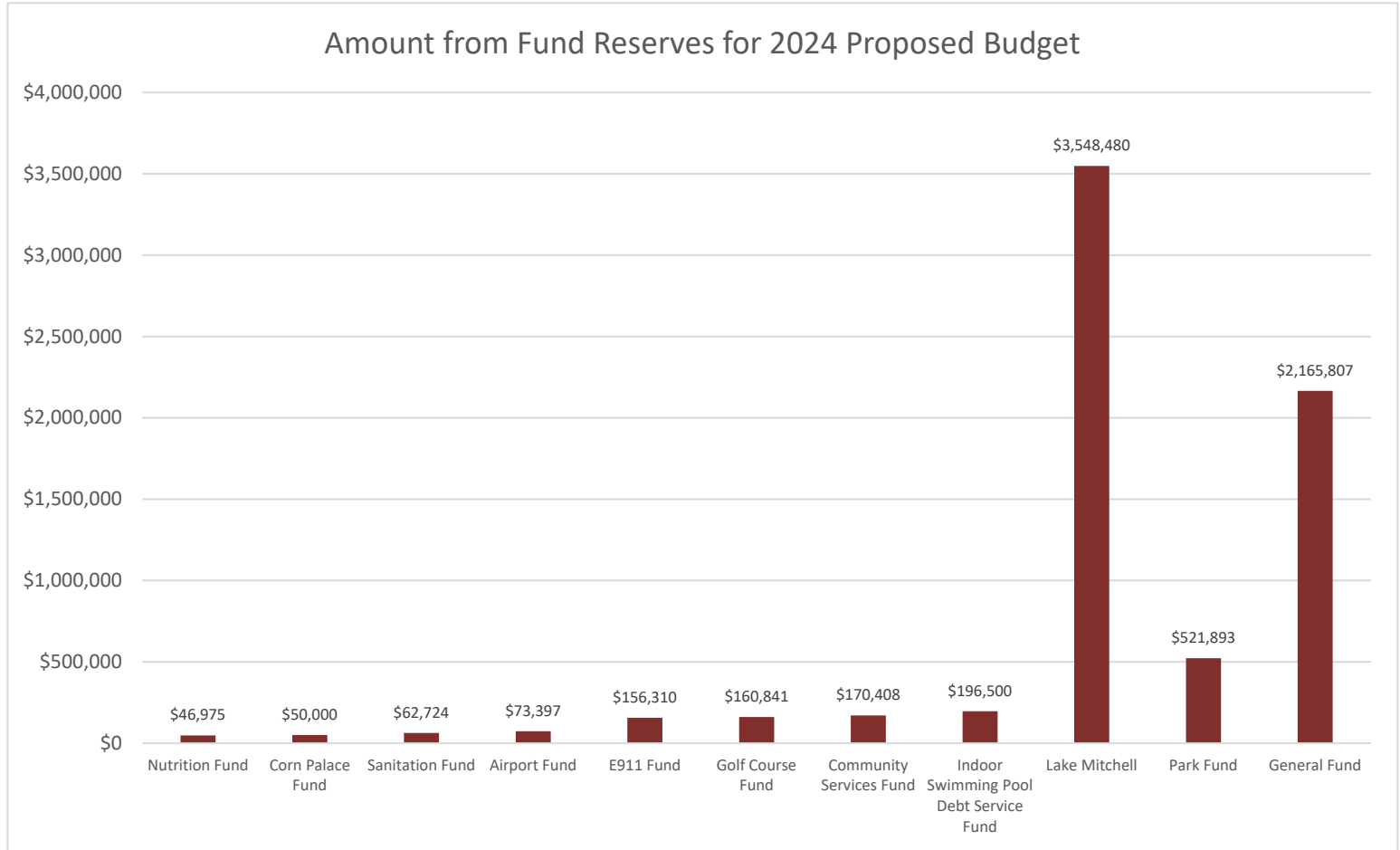
Entertainment Tax Revenue is budgeted at \$929,195 in FY 2024, which reflects a 9.9% increase from the 2023 budget, but is still slightly below 2022 collection levels.



- Of note:
- The Corn Palace Transfer is at the same funding level as in 2023.
 - The Convention & Visitors Bureau 2023 funding is currently not included due to Subsidy Applications being reviewed at a later date.
 - The 2024 Budget has \$540,000 budgeted for “Community Projects” which is an increase of \$365,000 from 2023. The projects anticipated in this budget include: Streetscape Projects planned for 4th- Railroad (\$400,000); the Pre-Sturgis Party (previously funded by SEA) \$30,000 and Community Beautification – Entrance Features (\$110,000).

Cash Applied

The proposed budget also relies on applying cash from the following fund reserves to meet the proposed expenditure budgets in those funds. The proposed cash applied amounts are listed below. All cash applied are being utilized for capital improvements or for designated purposes as described below.



General Fund:

Restricted Funds:

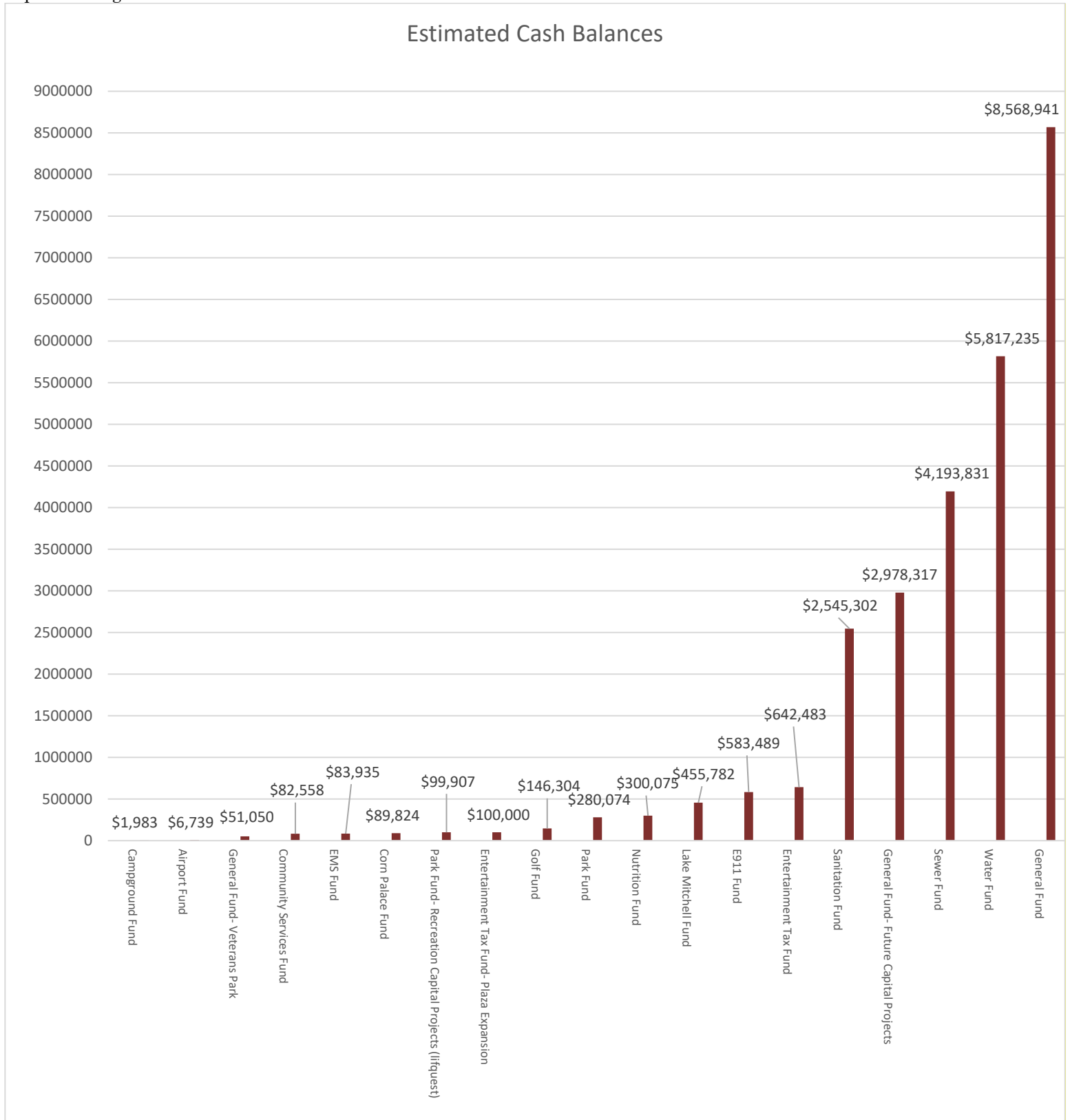
- Future Capital Projects: \$500,000 towards the Jetty/Marina Construction at Lake Mitchell, \$995,737 towards the Lake Mitchell Drawdown Project.
- Assessment Projects: using \$455,783 towards STP eligible projects.
- STP Funds: \$214,287 towards projects budgeted in 2024.

Other Funds:

- Nutrition Fund is applying \$46,975 out of reserves towards operational costs.
- Corn Palace Fund is applying \$50,000 out of reserves towards operational costs.
- Sanitation Fund is applying \$156,310 out of reserves towards capital purchases
- E-911 will apply \$156,310 towards capital purchases & operations.
- Golf Course is applying \$160,841 out of reserves towards the additional costs of the Phase II Master Plan project.
- Community Services fund is applying \$170,408 towards operational costs out of general fund transfers.
- Indoor Swimming Pool Debt Service Fund is applying \$196,500 out of reserves from revenue received that was to be used for debt service payments.
- Lake Mitchell Fund is applying \$1,000,000 of funds received in 2023 towards the Jetty/Marina Project in 2024; and \$2,548,480 towards the drawdown construction.
- The Park Fund is applying \$98,000 out of designated reserves for capital projects in the Recreation Center, and \$423,893 out of general reserves towards capital projects.

Reserve Fund Balances

The reserve funds applied to the 2024 budget are anticipated to be below the cash reserves available for the fund as of 12/31/2023. Shown below are the estimated cash balances of the funds listed after the budgeted cash applied in the 2024 Proposed Budget.



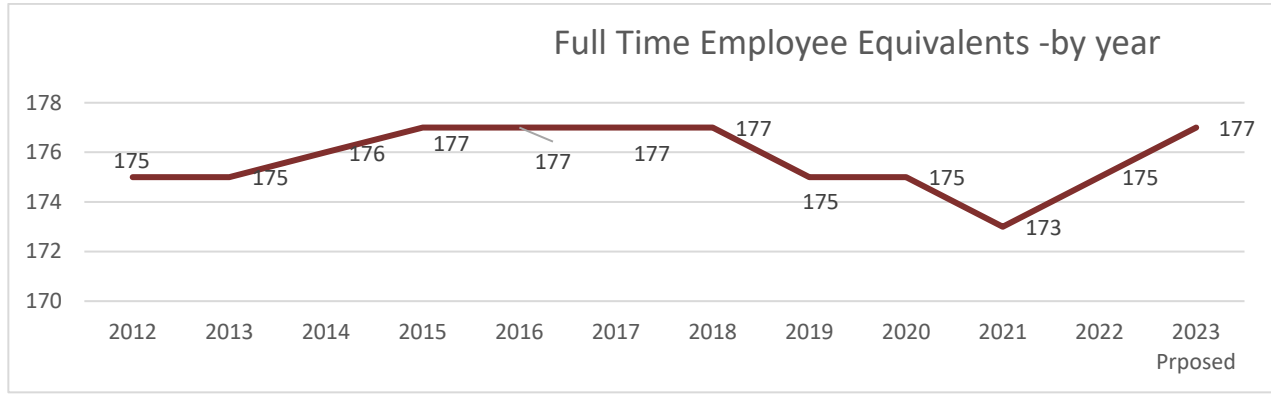
Of Note

- The General Fund estimated cash balance as of 12/31/2024 is \$8,568,941. This represents 38% of the budgeted revenue for 2024.
- Council could take action in 2023 to designate another \$1,000,000 towards future capital projects which would bring the reserves down to an estimated 33%.

Staffing Changes

Staffing Levels

The 2024 requested budget does not include any requested staffing changes. The current Full Time Equivalent (FTE) would remain the same as in the 2023 budget, 176. The city has been able to maintain staffing levels by evaluating positions as they are open to look for more efficient ways of operations. This has resulted in combination of some positions, elimination of positions, and outsourcing of duties. These changes have resulted in the city having more efficient operations. Details on the staffing level changes in the past 10 years are listed below.



- 2012: **Up 1 FTE to 175 FTEs.** Deleted Park Secretary (-1), added Park Maintenance (1), and added Water Distribution (1)
- 2013: No change **175 FTEs**
- 2014: **Up 1 FTE to 176 FTEs.** Added Palace Transit (1), added E-911, added City Administrator (1), deleted water distribution (-2)
- 2015: **Up 1 FTE to 177 FTEs.** Added E911 (1)
- 2016: No change **177 FTEs.** Deleted Water (1), moved City Attorney from part time to full time (1)
- 2017: No changes **177 FTEs**
- 2018: No changes **177 FTEs**
- 2019: **Down 2 FTEs to 175 FTEs.** Deleted Water Superintendent (-1), deleted RSVP Coordinator (-1), deleted GIS Supervisor (-1), added Engineer (1)
- 2020: No Change **175 FTEs.** Delete Palace Transit Driver (-1), Added Parks & Recreation Personal Trainer (1)
- 2021: **Down 2 FTE to 173 FTEs.** Delete Public Safety Director (-1), Delete EMS billing specialist (-1)
- 2022: **Up 2 FTEs to 175 FTEs.** Delete Golf & Cemetery Director (-1), Added Golf Specialist (1), Add Utility Operator (1), Add Administrative Coordinator- Special Events (1)
- 2023: **Up 2 FTEs to 177 FTEs.** Add Firefighters (2)

Contractual Negotiations

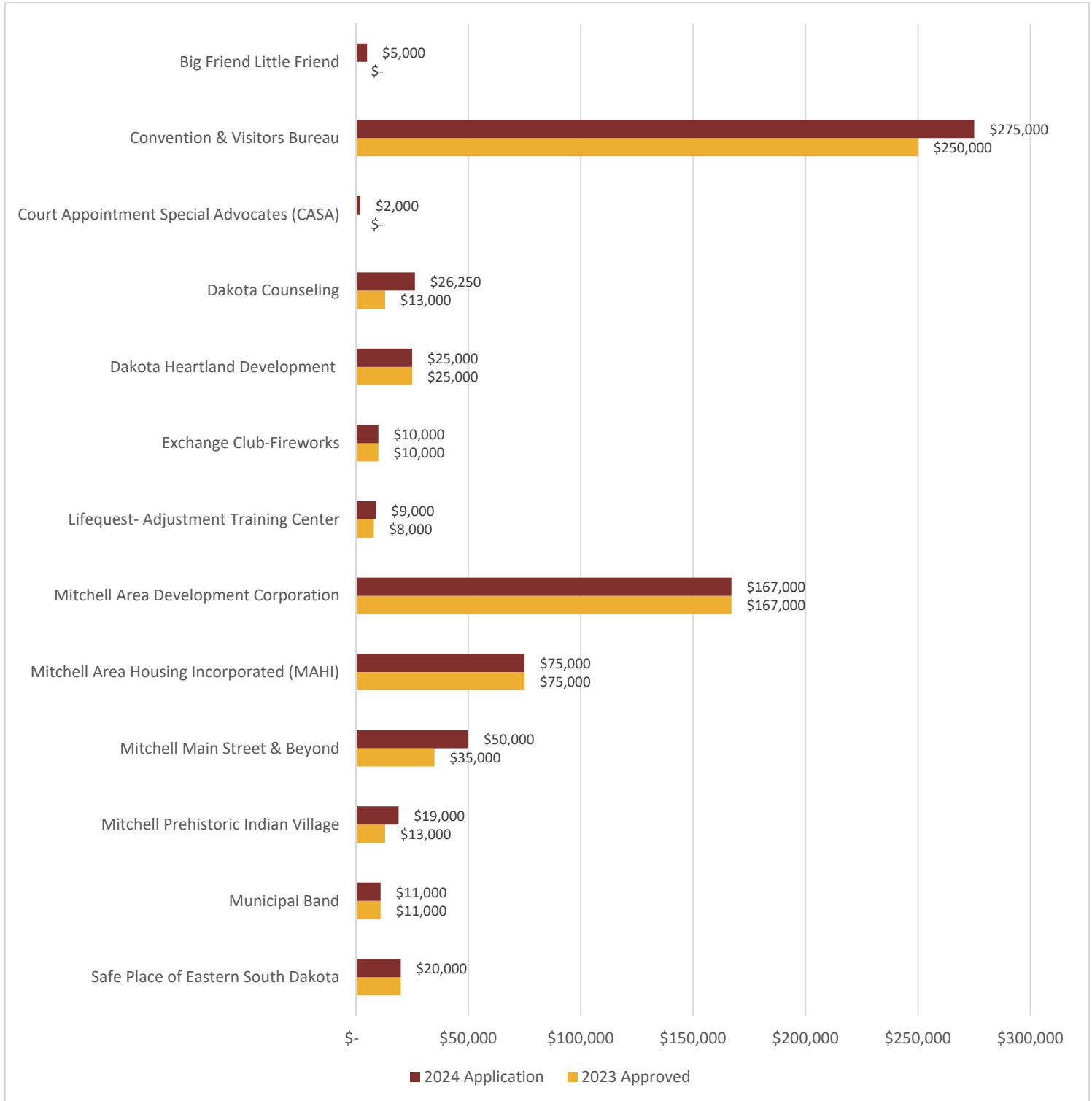
The City currently has three labor unions. The 2024 budget includes implementation of a compensation & classification review that was completed in 2023 as part of negotiations with the City's three unions. The City has already approved the Wage Addendum with all three unions for FY2024.

Health Insurance Fund

The previous fund balance goal for the self-insured Health fund has been met so the City can now fund unforeseen claims without general fund assistance. The city is not budgeting an increase in premiums for 2024.

Subsidy Applications

The proposed budget does not include any funding for the subsidy applications. The City will be hearing all subsidy applications as part of the budget work session, including a review of applications & financials as submitted. Because the proposed budget is a structurally balanced budget, any subsidies that are awarded will result in decreasing of proposed budgets elsewhere in the general fund (including transfers to other funds that require general fund support).



Of Note:

- The Convention & Visitors Bureau is funded from the Entertainment Tax Fund.
- The remaining subsidies that were approved in 2023 were funded out of the general fund.



2024 Capital Improvements Proposed Budget Overview

This is the initial presentation to City Council. The Council will be making changes to this requested budget throughout the budget review process.

Annual Budget Work Session Schedule:

August 28 at 6:00 PM- proposed budget overview
September 11 at 6:00 PM- Subsidy Application Review
September 18th at 5:00 PM (prior to council meeting)
October 16 at 5:00 PM (prior to council meeting)
October 30 at 6:00 PM

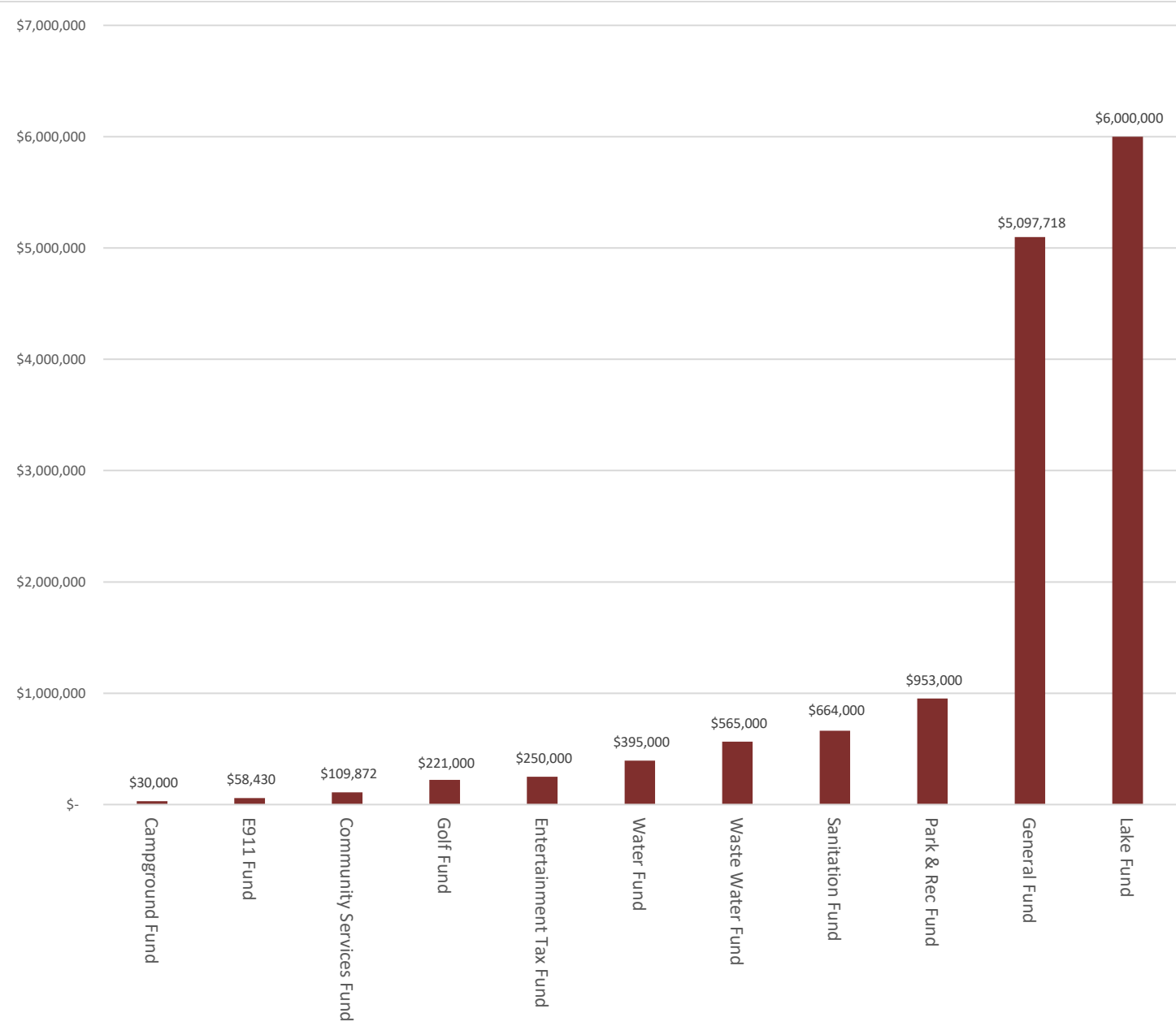
**Other dates may be scheduled as needed*

The Annual Budget Hearings are scheduled for:

November 6th: First Reading
November 20: 2nd Reading & Adoption

Overview

The 2024 proposed budget includes \$14,344,020 in capital improvement projects. Of those projects, \$1,875,000 are in enterprise fund budgets, \$7,371,302 are in special revenue fund budgets, and \$5,097,718 are in the general fund budget. It should be noted that some special revenue & enterprise fund capital projects required general fund support in order to complete the projects listed below. Those funds requiring general fund support for Capital Projects in 2024 include: Community Services, Lake Mitchell, and Park & Recreation.



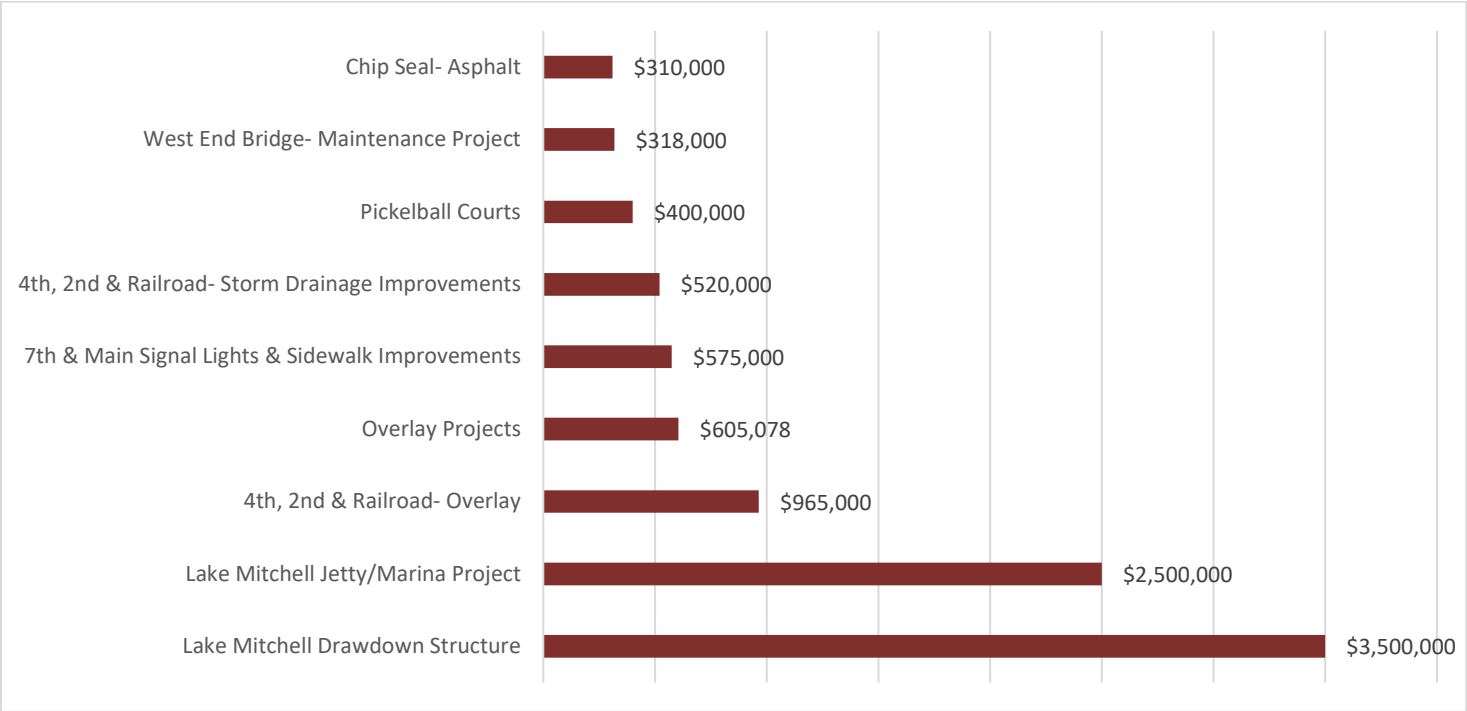
Enterprise Fund Budgets: Airport, Campground, EMS, Golf, Sanitation, Water, Wastewater

Special Revenue Fund Budgets: Nutrition, Community Services, Entertainment Tax, E911, Park & Recreation, Lake

Of Note:

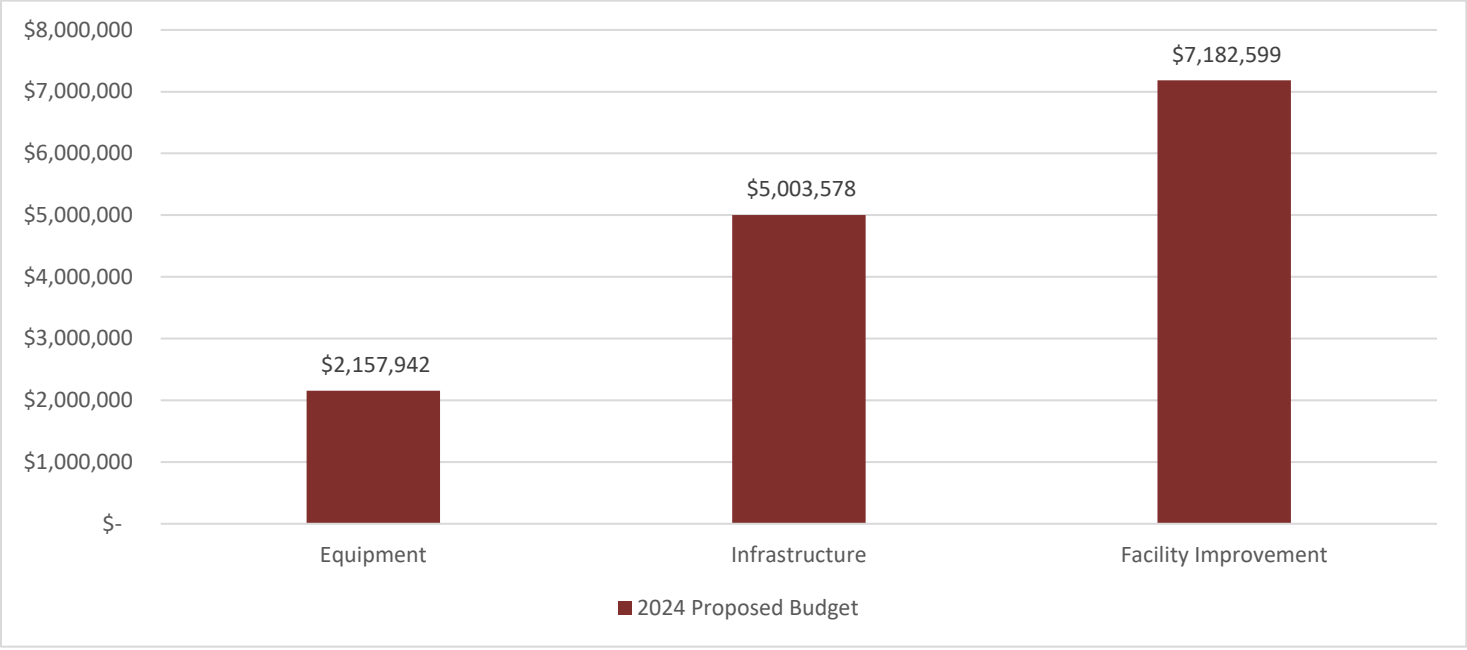
The City has several major utility projects currently budgeted in 2023. Many of those projects will not be completed in 2023, and will continue into 2024.

Capital Projects (over \$300,000)



Categories of Capital Projects

Capital Projects can be broken into one of three categories: infrastructure, equipment, or facility improvements.



Infrastructure: *Infrastructure projects include new construction, replacing aging infrastructure, and upgrading some existing infrastructure.*

Dog Park Sidewalk Bike Path	\$25,000
Spruce Rail Road Crossing	\$30,000
Gravel Base (purchased)	\$30,000
Rubber Crack Sealer	\$38,500
Water Meter Replacements	\$40,000
Wisconsin 12-15 Overlay	\$62,238
Sawgrass Overlay	\$63,438
Wallace Hanson to South Overlay	\$64,538
3rd & Main Storm Drainage Improvements	\$70,000
Chip Seal Aggregate	\$77,000
Waste Water Manhole Rehabilitations	\$100,000
Asphalt Mix	\$100,000
Water Valve Repalacements	\$105,000
Kippes Cove Overlay	\$122,688
Quince – West of Millery Overlay	\$142,688
1 st - Burr to Main Overlay	\$149,488
Golf Course/Cemetery Bike Path	\$150,000
Chip Seal Asphalt	\$310,000
Waste Water CIPP Improvements	\$200,000
Gravel Base (crushed)	\$250,000
4 th , 2 nd , RR, & Main Water Improvements	\$250,000
4 th , 2 nd , RR, & Main Waste Water Improvements	\$265,000
West End Bridge Maintenance Project	\$318,000
4 th , 2 nd , RR, & Main Storm Drainage Improvements	\$520,000
7 th & Main Intersection Lights & Sidewalk Improvements	\$575,000
4 th , 2 nd , & RR Overlay	\$965,000

Facility Improvements: *Facility Improvements are listed below (over \$5,000).*

Recreation Center- Paint	\$5,000
Golf Course Irrigation Filter System	\$5,000
JVCC Rooftop Exit	\$6,000
Gainer Park A/C	\$6,500
Cemetery Offices- Replace & Widen Overhead Door	\$7,000
Recreation Center- Carpet Replacement	\$10,000
Recreation Center-Lighting Upgrades	\$12,000
Outdoor Aquatic Center- Paint Inside of Building	\$15,000
Recreation Center- Youth Area Upgrades: climbing wall, obstacle course, mats, cubbies	\$20,000
Cemetery Offices- Replace Siding & Insulation	\$20,000
Outdoor Aquatic Center- Replace Sand in Filters	\$20,000
Retaining Wall at Public Beach	\$25,000
Recreation Center- Tile Flooring	\$51,000
Sports Complex- Irrigation Pumps	\$150,000
Phase II Golf Course (additional funds)	\$180,000
Pickelball Courts	\$400,000
Lake Mitchell Jetty & Marina	\$2,500,000
Lake Mitchell Drawdown Structure	\$3,500,000

Equipment: *Major equipment requests are listed below (over \$5,000).*

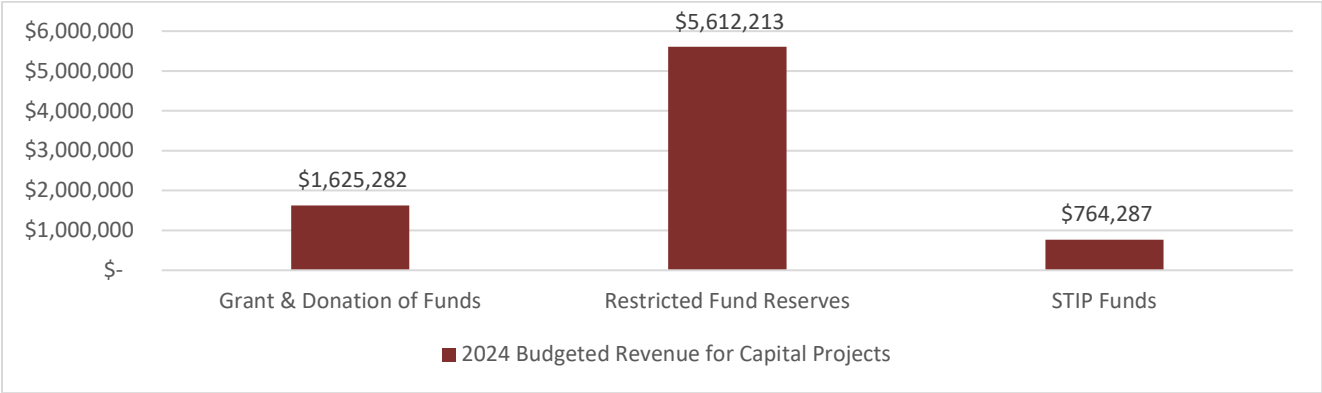
AED Replacements	\$5,250
Bus Cameras	\$6,000
Switch- Public Safety Server	\$6,500
NVR & Cameras at Lake & Watertower	\$7,500
Bus Garage Cameras	\$8,000
Batteries & Controllers for Bumper Cars	\$8,000
Battery Back up – 7th & Sanborn	\$9,000
Graco Line Driver Paint Striper	\$9,000
Snow Plow for Pick Up	\$10,500
Snowblower for 4WD Toro	\$10,900
Greens Reels	\$11,000
Power DMS Software	\$11,894
NVR Upgrades	\$15,000
IT Server	\$15,000
Pictometry (2nd of 3 payments)	\$15,000
Surface Pro Replacements	\$16,500
Forklift	\$17,000
Crosswalk RRFB	\$20,000
Snow Removal One Way Blades	\$20,000
Cameras & Door Controls at Sports Complex & Hitchcock Park	\$21,480
E-books	\$21,650
Snow Blade for Payloader	\$24,000
Reel Grinders	\$25,000
Line Painter for Sports Fields	\$26,000
Fire/EMS Gear Sets	\$28,205
Dock (campground)	\$30,000
Fire/EMS Rescue Boat	\$31,800
Tire Chopper	\$34,000
Tablets, lockbox, cradle points & antennas for busses	\$38,400
Pick Up (used)- Public Works	\$40,000
Pick Up	\$40,000
Books	\$47,000
Dispatch Software for Palace Transit Busses	\$48,472
Chevy Tahoe – Police	\$53,000
Chevy Tahoe- Police	\$53,000
Chevy Tahoe- Police	\$53,000
Dispatch workstation PCs (4)	\$58,430
Motorola Radio Replacements	\$63,561
128" wide mower	\$78,000
Crack Sealing Machine	\$90,000
Mower	\$92,000
Bobcat with Attachments	\$105,000
Mini Excavator	\$105,000
Transfer Trailer	\$100,000
Dump Truck	\$235,000
Garbage Truck	\$385,000

Engineering, Professional Services, & Studies:

In addition to the Capital Outlay requests, the 2024 Proposed Budget includes the items below.

New Gun Range Design	\$100,000
Design of 5th Avenue Utility Project- Burr to Foster	\$240,000

Alternative Funding Sources For Capital Projects (in addition to operational revenue)



Projects Receiving Grant Support

- \$253,804 BIIG grant for the maintenance work at the West End Bridge.
- \$195,000 State grant towards the Pickleball Courts.
- \$107,000 in donations towards the Pickleball Courts.
- \$1,000,000 EDA grant towards the Jetty & Marina Construction Project at Lake Mitchell.
- \$69,478 in DOT grants towards Palace Transit Equipment.

Projects Utilizing Restricted Reserves

- \$98,000 from Park Fund Donations- towards the Youth Improvements at the Recreation Center.
- \$1,500,000 towards the Lake Mitchell Jetty Project (EDA required matching funds)
- \$3,500,000 towards the Lake Mitchell Draw Down Construction Project.
- \$58,430 towards equipment upgrades in E911 Dispatch Center
- \$455,783 towards 4th, 2nd, & Railroad improvements

Projects Utilizing STIP Funds

- \$310,000 towards Chip Seal Asphalt
- \$392,000 towards 4th, 2nd, RR, & Main Overlay
- \$62,238 towards Wisconsin 12th- 15th Overlay

REVENUE			EXPENSE			Revenue-Expense	Administrative Changes		Difference ()=deficiet	Mayor Review- Dept Adjustments		Difference ()=deficiet		Proposed Budget	
Fund	Name	Requested Budget	Fund	Name	Requested Budget		Revenue	Expense		Revenue	Expense			Revenue	Expense
101	GENERAL	\$ 21,022,364	101	GENERAL	\$ 24,877,065	\$ (3,854,701)	\$ 1,030,754	\$ (70,427)	\$ (2,753,520)	\$ 673,634	\$ 85,921	\$ 2,165,807	\$ -	\$ 22,726,752	\$ 24,892,559
201	PARK FUND	\$ 4,227,887	201	PARK FUND	\$ 4,986,371	\$ (758,484)	\$ 210,075	\$ (54,016)	\$ (494,393)	\$ (63,000)	\$ (35,500)	\$ 521,893	\$ -	\$ 4,374,962	\$ 4,896,855
203	LAKE MITCHELL	\$ 2,751,308	203	LAKE MITCHELL	\$ 6,299,788	\$ (3,548,480)	\$ -	\$ -	\$ (3,548,480)	\$ -	\$ -	\$ 3,548,480	\$ -	\$ 2,751,308	\$ 6,299,788
211	ENTERTAINMENT TAX	\$ 866,195	211	ENTERTAINMENT TAX	\$ 670,000	\$ 196,195	\$ 63,000	\$ 290,000	\$ (30,805)	\$ -	\$ -	\$ 30,805	\$ -	\$ 929,195	\$ 960,000
213	BUSINESS IMPR DISTRICT 3	\$ 60,000	213	BUSINESS IMPR DISTRICT 3	\$ 60,000	\$ -			\$ -				\$ -	\$ 60,000	\$ 60,000
214	E-911 EMERGENCY	\$ 1,002,200	214	E-911 EMERGENCY	\$ 1,168,209	\$ (166,009)	\$ -	\$ (9,699)	\$ (156,310)	\$ -	\$ -	\$ 156,310	\$ -	\$ 1,002,200	\$ 1,158,510
218	COMMUNITY SERVICES	\$ 1,244,673	218	COMMUNITY SERVICES	\$ 1,789,659	\$ (544,986)	\$ 169,030	\$ (205,548)	\$ (170,408)	\$ -	\$ -	\$ 170,408	\$ -	\$ 1,413,703	\$ 1,584,111
219	NUTRITION	\$ 333,357	219	NUTRITION	\$ 374,782	\$ (41,425)	\$ (6,500)	\$ (950)	\$ (46,975)	\$ -	\$ -	\$ 46,975	\$ -	\$ 326,857	\$ 373,832
226	LIBRARY FINES FUND	\$ 30,000	226	LIBRARY FINES FUND	\$ 30,000	\$ -			\$ -				\$ -	\$ 30,000	\$ 30,000
304	TID #8-HIGHLAND	\$ 240,000	304	TID #8-HIGHLAND	\$ 240,000	\$ -			\$ -				\$ -	\$ 240,000	\$ 240,000
305	TID #9-VANTAGE	\$ 105,000	305	TID #9-VANTAGE	\$ 105,000	\$ -			\$ -				\$ -	\$ 105,000	\$ 105,000
308	TID #14 - PEPSI WIS-PAK	\$ 60,000	308	TID #14 - PEPSI WIS-PAK	\$ 60,000	\$ -			\$ -				\$ -	\$ 60,000	\$ 60,000
310	TID #16 INNOVATIVE	\$ 70,000	310	TID #16 INNOVATIVE	\$ 70,000	\$ -			\$ -				\$ -	\$ 70,000	\$ 70,000
313	TID #19 ANTACH/MHA	\$ 33,000	313	TID #19 ANTACH/MHA	\$ 33,000	\$ -			\$ -				\$ -	\$ 33,000	\$ 33,000
314	TID #20-MORRIS	\$ 21,000	314	TID #20-MORRIS	\$ 21,000	\$ -			\$ -				\$ -	\$ 21,000	\$ 21,000
315	TID #21 HOHN ENTERPRISES	\$ 25,000	315	TID #21 HOHN ENTERPRISES	\$ 25,000	\$ -			\$ -				\$ -	\$ 25,000	\$ 25,000
318	TID #24- PERFORMANCE PET	\$ 55,000	318	TID #24- PERFORMANCE PET	\$ 55,000	\$ -			\$ -				\$ -	\$ 55,000	\$ 55,000
319	TID #26- WESTERN BUILDING	\$ 10,000	319	TID #26- WESTERN BUILDING	\$ 10,000	\$ -			\$ -				\$ -	\$ 10,000	\$ 10,000
320	TID #27- FIALA HOUSING	\$ 5,000	320	TID #27- FIALA HOUSING	\$ 5,000	\$ -			\$ -				\$ -	\$ 5,000	\$ 5,000
350	INDOOR SWIMMING POOL	\$ 73,500	350	INDOOR SWIMMING POOL	\$ 270,000	\$ (196,500)			\$ (196,500)			\$ 196,500	\$ -	\$ 73,500	\$ 270,000
602	WATER	\$ 6,337,918	602	WATER	\$ 2,865,850	\$ 3,472,068	\$ 35,000	\$ (4,783)	\$ 3,511,851	\$ -	\$ 90,000	\$ (3,421,851)	\$ -	\$ 6,372,918	\$ 2,951,067
604	WASTE WATER	\$ 4,983,378	604	SEWER	\$ 3,321,827	\$ 1,661,551	\$ 51,000	\$ (31,124)	\$ 1,743,675	\$ -	\$ 150,000	\$ (1,593,675)	\$ -	\$ 5,034,378	\$ 3,440,703
606	AIRPORT	\$ 162,215	606	AIRPORT	\$ 271,337	\$ (109,122)	\$ 24,122	\$ (12,800)	\$ (72,200)	\$ -	\$ 1,197	\$ 73,397	\$ -	\$ 186,337	\$ 259,734
612	SANITATION	\$ 2,409,800	612	SANITATION	\$ 2,633,294	\$ (223,494)	\$ 157,800	\$ (2,970)	\$ (62,724)	\$ -	\$ -	\$ 62,724	\$ -	\$ 2,567,600	\$ 2,630,324
613	CORN PALACE	\$ 1,528,730	613	CORN PALACE	\$ 1,698,447	\$ (169,717)	\$ 113,640	\$ (20,231)	\$ (35,846)	\$ (34,154)	\$ (20,000)	\$ 50,000	\$ -	\$ 1,608,216	\$ 1,658,216
614	GOLF COURSE	\$ 498,900	614	GOLF COURSE	\$ 531,664	\$ (32,764)	\$ 13,500	\$ 134,888	\$ (154,152)	\$ (9,000)	\$ (2,311)	\$ 160,841	\$ -	\$ 503,400	\$ 664,241
619	CAMPGROUND	\$ 94,200	619	CAMPGROUND	\$ 101,506	\$ (7,306)	\$ 18,300	\$ (1,500)	\$ 12,494	\$ -	\$ -	\$ (12,494)	\$ -	\$ 112,500	\$ 100,006
621	EMS FUND	\$ 1,417,000	621	EMS FUND	\$ 1,623,512	\$ (206,512)	\$ 181,812	\$ (24,700)	\$ -	\$ -	\$ -		\$ -	\$ 1,598,812	\$ 1,598,812
Subtotals		\$ 49,667,625			\$ 54,197,311	\$ (4,529,686)	\$ 2,061,533	\$ (13,860)	\$ (2,454,293)	\$ 567,480.00	\$ 269,307.00		\$ -	\$ 52,296,638	\$ 54,452,758
Contingency History			GF Cash Applied from Restricted Funds \$ 2,165,807				Other Funds Cash Applied \$ 4,875,518								
Year	Budget	Actual	GF	Future Capital Projects Fund: Jetty (\$500,000); Lake Mitchell Drawdown (\$995,737)	\$ 1,495,737		airport	towards capital project/ operations	\$ 73,397						
2024	\$ 734,892		GF	Towards STP Eligible Projects	\$ 455,783		CAMP	towards reserves	\$ (6,694)						
2023	\$ 811,628		GF	STP Funds	\$ 214,287		CP	Corn Palace Reserves	\$ 50,000						
2022	\$ 844,764	\$ 830,653					CS	operational	\$ 170,408						
2021	\$ 836,910	\$ 744,358		STIP Projects			Ent Tax	Street Scape beautification	\$ 30,805						
2020	\$ 882,696	\$ 453,675		Chip Seal Aggregate	\$ 77,000		E911	Cash from CARES act funds - capital & operational	\$ 156,310						
2019*	\$ 853,394	\$ 453,675		Chip Seal Asphalt	\$ 310,000		golf	towards phase II & golf course repayment	\$ 160,841						
2018	\$ 691,788	\$ 272,750		Street Overlay Maint	\$ 1,585,075		Lake	Lake Mitchell- Jetty funds from GF	\$ 1,000,000						
2017	\$ 713,674	\$ 506,500		asphalt mix	\$ 80,000		Lake	Lake Mitchell- funds for drawdown	\$ 2,548,480						
2016	\$ 462,563	\$ 293,593		Gravel Base	\$ 280,000		Nutrition	operational	\$ 46,975						
				Rubber Crack Sealer	\$ 38,500		Indoor Pool	Debt Service	\$ 196,500						
				Total Costs:	\$ 2,370,575		Park	Lifequest Funded Projects	\$ 98,000						
				Less STIP 2024 Revenue	\$ 550,000		Park	towards capital projects from HI savings	\$ 423,893						
				Reserves in STP	\$ 214,287										
				Reserves for Road Projects	\$ 455,783										
				Remainder from General Fund	\$ 1,606,288										
							General Fund	\$ 377,000	Subsidies in 2023						

City of Mitchell Capital Improvement Plan FY2024															
Category	Project	Description	Fund	Department	Division	Professional Services Request	Requested Budget	CIP in Proposed Budget	Professional Services in Proposed Budget	Grants/ Donations	Assigned Reserve	SRF Bond Financing	STIP	Enterprise or Special Fund Revenue	General Fund Supported
Equipment		AED Replacements, batteries & Patches	General	HR	HR		\$ 5,250	\$ 5,250							\$ 5,250
Equipment		Switch for Public Safety Server Room	General	Administration	IT		\$ 6,500	\$ 6,500							\$ 6,500
Equipment		NVR (recording for Video) upgrades	General	Administration	IT		\$ 15,000	\$ 15,000							\$ 15,000
Equipment		Replacement of Dept Head Surface Pros	General	Administration	IT		\$ 16,500	\$ 16,500							\$ 16,500
Equipment		NVR & Cameras at Lake & Watertower	General	Administration	IT		\$ 7,500	\$ 7,500							\$ 7,500
Equipment		IT Server	General	Administration	IT		\$ 15,000	\$ 15,000							\$ 15,000
Equipment		Cameras & Door Controls at Sports Complex & Hitchcock Park	General	Administration	IT		\$ 21,480	\$ 21,480							\$ 21,480
Equipment		Blocks for Walls at Shooting Range	General	Police	Police		\$ 4,900	\$ 4,900							\$ 4,900
Equipment		Power DMS Software	General	Police	Police		\$ 11,894	\$ 11,894							\$ 11,894
Equipment		Chevy Tahoe- Police Vehicle	General	Police	Police		\$ 53,000	\$ 53,000							\$ 53,000
Equipment		Chevy Tahoe- Police Vehicle	General	Police	Police		\$ 53,000	\$ 53,000							\$ 53,000
Equipment		Chevy Tahoe- Police Vehicle	General	Police	Police		\$ 53,000	\$ 53,000							\$ 53,000
Infrastructure	1st & 7th Signal Lights	1st & 7th Signal Light Replacements	General	Public Works	Traffic		\$ 1,150,000	\$ 575,000							\$ 575,000
Equipment		Forklift	General	Public Works	Traffic		\$ 17,000	\$ 17,000							\$ 17,000
Equipment		Battery Back up for 7th & Sanborn	General	Public Works	Traffic		\$ 9,000	\$ 9,000							\$ 9,000
Equipment		Crosswalk RRFB	General	Public Works	Traffic		\$ 40,000	\$ 20,000							\$ 20,000
Equipment		Graco Line Driver- Paint Striper	General	Public Works	Traffic		\$ 9,000	\$ 9,000							\$ 9,000
Equipment		7 new gear sets	General	Fire/EMS	Fire		\$ 28,205	\$ 28,205							\$ 28,205
Equipment		Rescue Boat	General	Fire/EMS	Fire		\$ 31,800	\$ 31,800							\$ 31,800
Equipment		Motorola Radio Replacements	General	Fire/EMS	Fire		\$ 63,561	\$ 63,561							\$ 63,561
Equipment		Dump Truck Replacement	General	Public Works	Street		\$ 235,000	\$ 235,000							\$ 235,000
Equipment		Air Compressor Replacement	General	Public Works	Street		\$ 28,000	\$ -							\$ -
Equipment		Bobcat with Attachments	General	Public Works	Street		\$ 105,000	\$ 105,000							\$ 105,000
Equipment		Crack Sealing Machine	General	Public Works	Street		\$ 90,000	\$ 90,000							\$ 90,000
Infrastructure		Gravel-Base (purchased)	General	Public Works	Street		\$ 30,000	\$ 30,000							\$ 30,000
Infrastructure		Rubber Crack Sealer	General	Public Works	Street		\$ 38,500	\$ 38,500							\$ 38,500
Infrastructure		Asphalt Mix	General	Public Works	Street		\$ 100,000	\$ 80,000							\$ 80,000
Equipment		used Pick up	General	Public Works	PW Admin		\$ 40,000	\$ 40,000							\$ 40,000
Equipment		Pictometry (2nd of 3 payments)	General	Public Works	PW Admin		\$ 12,000	\$ 12,000							\$ 12,000
Infrastructure		Chip Seal Aggregate	General	Public Works	Street & Sidewalk		\$ 77,000	\$ 77,000							\$ 77,000
Infrastructure		Chip Seal Asphalt	General	Public Works	Street & Sidewalk		\$ 310,000	\$ 310,000					\$ 310,000		\$ -
Infrastructure		Gravel- Base (crushed)	General	Public Works	Street & Sidewalk		\$ 250,000	\$ 250,000							\$ 250,000
Infrastructure	4th, 2nd, RR & Main	Street Overlay	General	Public Works	Street & Sidewalk		\$ 965,000	\$ 965,000			\$ 455,783		\$ 392,049		\$ 117,168
Infrastructure	Street Overlay	Wisconsin 12- 15	General	Public Works	Construction		\$ 62,238	\$ 62,238					\$ 62,238		\$ -
Infrastructure	Street Overlay	Wallace Hanson to south	General	Public Works	Street & Sidewalk		\$ 64,538	\$ 64,538							\$ 64,538
Infrastructure	Street Overlay	Kippes Cove	General	Public Works	Street & Sidewalk		\$ 122,688	\$ 122,688							\$ 122,688
Infrastructure	Street Overlay	Sawgrass	General	Public Works	Street & Sidewalk		\$ 63,438	\$ 63,438							\$ 63,438
Infrastructure	Street Overlay	Quince West of Miller	General	Public Works	Street & Sidewalk		\$ 142,688	\$ 142,688							\$ 142,688
Infrastructure	Street Overlay	1st- Burr to Main	General	Public Works	Street & Sidewalk		\$ 149,488	\$ 149,488							\$ 149,488
Infrastructure	Bike Paths	Golf Course/Cemetery (1950 feet 8' wide)	General	Public Works	Street & Sidewalk		\$ 150,000	\$ 150,000							\$ 150,000
Infrastructure	Bike Paths	Dog Park Sidewalk (230 feet 8' wide)	General	Public Works	Street & Sidewalk		\$ 25,000	\$ 25,000							\$ 25,000
Infrastructure	West End Bridge	Maintenance Project- BIG grant	General	Public Works	Street & Sidewalk		\$ 318,000	\$ 318,000		\$ 253,804					\$ 64,196
Professional	Gun Range Project	New Gun Range Construction	General	Public Works	Street & Sidewalk	\$ 100,000			\$ 100,000						\$ -
Equipment		Replace one way blades	General	Public Works	Snow Removal		\$ 20,000	\$ 20,000							\$ 20,000
Infrastructure	3rd & Main	Storm Drainage Improvements. (amount over budget when bid was awarded)	General	Public Works	Storm Drainage		\$ 70,000	\$ 70,000							\$ 70,000
Infrastructure	Spruce RR Crossing	Storm Drainage Improvements. (amount over budget when bid was awarded)	General	Public Works	Storm Drainage		\$ 30,000	\$ 30,000							\$ 30,000
Infrastructure	4th, 2nd, RR & Main	Storm Drainage Improvements	General	Public Works	Storm Drainage		\$ 520,000	\$ 520,000							\$ 520,000
Facility Improvement		Replace Siding & Insulation in Cemetery Offices	General	Park & Recreation, Cemetery & Golf	Cemetery		\$ 20,000	\$ 20,000							\$ 20,000
Facility Improvement		Replace & Widen Overhead Door in Cemetery Offices	General	Park & Recreation, Cemetery & Golf	Cemetery		\$ 7,000	\$ 7,000							\$ 7,000
Professional		Design Improvements for Cemetery Expansion	General	Park & Recreation, Cemetery & Golf	Cemetery	\$ 15,000			\$ -						\$ -
Facility Improvement		New Public Restroom Facility in Cemetery by Veterans Cemetery	General	Park & Recreation, Cemetery & Golf	Cemetery		\$ 72,000	\$ -							\$ -
Equipment		Payloader (shared with Golf)	General	Park & Recreation, Cemetery & Golf	Cemetery		\$ 44,000	\$ -							\$ -
Equipment		Snowblower for 4WD toro	General	Park & Recreation, Cemetery & Golf	Cemetery		\$ 10,900	\$ 10,900							\$ 10,900
Equipment		Scan Pro 3500 Microfilm Scanner	General	Library	Library		\$ 9,500	\$ -							\$ -
Equipment		Books	General	Library	Library		\$ 47,000	\$ 47,000							\$ 47,000
Equipment		Audio/Visual Equipment	General	Library	Library		\$ 4,000	\$ 4,000							\$ 4,000
Equipment		E-books	General	Library	Library		\$ 21,650	\$ 21,650							\$ 21,650
Facility Improvement		Paint inside of Aquatics Building	Park	Park & Recreation, Cemetery & Golf	Recreation & Aquatics		\$ 15,000	\$ 15,000							\$ 15,000

City of Mitchell Capital Improvement Plan FY2024															
Category	Project	Description	Fund	Department	Division	Professional Services Request	Requested Budget	CIP in Proposed Budget	Professional Services in Proposed Budget	Grants/ Donations	Assigned Reserve	SRF Bond Financing	STIP	Enterprise or Special Fund Revenue	General Fund Supported
Facility Improvement		Replace Sand in sand filters	Park	Park & Recreation, Cemetery & Golf	Recreation & Aquatics		\$ 20,000	\$ 20,000							\$ 20,000
Facility Improvement		Lighting- Rec Center	Park	Park & Recreation, Cemetery & Golf	Recreation Center		\$ 12,000	\$ 12,000			\$ 12,000				\$ -
Facility Improvement		Carpet- Rec Center	Park	Park & Recreation, Cemetery & Golf	Recreation Center		\$ 10,000	\$ 10,000			\$ 10,000				\$ -
Facility Improvement		Tile Flooring- Rec Center	Park	Park & Recreation, Cemetery & Golf	Recreation Center		\$ 51,000	\$ 51,000			\$ 51,000				\$ -
Facility Improvement		Paint hallways/lobby- Rec Center	Park	Park & Recreation, Cemetery & Golf	Recreation Center		\$ 5,000	\$ 5,000			\$ 5,000				\$ -
Facility Improvement		Youth Space Improvements: Climbing Wall, Mats, Obstacle Course & Cubbies	Park	Park & Recreation, Cemetery & Golf	Recreation Center		\$ 20,000	\$ 20,000			\$ 20,000				\$ -
Facility Improvement		Irrigation Pumps at Cadwell	Park	Park & Recreation, Cemetery & Golf	Sports Complex		\$ 150,000	\$ 150,000							\$ 150,000
Equipment		Line Painter for Sports Fields	Park	Park & Recreation, Cemetery & Golf	Sports Complex		\$ 26,000	\$ 26,000							\$ 26,000
Equipment		Batteries & Controllers for Bumper Cars	Park	Park & Recreation, Cemetery & Golf	Sports Complex		\$ 8,000	\$ 8,000							\$ 8,000
Equipment		Mower- on field mowing	Park	Park & Recreation, Cemetery & Golf	Sports Complex		\$ 92,000	\$ 92,000							\$ 92,000
Facility Improvement		A/C for Patton Young Park	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 6,500	\$ 6,500							\$ 6,500
Facility Improvement		Gainer Playground Equipment Replacement	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 90,000	\$ -							\$ -
Facility Improvement		Pickelball Courts	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 400,000	\$ 400,000		\$ 302,000					\$ 98,000
Facility Improvement		Retaining Wall at Public Beach	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 25,000	\$ 25,000							\$ 25,000
Equipment		128" wide mower	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 78,000	\$ 78,000							\$ 78,000
Equipment		Snow Blade for Payloader	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 24,000	\$ 24,000							\$ 24,000
Equipment		Snow Plow for Pick Up	Park	Park & Recreation, Cemetery & Golf	Parks		\$ 10,500	\$ 10,500							\$ 10,500
Facility Improvement	Lake Mitchell	Drawdown Structure	Lake	Public Works			\$ 3,500,000	\$ 3,500,000			\$ 3,500,000				\$ -
Facility Improvement	Lake Mitchell	Jetty Construction Project	Lake	Public Works			\$ 2,500,000	\$ 2,500,000		\$ 1,000,000	\$ 1,500,000				\$ -
Facility Improvement	4th, 2nd, RR & Main	Streetscape - Landscaping	Entertainment Tax	Administration			\$ 250,000	\$ 250,000						\$ 250,000	\$ -
Equipment		4 new pc/workstation for dispatch console	E911	Police	E911		\$ 58,430	\$ 58,430			\$ 58,430				\$ -
Equipment		Dispatch Software	Community	Community Services	Palace Transit		\$ 48,472	\$ 48,472		\$ 38,778					\$ 9,694
Equipment		Tablets lockbox, cradle points & antennas	Community	Community Services	Palace Transit		\$ 38,400	\$ 38,400		\$ 30,700					\$ 7,700
Equipment		Bus Cameras	Community	Community Services	Palace Transit		\$ 6,000	\$ 6,000							\$ 6,000
Equipment		Bus Garage Cameras	Community	Community Services	Palace Transit		\$ 8,000	\$ 8,000							\$ 8,000
Equipment		Computer Replacements	Community	Community Services	Palace Transit		\$ 3,000	\$ 3,000							\$ 3,000
Facility Improvement		Rooftop Exit Access	Community Services	Community Services	JVCC		\$ 6,000	\$ 6,000							\$ 6,000
Professional	5th Avenue- Burr to Foster	Design of 5th Avenue from Burr to Foster	Water	Public Works	Collection	\$ 90,000			\$ 90,000					\$ -	\$ -
Infrastructure	4th, 2nd, RR & Main	Water Improvements	Water	Public Works	Collection		\$ 250,000	\$ 250,000						\$ 250,000	\$ -
Infrastructure		Valve Replacements	Water	Public Works	Collection		\$ 105,000	\$ 105,000						\$ 105,000	\$ -
Infrastructure		Water Meters	Water	Public Works	Collection		\$ 40,000	\$ 40,000						\$ 40,000	\$ -
Professional	5th Avenue- Burr to	Design of 5th Avenue from Burr to Foster	Waste Water	Public Works	Collection	\$ 150,000			\$ 150,000					\$ -	\$ -
Infrastructure		Manhole Rehabilitation	Waste Water	Public Works	Collection		\$ 100,000	\$ 100,000						\$ 100,000	\$ -
Infrastructure		CIPP Replacements	Waste Water	Public Works	Collection		\$ 200,000	\$ 200,000						\$ 200,000	\$ -
Infrastructure	4th, 2nd, RR & Main	Waste Water Improvements	Waste Water	Public Works	Collection		\$ 265,000	\$ 265,000						\$ 265,000	\$ -
Equipment		Mini Excavator	Sanitation	Public Works	Recycling		\$ 105,000	\$ 105,000						\$ 105,000	\$ -
Equipment		Transfer Trailer	Sanitation	Public Works	Recycling		\$ 100,000	\$ 100,000						\$ 100,000	\$ -
Equipment		Pickup	Sanitation	Public Works	Collection		\$ 40,000	\$ 40,000						\$ 40,000	\$ -
Equipment		Garbage Truck	Sanitation	Public Works	Collection		\$ 385,000	\$ 385,000						\$ 385,000	\$ -
Equipment		Tire Chopper	Sanitation	Public Works	Landfill		\$ 34,000	\$ 34,000						\$ 34,000	\$ -
Facility Improvement	Phase II Golf Course	Additional Funds Needed for Phase II	Golf	Park & Recreation, Cemetery & Golf	Golf		\$ 180,000	\$ 180,000						\$ 180,000	\$ -
Equipment		Payloader (shared with Golf)	Golf	Park & Recreation, Cemetery & Golf	Golf		\$ 44,000	\$ -						\$ -	\$ -
Equipment		Reel Grinders	Golf	Park & Recreation, Cemetery & Golf	Golf		\$ 25,000	\$ 25,000						\$ 25,000	\$ -
Equipment		Greens Reels	Golf	Park & Recreation, Cemetery & Golf	Golf		\$ 11,000	\$ 11,000						\$ 11,000	\$ -
Facility Improvement		Irrigation Filter System	Golf	Park & Recreation, Cemetery & Golf	Golf		\$ 5,000	\$ 5,000						\$ 5,000	\$ -
Equipment		Replace Dock	Campground	Park & Recreation, Cemetery & Golf	Campground		\$ 30,000	\$ 30,000						\$ 30,000	\$ -
					Totals	\$ 355,000	\$ 15,246,520	\$ 14,344,020	\$ 340,000	\$ 1,625,282	\$ 5,612,213	\$ -	\$ 764,287	\$ 2,125,000	\$ 4,217,238
Total By Type	Requested Budget	Proposed Budget	Reductions Made												
Infrastructure	\$ 5,598,578	\$ 5,003,578	\$ (595,000)												
Equipment	\$ 2,303,442	\$ 2,157,942	\$ (145,500)												
Facility Improvement	\$ 7,344,500	\$ 7,182,500	\$ (162,000)												
Professional	\$ 355,000	\$ 340,000	\$ (15,000)												
Totals	\$ 15,601,520	\$ 14,684,020	\$ (917,500)	\$ 14,344,020											
Total By Fund	Requested Budget	Proposed Budget	Special Revenue Funds	Enterprise Funds											

City of Mitchell Capital Improvement Plan FY2024															
Category	Project	Description	Fund	Department	Division	Professional Services Request	Requested Budget	CIP in Proposed Budget	Professional Services in Proposed Budget	Grants/Donations	Assigned Reserve	SRF Bond Financing	STIP	Enterprise or Special Fund Revenue	General Fund Supported
General Fund	\$ 5,866,218	\$ 5,097,718													
Park & Rec	\$ 1,043,000	\$ 953,000	\$ 953,000												
Lake Fund	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000												
E911	\$ 58,430	\$ 58,430	\$ 58,430	\$ -											
EMS	\$ -	\$ -													
Entertainment Tax	\$ 250,000	\$ 250,000	\$ 250,000												
Community Services	\$ 109,872	\$ 109,872	\$ 109,872	\$ -											
Nutrition	\$ -	\$ -	\$ -												
Airport	\$ -	\$ -													
Water	\$ 395,000	\$ 395,000		\$ 395,000											
Waste Water	\$ 565,000	\$ 565,000		\$ 565,000											
Sanitation	\$ 664,000	\$ 664,000		\$ 664,000											
Golf	\$ 265,000	\$ 221,000		\$ 221,000											
Campground	\$ 30,000	\$ 30,000		\$ 30,000											
Corn Palace	\$ -	\$ -		\$ -											
Totals	\$ 15,246,520	\$ 14,344,020	\$ 7,371,302	\$ 1,875,000											
Total (with professional services)	\$ 15,601,520	\$ 14,684,020													
Change		\$ (917,500)													