

**CITY OF DEADWOOD**

ANNUAL REPORT  
DECEMBER 31, 2025

DRAFT

**CITY OF DEADWOOD**

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ACCOUNTANT'S DISCLAIMER REPORT

City Commission  
City of Deadwood  
Deadwood, South Dakota

The accompanying annual report of the City of Deadwood (the City) as of and for the year ended December 31, 2025, omits substantially all disclosures and was not subjected to an audit, review, or compilation engagement and we do not express an opinion, a conclusion, nor provide any assurance on them.

KETEL THORSTENSON, LLP  
Certified Public Accountants

\_\_\_\_\_, 2026

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CITY OF DEADWOOD

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2025

	<b>General Fund</b>	<b>Historic Restoration and Preservation Fund</b>
<b>Assets</b>		
101 Cash and Cash Equivalents	\$ 15,204,834	\$ 14,717,653
105 Investments	1,988,344	-
108 Property Taxes Receivable	9,638	-
110 Sales Taxes Receivable	376,201	-
115 Accounts Receivable	107,697	13,670
131 Notes Receivable, Net	-	-
132 Due from Other Governments	6,930,898	328,089
135 Interest Receivable	-	-
<b>Total Assets</b>	<b>\$ 24,617,612</b>	<b>\$ 15,059,412</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
<i>Liabilities</i>		
202 Accounts Payable	\$ 449,266	\$ 59,624
216 Accrued Wages Payable	88,596	9,200
209 Due to Other Governments	-	29,829
220 Customer Deposits	12,030	-
<b>Total Liabilities</b>	<b>549,892</b>	<b>98,653</b>
<i>Deferred Inflows of Resources</i>		
244 Unavailable Revenue - Gaming Revenue	-	294,495
245 Unavailable Revenue - Property Taxes	22,477	-
246 Unavailable Revenue - Sales Taxes	198,204	-
247 Unavailable Revenue - Grant Revenue	6,701,156	-
<b>Total Deferred Inflows of Resources</b>	<b>6,921,837</b>	<b>294,495</b>
<i>Fund Balances</i>		
<i>263 Nonspendable:</i>		
263.51 Perpetual Care Cemetery	-	-
<i>264 Restricted:</i>		
264.01 Debt Service	-	-
264.02 Rubble Site Purposes	-	-
264.03 Cemetery Perpetual Care Purposes	-	-
264.04 Recreational and Promotional Purposes	-	-
264.05 Library	-	-
264.06 Historic Preservation	-	14,666,264
264.07 Revolving Loan and Grant Purposes	-	-
264.08 Fuller Trail Project	29,525	-
264.09 Business Improvement Purposes	-	-
<i>266 Assigned:</i>		
266.01 Subsequent Year's Budget	1,347,576	-
266.02 Capital Outlay Accumulation	379,447	-
267 Unassigned	15,389,335	-
<b>Total Fund Balances</b>	<b>17,145,883</b>	<b>14,666,264</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 24,617,612</b>	<b>\$ 15,059,412</b>

Disclosures are omitted and no assurance is provided on this financial statement.

The financial statements are prepared in accordance with annual report guidelines as required by the South Dakota Department of Legislative Audit.

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 5,141,270	\$ 35,063,757
1,190,858	3,179,202
4,113	13,751
78,239	454,440
13,172	134,539
2,099,574	2,099,574
42,242	7,301,229
1,536	1,536
<u>\$ 8,571,004</u>	<u>\$ 48,248,028</u>

\$ 104,759	\$ 613,649
14,225	112,021
-	29,829
-	12,030
<u>118,984</u>	<u>767,529</u>

-	294,495
-	22,477
42,242	240,446
-	6,701,156
<u>42,242</u>	<u>7,258,574</u>

50,000	50,000
350,428	350,428
99,781	99,781
46,144	46,144
3,333,736	3,333,736
146,311	146,311
-	14,666,264
3,319,596	3,319,596
-	29,525
625,000	625,000
-	1,347,576
438,782	818,229
-	15,389,335
<u>8,409,778</u>	<u>40,221,925</u>

<u>\$ 8,571,004</u>	<u>\$ 48,248,028</u>
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CITY OF DEADWOOD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2025

Revenue	General Fund	Historic Restoration and Preservation Fund
<i>Taxes:</i>		
311 General Property Taxes	\$ 1,468,264	\$ -
313 General Sales and Use Taxes	4,486,161	-
314 Business Occupation Taxes	-	-
319 Penalties and Interest on Delinquent Taxes	4,827	-
320 Licenses and Permits	248,978	-
<i>Intergovernmental Revenue:</i>		
334 State Grants	11,787	-
<i>State Shared Revenue:</i>		
335.01 Bank Franchise Tax	8,343	-
335.03 Liquor Tax Reversion	7,720	-
335.04 Motor Vehicle Licenses (5%)	28,021	-
335.08 Local Government Highway and Bridge Fund	37,171	-
338.99 Gaming Proceeds	-	7,172,341
<i>County Shared Revenue:</i>		
339 Other Intergovernmental Revenue	5,599	-
<i>Charges for Goods and Services:</i>		
341 General Government	10,495	-
342 Public Safety	4,110	-
344 Sanitation	169,168	-
346 Culture and Recreation	62,904	503,974
348 Cemeteries	9,600	-
350 Fines and Forfeits	320	-
<i>Miscellaneous Revenue:</i>		
361 Earnings on Deposits and Investments	316,085	179,868
362 Rentals	145,228	-
367 Contributions and Donations	14,445	69,790
369 Other	85,912	715
<b>Total Revenue</b>	<b>7,125,138</b>	<b>7,926,688</b>

Disclosures are omitted and no assurance is provided on this financial statement.

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<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 659,753	\$ 2,128,017
1,105,775	5,591,936
2,477,644	2,477,644
-	4,827
-	248,978
-	11,787
-	8,343
-	7,720
-	28,021
-	37,171
-	7,172,341
90,883	96,482
-	10,495
-	4,110
-	169,168
168,848	735,726
9,600	19,200
310	630
175,399	671,352
-	145,228
3,432	87,667
104,270	190,897
<u>4,795,914</u>	<u>19,847,740</u>

CITY OF DEADWOOD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Historic Restoration and Preservation Fund
<b>Expenditures</b>		
<i>General Government:</i>		
411 Legislative	411,151	-
413 Elections	2,438	-
414 Financial Administration	581,826	-
419 Other	1,307,776	475,000
<i>Public Safety:</i>		
421 Police	1,650,766	-
422 Fire	249,641	-
423 Protective Inspection	98,219	-
<i>Public Works:</i>		
431 Highways and Streets	725,756	-
432 Sanitation	165,779	-
437 Cemeteries	8,901	-
<i>Health and Welfare:</i>		
441 Health	5,371	-
<i>Culture and Recreation:</i>		
452 Parks	724,191	-
455 Libraries	-	-
457 Historical Preservation	-	1,935,121
<i>Conservation and Development:</i>		
465 Economic Development and Assistance	162,842	-
470 Debt Service	387,177	-
485 Capital Outlay	1,916,802	672,467
<b>Total Expenditures</b>	<b>8,398,636</b>	<b>3,082,588</b>
<b>Excess of Revenue Over (Under) Expenditures</b>	<b>(1,273,498)</b>	<b>4,844,100</b>
<b>Other Financing Sources (Uses)</b>		
391 Lease Proceeds	382,736	-
391 Compensation for Loss or Damage to Capital Assets	29,680	-
391 Transfers In	2,449,493	-
391 Sale of Muncial Property	3,222,124	-
511 Transfers Out	-	(1,483,170)
<b>Total Other Financing Sources (Uses)</b>	<b>6,084,033</b>	<b>(1,483,170)</b>
<b>Net Change in Fund Balances</b>	<b>4,810,535</b>	<b>3,360,930</b>
Fund Balances - December 31, 2024	12,335,348	11,305,334
<b>Fund Balances - December 31, 2025</b>	<b>\$ 17,145,883</b>	<b>\$ 14,666,264</b>

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<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
-	411,151
-	2,438
-	581,826
645,016	2,427,792
-	1,650,766
-	249,641
-	98,219
-	725,756
-	165,779
-	8,901
-	5,371
-	724,191
167,126	167,126
-	1,935,121
3,295,239	3,458,081
523,257	910,434
3,360	2,592,629
<u>4,633,998</u>	<u>16,115,222</u>
161,916	3,732,518
-	382,736
-	29,680
-	2,449,493
-	3,222,124
(122,500)	(1,605,670)
<u>(122,500)</u>	<u>4,478,363</u>
39,416	8,210,881
8,370,362	32,011,044
<u>\$ 8,409,778</u>	<u>\$ 40,221,925</u>

CITY OF DEADWOOD

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2025

	Water Fund	Sewer Fund	Historic Cemeteries Fund	Parking and Transportation Fund	Total Proprietary Funds
<b>Assets</b>					
<b>Current Assets</b>					
101 Cash and Cash Equivalents	\$ 2,059,070	\$ 258,330	\$ 105,019	\$ 1,700,222	\$ 4,122,641
105 Investments	-	-	567,122	-	567,122
115 Accounts Receivable	4,170	1,172	9,074	3,967	18,383
<b>Total Current Assets</b>	<b>2,063,240</b>	<b>259,502</b>	<b>681,215</b>	<b>1,704,189</b>	<b>4,708,146</b>
<b>Noncurrent Assets</b>					
189 Net Pension Asset	598	-	-	966	1,564
<b>Capital Assets</b>					
160 Land	-	-	65,740	225,000	290,740
161 Construction in Progress	1,206,975	-	17,460	-	1,224,435
162 Buildings	-	-	120,808	-	120,808
163 Accumulated Depreciation (AD) - Buildings	-	-	(16,444)	-	(16,444)
164 Improvements Other Than Buildings	8,518,851	3,898,001	6,509,880	13,508,780	32,435,512
165 AD - Improvements Other Than Buildings	(4,120,810)	(1,820,872)	(1,171,096)	(9,342,406)	(16,455,184)
166 Machinery and Equipment	428,517	384,423	18,577	1,470,394	2,301,911
167 AD - Machinery and Equipment	(293,502)	(43,876)	(2,853)	(1,070,481)	(1,410,712)
<b>Total Noncurrent Assets</b>	<b>5,740,629</b>	<b>2,417,676</b>	<b>5,542,072</b>	<b>4,792,253</b>	<b>18,492,630</b>
<b>Deferred Outflows of Resources</b>					
248 Pension Related Deferred Outflows	56,061	-	-	90,479	146,540
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 7,859,930</b>	<b>\$ 2,677,178</b>	<b>\$ 6,223,287</b>	<b>\$ 6,586,921</b>	<b>\$ 23,347,316</b>
<b>Liabilities and Net Position</b>					
<b>Current Liabilities</b>					
202 Accounts Payable	\$ 197,506	\$ -	\$ -	\$ 9,180	\$ 206,686
205 Current Portion of Long-Term Debt	-	-	-	106,960	106,960
215 Accrued Interest Payable	-	-	-	23,108	23,108
216 Accrued Wages	5,330	-	-	17,096	22,426
233 Accrued Leave Payable	11,234	-	-	26,505	37,739
<b>Total Current Liabilities</b>	<b>214,070</b>	<b>-</b>	<b>-</b>	<b>182,849</b>	<b>396,919</b>
<b>Long-Term Liabilities</b>					
237 Long-Term Debt, Net of Current Portion	-	-	-	37,299	37,299
<b>Total Long-Term Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,299</b>	<b>37,299</b>
<b>Deferred Inflows of Resources</b>					
248 Pension Related Deferred Inflows	31,771	-	-	51,304	83,075
<b>Net Position</b>					
253.1 Net Investment in Capital Assets	5,740,031	2,417,676	5,542,072	4,647,028	18,346,807
235.29 Restricted for SDRS Pension	24,888	-	-	40,141	65,029
262.0 Unrestricted	1,849,170	259,502	681,215	1,628,300	4,418,187
<b>Total Net Position</b>	<b>7,614,089</b>	<b>2,677,178</b>	<b>6,223,287</b>	<b>6,315,469</b>	<b>22,830,023</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 7,859,930</b>	<b>\$ 2,677,178</b>	<b>\$ 6,223,287</b>	<b>\$ 6,586,921</b>	<b>\$ 23,347,316</b>

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CITY OF DEADWOOD

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2025

	Water Fund	Sewer Fund	Historic Cemeteries Fund	Parking and Transportation Fund	Total Proprietary Funds
<b>Operating Revenue</b>					
380 Charges for Goods and Services	\$ 1,384,704	\$ 116,540	\$ 132,833	\$ 1,697,107	\$ 3,331,184
<b>Operating Expenses</b>					
410 Personal Services	258,326	-	38,128	586,342	882,796
420 Other Current Expenses	540,790	10,447	23,008	531,772	1,106,017
457 Depreciation	203,102	103,549	68,326	703,139	1,078,116
<b>Total Operating Expenses</b>	<b>1,002,218</b>	<b>113,996</b>	<b>129,462</b>	<b>1,821,253</b>	<b>3,066,929</b>
<b>Operating Income</b>	<b>382,486</b>	<b>2,544</b>	<b>3,371</b>	<b>(124,146)</b>	<b>264,255</b>
<b>Non-Operating Income (Expense)</b>					
361 Earnings on Deposits and Investments	3,911	625	34,005	3,888	42,429
470 Interest Expense	-	-	-	(29,060)	(29,060)
<b>Total Non-Operating Income (Expense)</b>	<b>3,911</b>	<b>625</b>	<b>34,005</b>	<b>(25,172)</b>	<b>13,369</b>
<b>Income before Transfers</b>	<b>386,397</b>	<b>3,169</b>	<b>37,376</b>	<b>(149,318)</b>	<b>277,624</b>
391.01 Transfers In	160,814	-	-	62,500	223,314
391.03 Sale of Municipal Property	(19,620)	-	-	947,735	928,115
511.00 Transfers Out	-	-	-	(1,067,137)	(1,067,137)
	<b>141,194</b>	<b>-</b>	<b>-</b>	<b>(56,902)</b>	<b>84,292</b>
<b>Change in Net Position</b>	<b>527,591</b>	<b>3,169</b>	<b>37,376</b>	<b>(206,220)</b>	<b>361,916</b>
Net Position - December 31, 2024	7,086,498	2,674,009	6,185,911	6,521,689	22,468,107
<b>Net Position - December 31, 2025</b>	<b>\$ 7,614,089</b>	<b>\$ 2,677,178</b>	<b>\$ 6,223,287</b>	<b>\$ 6,315,469</b>	<b>\$ 22,830,023</b>

Disclosures are omitted and no assurance is provided on this financial statement.

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CITY OF DEADWOOD

SCHEDULE OF CHANGES IN LONG-TERM DEBT  
DECEMBER 31, 2025

	Balance 12/31/2024	Earned/ Borrowings*	Used/ Repayments	Balance 12/31/2025	Due Within One Year
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
Financing Arrangements	\$ 982,055	\$ 382,737	\$ 394,991	\$ 969,801	\$ 165,161
Tax Increment Financing	2,579,184	-	234,046	2,345,138	207,732
Note Payable	6,790,401	-	88,591	6,701,810	177,352
Compensated Absences	300,917	(29,891)	-	271,026	59,648
<b>Total Governmental Activities</b>	<b>10,652,557</b>	<b>352,846</b>	<b>717,628</b>	<b>10,287,775</b>	<b>609,893</b>
<b>Business-Type Activities:</b>					
Financing Arrangements	298,732	-	154,473	144,259	106,960
Compensated Absences	46,578	(8,839)	-	37,739	11,073
	345,310	(8,839)	154,473	181,998	118,033
<b>Total Primary Government</b>	<b>\$ 10,997,867</b>	<b>\$ 344,007</b>	<b>\$ 872,101</b>	<b>\$ 10,469,773</b>	<b>\$ 727,926</b>

\* The amount included in the earned/borrowings column for the compensated absences liability is a net change.

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