

# State of the City Address

Deadwood, South Dakota – Annual Address

Good evening, ladies and gentlemen. It is my honor to welcome you all to our annual State of the City Address here in Historic Deadwood. Tonight, we gather not only to reflect on our progress but also to look ahead at the exciting future we continue to build together as a community. [SLIDE]

First, I'd like to extend my sincere gratitude to our dedicated city officials, staff, and every community member present. Your support and hard work make Deadwood the vibrant city it is, and tonight's address would not be complete without acknowledging your invaluable contributions. [SLIDE]

I want to recognize my fellow City Commissioners, if you would please stand and be recognized – Sharon Martinisko, Commission President, Commissioners Mike Johnson, Charles Eagleson and Mark Spiers. Thank you for your commitment to the City of Deadwood and its future. [SLIDE]

I also want to acknowledge our other elected officials that represent us on a state and county level – This would be our District 31 legislators and our county commissioners. [SLIDE]

We also have several appointed officials who meet just as often as our elected officials and are the backbone to many regulatory oversights across the City of Deadwood. Thank you for your time, passion and commitment.

[SLIDE]

Finally, I want to say Thank You and recognize our incredible department heads, this group of individuals along with their staff keep the City running smoothly each and every day – 7 days a week – 365 days a year. They are incredible and have a teamwork attitude across all departments. Thank you for all you do each and every day. [SLIDE]

The State of the City Address is a moment for us to take stock, to celebrate our accomplishments, and to reaffirm our shared commitment to Deadwood's future. It is about recognizing where we've been, where we are, and where we're headed. [SLIDE]

## City Overview

Let us begin with a brief reflection on Deadwood's rich history and heritage. Our community profile is one of diversity, it is a year-round destination - welcoming not only our residents but also entertaining guests with over 3.8 million visits in 2025, all drawn by Deadwood's singular identity

and spirit. Our history, our events, our natural setting, our restaurants, our retail stores, our saloons and of course our gaming halls. [SLIDE]

As we begin 2026, we celebrate Deadwood's sesquicentennial, 150 years of settlement as well as Americas 250<sup>th</sup> anniversary. Deadwood has many events and activities throughout the year to commemorate this milestone. We pay tribute to the city's unique story—a place shaped by pioneers, gold seekers, and resilient citizens. A few highlights for this year will be vintage baseball games with our sister city - Lead, chuck wagon outs and enhancements to existing events. [SLIDE]

#### Key Accomplishments of the Past Year

This year, we have made significant strides across all areas of city life: [SLIDE]

**Parks, Recreation & Events:** We opened the Stage Run Playground and Dog Park, upgraded equipment at our Rec Center, enhanced Gordon Park's shelter and electrical systems, restoration projects at Mt. Moriah Cemetery, and completed or enhanced three new hiking and biking trails along with signage. [SLIDE]

**Parking & Transportation:** The construction of the Deadwood Hill Trailhead lot, made possible by a Recreational Trail Program grant though

South Dakota Game Fish and Parks, now allows for trailer and oversize vehicle parking with future motorized trail access and a trolley stop. We replaced the Broadway Parking Garage elevator, reduced employee parking permit costs, and updated ordinances to accommodate rideshare services and trailer parking. You should now be able to not only take our local taxis but call for Uber or Lyft. [SLIDE]

Planning & Zoning: Facilitated the development of the City's Capital Improvement Plan which provides a roadmap for the next five years across all City departments. We have successfully regulated short-term rentals, enhanced city beautification through updated signage and merchandising regulations, and overseen new residential projects including the Ridge Apartments and Stage Run Phase III. [SLIDE]

Historic Preservation: In 2025, Historic Preservation along with a variety of organizations, businesses and individuals successfully dedicated to new bronze statues of Wong Fee Lee and Seth Bullock as part of the public art initiative called Legends of Deadwood. Historic Preservation continues to promote the façade program with worthwhile projects such as the Franklin Hotel and the Landmark. Four more retaining walls were completed in 2025, and the office has been a mainstay in planning the 150th celebration. [SLIDE]

The Deadwood Public Library received a \$10,000 grant from the Carnegie Library Foundation to upgrade and enhance programming for both adults and our youth. We have completely overhauled the rear exterior area of the library into a beautiful outdoor garden and courtyard. Enhancements have been made to the South Dakota Community Room and new exhibits and displays have been installed. [SLIDE]

Public Works: Our Water Department funded the \$1.8 million construction of a water redundancy line using department reserves, avoiding long-term debt and saving the city over \$520,000 in interest. We also invested over \$400,000 in new equipment, including replacing aging trucks and valve exercisers, ensuring operational reliability for years to come.

The Public Buildings team secured a five-year agreement with a catering operation, utilizing our Event Complex's kitchen to generate additional revenue and move closer to a balanced budget. We consolidated the Streets and Public Buildings Departments and begun renovations our Parks and Streets Buildings, with new roofs, doors, and windows to extend their lifespan and improve efficiency. [SLIDE]

Our Finance Office provided vital administrative and accounting services for all four Business Improvement Districts, channeling over \$2 million back into Deadwood through support for local programming, events, and trail systems.

We successfully completed onboarding of electronic timekeeping, improving payroll accuracy and efficiency. With our partners at Ketel Thorstenson, we completed audits for 2023 and 2024, including those required for FEMA projects.

Deadwood worked closely with state agencies to finalize FEMA funding for the 2019 Whitewood Creek flood. Of the \$10.2 million final project expenses, \$8.8 million was eligible for reimbursement, with additional administrative costs to be addressed separately.

We also held both a regular and a special election, marking significant civic milestones. We dissolved TIF 6 and completed the sale of the Lodge Convention Center portion, strengthening our fiscal position. TIF 8, the first in Stage Run was paid off and dissolved in 2025 which adds property tax revenue back to not only the city but also the other local taxing entities. [SLIDE]

Public Safety Achievements: The City of Deadwood employee's safe work practices once again earned the Gold Level Award from the South Dakota Public Assurance Alliance which reduces our insurance and worker's compensation rates.

The Deadwood Volunteer Fire Department has strong membership with several new firefighters Certified in 2025 - representing our ongoing commitment to safety and preparedness. Decades old rescue tools have been replaced to decrease response time in their deployment and Brush Truck #6 has been introduced into service as one of the scheduled truck replacements.

The Deadwood Police Department is fully staffed with 17 full-time sworn officers. Between 2023 and 2025, we have significantly increased our law enforcement training hours from 740 hours in 2023 to 1,335 hours in 2025 — an approximate 80% increase.

The Department takes great pride in our relationship with the community over the past several years. Our ongoing goal is to continue finding innovative ways to better serve our growing community, support those who attend our events here in Deadwood, and ensure our officers can safely and effectively carry out their responsibilities. [SLIDE]

## City Finances

The City finances outlined in an annual adopted budget, is the guide of how the city plans, allocates and manages public funds to deliver essential services and infrastructure to our residents, partners and visitors.: [SLIDE]

The city's budget remains stable, supported by municipal revenues, disciplined spending, capital improvements, and reserves. We have secured grants for projects like the Deadwood Hill Parking lot and Crescent Street from Game Fish & Parks and the Department of Transportation. This along with support from BIDs which allows for trail development. All municipalities are limited on the sources of funding – mainly sales and property taxes as shown in this graph. We are fortunate to the contribution of gaming revenues although capped since 1995. [SLIDE]

Deadwood's General Fund budget is approximately 8.1 million. This does not represent the various enterprise funds, tax increment financing districts or business improvement districts. When you add this together, many which are pass through, it adds up to almost a 26 million annual budget. [SLIDE]

Property taxes have been a hot topic across the state including a legislative study committee looking for ways of relief to our residents. You can see in this chart, the city mill levy remains under four almost unchanged over the past three years. The balance is the county, school and sanitary district mill levies. [SLIDE]

Sales tax revenues have more than doubled in the past two decades yet our expenses far exceed this growth. We rank in the top 15 communities in the state for sales tax revenues. Much of this sales tax is generated by our visitors. Deadwood and Lawrence County also contribute significantly to the Department of Tourism from these types of sales. [SLIDE]

Revenues from gaming taxes and device fees average around 7 million a year but have remained the same since 1995 due to a complex legislative formula. We have been trying to garner support for a legislative change to this formula and remain optimistic for the 101<sup>st</sup> legislative session. These funds are restricted by South Dakota Administrative Rules primarily to preservation and restoration activities within Deadwood. [SLIDE]

The City of Deadwood is proud of our partners across our community. Together we are stronger. As recently, as last week, we brought many of the leadership teams of each organization together for the first Mayor's Roundtable to

increase communication, collaboration and efficiency in stretching our limited resources to make Deadwood better. [SLIDE]

Deadwood Chamber of Commerce and Visitors Bureau - Our Chamber of Commerce represented 430 member businesses, generated more than 41 million paid media impressions, and drove robust engagement on Deadwood.com, which saw about one million active users and over 3.6 million page views. Placer.ai data estimates 3.8 million total visits to Deadwood this year. Our Chamber of Commerce is often referred to as the hardest working Chamber in the state. Not many can boast of the numerous accomplishments and events our Chamber hosts for their community as we can. [SLIDE]

Deadwood History, Inc. worked with National Public Television to produce "Empowered," a documentary featuring the city's story and its role in economic and social development. The Days of '76 Museum now hosts a Makerspace, merging technology and youth education for hands-on learning. The Carriage Collection continues to grow, and after three decades, the Deagan Chimes have been restored. This year, our four museums welcomed over 73,000 guests. [SLIDE]

The Days of 76 Rodeo & Parade featured a significant change with five consecutive nights of PRCA Rodeo rather than a matinee performance on Saturday. This resulted in several evenings of sellout crowds. The Days of 76 is the only professional rodeo to win top Rodeo of the Year in all three outdoor categories. In 2025, Deadwood was once again nominated as one of the top five rodeos in the large category – right up there with Pendleton, Cheyenne, Calgary and Fort Worth. [SLIDE]

Deadwood Alive's Troupe provided three daily Main Street shootouts culminating in the Trial of Jack McCall performance which in 2026 will occur in a period correct tent on Gold Street. They provide several tour options as well as Stagecoach Rides on Deadwood's Historic Main Street. The actors spend their days providing entertainment, interacting with our many visitors and acting as ambassadors for Deadwood and its history. [SLIDE]

The Deadwood Gaming Association represents 106 gaming locations with 2,769 slot machines, 85 table games and seven sports wagering locations. The association works tirelessly with South Dakota legislatures on initiatives to ensure responsible gaming in South Dakota and that the industry

benefits the community. In 2025, Deadwood gaming saw an increase of 2.7% in revenues in an otherwise stagnant year for tourism. [SLIDE]

The Deadwood-Lead Economic Development Corporation deployed \$320,000 in revolving loan funds, directly supporting five local businesses and contributing to nine new ventures in our region. Their technical assistance helped make 42 one-on-one business engagements, supported relocation of 11 businesses, and assisted seven entrepreneurs. [SLIDE]

Though steeped in history, Deadwood never stops planning for the future. 2026 will be another year full of projects and improvements for the city to the sum of nearly \$6 million dollars. [SLIDE]

The City Commission has adopted a new Capital Improvement Plan spanning 2026-2030. To show the city's commitment to the plan, a line item in the city's budget has been dedicated to ensure the projects are provided the funding and time necessary. [SLIDE]

Parking and Transportation will continue developing satellite parking areas by improving recently acquired property at the intersection of US Highways 85 and 385. We will again partner with Walker Consultants, Inc, to develop a maintenance schedule for the Broadway Parking Structure,

ensuring funds are being utilized efficiently and effectively. We also look forward to updated parking kiosks, trolley stop shelters, and wayfinding signage across town. [SLIDE]

Public works will work toward the enhancement of Crescent Street with a \$600,000 grant received from the South Dakota Department of Transportation. Improvements along Crescent Street will include reconstruction of the roadway, the addition of pedestrian sidewalks, and a trolley stop for the event complex. Additional sidewalk installations will be conducted in areas of the community lacking walkable paths for better pedestrian access. Renovations to the existing streets and parks facilities will ensure safe and effective use for years to come and public buildings will complete an upgrade to the fire protection system at the Homestake-Adams Research and Cultural Center. [SLIDE]

Parks, Rec, and Events will continue their work on Cemetery enhancements at Mount Moriah and Oakridge. We are currently out to bid on an updated lighting system around the event complex for our youth sports and other events. Trail development, maintenance and vegetation control will continue to be a priority. The Rec Center will also see pump room

enhancements to ensure safe access to the equipment that runs the pool.

[SLIDE]

I encourage you to watch the upcoming progress at 85 Charles Street across from Taco Johns. The Historic Preservation Commission will be implementing an exterior rehabilitation of this long-neglected resource and put it back on the market. Plans are still being developed for a new community / senior center in the 1910 Deadwood Granite and Marble Works structure. The desire is to create a location for all ages to use for community gatherings and civic amenities. Retaining walls both public and private continues to be a focus of historic preservation along with ensuring our grant and loan programs are being used in the community. [SLIDE]

Public safety will continue to be one of our top priorities in 2026. We will be expanding the installation of public safety cameras to enhance safety during large events.

Our fire department will continue building capacity with additional certified firefighters and expanded partnerships with the school district and local businesses to improve coordination and emergency preparedness across the community.

We will also be investing in upgrades to our fleet, equipment, and technology so our first responders are operating with modern tools that meet today's demands.

And throughout the year, we will continue emphasizing training and education to ensure our emergency services remain ready, responsive, and well-prepared for whatever comes our way.

Deadwood will be safer and stronger because of these investments and because of the dedicated men and women who serve this community every day. [SLIDE]

Other Project Highlights for 2026 include a strong legislative agenda to ensure fair and equitable funding and protection of our gaming industry. Obviously, we have numerous events planned with the 150<sup>th</sup> Celebration and new bronze statues planned such as Dora DuFran and Potato Creek Johnny. The city, the Chamber and the Main Street Initiative have many volunteer opportunities to serve on committees and task forces. Volunteering deepens community bonds and enhances the spirit of Deadwood. I look forward to the roll out of a new leadership program for our community.

We continue to face ongoing challenges: maintaining our infrastructure and historic assets, navigating changes in the gaming formula, addressing affordable housing and seasonal tourism fluctuations. Workforce development remains a priority, as does the responsible stewardship of our resources. [SLIDE]

I encourage every member of our community to get involved, share your feedback, volunteer your time, and help foster civic pride. Together, we will uphold Deadwood's legacy and ensure a future filled with opportunity and shared responsibility. [SLIDE]

Thank you to our citizens, staff, and partners for your dedication and hard work. I reaffirm my commitment to Deadwood's future and invite you to participate in upcoming city events and meetings. Let's continue to work together to make Deadwood the best it can be. [THE END]