



2022 BUDGET



Budget for 2022 Calendar Year

Deadwood Historic Preservation Office

108 Sherman Street

Deadwood, SD 57732

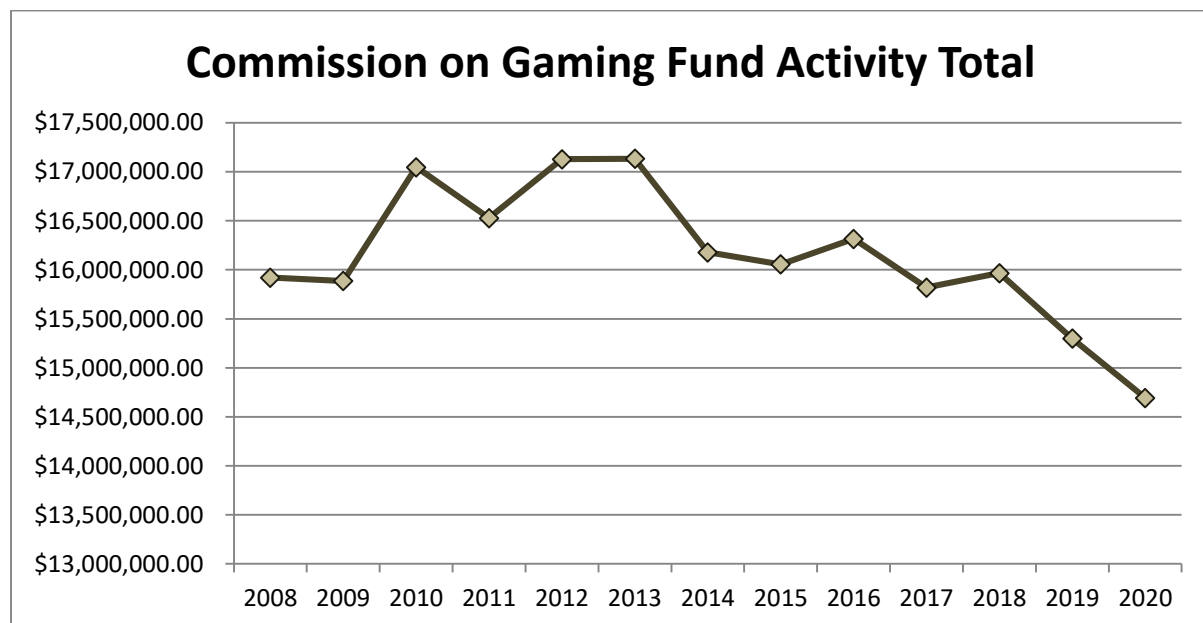
Overview of the Budget

This document provides details of the adopted Deadwood Historic Preservation Budget for Calendar Year 2022. This projected budget along with supporting citations outlines the programmatic activities which will receive funding. Descriptions of the budget line items include the sections of the South Dakota Administrative Rules which govern Deadwood's preservation work. These determinations are critical in identifying projects and activities to ensure the Deadwood National Historic Landmark is being preserved, protected, and promoted as one of South Dakota's premier preservation efforts.

The Deadwood Historic Preservation Commission takes its role as stewards of Deadwood's heritage seriously with a strong preservation ethic focusing on enhancing, protecting, and maintaining our historic resources and irreplaceable past.

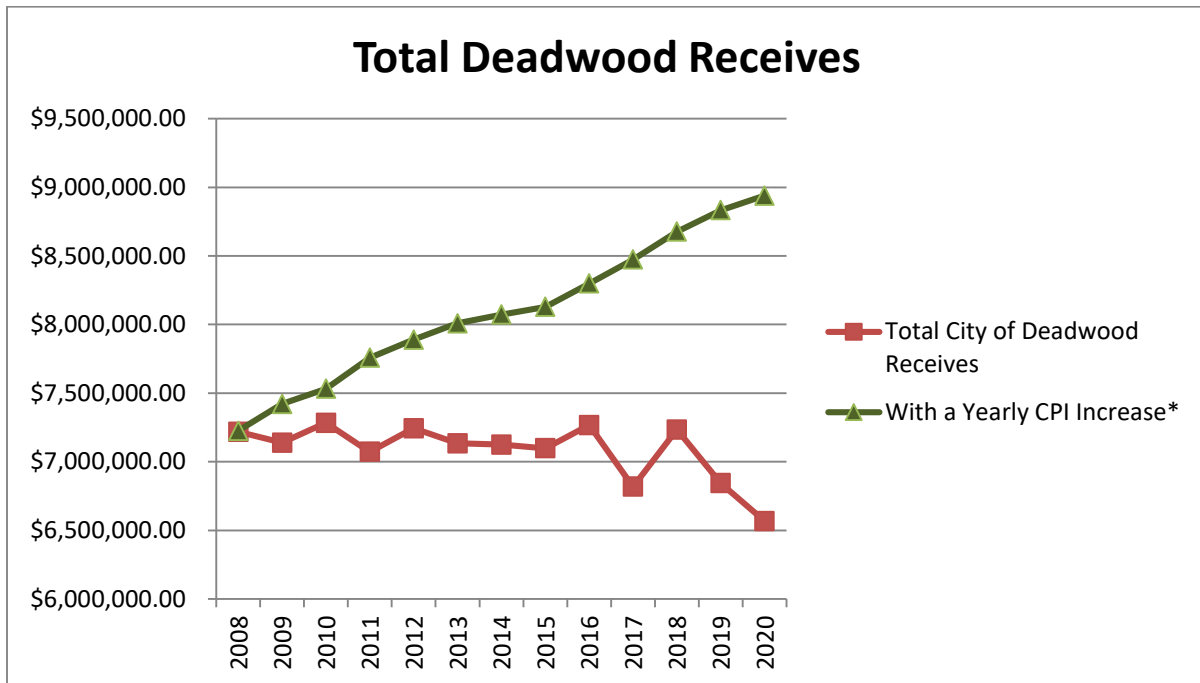
While Deadwood is experiencing another record year in tourism and gaming revenues, it is important to understand these increases does very little to our budget. Current projections in increases to gaming revenues upwards of 20% which could result in approximately \$1,500,000.00 addition to funding to the state and other governmental agencies and result in around a \$100,000.00 to Deadwood's Historic Preservation Fund. Deadwood is capped in potential revenues while the state and other governmental entities reap the rewards of the increase in gaming revenue.

The following chart illustrates the total revenues through taxes and fees received by the South Dakota Commission on Gaming from Deadwood from 2008 to 2020. The FY2021 and FY2022 should show significant increases over the past few years.



It is also important to note the number of licensed devices in FY2020 dropped to 2,818 from a recent high of 3,749 in FY2009 while the number of active retail locations have fallen to 111 in FY2020 compared to a recent level of 140 in FY2012.

The chart below illustrates the total gaming revenues received as the net proceeds from FY2008 to FY2020. Decreases in revenues has been difficult for the Historic Preservation Commission to fund the necessary projects and activities at the amounts from previous years. The chart also provides a look at how the yearly Consumer Price Index (CPI) increase effects our annual budget using FY2008 revenues. This creates a significant challenge as the costs go up and the revenues stay the same or drop. The difference in value of FY2008 to FY2020 is \$1,720,903.12. It is difficult to maintain many of the priorities of the Historic Preservation Commission.



To further understand the dynamics of the gaming revenues, the following information is from the South Dakota Commission on Gaming for the gaming activity for Fiscal Year 2020 (July 1, 2019 through June 30, 2020). At the time of the document the FY2021 report has not been published.

This data details the gaming revenue and activity related to casino gaming in Deadwood, South Dakota.

Background of Gaming Revenues

Gaming revenue distribution is set by the South Dakota Legislature. Gaming dollars spent and won by the general public and the collective gross revenue of all licensees are measured in this information. In comparing FY2019 to FY2020, the number of active Retail licenses decreased by 9. The number of licensed devices also decreased by 25. FY2020 showed a decrease in total handle of 6.13% and a decrease in adjusted gross revenue of 6.22% from FY2019.

The tax rate is defined by SDCL 42-7B-28 and 42-7B-28.1 and total 9% of the adjusted gross revenue. SDCL 42-7B-28.1, 42-7B-48, 42-7B-48.1, 42-7B-48.3 establish the distribution structure of these taxes collected. Per 42-7B-28.1, 1% of the adjusted gross revenue goes directly to the State General Fund. According to 42-7B-48, 40% of the tax is transferred to the Department of Tourism, 10% is paid to Lawrence County and the remaining 50% stays in the Commission on Gaming fund.

In addition, each device which includes both table games and slot machines is assessed an annual device fee of \$2,000.00 payable before July 1st of each year. These device fees, all licensing fees and all other miscellaneous revenue received by this Commission on Gaming office are deposited with the state treasury in the Commission on Gaming fund.

The administrative costs of the Commission on Gaming are paid from the Commission on Gaming fund and amounted to 9.67% of total revenue collected in FY2020. In addition, \$100,000.00 is distributed to the State Historical Preservation Loan and Grant fund and up to \$30,000.00 can be distributed to the Department of Social Services for Gambling Addiction Treatment and Counseling Program grants. All other revenues remaining in the Commission on Gaming fund are then paid to the City of Deadwood until such time as the net municipal proceeds paid to the City of Deadwood equal \$6,800,000.00 for each calendar year.

In FY2020, the net municipal proceeds paid to the City of Deadwood reached \$6,800,000.00 and in accordance with SDCL 42-7B-48.1, the distribution of funds in excess of this amount changed; 70% of the excess was transferred to the State's general fund, 10% was distributed to other municipalities in Lawrence County (pro rata according to population), 10% was distributed to school districts in Lawrence County (pro rata based upon the previous year's average daily membership) and 10% to the City of Deadwood. Per 42-7B-48.2, the amount which is distributed to the school districts is offset by a dollar-for-dollar reduction in state aid which the district receives. These distributions resulted in \$1,437,363.17 being deposited in the State's general fund, \$205,337.61 being distributed to the other municipalities and \$205,337.61 to the school districts as shown below.

Municipality

Spearfish \$ 150,222.26
Lead \$ 39,530.09
Whitewood \$ 13,857.95
Central City \$ 1,727.30

School District

Spearfish \$ 144,090.76
Lead/Deadwood \$ 49,374.65
Meade \$ 11,690.07
Belle Fourche \$ 182.13

In addition, taxes collected per 42-7B-28.1 resulted in an additional \$949,028.99 being deposited in the State's general fund.

Recap of Commission on Gaming Fund

The following is a recap from the South Dakota Commission on Gaming for the FY2020 Commission on Gaming Fund which details the revenues and distributions of taxes and fees directly generated from Deadwood gaming.

SOUTH DAKOTA COMMISSION ON GAMING Recap of Commission Fund

BEGINNING CASH BALANCE (07/01/19): \$916,900.90

REVENUES

FY20 Device Tax	5,636,000.00
Gross Revenue Tax	8,418,162.07
City Slot Tax	437,500.05
Application Fees	66,225.00
License Fees	91,695.00
Interest	30,623.87
Device Testing Fees	10,880.08
Penalty on Disciplinary Actions	2,545.87
Other Revenue	-
Total Addition to Fund	<u>14,693,631.94</u>

\$15,610,532.84

DISTRIBUTIONS

Administrative Expense (Includes DOR Admin Charge)	1,250,224.80
Capital Equipment	12,871.56
Lawrence County (Per 42-7B-48)	759,223.20
Other Municipalities (Per 42-7B-48.1)	205,337.61
School Districts (Per 42-7B-48.1)	205,337.61
SD Tourism (Per 42-7B-48)	3,036,892.77
SD General Fund (Per 42-7B-48.1)	1,437,363.17
SD General Fund (Per 42-7B-28.1)	949,028.99
SD Historical Preservation (Per 42-7B-48)	100,000.00
SD Department of Social Services (Per 42-7B-48.3)	30,000.00
City of Deadwood (Per 42-7B-48 & 48.1)	6,567,458.45

Total Allocations from Fund: 14,553,738.16

ENDING CASH BALANCE (06/30/20): \$1,056,794.68

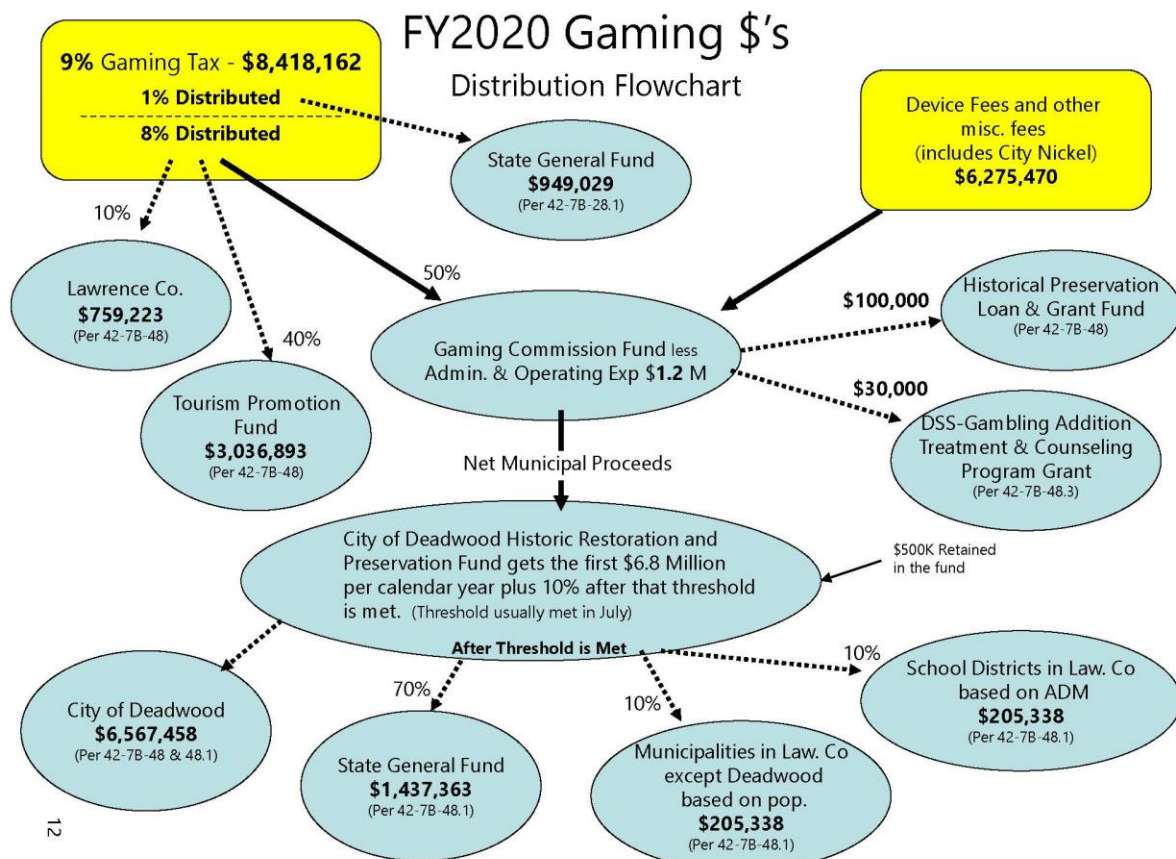
The total Gaming Revenues generated from fees and taxes amount to a total of \$14,693,631.94 for FY2020 of which the City of Deadwood received \$6,567,458.45 while the balance of \$8,126,173.49 is distributed back to the State and other governmental entities.

Under the South Dakota Constitution 3.25 gaming in Deadwood is lawful as follows:

“Further, it shall be lawful for the Legislature to authorize by law, roulette, keno, craps, wagering on sporting events, limited card games and slot machines within the city limits of Deadwood. The entire net Municipal proceeds of such roulette, keno, craps, wagering on sporting events, card games, and slot machines shall be devoted to the Historic Restoration and Preservation of Deadwood.”

In FY2020, the net proceeds devoted to Deadwood’s Historic Preservation efforts amounts to just under 45% of total revenues generated through the taxes and fees associated with gaming in Deadwood. While gaming revenues increase so does the associated expenses in preserving, protecting, and promoting the historic preservation efforts in Deadwood yet through the legislation set forth by South Dakota Codified Law, Deadwood is capped in potential revenues while the state and other governmental entities reap the rewards of the increase in gaming revenue.

This flowchart from the South Dakota Commission on Gaming for the FY2020 shows the recipients and amounts of gaming dollars distributed to the various agencies.



2022 HPC Budget

INCOME

	Actual Budget	Final Budget	Budget
	2020	2021	2022
Projected Gaming Revenues	\$ 6,871,999.49	\$ 6,970,000.00	\$ 6,900,000.00

Fixed Expenses

Bond Payment	\$ 757,433.53	\$ 1,100,000.00	\$ 1,193,000.00
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HP Office

HP Operations	\$434,206.88	\$451,300.00	\$473,480.00
Archaeology	\$7,744.75	\$39,500.00	\$38,750.00
Archives	\$48,405.18	\$42,400.00	\$40,600.00
Dues & Subscriptions	\$1,855.27	\$2,500.00	\$2,500.00
Collections / Acquisition	\$1,558.63	\$10,000.00	\$12,500.00
GIS	\$21,950.13	\$25,000.00	\$25,000.00
Scholarship	\$2,000.00	\$2,500.00	\$2,500.00
Advocacy/Public Education	\$82,215.10	\$195,000.00	\$200,000.00

<i>Subtotal</i>	\$599,935.94	\$768,200.00	\$795,330.00
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Grants & Loans

Cemetery Headstones	\$9,050.00	\$3,500.00	\$4,500.00
Not-for-Profit Deadwood Grants	\$9,854.49	\$40,000.00	\$40,000.00
Outside of Deadwood Grants	\$105,916.45	\$100,000.00	\$100,000.00
Book Publishing	\$-	\$5,000.00	\$5,000.00
Retaining Wall Program	\$191,864.85	\$363,130.00	\$500,000.00
Paint Program	\$9,631.94	\$19,500.00	\$20,000.00

<i>Subtotal</i>	\$326,317.73	\$531,130.00	\$669,500.00
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Capital Assets & CIP Funding

Building/Maintenance	\$194,584.22	\$260,000.00	\$275,000.00
City Retaining Walls	\$463,006.58	\$400,000.00	\$400,000.00
Wayfinding	\$21,199.31	\$25,000.00	\$25,000.00
Rodeo Grounds	\$65,122.40	\$1,235,000.00	\$75,000.00

<i>Subtotal</i>	\$743,912.51	\$1,660,000.00	\$775,000.00
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Visitor Management

Trolley Operations Shortfall	\$50,000.00	\$50,000.00	\$50,000.00
Marketing (Chamber)	\$268,371.56	\$400,000.00	\$414,000.00
History & Info Center	\$70,000.00	\$70,000.00	\$70,000.00

<i>Subtotal</i>	\$388,371.56	\$520,000.00	\$534,000.00
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Actual Budget	Final Budget	Budget
2020	2021	2022

Interpretation

Days of 76 Museum	\$110,000.00	\$110,000.00	\$110,000.00
Days of 76 Rodeo	\$65,000.00	\$65,000.00	\$65,000.00
Adams Museum	\$95,000.00	\$95,000.00	\$95,000.00
Adams House	\$75,000.00	\$75,000.00	\$75,000.00
HARCC	\$38,000.00	\$38,000.00	\$38,000.00
Living History (Deadwood Alive)	\$148,000.00	\$148,000.00	\$148,000.00
Fassbender	\$15,000.00	\$20,000.00	\$20,000.00
Century Award	\$1,241.18	\$1,000.00	\$1,000.00
<i>Subtotal</i>	\$547,241.18	\$552,000.00	\$552,000.00

Professional Services

Professional/Current Expenses	\$61,063.60	\$70,000.00	\$75,000.00
Legal Services	\$5,444.75	\$12,500.00	\$12,500.00
Neighborhood Block Clubs	\$4,656.66	\$8,000.00	\$8,000.00
Main Street Masterplan	\$203,852.92	-	-
State Historic Preservation Office	\$60,000.00	\$60,000.00	\$62,500.00
<i>Subtotal</i>	\$335,017.93	\$150,500.00	\$158,000.00

Impact Dollars for City Services

<i>Subtotal</i>	\$1,483,170.00	\$1,483,170.00	\$1,483,170.00
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Replenish Revolving Loan Contingency	\$660,000.00-	\$330,000.00	\$ 740,000.00
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GRAND TOTAL **\$6,097,944.40** **\$5,890,000.00** **\$6,900,000.00**

Difference \$1,030,599.05 \$20,000.00 -

2022 ITEMIZED BUDGET

BOND PAYMENTS

Bond Payments

\$1,193,000.00

The Historic Preservation Commission has utilized funds obtained from gaming revenues in continuing to update much of Deadwood's infrastructure, thereby facilitating the heritage tourism industry and providing the necessary access and utilities for the protection and maintenance of Deadwood's historic resources. Many of these projects have been funded through the issuance of bonds. In 2019, the City of Deadwood and the Deadwood Historic Preservation Commission made final payments of the 2012 & 2015 bond series and reissued a new bond series in the amount of \$3,800,000. The funds allocated in this line item are used to make the annual debt payments and related fees on the new bond series. This new series is for city owned retaining walls, the construction of Outlaw Square and the development of a new Main Street Master Plan.

The Historic Preservation Commission and the City of Deadwood will be continuing to undergo intensive planning to determine activities necessary to facilitate future historic preservation initiatives and heritage tourism strategies through the issuance of another series of bonds likely in 2022-2023.

This allocation is allowed under Section 24:52:10:09-2 of the South Dakota Office of History's Administrative Rules.

Bonded projects have included the following projects since 1989:

- | | |
|--|---|
| ▪ Carnegie Library Building Restoration | ▪ Adams House Museum Restoration |
| ▪ City Hall Acquisition and Rehabilitation | ▪ Water Street Improvements |
| ▪ Deadwood Recreation Center Rehab | ▪ Back of Main Utility Relocation |
| ▪ History & Information Center Restoration | ▪ Gateways and Signage |
| ▪ Mt. Moriah Cemetery Restoration | ▪ Historical Studies and Comprehensive Plan |
| ▪ City-wide Interpretation Projects | ▪ Various Water, Sewer, Street Projects |
| ▪ Visitor Center Exhibits | ▪ Methodist Memorial Park |
| ▪ Rodeo Grounds Rehabilitation | ▪ Adams Museum Building Rehabilitation |
| ▪ Trolley System Implementation | ▪ Facility Construction/Rehab of HARCC |
| ▪ Whitewood Creek Trail Project | ▪ Slime Plant Conservation Easement |
| ▪ Historic Neighborhood Improvements | ▪ Construction of Days of '76 Museum |
| ▪ Historic Main Street Enhancements | ▪ Rehabilitation of various buildings |
| ▪ Façade for Parking Garage | ▪ City Retaining Wall Projects |
| ▪ Charles Street Improvements | ▪ Deadwood Street Reconstruction |
| ▪ Wild Bill Hickok Statue | ▪ St. Ambrose Cemetery Restoration |
| ▪ Fire Station Expansion | ▪ Construction of Outlaw Square |

FIXED CAPITAL ASSET AND CAPITAL IMPROVEMENT PLANNING

The Deadwood Historic Preservation Commission in conjunction with the City of Deadwood's Facilities Management and Public Works Departments are responsible for the maintenance and preservation of the historic buildings, structures, features and sites owned by the City. The acquisition and preservation of several of these assets has occurred over the past 30 years using historic preservation funds. The ongoing maintenance of our historic assets is an important preservation expense and over the past several years a concentrated effort has been made to address the ongoing maintenance on these resources.

Money is allocated on a project-by-project and year-by-year basis thus providing the Historic Preservation Commission with the opportunity to develop capital expenditure plans for each separate building or asset. All buildings, structures, features and sites are contributing resources in the Deadwood National Historic Landmark District, eligible as an individually listed resource on the National Register of Historic Places, house historical collections, or promote and interpret Deadwood's history. This line item uses the historic preservation funds exclusively for repair and capital expense items and not for daily operations but is also further broken down to the individual projects. The precise expenditures are often difficult to predict as they sometimes involve unanticipated repair or replacement of damaged or deteriorated building components.

All work conforms to the *Secretary of the Interior's Standards for the Treatment of Historic Properties* as required by Section 24:52:10:04 of the Office of History's Administrative Rules. The allocation is allowed under Sections 24:52:10:08-10 and 24:52:10:09-1 of the South Dakota Office of History's Administrative Rules.

City Hall 31,500.00

Constructed in 1936, this building is the last vestige in Deadwood of the Fish and Hunter Company. In 2022, plans are to install compactor storage units in the archeology lab.

Deadwood Rec Center 10,000.00

This structure, built in 1912, needs repairs to the original parapet. Also, rehabilitation is planned for the second story façade in 2022.

Adams Museum 12,500.00

In 2022, the allocated funds will be used to rehabilitate the surface of the front stairs and entrance as well as general on-going maintenance.

Adams House 15,000.00

The Adams House, built in 1892, functions as a successful historic house museum. The funds allocated for 2022 are used to address the roof gutter and drainage system.

Library **23,500.00**

The Deadwood Public Library is housed in a 1905 Carnegie building. The library was one of 25 Carnegie buildings in South Dakota and is one of the few still serving its original purpose. In 2022, the tuck pointing of masonry and enhancements to the rear yard are planned.

Rodeo Grounds **75,000.00**

This Juso Brothers constructed log facility needs constant maintenance and repairs. As the home of the multi-year national award-winning Days of '76 Rodeo and Parade, it is the intention of the Historic Preservation Commission to assist in the on-going efforts to rehabilitate and enhance the facility in preparation for 2022, the 100th anniversary of the Days celebration. In 2022, the final phases of addressing ADA issues should be completed in the grandstands along with continued log repairs.

History and Interpretive Center **15,000.00**

Built in 1897, this building served as the depot for the Fremont, Elkhorn & Missouri Valley and the Chicago & Northwestern Railroads. This historic structure has been restored and serves as the History and Interpretive Center for Deadwood. The building needs safety rail enhancements to the east side of the building along Siever Street and fencing around the lawns.

Historic Street Lights **10,000.00**

The City purchases replica historic streetlights as an essential component of our street projects. The City attempts to maintain a consistent historic appearance throughout the community. Streetlight poles suffer from damage and environmental forces which necessitate repair on a regular basis. The Historic Preservation Commission has initiated a long-term painting program resulting in each streetlight pole being repainted and the globes are replaced after a useful life on a regular basis.

City Retaining Walls **400,000.00**

Retaining walls holding up streets within the National Historic Landmark District are in constant need of repair and reconstruction. In 2020, the Historic Preservation Commission dramatically increased this line item due to the decrease in debt service from the bond payment and in an effort to catch up on these critical walls without unnecessary budget constraints to other organizations before we move into the next series of bonded projects; however, this is an area we are working within the constraints of this year's budget and the effects of Covid-19.

Wayfinding **25,000.00**

Wayfinding provides directional signage to navigate from one place to another as well as improve movement for pedestrians, cyclists and motorists. The Wayfinding Project is an initiative to make it easier for residents and visitors to find Deadwood destinations and attractions. Wayfinding was an action item outlined in the Deadwood Comprehensive Historic Preservation Plan adopted by the Deadwood Historic Preservation Commission and City Commission in December 1990. This project began in 2013 with passage of proper SD-

DOT required ordinances. In 2014, Berberich Designs developed necessary plans and specifications for a comprehensive program. Budgeting began in 2015 to allow a phased implementation and installation of the wayfinding signage to begin.

VISITOR MANAGEMENT AND INFORMATION

Trolley Operations

50,000.00

In the early 1990s, the City of Deadwood established a free-wheel trolley system to serve as a municipal transportation system. The overall operation of the trolley system is partially subsidized from Historic Preservation funding and revenue generated through the Parking and Transportation Committee. The trolley system is an invaluable part of the city's infrastructure and helps alleviate the parking problems present in the Historic Districts. The Deadwood Historic Preservation Commission continues to support the operation of the system to the extent necessary to supplement the income produced by trolley fees. The funding covers a portion of the operating deficit. Such expenses are allowed as the production of visitor management activities under Sections 24:52:10:08-14 and 24:52:10:08-15 of the South Dakota Office of History's Administrative Rules.

Marketing

414,000.00

The Historic Preservation Commission continues to support heritage tourism efforts and the promotion of history in Deadwood through the Deadwood Chamber of Commerce and Visitor's Bureau. Other organizations such as the Days of 76 Rodeo, Deadwood History, Inc. and Deadwood Alive also market our rich heritage. It continues to be evident from formal and informal surveys directed to visitors that Deadwood's primary attraction is our history as well as the activities of historic preservation. The Deadwood Chamber of Commerce and Visitor's Bureau is the primary tool along with the South Dakota Department of Tourism for reaching audiences outside of Deadwood. Activities and programs funded by the Deadwood Historic Preservation Commission are those directly related to the marketing of Deadwood's heritage. The funds allocated in this line item will allow the Chamber to continue marketing Deadwood's heritage as a tourist destination to the people of South Dakota and the nation. The South Dakota Department of Tourism, to a great extent, matches these funds to promote Historic Deadwood. Marketing of Deadwood's historic character, historical development, and historic image is allowed under Sections 24:52:10:08-7 and 24:52:10:09-14 of the South Dakota Office of History's Administrative Rules.

Visitor Centers/Interpretive Center

70,000.00

Deadwood's History & Information Center, located in the restored 1897 Fremont, Elkhorn, and Missouri Valley Railroad Depot, continues to serve as an important resource for tourists visiting the city. New interpretive exhibits provide visitors with information about Deadwood's history and historic preservation efforts as well as tourist information regarding Deadwood's many historic resources and attractions. This line item funds the operation of the visitor centers, including personnel services, contractual services, supplies and materials. Funds are used to staff the depot, welcome center and portable information center (chuck wagon) during the height of the tourist season. The allocation of funds for

visitor centers is allowed under Section 24:52:10:08-10 of the South Dakota Office of History's Administrative Rules.

HISTORIC INTERPRETATION AND INFORMATION

Days of '76 Rodeo 65,000.00

The Days of '76 Rodeo and Parade is a significant historic event that is a major part of the history of Deadwood and helps to define Deadwood's western character. 2022 marks the 100th anniversary of this award-winning rodeo and celebration. Its historic parade recaptures the history of the community every year. Efforts are starting now in preparation for this historic events centennial celebration. Marketing of Deadwood's historic character, historical development, and historic image is allowed under Sections 24:52:10:08-7 and 24:52:10:09-14 of the South Dakota Office of History's Administrative Rules.

Deadwood History, Inc. 38,000.00

Deadwood History, Inc. is the parent organization which manages and promotes five properties within Deadwood housing various collections relating to Deadwood's history. These facilities include the Days of '76 Museum, Adams Museum, Historic Adams House, the Brothel Deadwood and the Homestake Adams Research & Cultural Center. This year once again, at the request of Deadwood History, funding was appropriately allocated to these facilities while their total amount remained the same. The allocation of these funds is allowed under Sections 24:52:10:08-2 and 10 of the South Dakota Office of History's Administrative Rules.

Days of '76 Museum 110,000.00

The Days of '76 Museum contains a unique collection of horse-drawn vehicles and artifacts associated with Deadwood and Black Hills history. With the construction of the new museum, the collection now has proper security and climate control, and the proper care and interpretation of the exhibits are in place. The allocation of these funds is allowed under Sections 24:52:10:08-2 and 10 of the South Dakota Office of History's Administrative Rules.

Adams Museum 95,000.00

The Historic Preservation Commission allocates funds each year for the continued support of the Adams Memorial Museum. These funds are used for preservation and display of the Adams Museum's collections and other expenses associated with the care of the varied collections of artifacts and objects. Funds also allow for further marketing Deadwood history and the programming associated with Deadwood History, Inc. The allocation of these funds is allowed under Sections 24:52:10:08-2 and 10 of the South Dakota Office of History's Administrative Rules.

Adams House Museum 75,000.00

Deadwood's Adams House has been open as a house museum since July 2000. The funds in this line item are used for the administrative and program costs associated with the operation of the museum. These expenses include salaries and personnel services for a

curator and docents, as well as supplies, and marketing. Funds are also used for preservation and display of the Adams House's collections and other expenses associated with the care and use of a varied collection of artifacts and objects. Funding is allowed under Section 24:52:10:08-10 of the South Dakota Office of History's Administrative Rules.

Historical Re-enactments 148,000.00

The visitor experience in Deadwood is enhanced by the presentation of historical information utilizing a variety of re-enactments. Deadwood Alive provides an opportunity for visitors, school children and residents to have a greater appreciation for the history of Deadwood. Presentations include both street performances and performances of "The Trial of Jack McCall". These costs are allowed under Section 24:52:10:08-3 of the South Dakota Office of History's Administrative Rules.

Fassbender Photographic Collection 20,000.00

The collection of photographs, negatives, slides and film footage by Josef and George Fassbender are getting the attention they deserve. This massive collection - over 800,000 images - is being cataloged and preserved by the Cities of Spearfish, Deadwood, and Lead. Each City has once again allocated funds towards the goals to preserve, conserve, and make available for public education the beautiful and fascinating images which captured over a century of Black Hills history. The allocation of these funds is allowed under Sections 24:52:10:08-2 and 10 of the South Dakota Office of History's Administrative Rules.

Century Award 1,000.00

The Deadwood Historic Preservation Commission's Century Awards program began in the early 1990s to recognize and honor historic commercial structures in Deadwood which are a century old. Two awards are created per nominated structure with one being presented to the owner(s) of the nominated structure and the other is installed in the Century Room located in Deadwood City Hall. To date, the Historic Preservation Commission has presented 76 Century Awards. The allocation of these funds is allowed under Sections 24:52:10:08-2 and 10 of the South Dakota Office of History's Administrative Rules.

HISTORIC PRESERVATION OFFICE

Historic Preservation Office 473,480.00

This line item funds the administrative costs of the Historic Preservation Office, including personnel services, contractual services, travel costs, capital expenditures, publications, supplies and materials. These costs are allowed under Section 24:52:10-03 and 08 of the South Dakota Office of History's Administrative Rules.

Public Education / Advocacy 200,000.00

This line item allows the Historic Preservation Commission to continue its commitment to public education and the dissemination of historical and preservation related information within the City of Deadwood. The Commission sponsors lectures and conferences pertaining to the history and preservation of Deadwood and the surrounding region. Advocacy activities include walking tour brochures, Wall of Fame, Century Awards, interpretation

signage, and website. The costs of public education and advocacy are allowed under Section 24:52:10:08-6, 7, & 12 of the South Dakota Office of History's Administrative Rules.

Archaeology 38,750.00

The Deadwood Historic Preservation Commission has determined the potential for the discovery of archaeological resources in the course of normal city activities is essential to provide both funds and guidelines to ensure the archaeological heritage of Deadwood is preserved and studied. This budget allocation allows for the documentation and continued care of artifacts recovered from the excavation at archaeological sites in Deadwood. Archaeological costs are allowed under Section 24:52:10:08-4 of the South Dakota Office of History's Administrative Rules.

Dues/Subscriptions 2,500.00

This line item funds the cost of maintaining memberships in the South Dakota State Historical Society, the National Trust for Historic Preservation, the American Chuck Wagon Association, and the National Stagecoach and Freight wagon Association. These memberships increase the education and awareness of commission members and staff. Such expenses are allowed under Sections 24:52:10:08-9 of the South Dakota Office of History's Administrative Rules.

Collections / Acquisitions 12,500.00

The visitor experience in Deadwood is enhanced by the opportunity to view, enjoy and understand the collections of historic artifacts and documents and those items that interpret the history of Deadwood. From time to time, the Historic Preservation Office identifies collections for acquisition. These costs are allowed under Section 24:52:10:08-3 of the South Dakota Office of History's Administrative Rules.

Archival Development 40,600.00

The Historic Preservation Commission continues to acquire and develop archive and manuscript collections documenting the history of Deadwood and the surrounding region. The Commission funds a full-time archivist and interns in order to accession, catalog, and maintain the existing collections. The archivist also responds to research questions from residents and visitors and provides research services as needed for city departments and outside clients. These costs are allowed under Section 24:52:10:08-2 of the South Dakota Office of History's Administrative Rules.

Geographic Information System 25,000.00

The accumulation and digitization of survey information provides important information needed in the ongoing efforts of both the local and state Historic Preservation Offices, including implementation of Deadwood's comprehensive plan. Funds from this line item will allow the Commission to view information within the city limits and to place this information into a computerized database system. The database includes written information, photographs and maps. The Sanborn Fire Insurance Maps are available on our online GIS homepage. These expenses are allowed under Sections 24:52:10:08-4 and 8 of the South Dakota Office of History's Administrative Rules.

Scholarship**2,500.00**

The Historic Preservation Commission has determined the provision of a scholarship for a worthy graduate of Lead-Deadwood High School is an appropriate expenditure of funds. High school senior students at Lead-Deadwood High School will be eligible to apply for two \$1,000.00 scholarships for higher education at a college or university and one \$500.00 scholarship for a vocational technical school. These scholarships are based on review of grades, academic career and achievements along with an essay on the importance of historic preservation. These costs are allowed under Section 24:52:10:08-12 of the South Dakota Office of History's Administrative Rules.

City of Deadwood Departmental Funds**\$1,483,170.00**

On November 1, 1989, the State of South Dakota authorized legalized gaming in the City of Deadwood. As part of this authorization, a Historic Preservation funding mechanism was established which included the increased costs for city government based on a formula agreed upon by the City of Deadwood and the South Dakota State Historical Society Board.

The formula is based on the increased impact to the City of Deadwood of the 1989 authorization. The basis for this formula has remained the same since 1989. This formula is based on 1988 City of Deadwood budget (adjusted for inflation) and City of Deadwood budget after 1989.

The 1988 City of Deadwood budget, adjusted for inflation using the CPI inflation factors, was compared to 2012 City of Deadwood Budget and the differences were determined to be the cost allowed under Section 24:52:10:08 (15) of the South Dakota Office of History's Administrative Rules and unanimously approved by the state board.

For 2012, this amount was \$1,483,170.00. This amount has not been escalated and these funds have been allocated from the Deadwood Historic Preservation Fund to the City of Deadwood without specific spending restrictions or instructions to avoid complex city decision making procedures.

Additional comparisons have been made against other cities' budgets to that of Deadwood's. The first comparison was with cities of similar size (less than 3,000 people) and a second comparison was with cities over 5,000 people. These comparisons show Deadwood has had a larger cost burden, even with the additional Historical Preservation funding.

DEADWOOD GRANT AND LOAN FUNDS**Grant Fund for Non-Profit Institutions****40,000.00**

The Historic Preservation Commission established a grant fund to assist those buildings and sites not eligible for the South Dakota Property Tax Moratorium within Deadwood. The budgeted amount for this program is for nine buildings: St. John's Episcopal Church, St. Ambrose Catholic Church, First Baptist Church, Grace Lutheran Church, the Broken Boot Gold Mine, the Deadwood Masonic Center Association, Deadwood Elementary, the Lawrence County Courthouse and the Deadwood Elks Lodge. Grant funds cannot be used

for program or personnel costs. Grant funds must be spent on physical improvements or interpretation of the historic building or site. The program provides assistance for historic buildings that might otherwise be unable to obtain assistance. Many of the buildings and properties in this category are not suitable candidates for a loan program. Projects funded by the program must preserve a property's historic character and integrity or affect the life-safety of its occupants. All projects funded through these programs must also meet the *Secretary of the Interior's Standards for the Treatment of Historic Properties* as required by Section 24:52:10:04 of the Office of History's Administrative Rules. The allocation of funds for the program is allowed under Section 24:52:10:09-1 of the South Dakota Office of History's Administrative Rules.

Retaining Wall Program

500,000.00

Due to Deadwood's location in the Northern Black Hills, settlement in this area has required the construction of numerous retaining walls. There are several walls entered into the program; however, due to budget constraints, many of these retaining walls have been pushed out for reconstruction until such times funds are available. With the recent payoff of our 2012 and 2015 bond series, the Historic Preservation Commission is able to increase this line item to catch up on some of these critical retaining walls. There are numerous walls in the program in desperate need of repair or replacement. The funds in this line item allow the Commission to provide a program to assist in covering a portion of a project's total cost, plus engineering fees. Only historic retaining walls, walls threatening a historic resource, or walls affecting life-safety, are eligible for the program and projects must meet the *Secretary of the Interior's Standards for the Treatment of Historic Properties* as required by Section 24:52:10:04 of the Office of History's Administrative Rules. The costs of this program are allowed under Section 24:52:10:09-1 of the South Dakota Office of History's Administrative Rules.

Cemetery Headstone Program

4,500.00

This line item is an allocation of funds for the Historic Preservation Commission's Cemetery Headstone Program. The program assists individuals with the placement of a lost or missing headstone on relatives who settled in this area and are buried in one of our historic cemeteries. To qualify for the program, the applicant must provide documentation on the family and we must identify the burial site prior to the placement of a new headstone. The costs for this program are allowed under Section 24:52:10:09-1 of the South Dakota Office of History's Administrative Rules.

Grant Fund for Projects Outside of Deadwood

100,000.00

The Deadwood Historic Preservation Commission has graciously determined a need to continue to protect, promote and enhance certain buildings and sites outside of the City of Deadwood related to the history of Deadwood. The Commission continues to implement a grant fund to assist sites listed on or eligible for the National Register of Historic Places and show a direct and meaningful relationship to Deadwood history and to undertake projects to enhance the knowledge of Deadwood history or place Deadwood history in a statewide context. Grants up to \$10,000.00 each are available for the maintenance, rehabilitation or

interpretation of any building or site that is not eligible for the South Dakota State Property Tax Moratorium. Grants are also available for studies providing a deeper understanding of Deadwood's history and its place in a statewide or regional context. All South Dakota National Historic Landmarks sites and buildings are also eligible for grants. To date nearly \$4,000,000.00 has been given to communities including but not limited to: Buffalo Gap, Sisseton, Dell Rapids, Hitchcock, Hot Springs, Gettysburg, Philip, Lead, Pierre, Ft. Pierre, Whitewood, Mobridge, Rapid City, Spearfish and Sioux Falls. The allocation of funds is allowed under Section 24:52:10:08-3 and Section 24:52:10:08-12 of the South Dakota Office of History's Administrative Rules.

Paint Grant 20,000.00

The Historic Preservation Commission recognizes pride of ownership improves the quality of life in this community. The Commission has established the Paint Grant Program to inspire home maintenance and improvement of Deadwood's historic neighborhoods. Use of the Paint Grant Program is expected to preserve and protect Deadwood's historic residences and make the City more attractive for residents and visitors alike. This program is open to residential and commercial properties. The allocation of funds is allowed under Section 24:52:10:09-1 of the South Dakota Office of History's Administrative Rules.

Historic Publication Fund 5,000.00

The Historic Preservation Commission believes great books are the lifeblood of any historic community. Therefore, it is beneficial to have a program to assist in the publication of well-written, well-researched books on Deadwood and Black Hills history. The program objective is to financially assist publication projects with funding for upfront cost to publish a book(s) on the History of Deadwood and/or the Black Hills. The allocation of these funds is allowed under Sections 24:52:10:08-12 of the South Dakota Office of History's Administrative Rules.

PROFESSIONAL SERVICES

Professional Services 75,000.00

Architects, structural engineers, and other professionals are frequently required to support the Historic Preservation Commission's many projects and activities. The Commission uses this line item to procure these services to assist private citizens and city staff with issues relating to historic preservation and architectural and structural issues found in public and private buildings. Professional Services are allowed under Section 24:52:10:08-13 of the South Dakota Office of History's Administrative Rules.

Legal Services 12,500.00

This line item enables the Historic Preservation Commission to defend its ordinances, prosecute violations thereof, and seek legal counsel when necessary. The City of Deadwood and the Deadwood Historic Preservation Commission has contracted with Gunderson, Palmer, Nelson and Ashmore for legal services. This budget reflects the anticipated costs associated with legal expenses. Legal expenses are allowed under Section 24:52:10:08-5 of the South Dakota Office of History's Administrative Rules.

Historic Neighborhood Revitalization**8,000.00**

In order to foster civic pride in the community, the Historic Preservation Commission provides funds to enhance and encourage the revitalization of neighborhoods and private residences. These programs include Plant the Town, Paint the Town and support for Block Club activities and leadership training. Such expenditures are allowed under Section 24:52:10:09-2 of the South Dakota Office of History's Administrative Rules.

SD State Historic Preservation Office**62,500.00**

The Historic Preservation Commission budgets funds to support staff at the State Historic Preservation Office to facilitate reviews of Deadwood projects and to provide greater communication between the State Historic Preservation Office and the City of Deadwood. A five-year agreement is in place for these services. These costs are allowed under Section 24:52:10:08-1b of the South Dakota Office of History's Administrative Rules.

REVOLVING LOAN PROGRAM

Due to the economic impacts to the gaming industry caused by Covid-19, on April 30, 2020, the Historic Preservation Commission placed a moratorium on any new applications to the forgivable Revolving Loan and Grant Programs. This moratorium will likely be in effect through the 2021 budget year. The Commission desires these programs to be re-instated in the Fall of 2021 or by the first of the 2022 calendar year.