

2024 Q1 BUSINESS AND ECONOMIC DATA ANALYSIS SUMMARY

**SOUTH DAKOTA
SECRETARY OF STATE
MONAE L. JOHNSON**

In partnership with
DWU DAKOTA WESLEYAN
UNIVERSITY

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MUSICK FAMILY DEPARTMENT OF BUSINESS**

I am thrilled to announce the reintroduction of our Economic Report, a collaborative effort with Dakota Wesleyan University. Since its inception in 2011, these reports have served as a vital resource, offering insights into the economic landscape of South Dakota. As the custodians of all business entity filings, the Secretary of State's office plays a crucial role in deciphering the state's economic pulse. After a hiatus since 2019, I am delighted to unveil the first of many forthcoming reports. While the pandemic introduced unprecedented challenges, it's fascinating to observe its impact on new business filings, reflecting the resilience and adaptability of South Dakota's entrepreneurial spirit. This 66-page report promises a comprehensive analysis, and I invite you to delve into its findings.

**Monae L. Johnson
South Dakota Secretary of State**



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SPECIAL THANKS TO

In the spring of 2024, Dr. Tracy Dice's students in Dakota Wesleyan University's Principles of Macroeconomics course undertook the creation of a business and economic data analysis summary report, leveraging the expertise of local professionals, data from the South Dakota Secretary of State's office and online resources. This project was motivated by a desire to highlight the economic story of the Mitchell area, recognizing the importance of local economic dynamics and providing students with a practical application of their economic knowledge.

We would like to thank the following people and companies that made this possible.

- SD Secretary of State Monae Johnson
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- SD Department of Labor
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- High Plains Processing - Pat Gathman
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- Trail King - Clark Breitag
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- Nathan Meyers
- Alexander Mizsak

- Chelsey Mohr
- Ashton Munsell
- Seth Muth
- Salvatore O'Neill
- Rett Osthus
- Jackson Quam
- Lily Ranschau
- Carter Rentz
- Quenton Walls



ENTITY FILINGS

High Plains Processing

The decision to build the soybean plant in Mitchell was made based on several strategic advantages. These included:

- the proximity to local soybean and sunflower supplies,
- ensuring a steady source of raw materials,
- access to a major railway like BNSF,
- which facilitates efficient transportation, and
- connectivity with potential customers.

The establishment of the soybean plant is expected to contribute significantly to Mitchell's growth and economic development. The creation of 70-80 jobs with competitive wages will provide employment opportunities for residents and potentially attract new residents to the area. During the construction phase, the influx of contractors staying in local accommodations will stimulate economic activity, benefiting businesses in Mitchell.

Despite Mitchell's low unemployment rate, acquiring a workforce for the plant may pose challenges. However, various strategies are in place to address this. These include offering relocation opportunities for individuals interested in moving to Mitchell, partnering with educational institutions like MTI, DWU, and the Build Dakota program to train and attract skilled workers, and drawing from employees at existing sites in nearby towns.

The establishment of the soybean plant in Mitchell is expected to have a positive impact on the community by:

- fostering economic growth,
- providing employment opportunities, and
- strengthening the local agricultural sector.

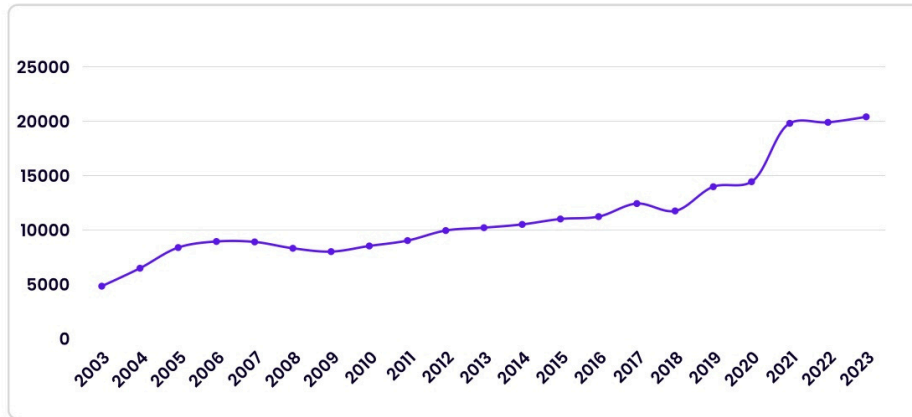


High Plains

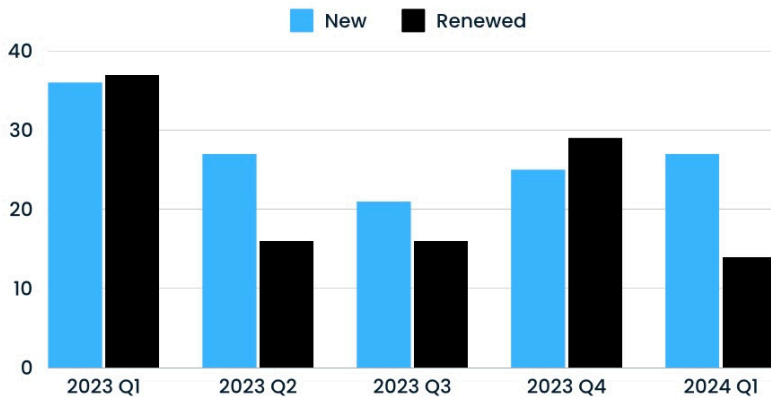
— PROCESSING —

SOUTH DAKOTA BUSINESS ENTITY

South Dakota New Entity Filings 2003-2023

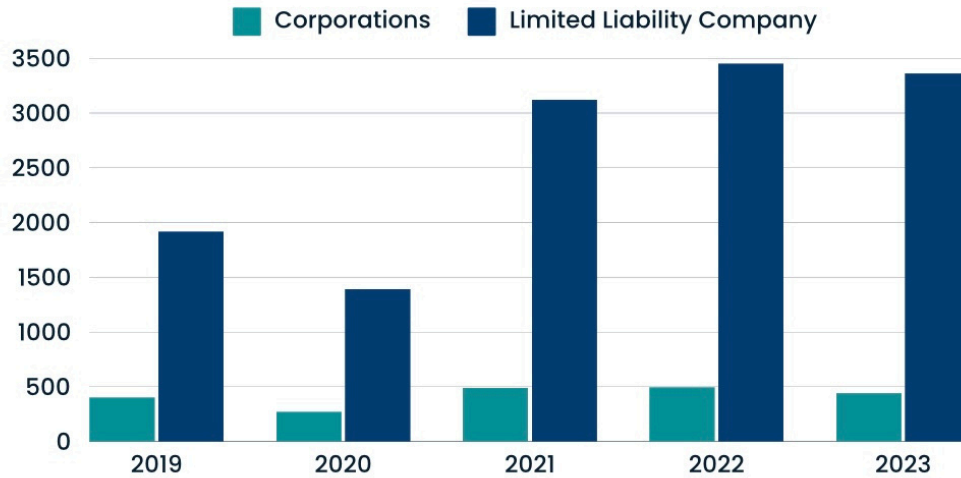


SD TRADEMARKS



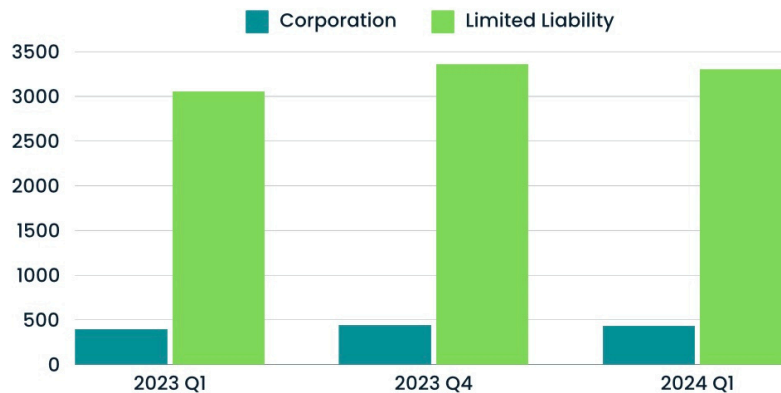
Overall, trademarks have decreased from 2022 Quarter 1 to 2023 Quarter 1

BUSINESS ENTITY BREAKDOWN



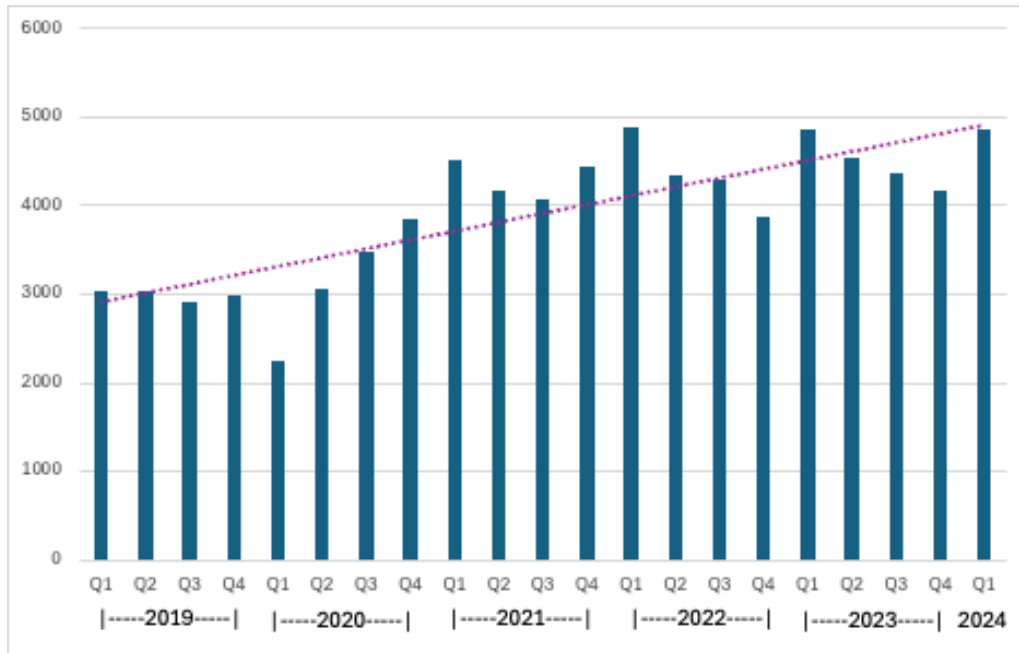
Changes 2023-2024

- Limited Liability Companies and Corporations are the most common type of business in South Dakota
- LLCs have increased while Corporations have maintained since 2019

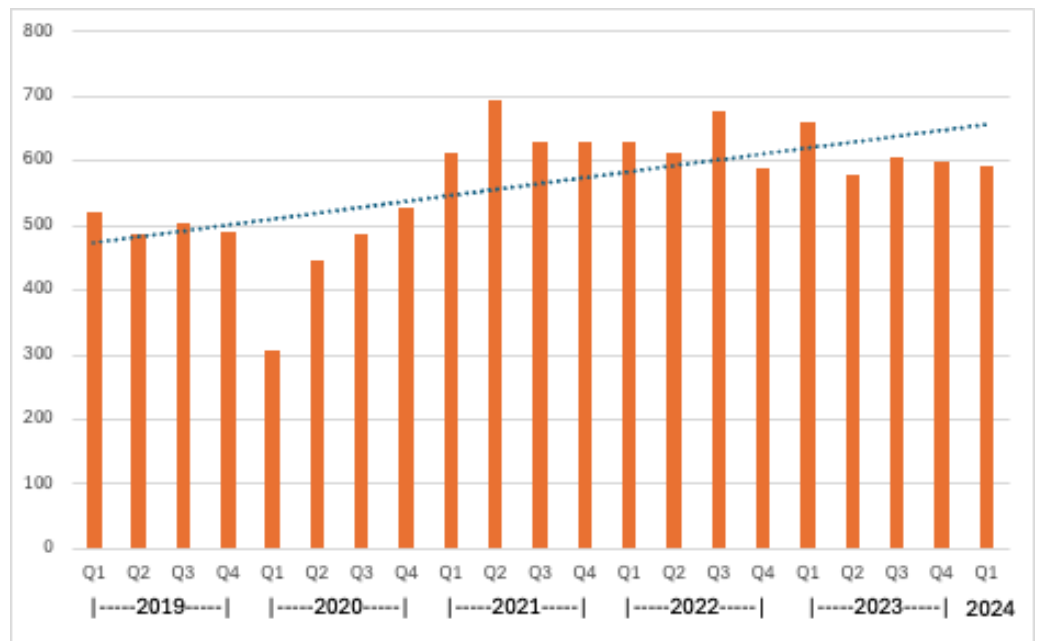


BUSINESS CORPORATIONS

Quarterly Domestic Filings 2019-2024

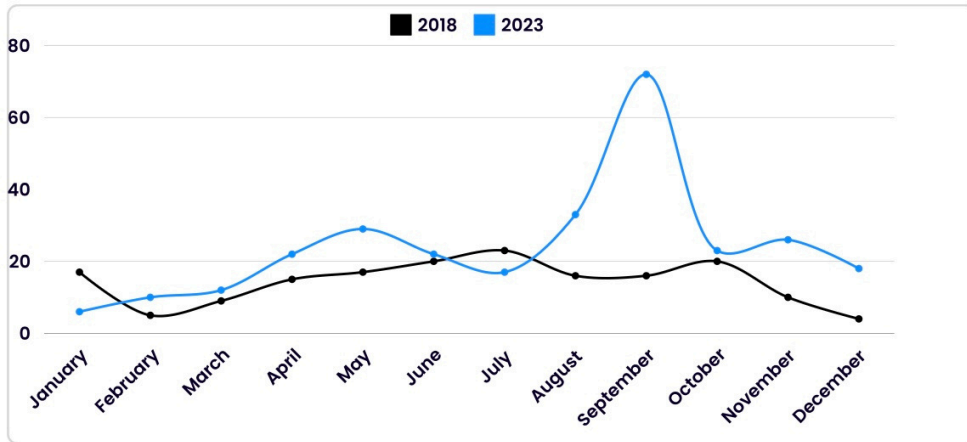


Quarterly Foreign Filings 2019-2024



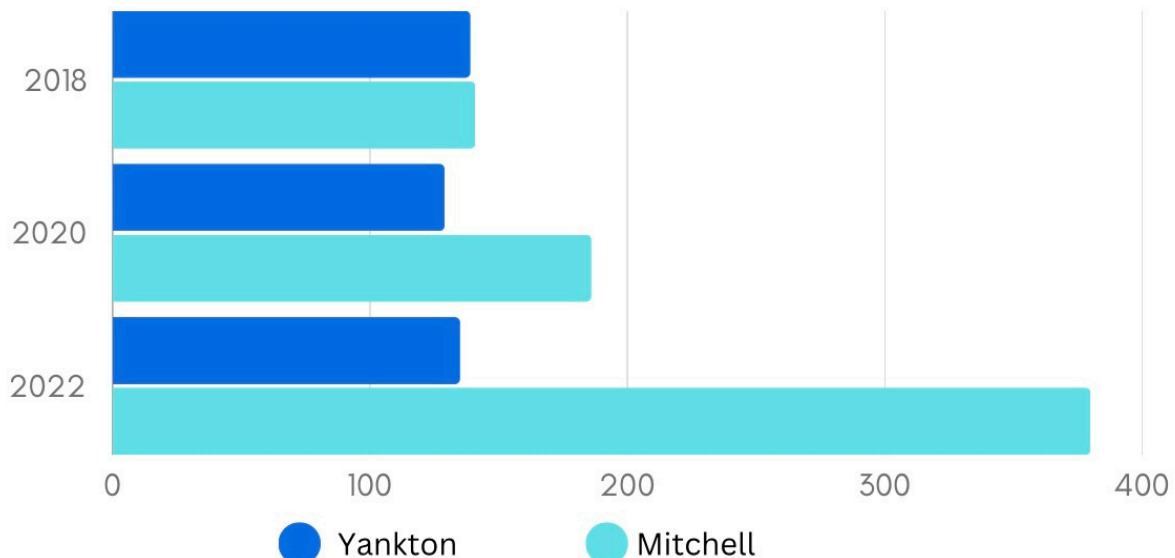
BUILDING PERMITS

Building Permits 2018-2023



- Spikes during the building season
- Lower during winter months
- 2023 September spike caused by late July hail storm,
 - 75% reroofing jobs = \$1,831,529
- A rise in numbers during the summer months
- Fall during the winter
- Very steady over last 5 years

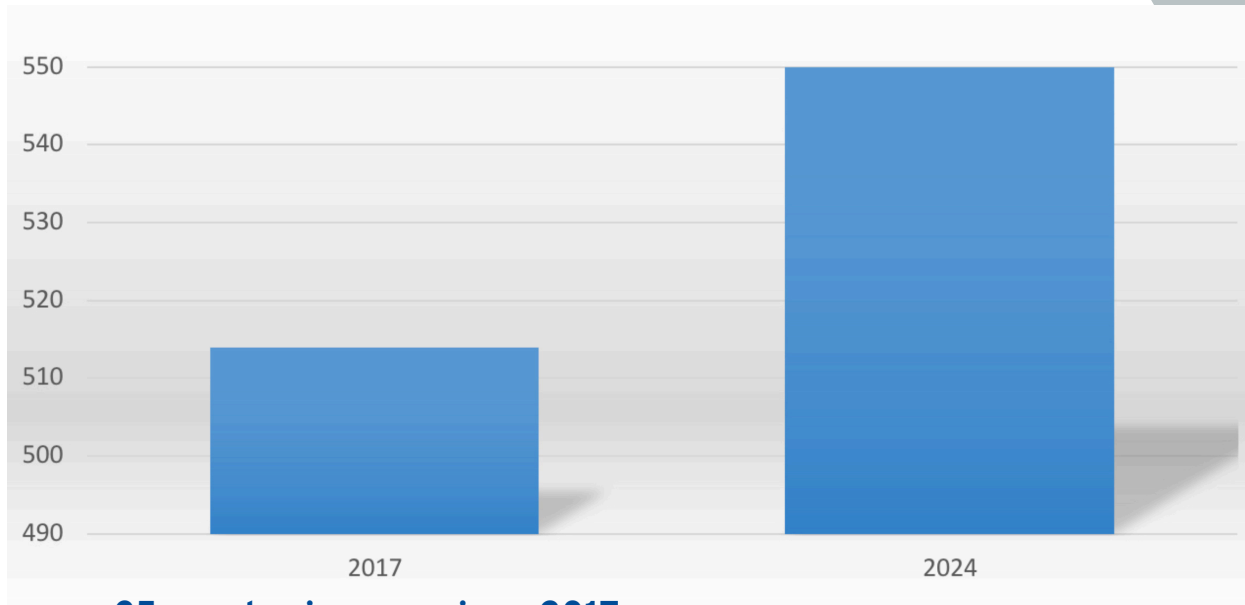
Building Permit Comparison



<https://www.cityofmitchellsd.gov/DocumentCenter/Index/225>
<https://www.cityofyankton.org/departments-services/community-economic-development/building-services-permits>

NUMBER OF BUSINESSES

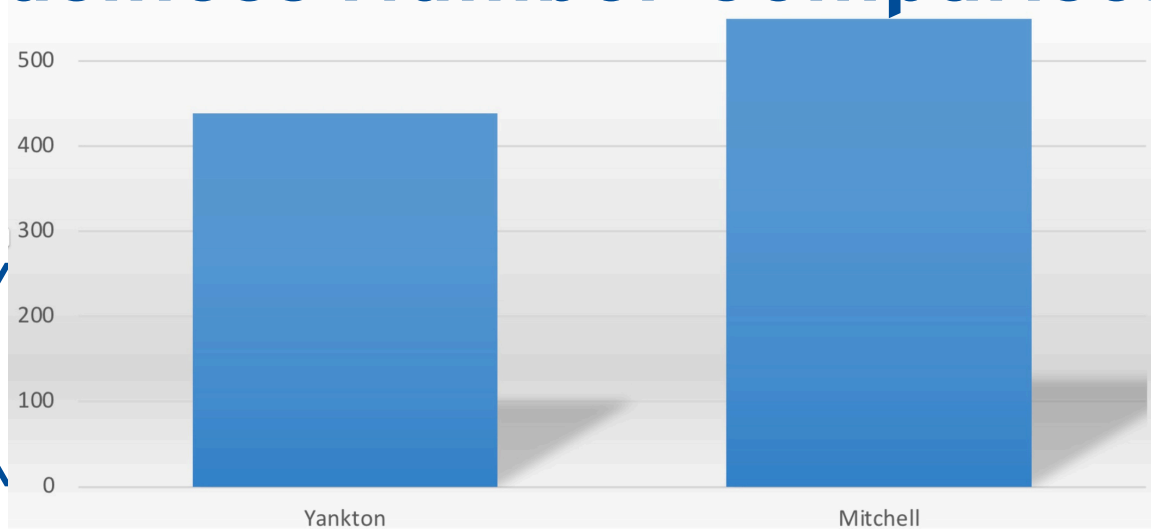
Mitchell Business Numbers



- 35 new businesses since 2017
 - 4% growth over a 7-year span
- Roughly 550 businesses in Mitchell currently
- Established businesses are growing and new businesses are forming which has attributed to Mitchell's economy

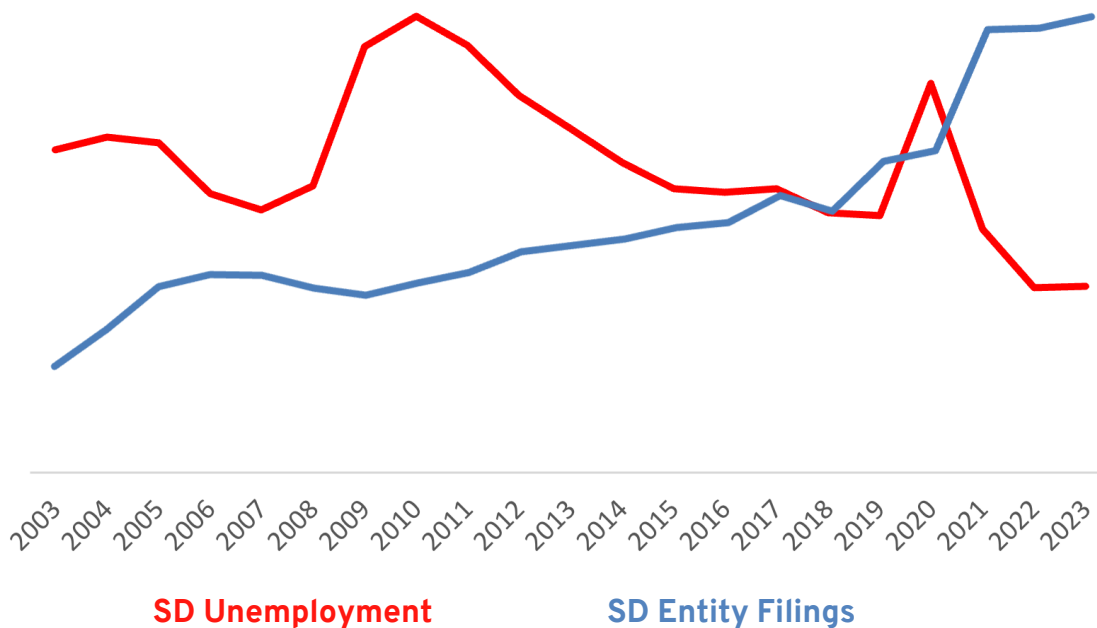
Yankton vs Mitchell

Business Number Comparison



<https://business.mitchellchamber.com/list/>

UNEMPLOYMENT VS. BUSINESS FILINGS



- Statewide Entity Filings and Unemployment tend to move in opposite directions.
- Even with unemployment spike in 2020, businesses were still growing in different ways

WHAT DOES THIS MEAN?

The correlation between new entity business filings and unemployment trends in South Dakota over the period from 2003 to 2023 shows a relationship between entrepreneurial activity and labor market dynamics. Across the years examined, there appears to be a consistent pattern wherein spikes in new business filings coincide with declines in unemployment filings, indicating a potential relationship between job creation through entrepreneurship and reduced unemployment. This suggests that as new businesses emerge, they contribute to job opportunities, absorbing the labor force and reducing the need for unemployment support.

Notably, in 2020, amidst the unprecedented challenges posed by the global pandemic, South Dakota witnessed a remarkable surge in new entity business filings. This trend persisted through 2023, illustrating growth in the state's economy. The surge in business formations during this period may reflect a response to shifting market demands, as entrepreneurs sought to innovate and address emerging needs brought about by the pandemic. Moreover, governmental support programs and incentives may have encouraged entrepreneurial ventures, further driving the surge in new business formations. Over the following three years, we have seen decreased unemployment filings as individuals found opportunities within these new businesses.

STORY

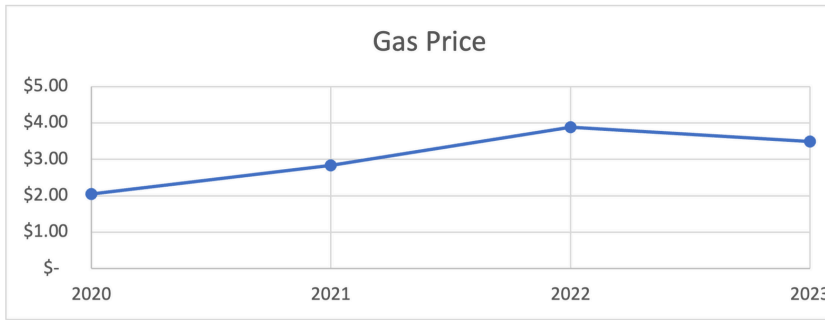
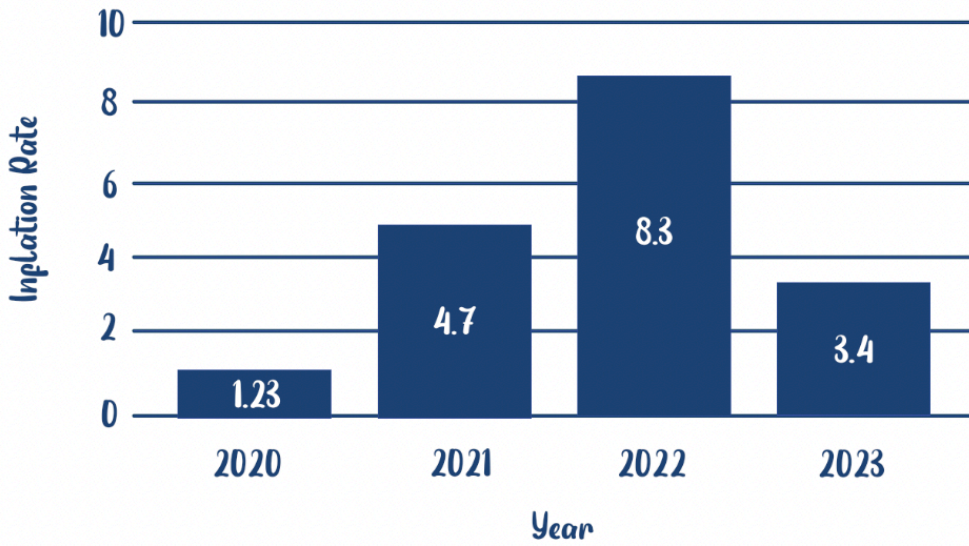
South Dakota is a great place to start a business and to run a business. This is because of the ease of filing and the laws in place that make operating a business easier in South Dakota. For example, in Minnesota, it costs double the amount of money to do repairs on university buildings when compared to South Dakota. The reason behind this increased payout is due to all of the regulations and building requirements involved. Many of the construction companies in South Dakota will actually file the paperwork for the projects you have planned. A firsthand example of this is when the DWU CFO showed the plans for the new DWU Business building.

This story is relevant to Mitchell's growth due to a link between DWU's expansion and the growth of Mitchell itself. If DWU retains and grows in the student population, more businesses and money will be invested in the community. Having college students in a community can help get people straight into the workforce by allowing them to apply for jobs within the community. Building permits are used to track progress within the City of Mitchell. We first looked at the numbers from 2019, before the COVID-19 pandemic. The total valuation of building permits in the City of Mitchell was \$14.8 million dollars. Then in 2020 - through the peak of the pandemic - the total rose to \$25 million. In 2021, Mitchell had a slight decline with a total valuation of \$22.8 million dollars. This is typical because the effects of COVID were just being realized at this time. During the year 2022, Mitchell had a massive amount of growth, with people investing more in the city itself. At the conclusion of the year, the valuation came to a total of \$58.2 million dollars. Mitchell, South Dakota had a 155% increase in building permit investments during this time. Some of this influx in cash can be attributed to higher inflation, more companies moving into Mitchell (the soybean plant is an example), and more residential investments. Overall, there has been considerable growth in the amount of money that has been invested into the growth of Mitchell's community.



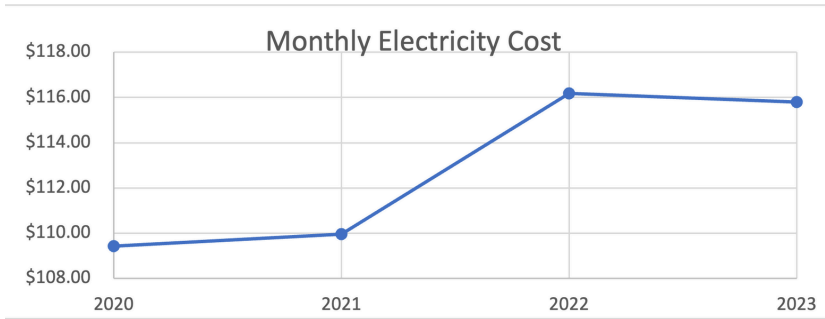
INFLATION, INTEREST RATES, AND GDP.

Inflation Rates



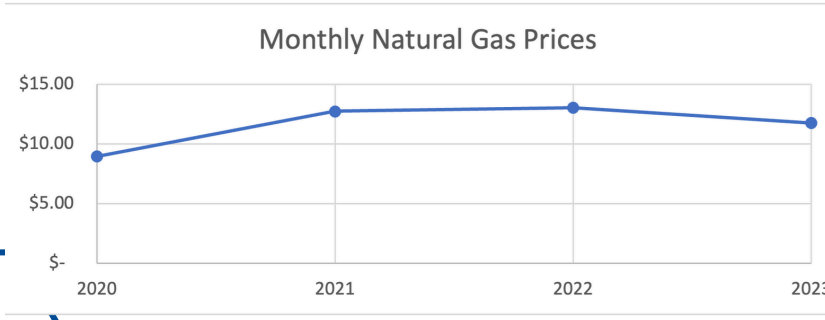
2023 GAS PRICES

10.1% ↓



2023 ELECTRICITY COST

0.4% ↓



2023 NATURAL GAS PRICES

9.9% ↓

Interest Rates

	2024	2023
6 Month	5.22%	3.50%
1 Year	4.78%	3.50%
5 Year	3.97%	3.38%
8 Year	4.00%	3.25%
20 Year	4.34%	3.50%
30 Year	4.23%	3.30%

- 2023-2024 the interest rates have a steady increase.
- 1-month interest rates were higher than the long-term rates

What This Means to Consumers

- Interest rates have increased 0.93% between 2023 and 2024 (from 3.30% to 4.23%)

30 Year Mortgage

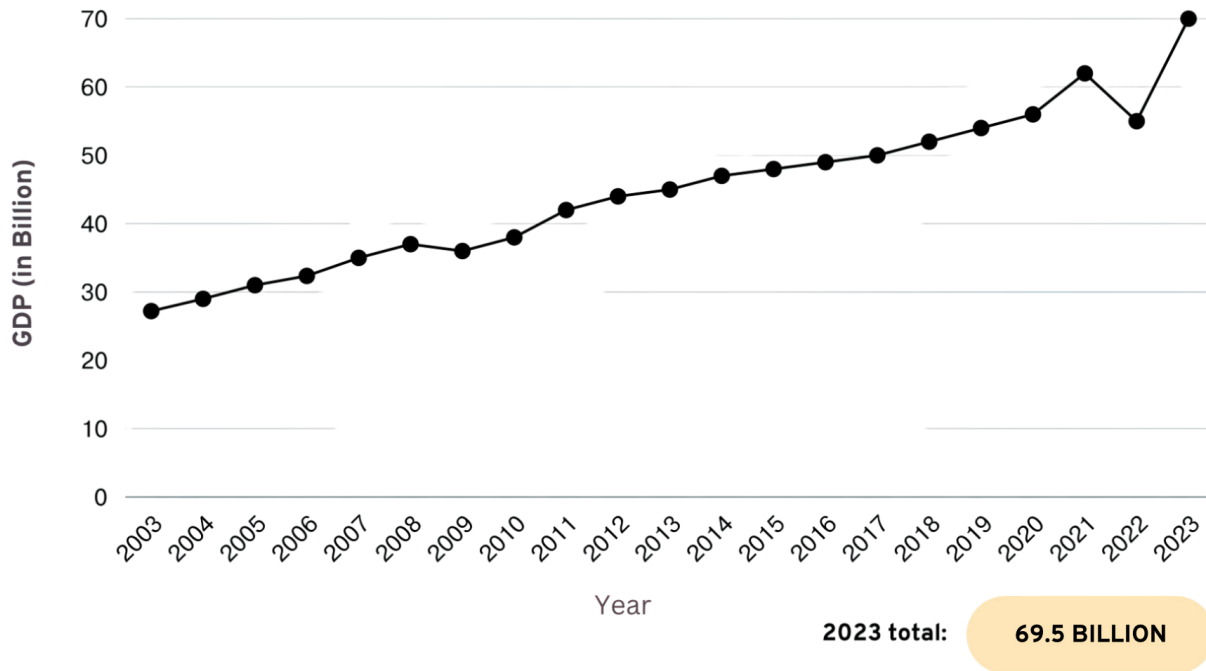
Mitchell Median Home
Price: \$284,000



Interest Increase:

↑ \$54,000

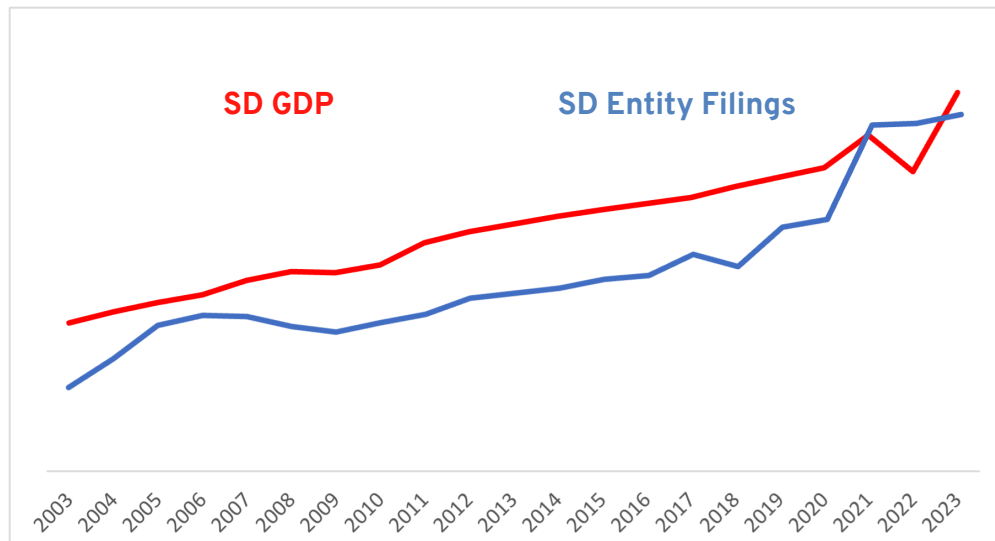
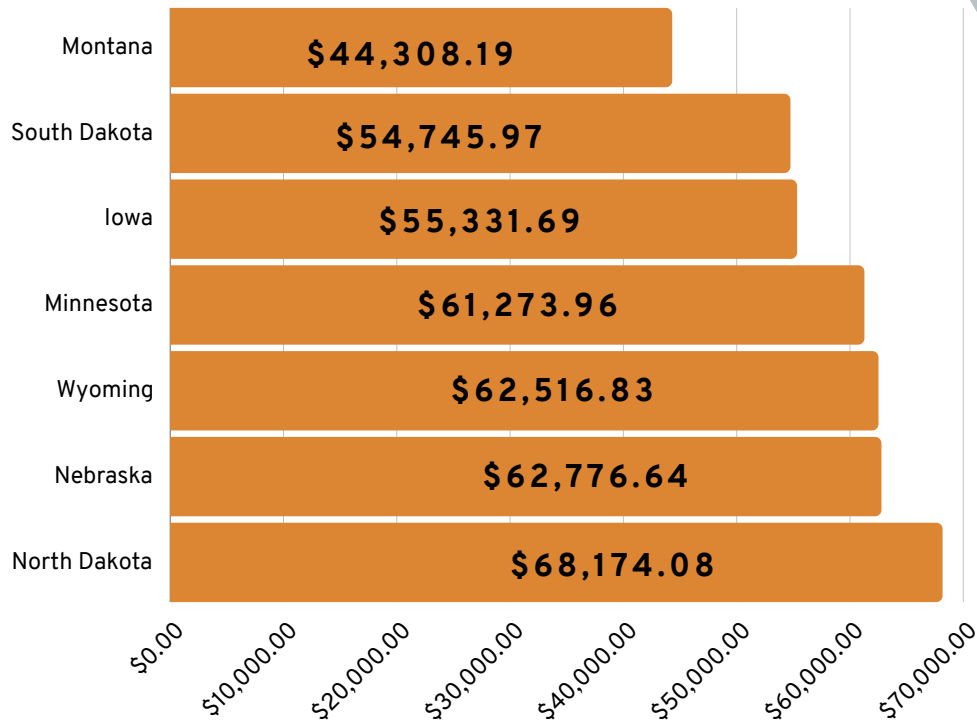
SD GDP Since 2003



GDP

- South Dakota's GDP has increased by 155% since 2003
- In 2022 South Dakota's GDP decreased 4.3% in the 4th quarter

SD Real GDP Per Capita Compared to Neighboring States 2022



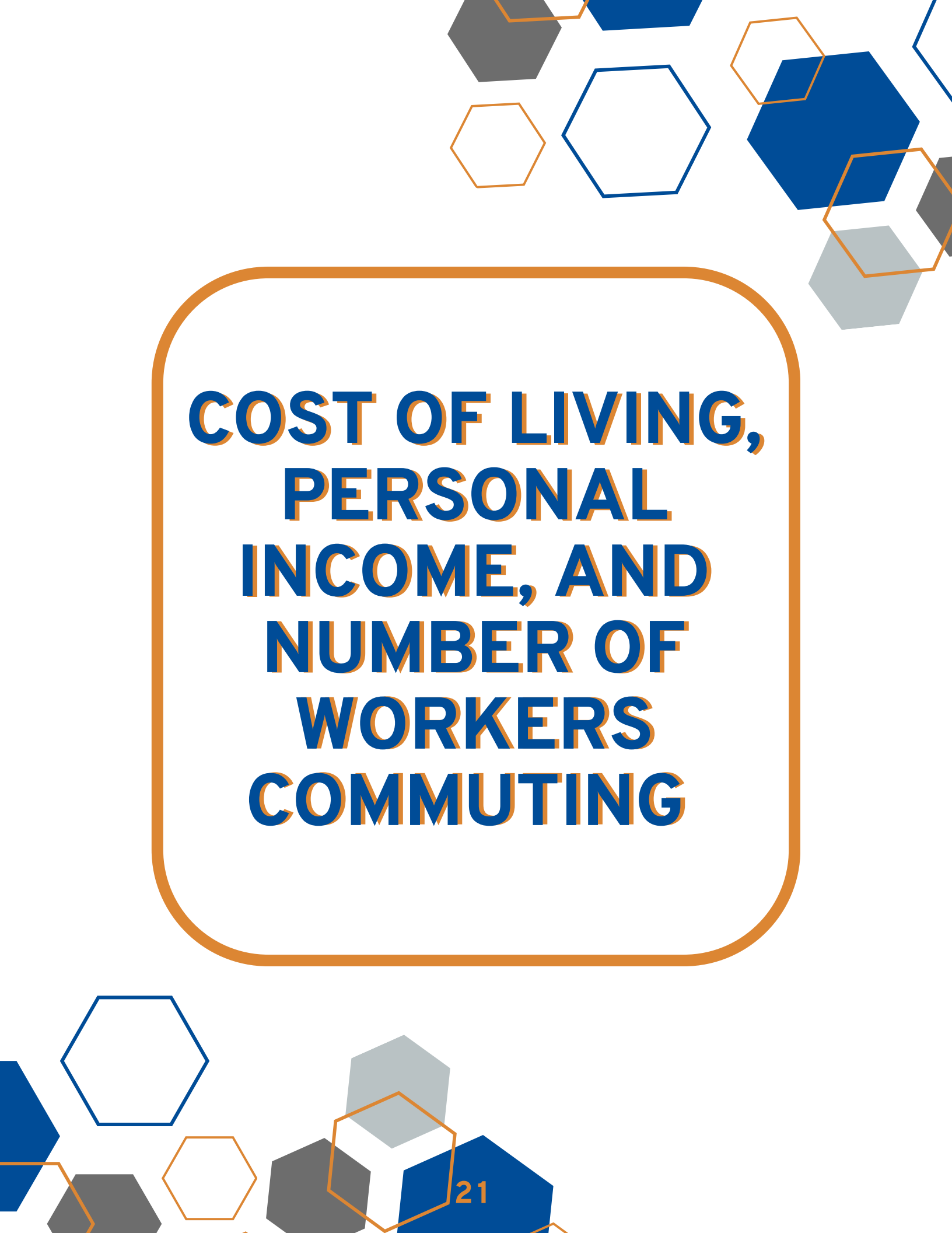
- **Statewide Entity Filings and GDP tend to move in the same direction.**

Interest Rates and Their Effects on Mitchell and Surrounding Areas



Interest rates have been a huge factor that has changed the economy of Mitchell, South Dakota, and its surrounding area. Ever since the beginning of Covid-19, it has been prevalent that interest rates have been changing and increasing each year. Trevor Dierks, the president at First Dakota National Bank, states, “It definitely affects the local economy. It slows down some things, but since Mitchell and the surrounding areas compose more small businesses. Interest rates can make it difficult for those small businesses to grow.” Allowing Mitchell and its surrounding area to adjust to interest rates changing up and down will allow more people to be prepared for important financial situations.

One thing that Trevor made clear is how he expects interest rates to look within Mitchell in the next 6-12 months. He stated, “I think they will be stable, but it’s hard to tell because of the changing economy. I could see it maybe lowering, which would help out our area, but again, it should be stable.” Mitchell and its surrounding areas seem to be consistent when it comes to interest rates. Overall, Mitchell seems to be in a good spot with future interest rates. If Mitchell’s interest rates rise or decline, it shouldn’t affect the area like it could affect other cities or areas. For as of now, the interest rates continue to say that they will stay stable.

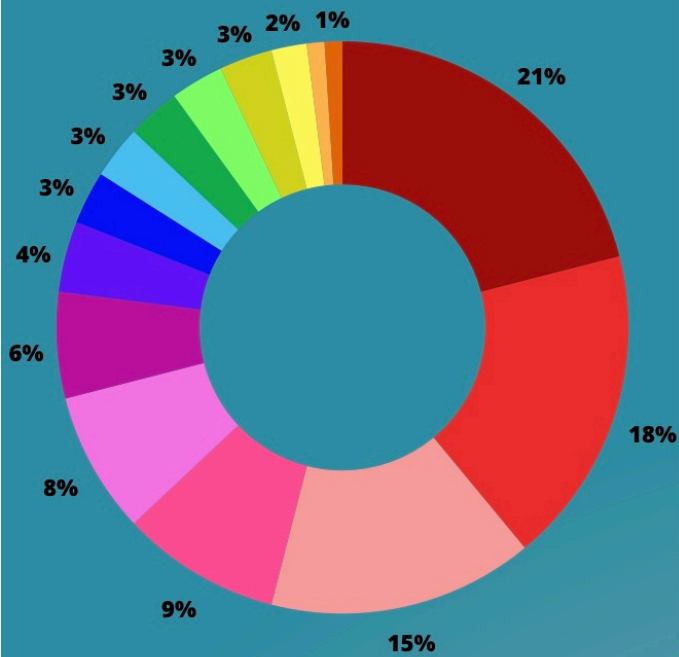


**COST OF LIVING,
PERSONAL
INCOME, AND
NUMBER OF
WORKERS
COMMUTING**

COST OF LIVING

MITCHELL, SD YEAR 2023

Household Expenditures



Yankton, SD

Total Household Expenditures

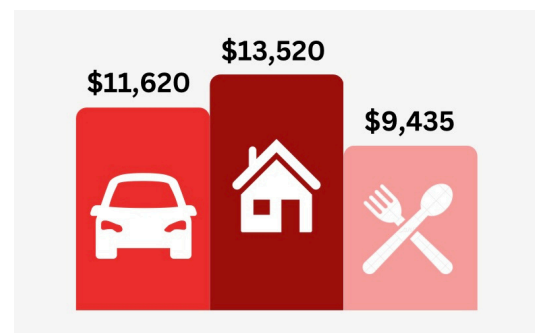
\$71,514



Mitchell, SD

Total Household Expenditures

\$63,770



INDIVIDUAL INCOME

MITCHELL, SD YEAR 2023

2019 Income



vs. Prior Year

2020 Income



vs. Prior Year

2021 Income

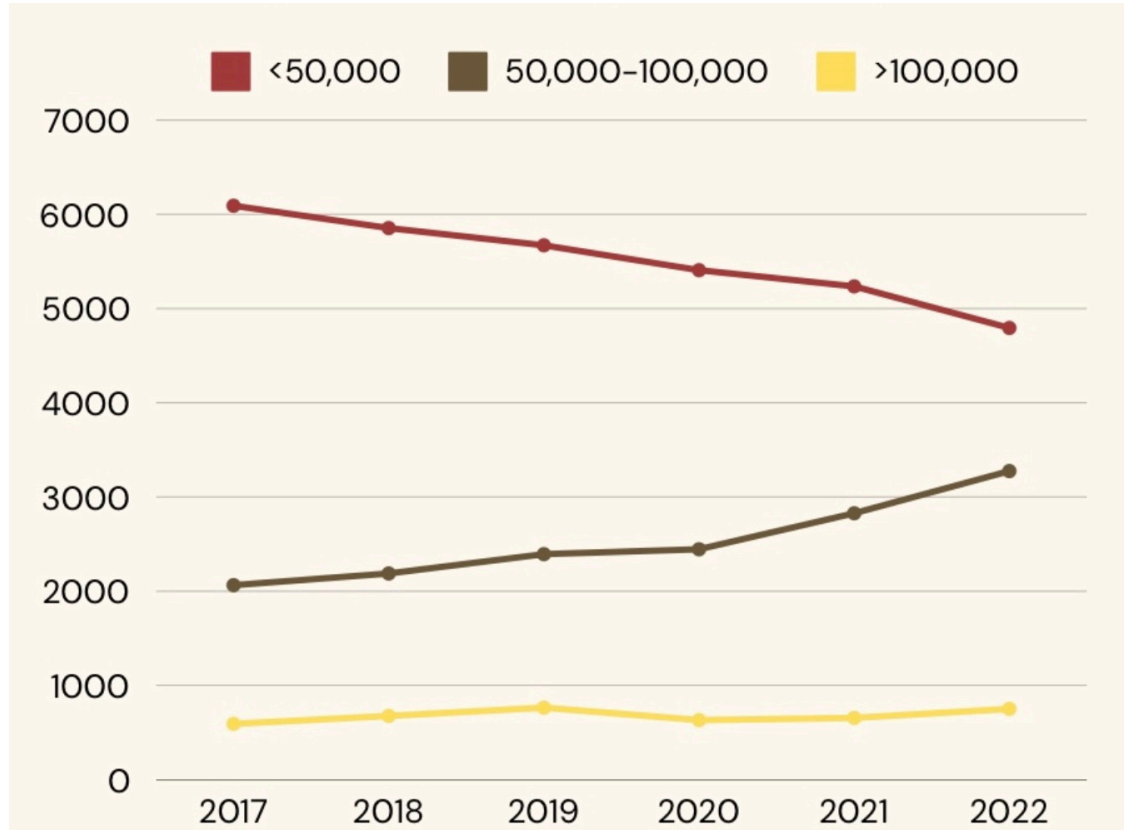


vs. Prior Year

2022 Income



vs. Prior Year



MEAN INCOME

\$58,109

Less than \$50,000



\$50,000-\$100,000



Greater than \$100,000



COMPARING INCOME & EXPENSES

MITCHELL, SD YEAR 2023

Are Mitchell Residents Living Beyond their Means?

HOUSEHOLD
INCOME

VS

HOUSEHOLD
EXPENSES

\$54,505

Mitchell

\$63,770

\$65,667

Yankton

\$71,514

\$71,247

South Dakota

\$69,695

\$74,580

United States

\$72,967

Mitchell, SD

Average
Household Deficit

-\$9,265

**37% less than
Yankton**

**117% less than
the state**

**117% less than
the nation**

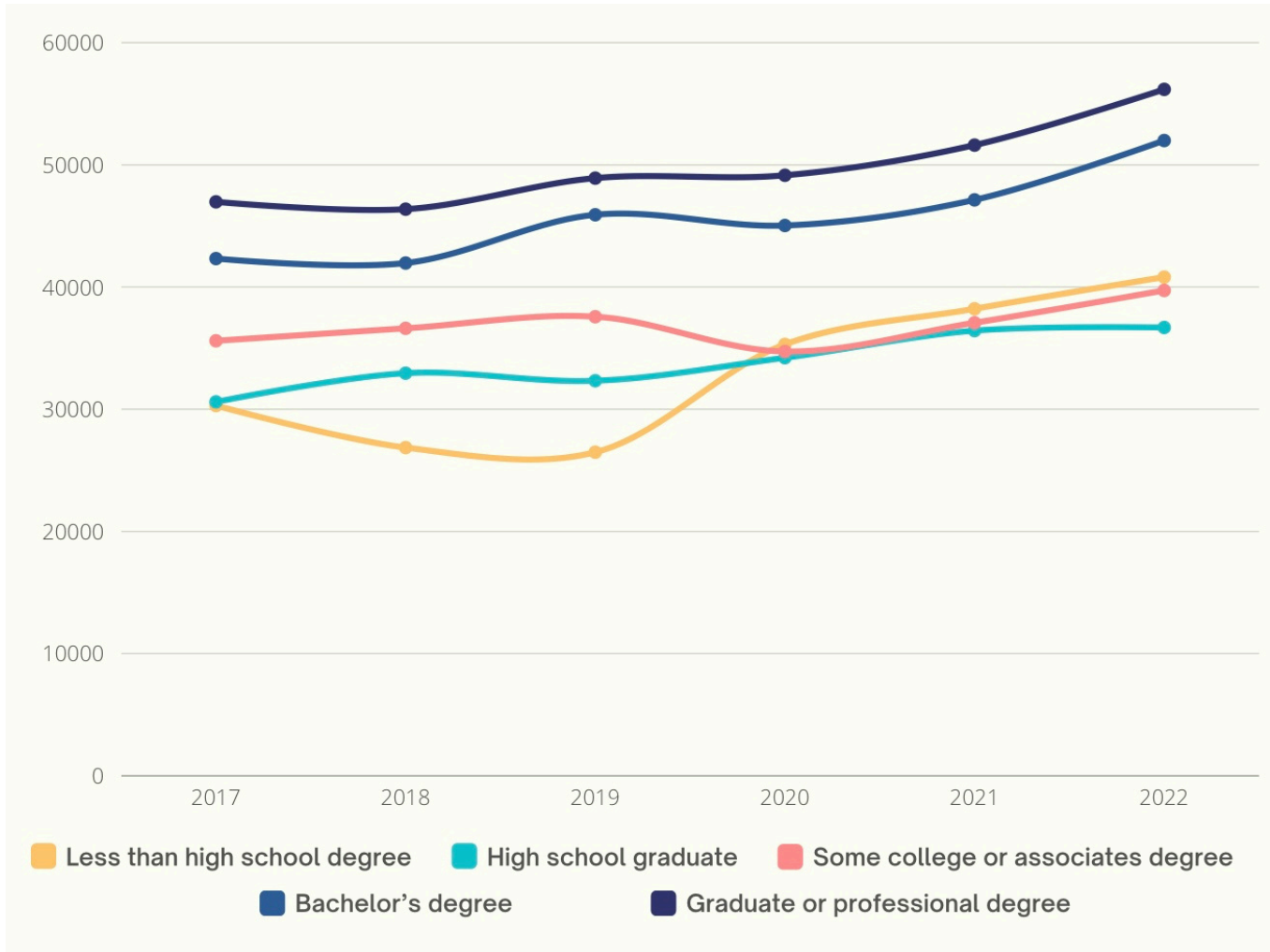
Reasons for Household Deficits

- 65.5% of the population are homeowners
- 62.3% of homeowners have a mortgage
- Housing is about 25% of household income
- Median property value is \$155,900
- 13.3% live below the poverty line
- 8.5% of the population earn \$100,000+

INCOME BY EDUCATION

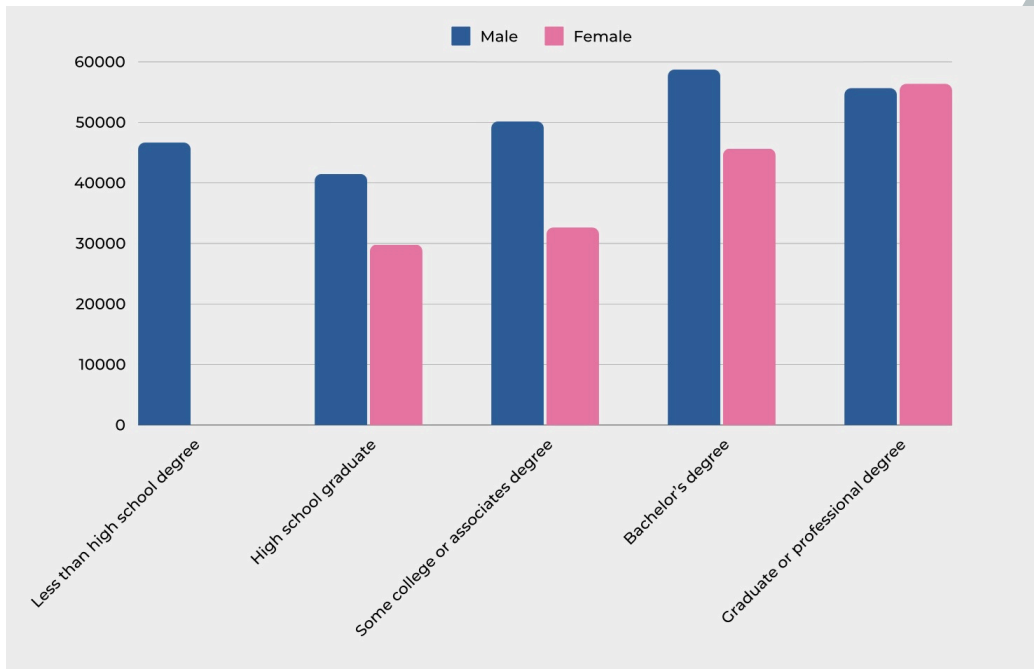
MITCHELL, SD YEAR 2023

Reasons for Increase in High School Dropout Income



INCOME BY GENDER

MITCHELL, SD YEAR 2023



Men consistently earn higher incomes than women, with Mitchell's gender pay gap surpassing the national average. The disparity is notably pronounced in the agriculture sector, where women typically earn over \$27,000 less annually than their male counterparts, as reported by the Census Bureau.

Mitchell Income



MEAN INCOME
\$67,316

\$21,034

National Income

MEAN INCOME
\$88,350

\$22,128

\$21,163



MEAN INCOME
\$45,188

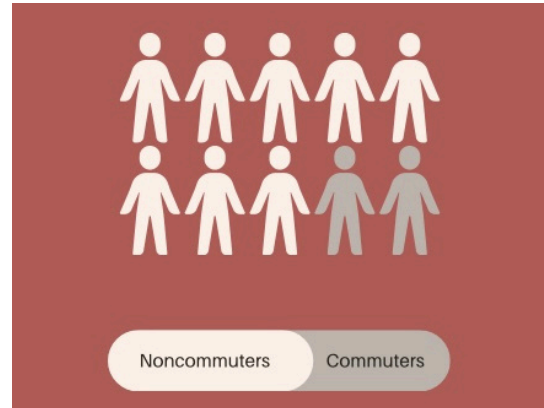
\$21,999

MEAN INCOME
\$67,187

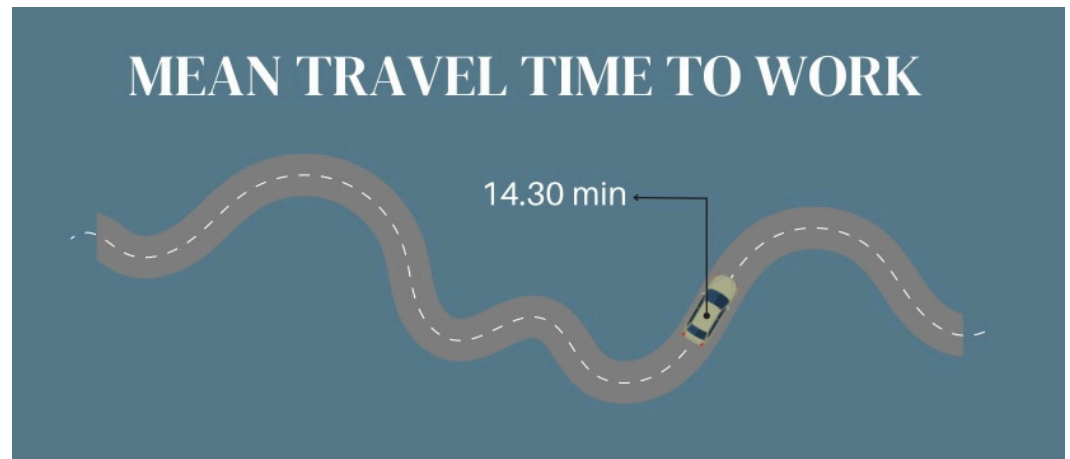
COMMUTING ANALYTICS

MITCHELL, SD YEAR 2023

- Remote working has increased since 2020
- Rising gas prices
- City size and road infrastructure
- Little traffic congestion
- Relatively low population density

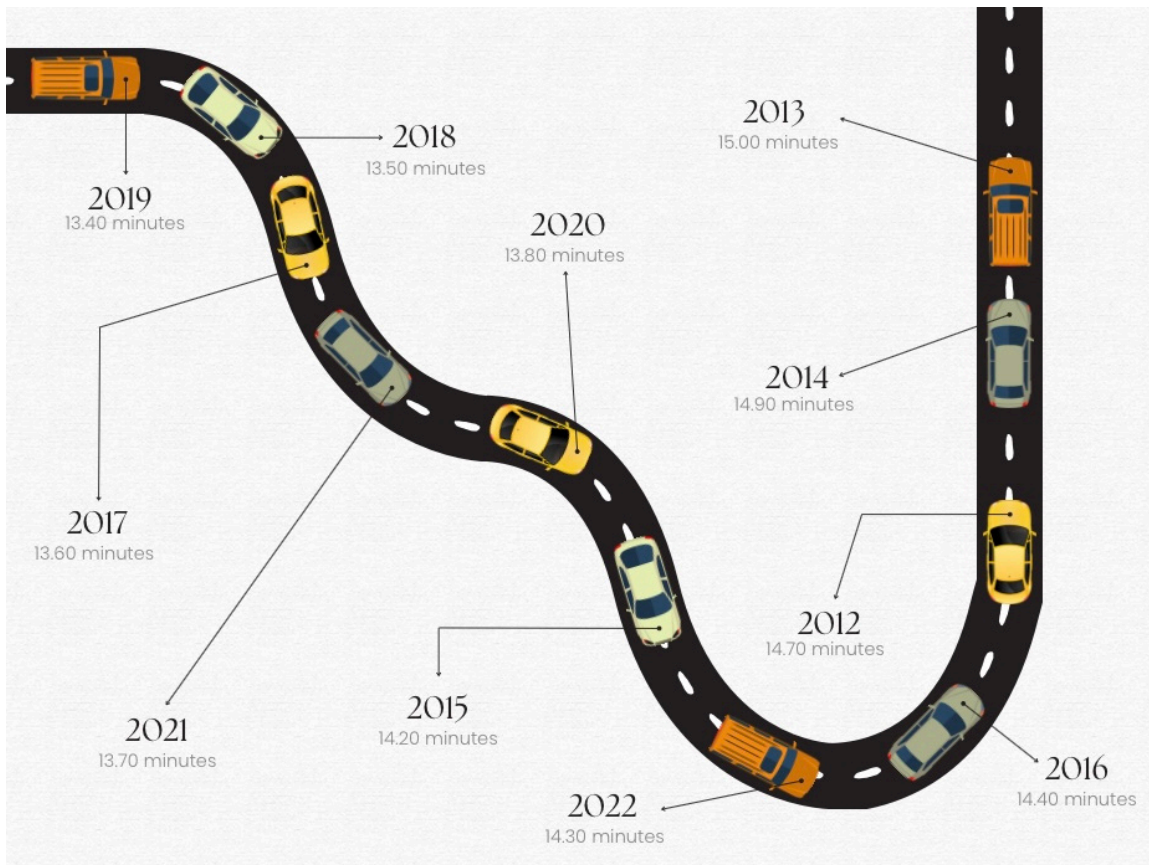


Commuting to work plays a crucial role in fostering economic vitality and urban development. By connecting workers to job centers, commuting facilitates the flow of labor and talent, contributing to the growth of businesses and industries.



COMMUTE TIME

MITCHELL, SD YEAR 2023



REASONS FOR COMMUTING

- Accessing better job opportunities
- Living in affordable areas
- Advancing careers
- Accessing specialized industries
- Maintaining social connections
- Fulfilling family obligations
- Balance of professional aspirations with personal preferences and obligations
- Broader range of career opportunities

STORY: NAVIGATING INCOME, LIVING COSTS, AND COMMUTER TRIALS

MITCHELL, SD

One-third of the employees at Krall Eye Clinic commute to work every day and have an average commute time of 25 minutes. Compared to Mitchell, smaller towns in the surrounding area have a lower cost of living. Multiple employees who commute at Krall Eye Clinic stated the reason for their commute does not have to do with the higher cost of living in Mitchell. However, the cost of living in Mitchell is not unreasonable. Employees who do not commute to Krall Eye Clinic and live in Mitchell claim the cost of living in Mitchell is relatively low compared to other places in South Dakota. These employees also felt their personal income was adequate to sustain a high quality of life in Mitchell. Only two employees at Krall Eye Clinic are pursuing additional sources of income. This indicates the personal income to cost of living ratio at Krall Eye Clinic is favorable for employees.

From 2012-2022, employees in Mitchell averaged a commute time of around 14 minutes. This is significantly lower than the average commute time at Krall Eye Clinic, which is 25 minutes. Krall Eye Clinic also has a higher percentage of employees who commute than Mitchell as a whole. 33% of employees at Krall Eye Clinic commute to work every day while only 20% of employees in Mitchell commute. This data may be skewed because the clinic is a small business with only 15 employees, including the doctors. Multiple workers at the clinic have not received a college education; however, these workers make the same amount as the other workers who share the same job responsibilities. The doctors, insurance manager, lab manager, and office manager all receive higher pay compared to other employees at the clinic. All of these individuals have received higher education than high school. This is consistent with the data in Mitchell. Overall, data shows the cost of living is relatively low in Mitchell, which is consistent with the information that was collected from the clinic.



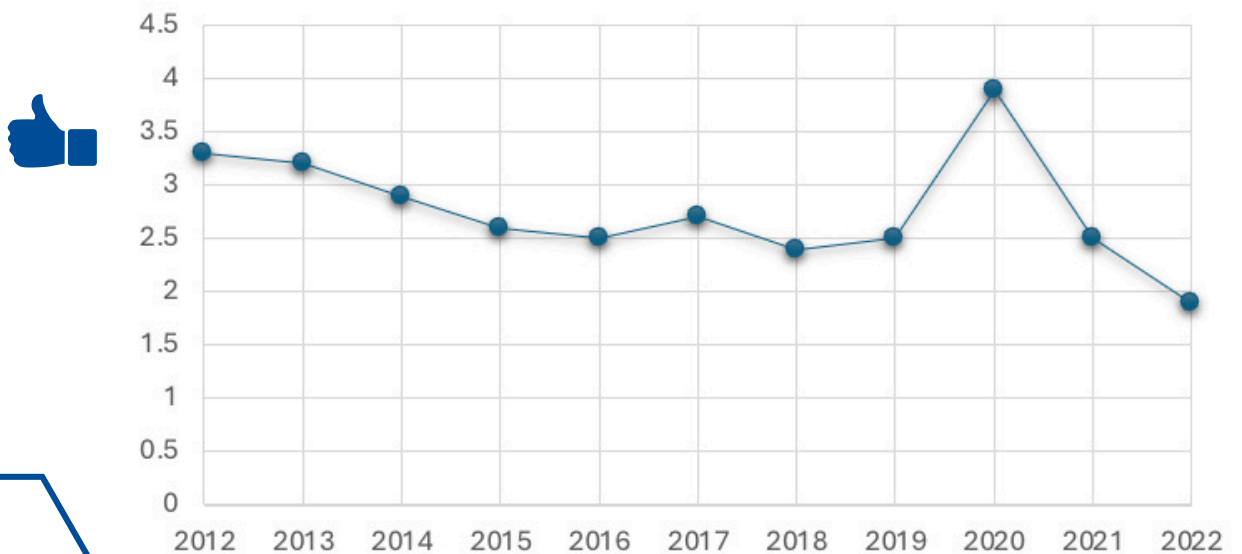
UNEMPLOYMENT, WORKFORCE DEMOGRAPHICS, AND JOB OPENINGS

UNEMPLOYMENT

YEARS 2012-2022



Unemployment Rate - Mitchell, SD

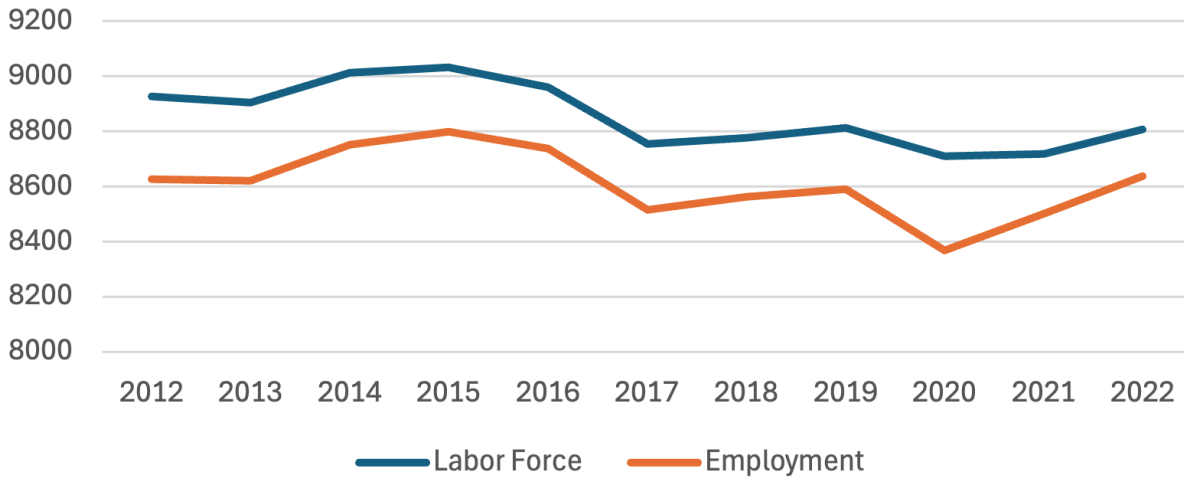


- The labor force and employment data in Mitchell stays steady over time. However, the unemployment rate consistently drops, showing growth in the workforce.

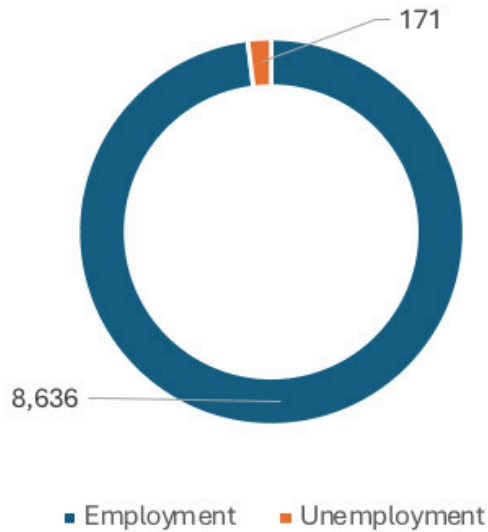
WORKFORCE DEMOGRAPHICS

YEARS 2012-2022

Labor Force and Employment Mitchell, SD

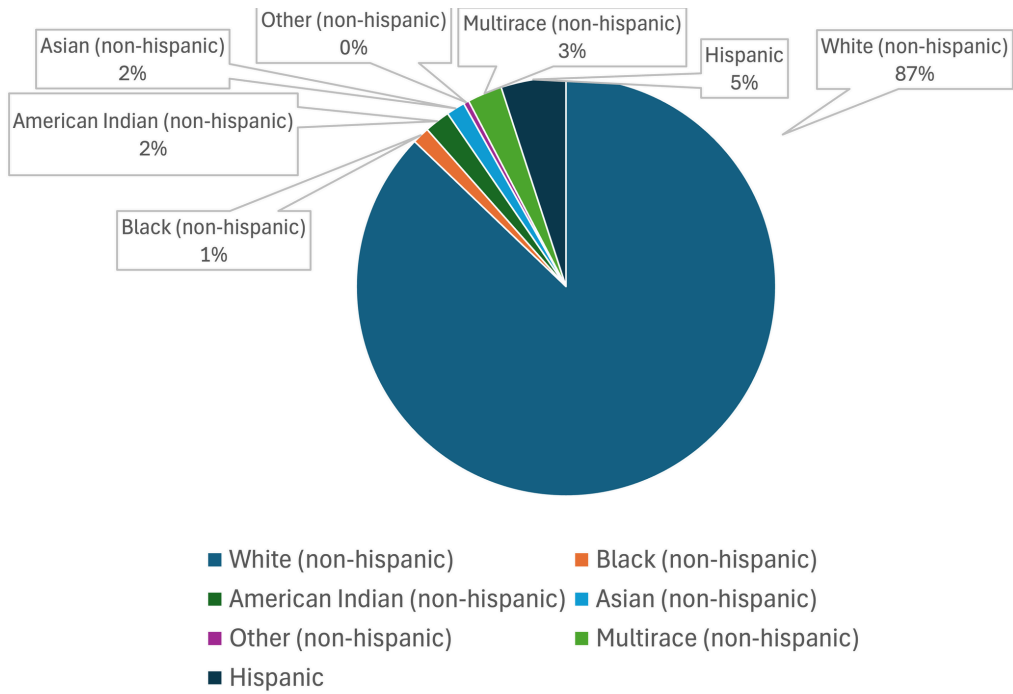


Employment vs Unemployment, Mitchell, SD



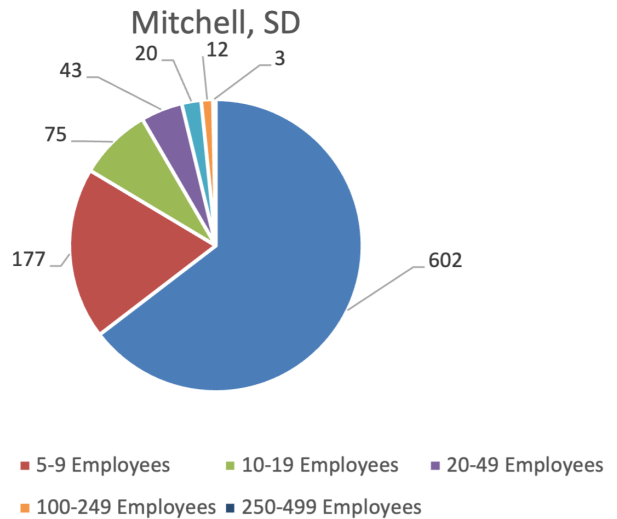
- In 2020, unemployment rose due to COVID-19. However, in other years, unemployment steadily declined. By 2022, the employment rate reached 98%.

2023 WORKFORCE DEMOGRAPHICS

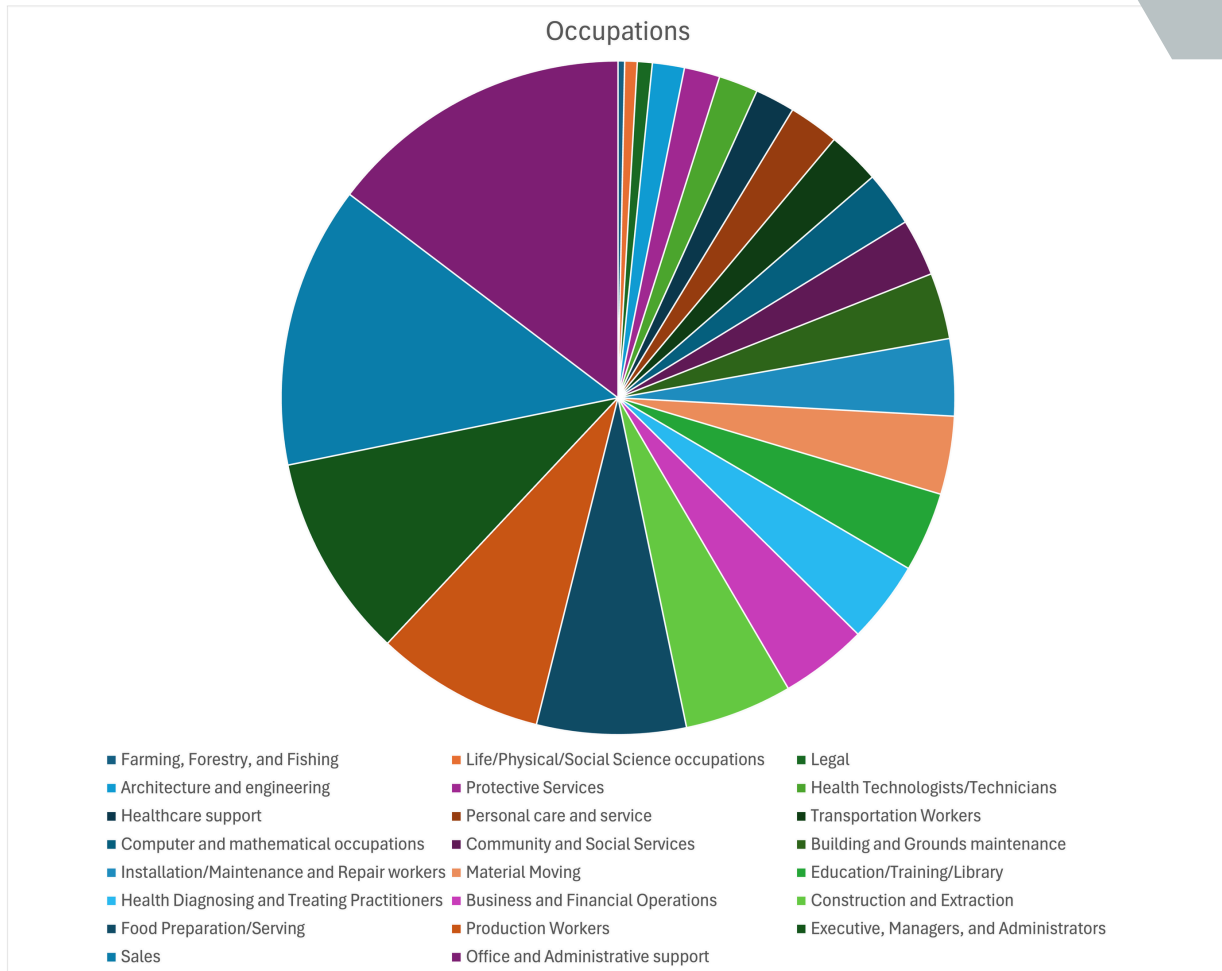


- The three largest ethnic groups:
 - White (Non-Hispanic)
 - Hispanic
 - Multi-racial (Non-Hispanic)
- In 2023, White (Non-Hispanic) represented 87% of the Mitchell, SD population.

Establishments by Number of Employees



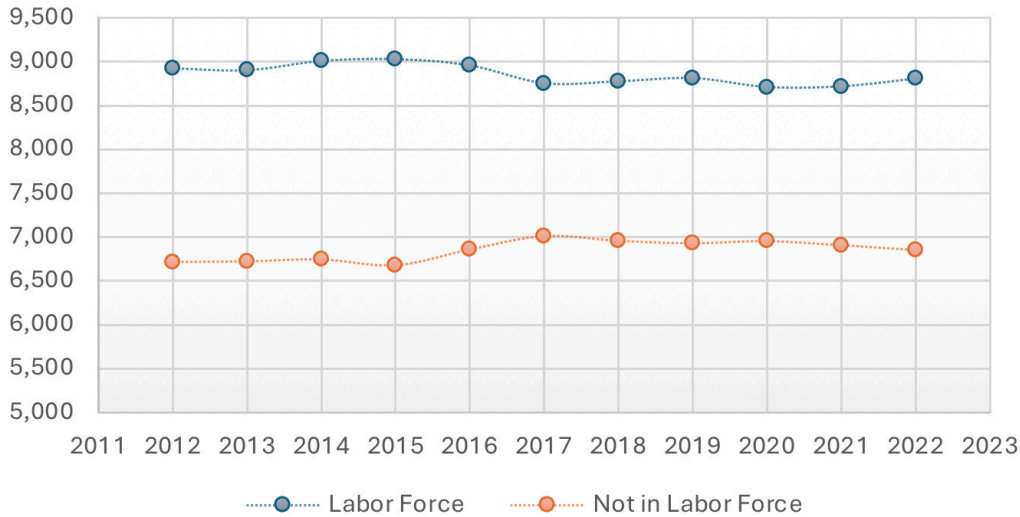
2023 WORKFORCE DEMOGRAPHICS



- **The most common occupations in 2023:**
 - **Office and Administrative support (1252 people)**
 - **Sales (1154 people)**
 - **Executive, Managers, and Administrators (836 people)**

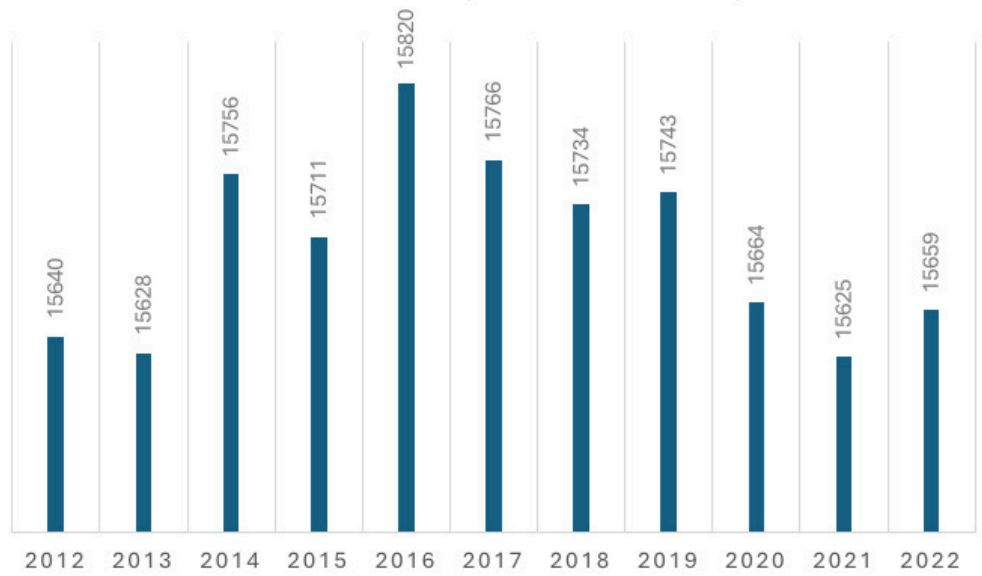
2023 WORKFORCE DEMOGRAPHICS

Labor Force vs Not in Labor Force, Mitchell, SD

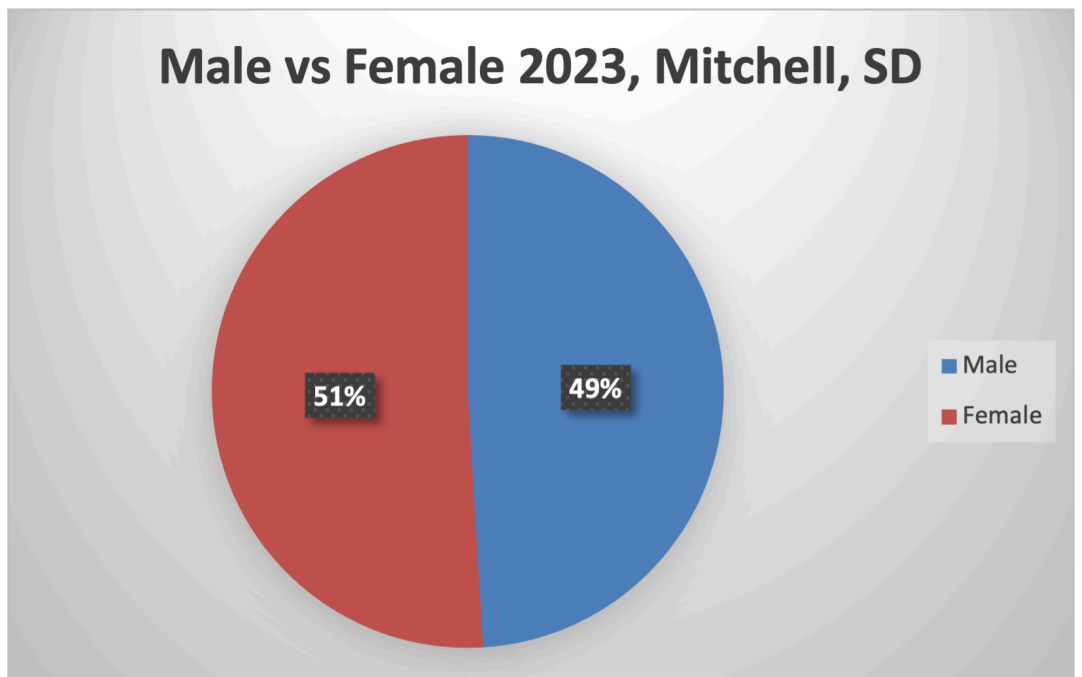
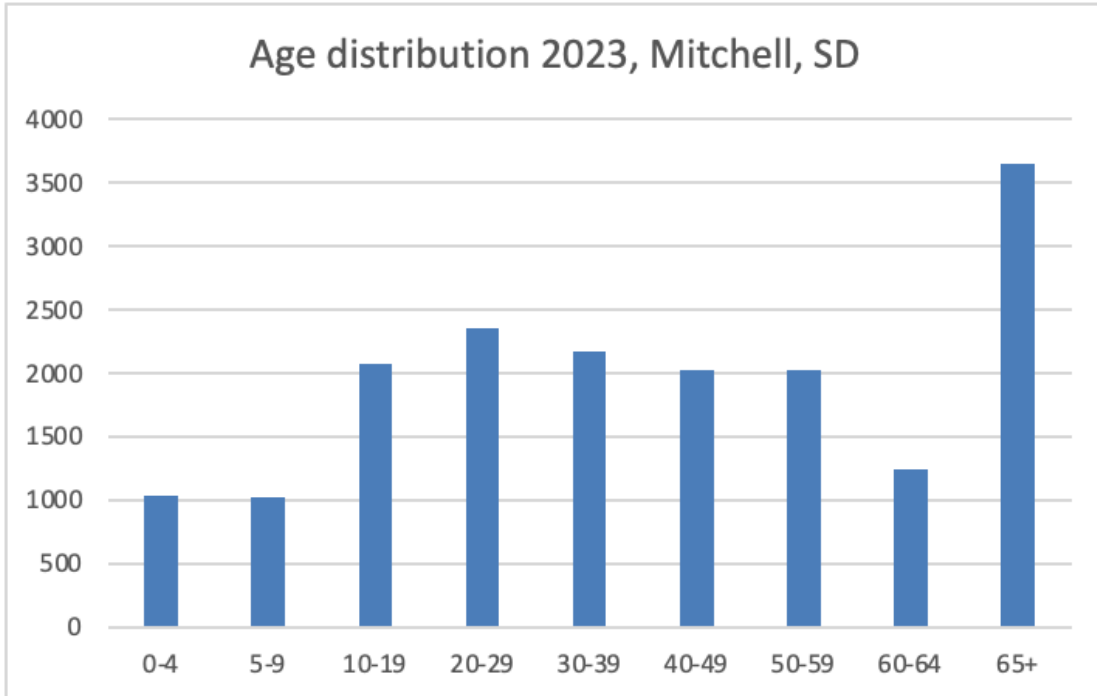


- From 2012 to 2022, there wasn't a significant increase. One graph depicts the composition of the labor force.
- The labor force graph indicates stability, while Mitchell's population shows fluctuations.

POPULATION, MITCHELL, SD



2023 GENDER DEMOGRAPHICS



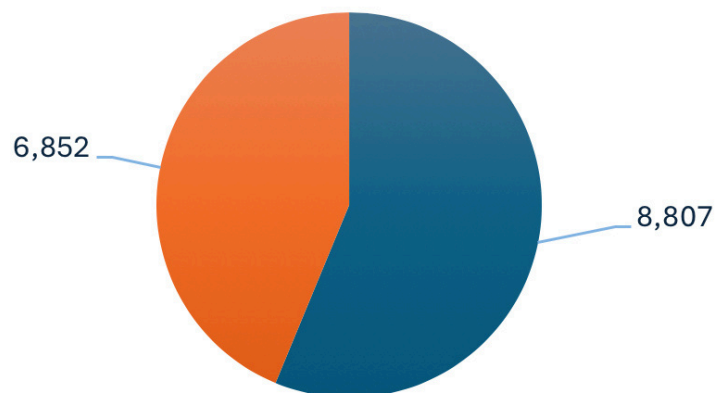
JOB OPENINGS

YEARS 2012-2022



- The number of job openings in Mitchell is increasing, while the unemployment rate continues to decrease. This rise in opportunities is being noticed and filled.

Labor Force vs Not in Labor Force 2022, Mitchell, SD

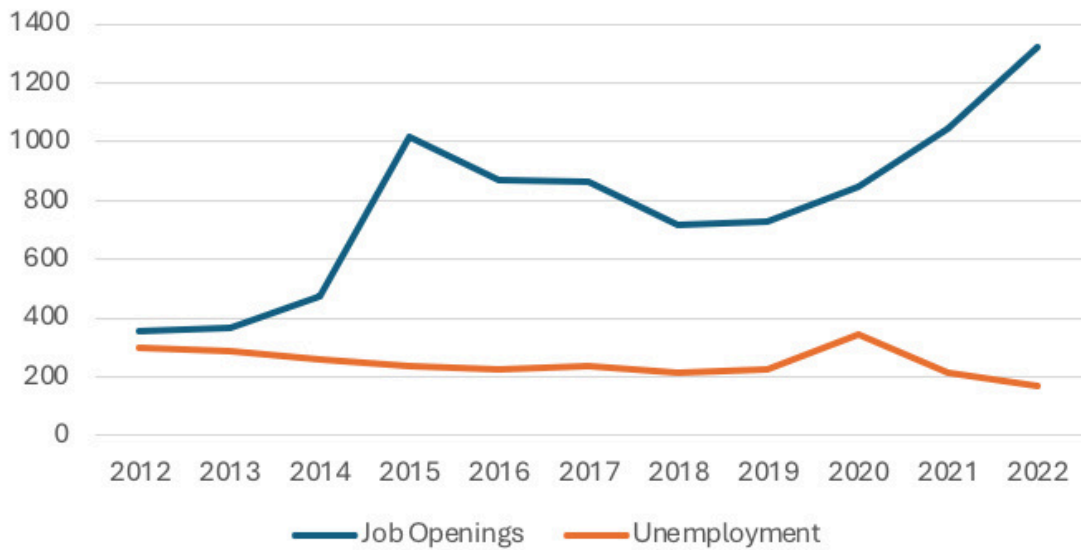


■ Labor Force ■ Not in Labor Force

WORKFORCE DEMOGRAPHICS

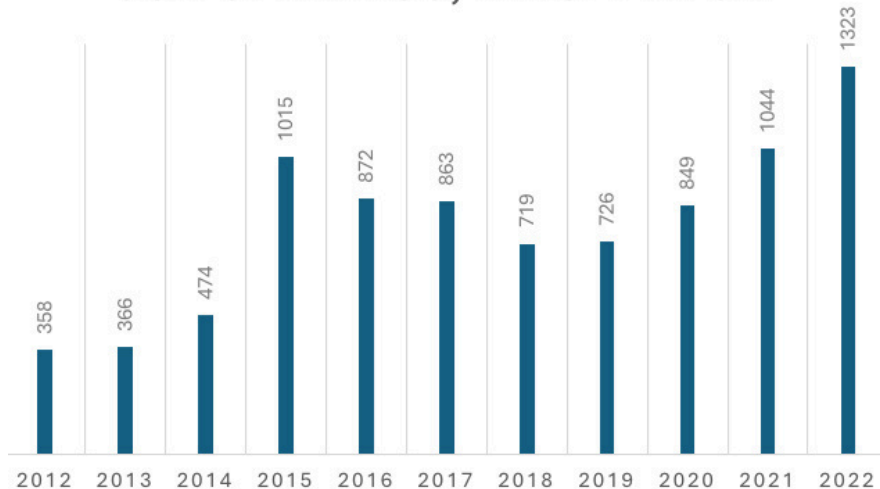
YEARS 2012-2022

Job Openings vs Unemployment, Mitchell, SD



- Mitchell consistently has more job openings than unemployed individuals, resulting in one of the lowest unemployment rates in the state.

JOB OPENINGS, MITCHELL SD



Trail King Industries Story

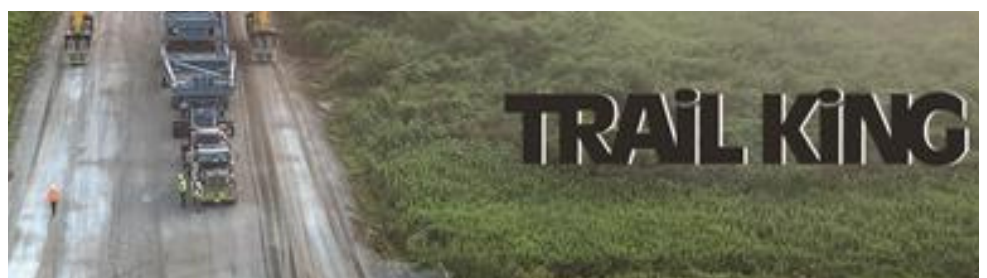
To provide further insight and a sense of practicality to our economic report, an interview with Trail King Industries has been conducted. The following story will outline how macroeconomics specifically relates to Trail King Industries and the data we collected. To begin with, Trail King Industries is a trailer manufacturing company located in Mitchell, South Dakota. The company currently has just over four hundred employees which makes them one of the largest employers in Mitchell.

Despite already having four hundred employees, Trail King is still looking to fill fifty open positions. These open job positions are for duties on Trail King's production line. These job positions do not have education or work experience requirements. Trail King also stated that it is gradually becoming more challenging to find suitable employees to hire who already possess the knowledge needed for the jobs they are hiring for. For these reasons, they have adopted on-the-job training as a part of their new employee initiation process.

Automation and technological advances have also started to play a large part with how products are manufactured at Trail King. The implementation of newer machines and equipment has had a mixed impact on employment within Trail King. The advancement of technology used at Trail King has taken away a substantial number of jobs specifically within the production line. However, this technology has also created new job opportunities outside of the production line for employees. Overall, the automation of some production line jobs at Trail King hasn't caused employees to be out of a job some have just had to adjust the duties they carry out at Trail King.

A large percentage of Trail King's workforce also consists of those of Hispanic descent, leading to communication issues within their work environment. To combat this issue, Trail King now offers English classes to all its employees. It has also been noted that Trail King's workforce is largely male dominated, with the average employee's age ranging between twenty-five to thirty years old. However, no matter the age, Trail King values each of their employees with a high level of importance.

Everything that has been discussed this far can be related to macroeconomics in some way, shape, or form. The trends discovered within workforce demographics, unemployment, and job openings all play a critical role in the operations and functions within Trail King. These trends also affect the community of Mitchell and macroeconomics as a whole. Since Trail King has some major diversities within their company compared to other companies in Mitchell, their influence is quite significant on all factors related to macroeconomics.





POPULATION, HOUSING, AND HOMEOWNERSHIP

POPULATION BY YEAR

MITCHELL, SD vs. YANKTON, SD

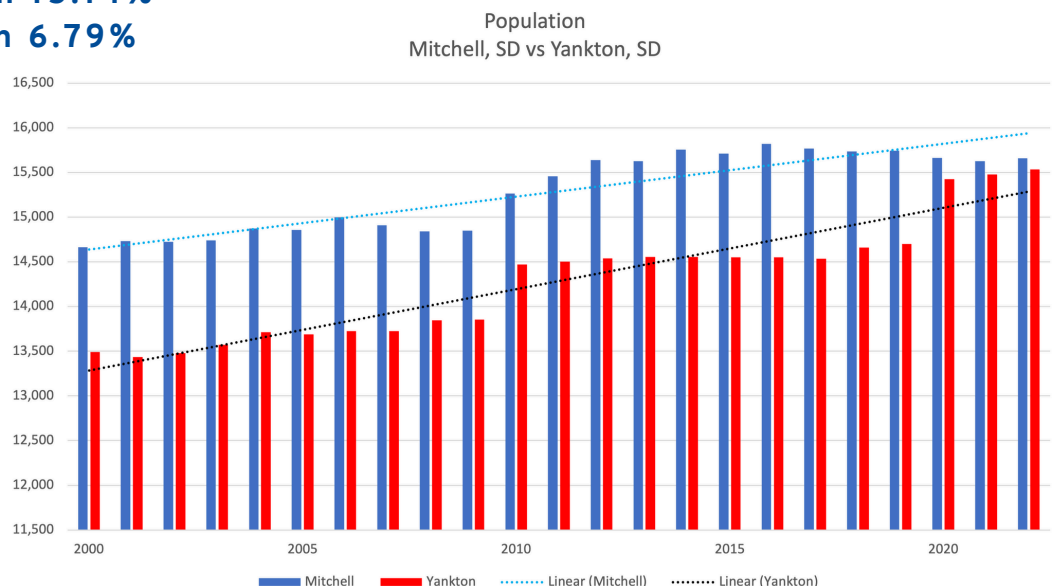
In this comprehensive overview of population, housing, and homeownership dynamics, we examine the evolving landscapes of Mitchell, SD, in comparison to Yankton, SD, a similar South Dakota community. While Mitchell boasts a larger population, Yankton's growth rate since 2000 signals a demographic shift. Factors such as low tax rates, a lower cost of living, and interstate migration, notably influenced by the COVID-19 pandemic, contribute to these population dynamics.

Contrasting occupied versus unoccupied homes and comparative average listing prices provide further insights into the housing markets of these regions. Jeff Larson, owner of Quality Homes, sheds light on Mitchell's housing market trends, emphasizing the depletion of lakefront properties and nuanced drivers of housing prices, including workforce shortages and national real estate investment trends. Through initiatives such as the construction of new apartment buildings, businesses like Quality Homes remain steadfast in their commitment to providing affordable and quality housing options to meet the evolving needs of Mitchell's residents.

While Mitchell population is larger overall, Yankton is growing at a faster rate.

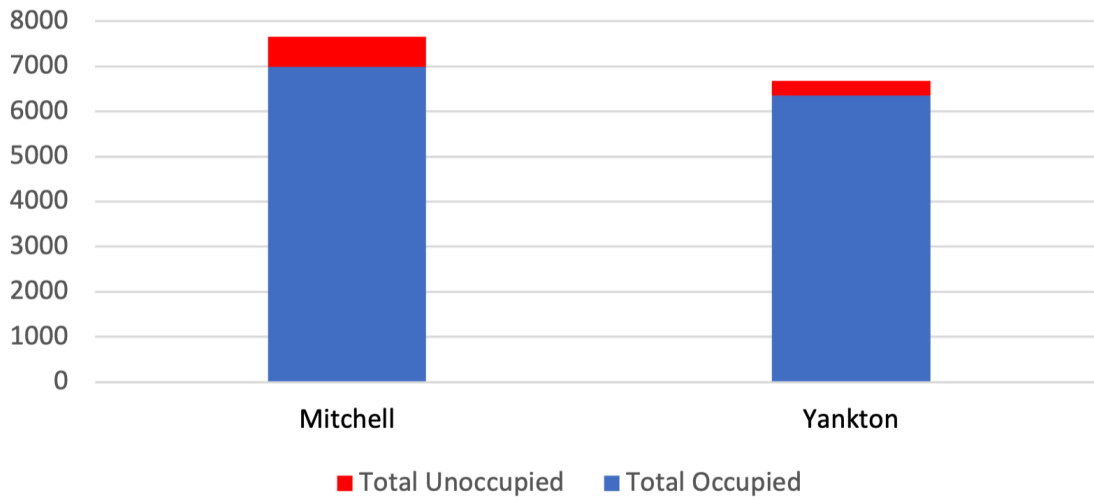
Since 2000:

- Yankton has grown 15.14%
- Mitchell has grown 6.79%

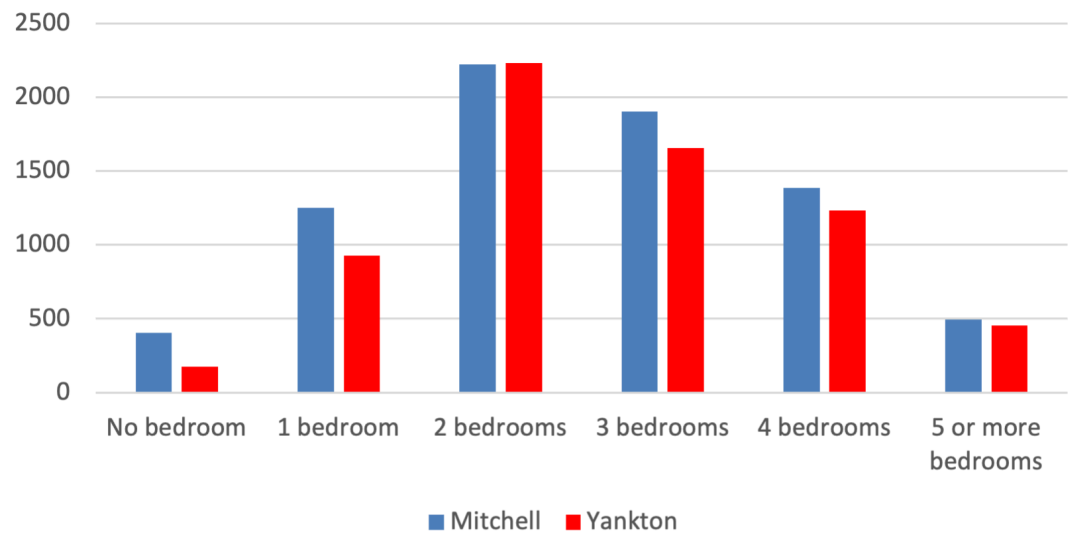


OCCUPIED vs. UNOCCUPIED HOMES MITCHELL, SD vs. YANKTON, SD

Occupied Housing
Mitchell, SD vs Yankton, SD

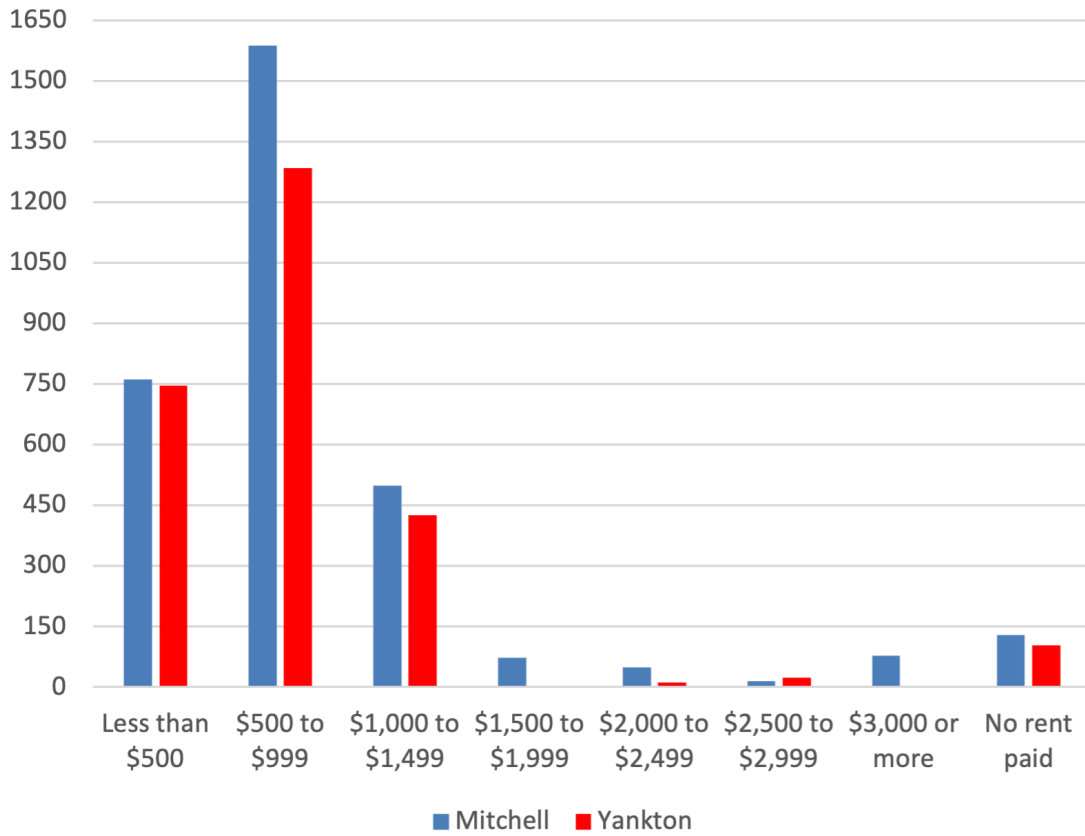


Household Bedrooms

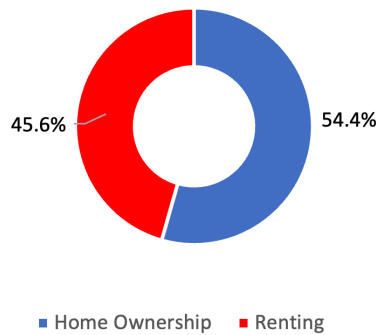


Gross Rent

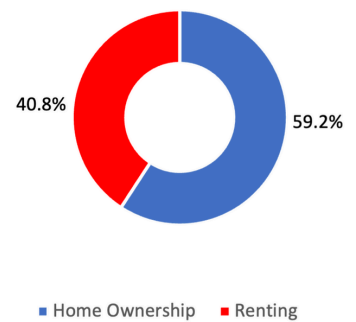
Gross Rent
Mitchell, SD vs Yankton, SD



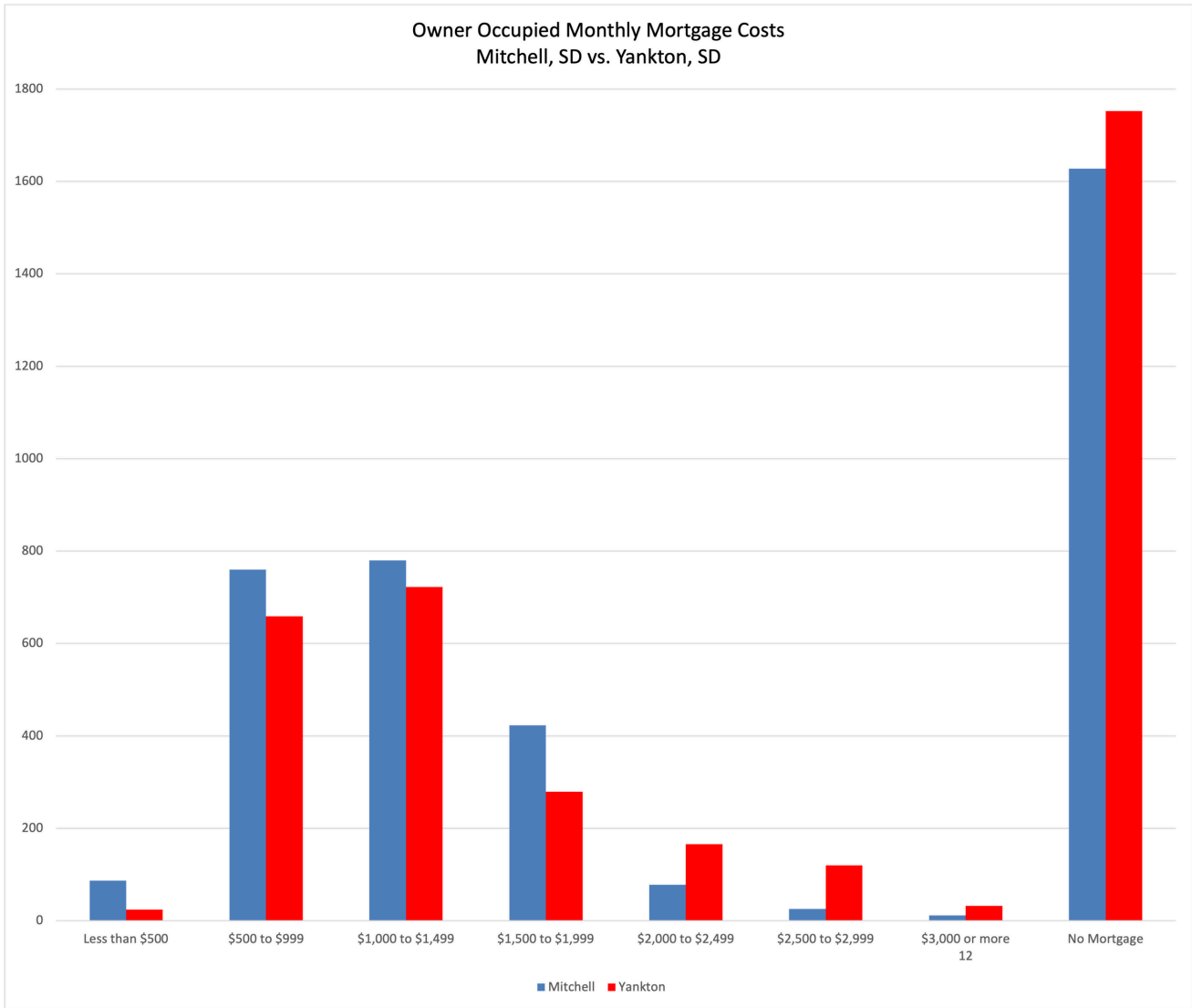
Home Ownership vs Renting
Mitchell, SD



Home Ownership vs Renting
Yankton, SD



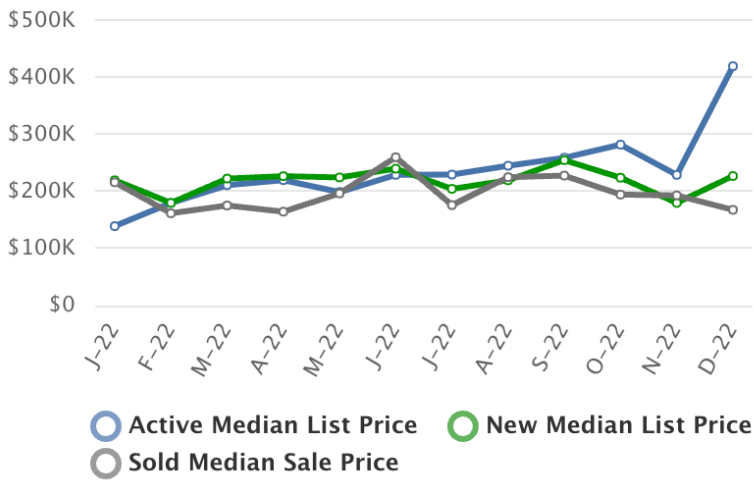
Occupied Housing



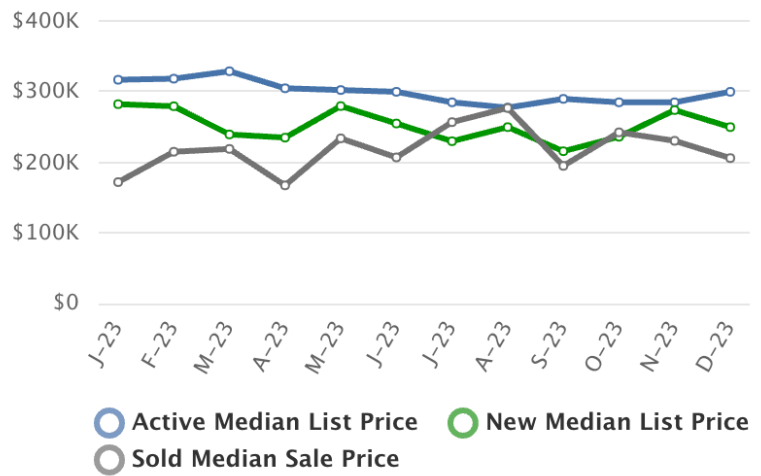
COMPARATIVE AVERAGE LISTING PRICE

MITCHELL MEDIAN LISTING PRICE

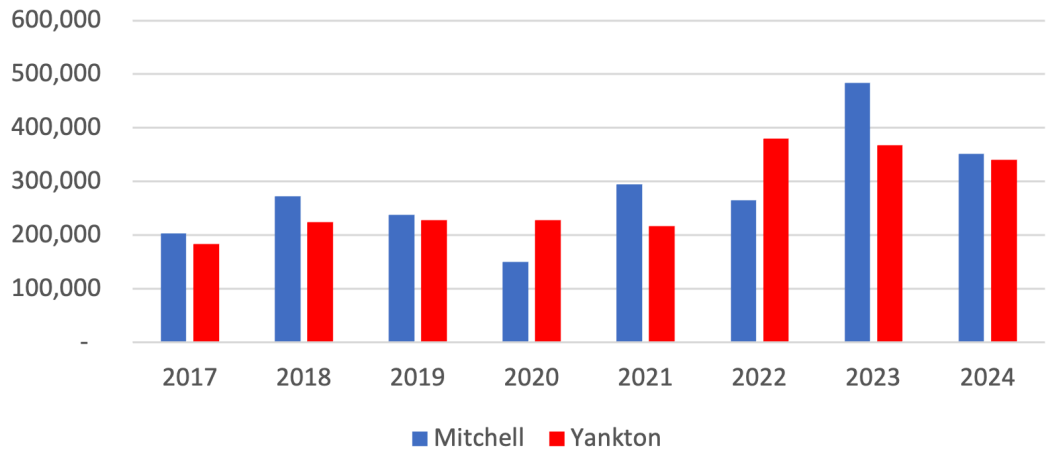
Listing Prices



Listing Prices



Average Listing Price Mitchell, SD vs Yankton, SD



QUALITY HOMES

The housing market in Mitchell has followed trends compared to neighboring cities. What are those trends? What makes Mitchell different from other cities? Jeff Larson is an owner of Quality Homes, a general contractor, and he can explain why Mitchell's housing market is the way that it is. In the past, demand for buildings out by the lake was very high. Now, the lots on the lake are being filled up, depleting the number of homes in this area, and causing more to build South of Mitchell.

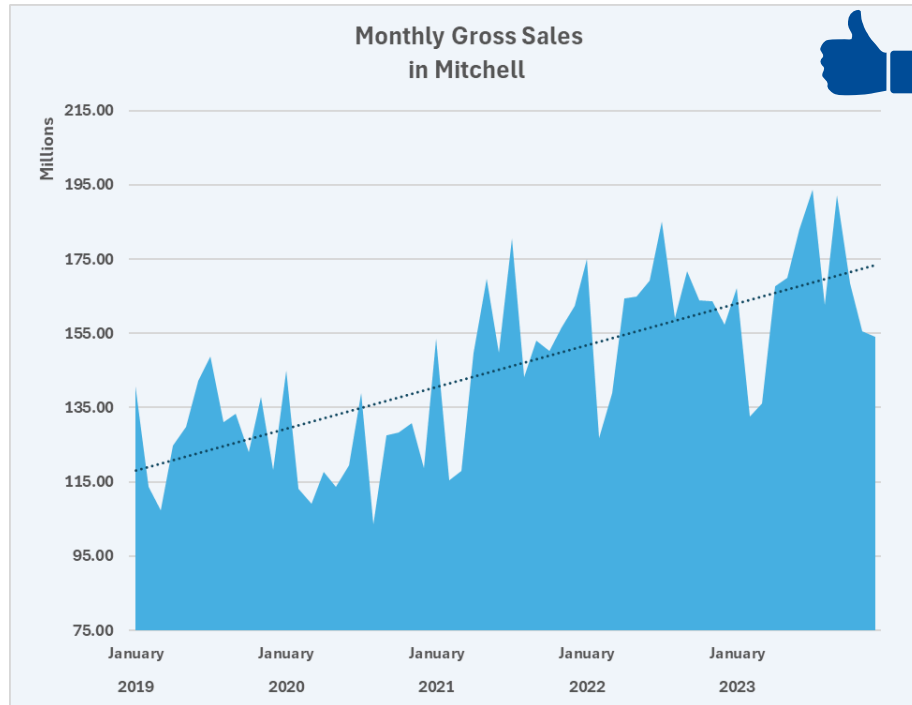
Interest Rates and inflation are very general explanations for a rise in housing prices but not the only reasons. Workforce shortages have caused many to look away from building their own house. In 2020, investors purchased real estate all over the nation, causing a national spike in housing prices. Renting has also been a challenge for citizens. This is a problem looking to be resolved with a new apartment building, generating more competition and ultimately cheaper renting prices. Businesses are always looking forward to ways they can make it easier and less expensive for everyone looking for a new home. As Mitchell's housing market evolves to meet the changing needs of its citizens, businesses like Quality Homes remain dedicated to facilitating access to affordable and quality housing options for the community.





MITCHELL SALES REPORT

GROSS SALES



Based on data from the South Dakota Department of Revenue, this figure illustrates the total gross sales in Mitchell, SD. Data is represented as monthly sales from 2019-2023.

- Peaks typically in December and June.
- Recurrent drop in February.
- 5-year increase in Mitchell by about \$40 million

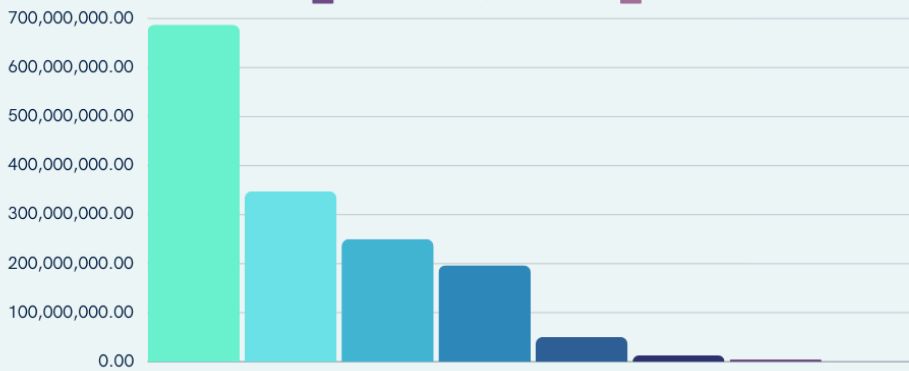
GROSS SALES CATEGORIES:

Agriculture, Forestry, & Fishing
Construction
Manufacturing
Transportation & Public Utilities
Wholesale Trade
Retail Trade
Finance, Insurance, & Real Estate
Services

GROSS SALES

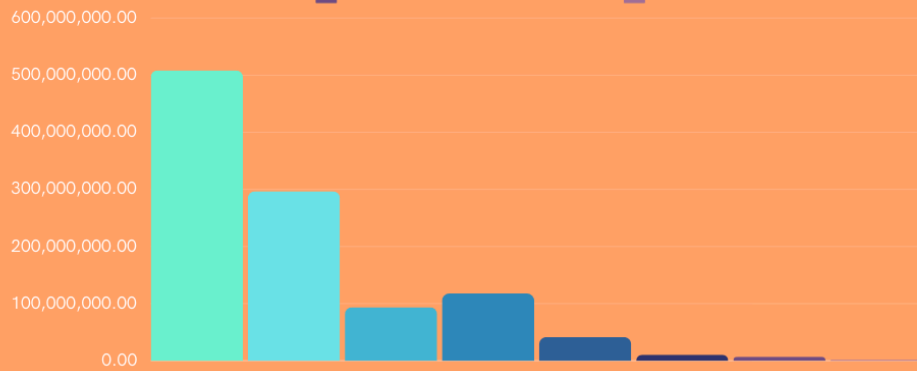
Mitchell Gross Sales Breakdown 2019

Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the gross sales in Mitchell, SD in 2019.



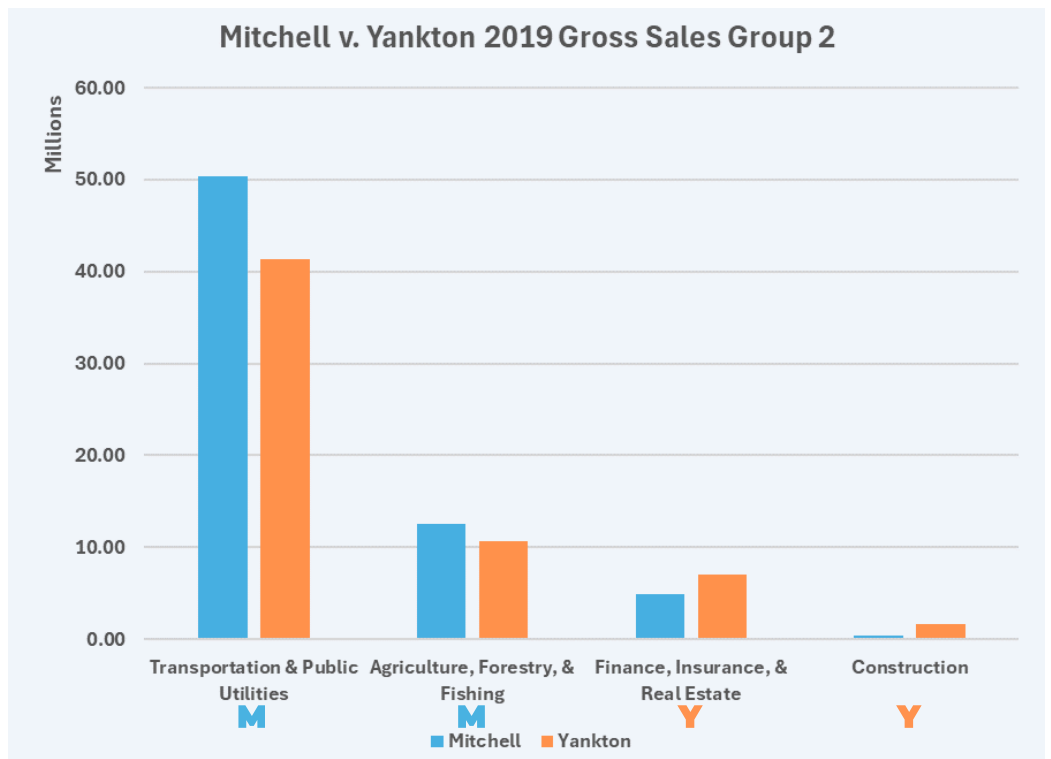
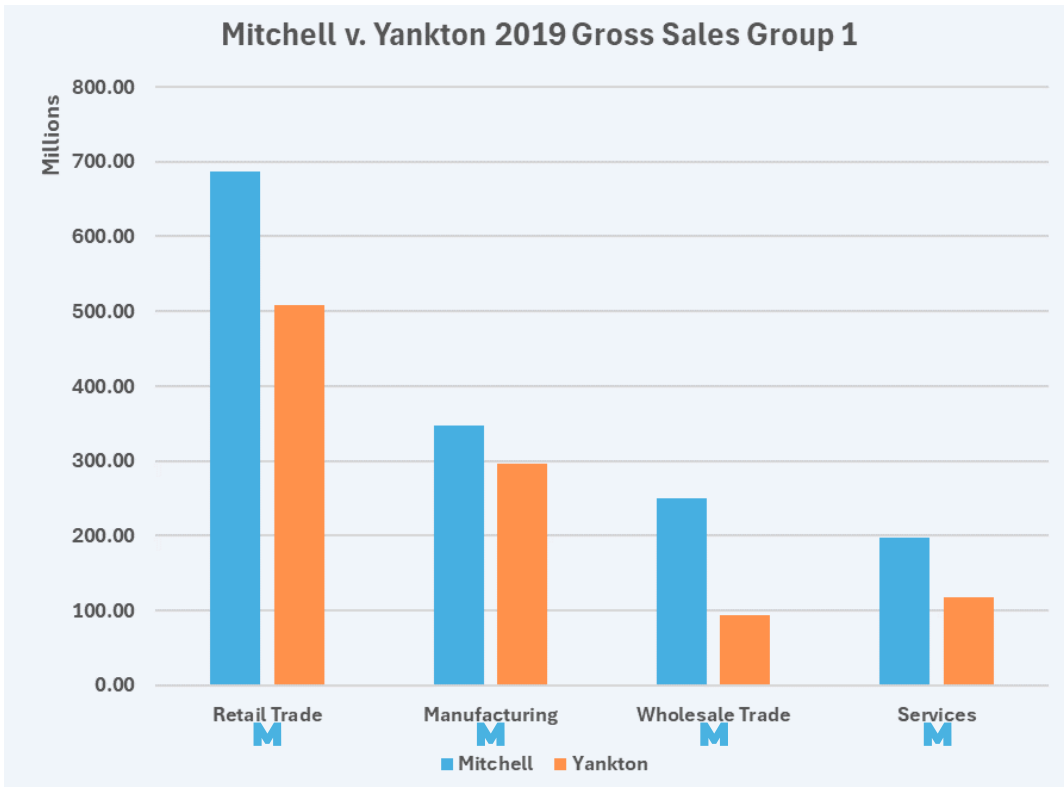
Yankton Gross Sales Breakdown 2019

Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the gross sales in Yankton, SD in 2019.



Based on data from the South Dakota Department of Revenue, these figures illustrate the gross sales breakdown by category in Mitchell and Yankton, SD, from 2019.

GROSS SALES

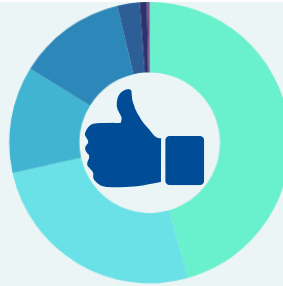


Based on data from the South Dakota Department of Revenue, these figures illustrate the gross sales breakdown by category in Mitchell and Yankton, SD, from 2019.

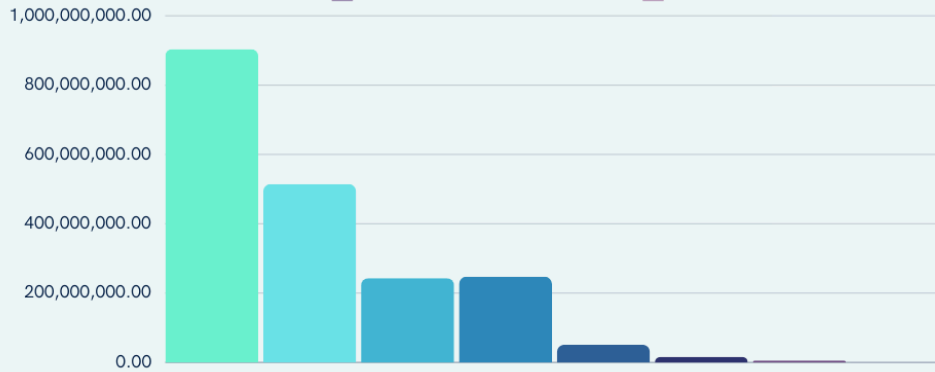
GROSS SALES

Mitchell Gross Sales Breakdown 2023

Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the gross sales in Mitchell, SD in 2023.



- Retail Trade
- Manufacturing
- Wholesale Trade
- Services
- Transportation & Public Utilities
- Agriculture, Forestry, & Fishing
- Finance, Insurance, & Real Estate
- Construction

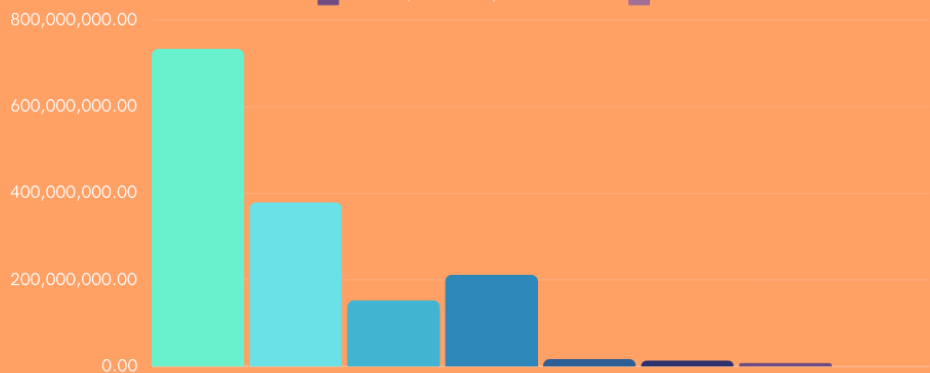


Yankton Gross Sales Breakdown 2023

Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the gross sales in Yankton, SD in 2023.

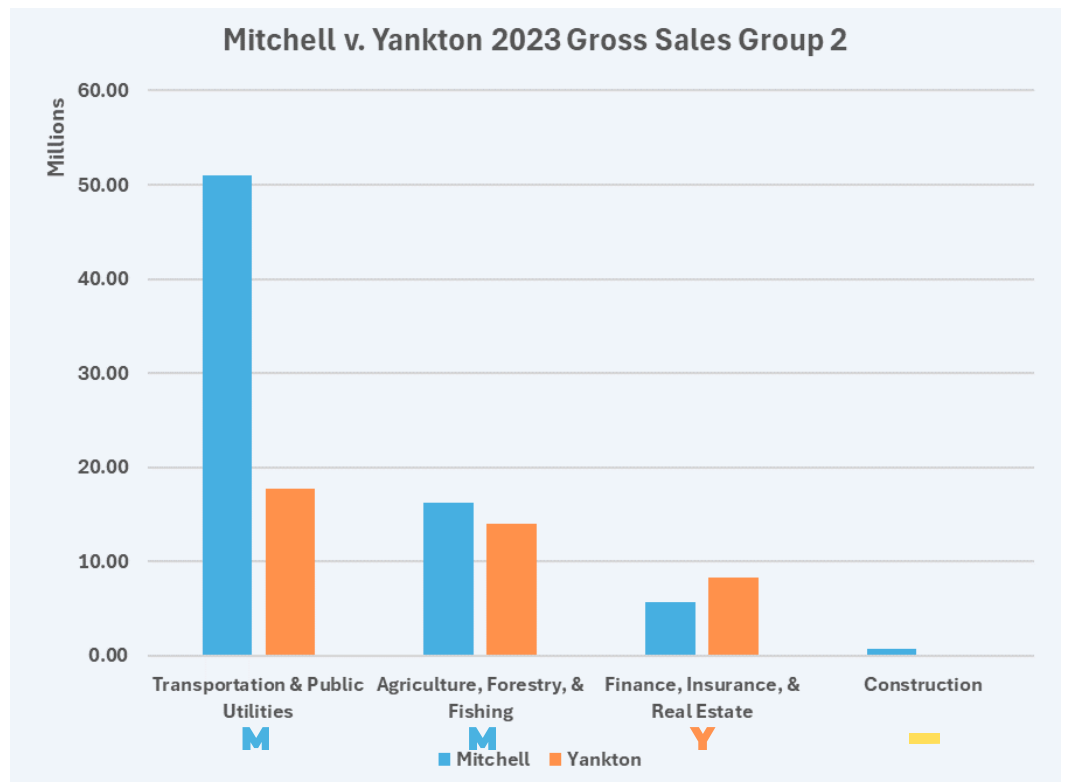
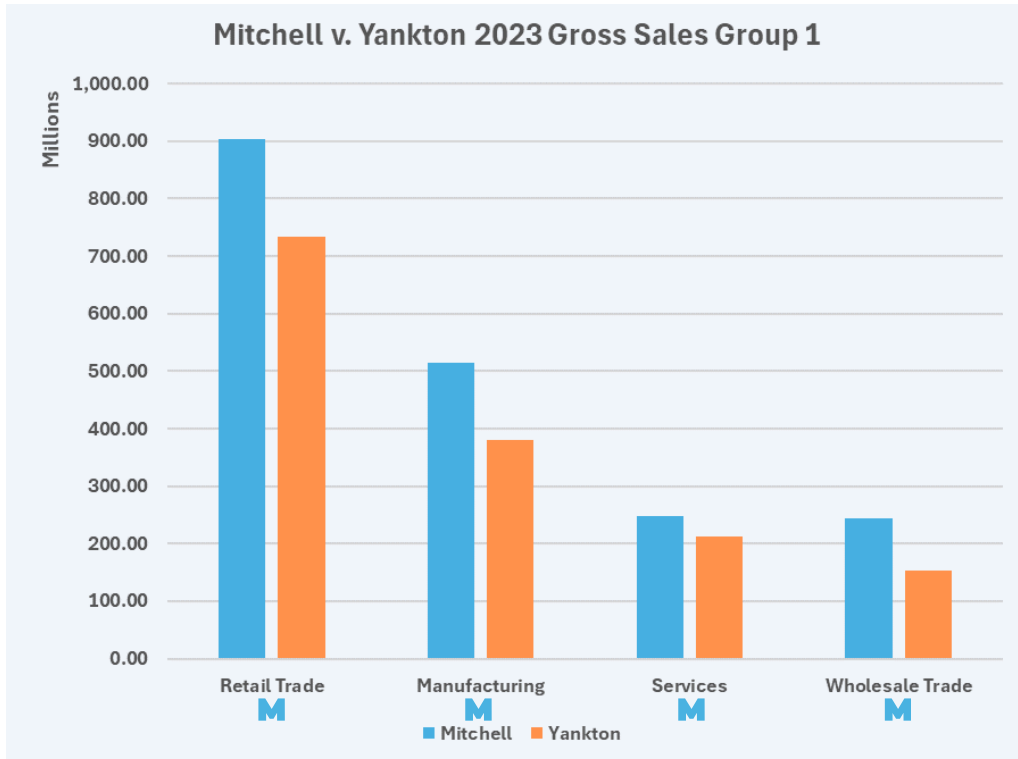


- Retail Trade
- Manufacturing
- Wholesale Trade
- Services
- Transportation & Public Utilities
- Agriculture, Forestry, & Fishing
- Finance, Insurance, & Real Estate
- Construction



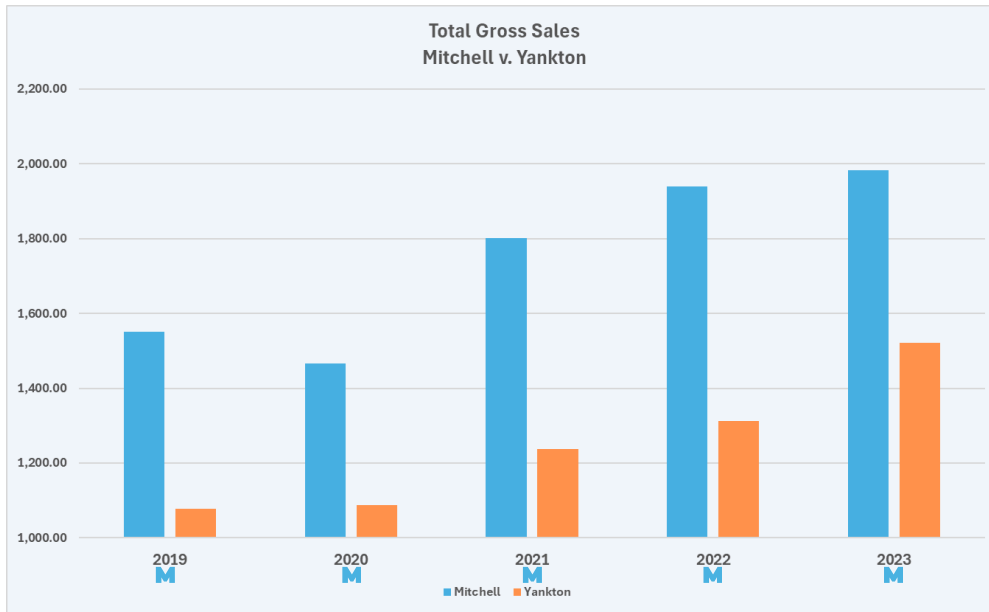
Based on data from the South Dakota Department of Revenue, these figures illustrate the gross sales breakdown by category in Mitchell and Yankton, SD, from 2023.

GROSS SALES



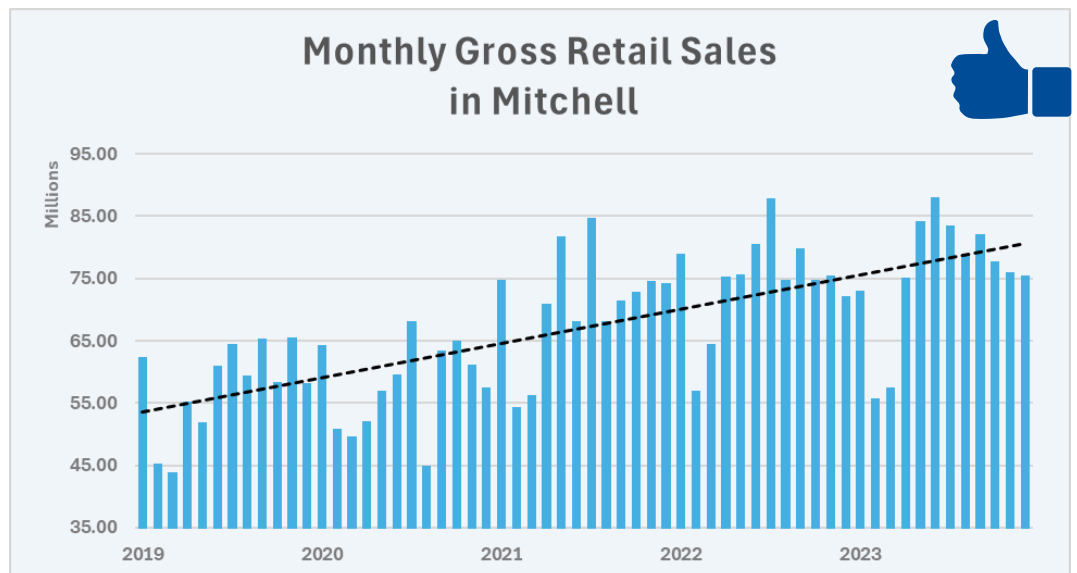
Based on data from the South Dakota Department of Revenue, these figures illustrate the gross sales breakdown by category in Mitchell and Yankton, SD, from 2023.

GROSS SALES



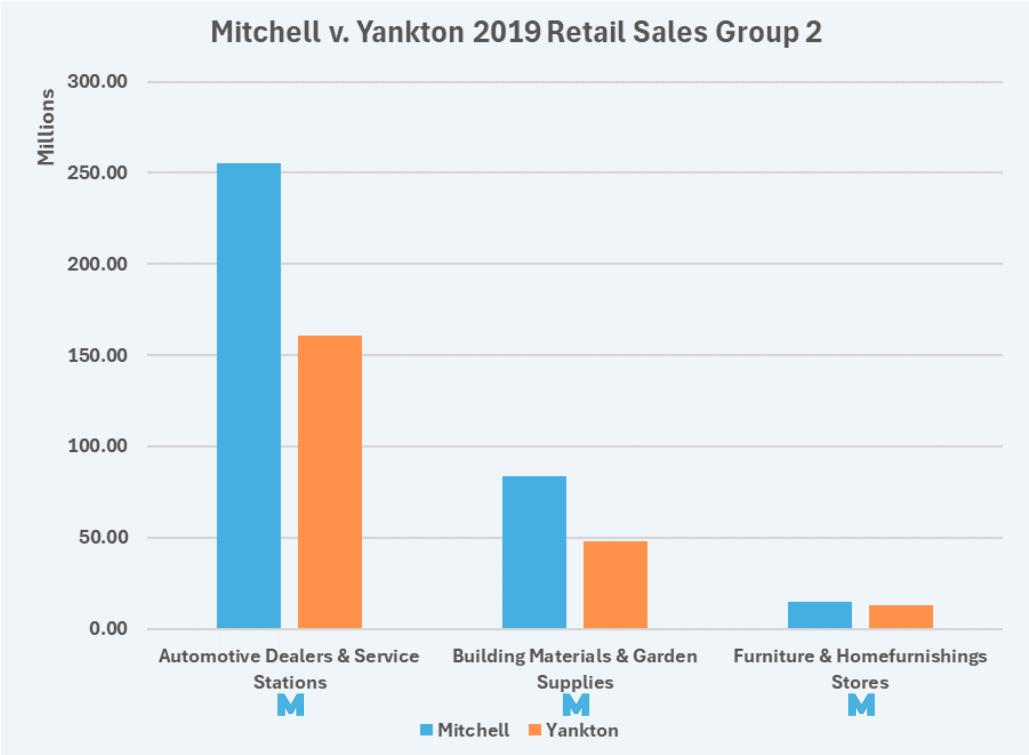
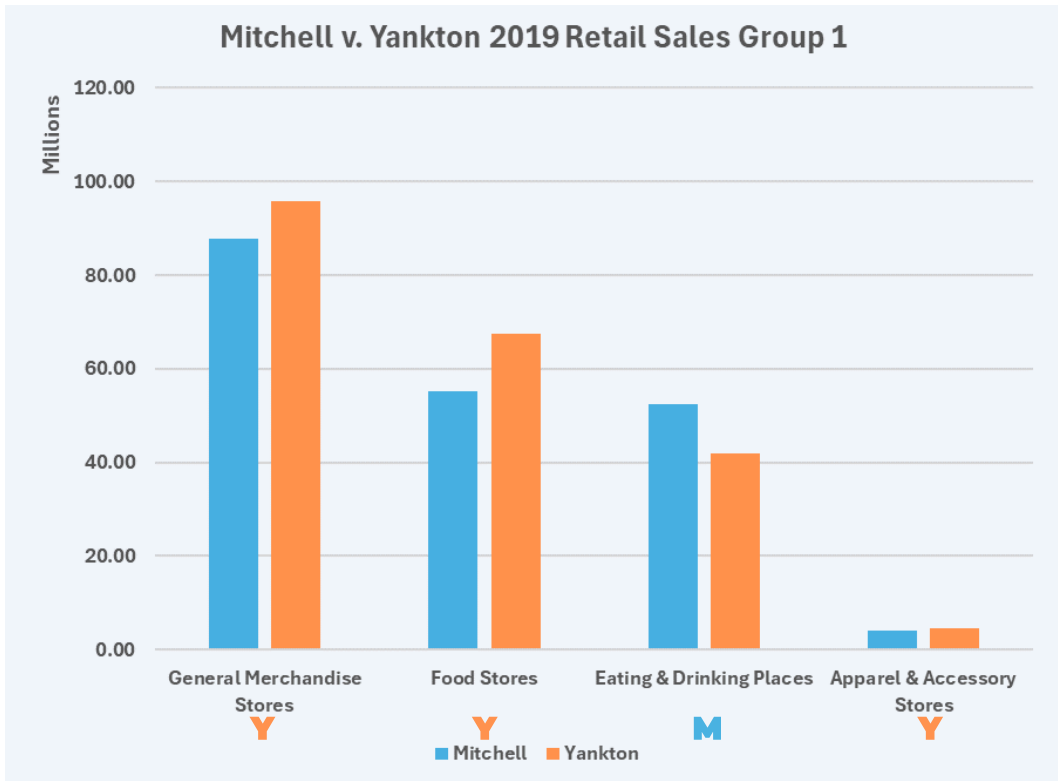
Based on data from the South Dakota Department of Revenue, this figure illustrates the total gross sales in Mitchell, SD, from 2019 - 2023.

- Peaks observed mid-year
- Steady decrease into winter months leading up to the new year
- Big drop-off noticed around February
- Starts increasing again towards the end of the first quarter



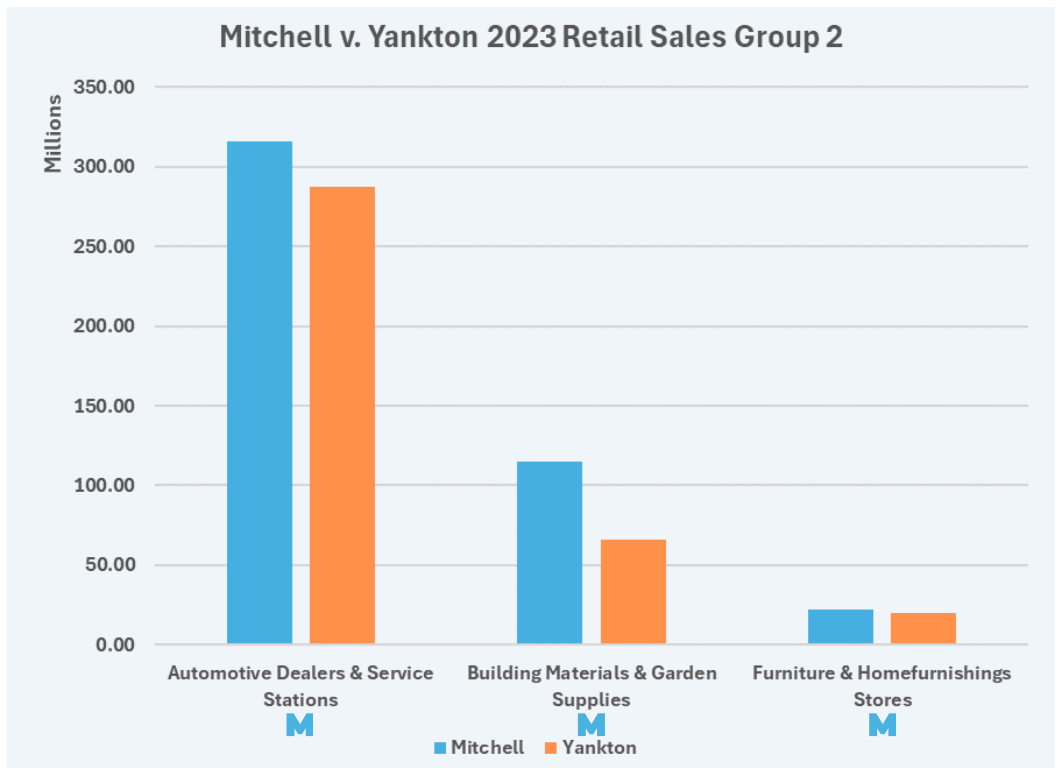
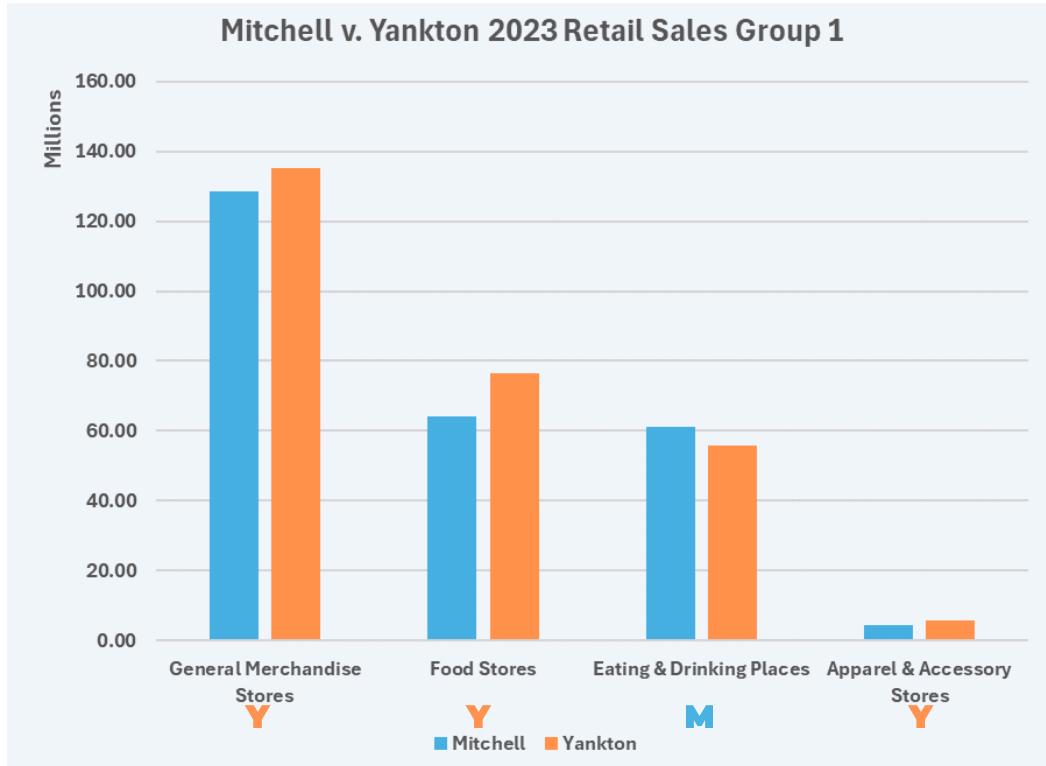
Based on data from the South Dakota Department of Revenue, this figure illustrates the total retail sales in Mitchell, SD. Data is represented as monthly sales from 2019 - 2023.

RETAIL SALES



Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the retail sales in Mitchell and Yankton, SD in 2019.

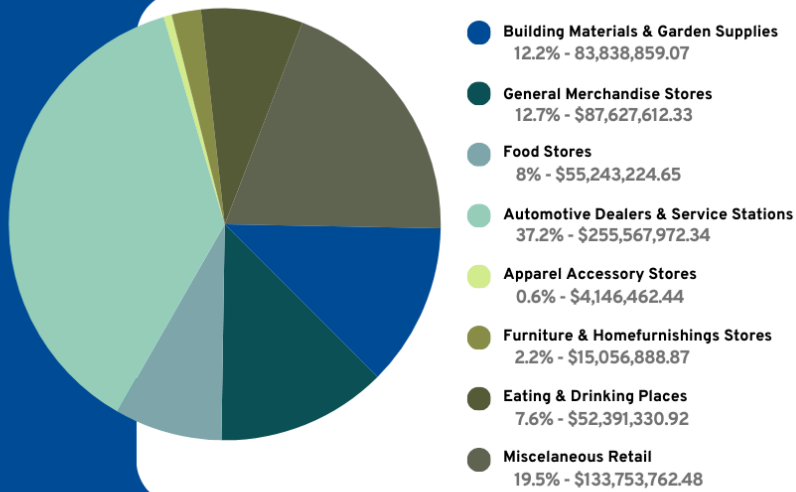
RETAIL SALES



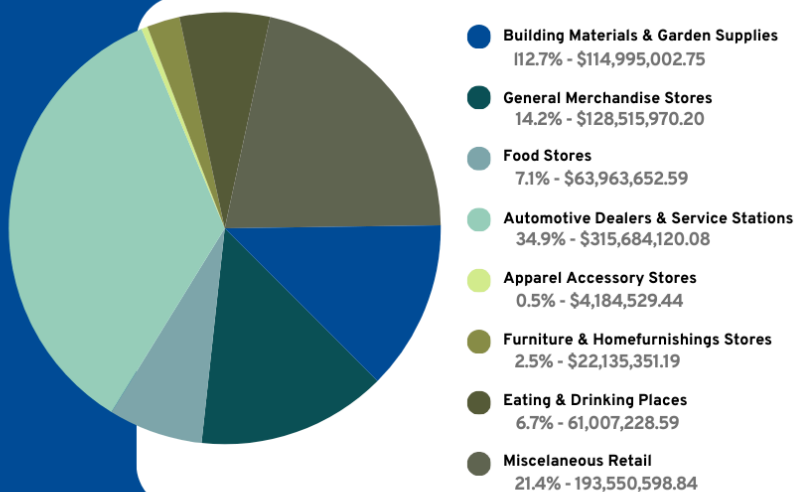
Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the retail sales in Mitchell, SD in 2023.

RETAIL SALES

MITCHELL RETAIL SALES BREAKDOWN 2019



MITCHELL RETAIL SALES BREAKDOWN 2023

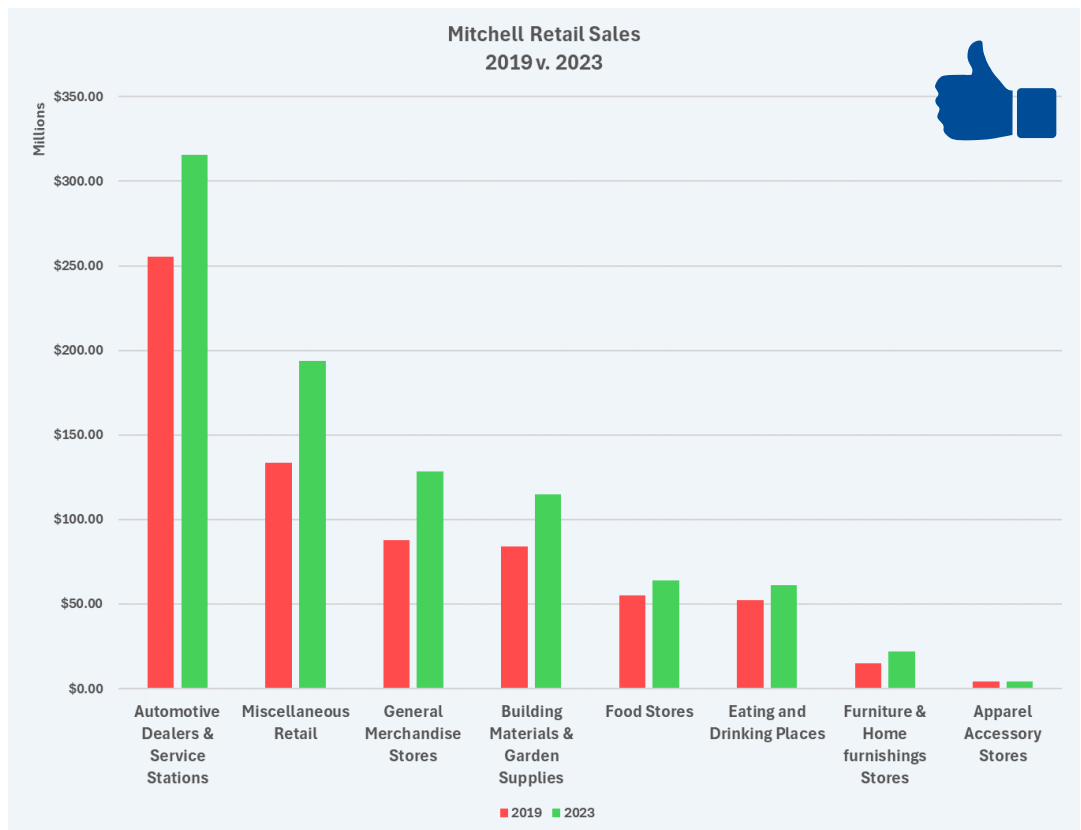


Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the retail sales in Mitchell, SD in 2019 and 2023.

RETAIL SALES

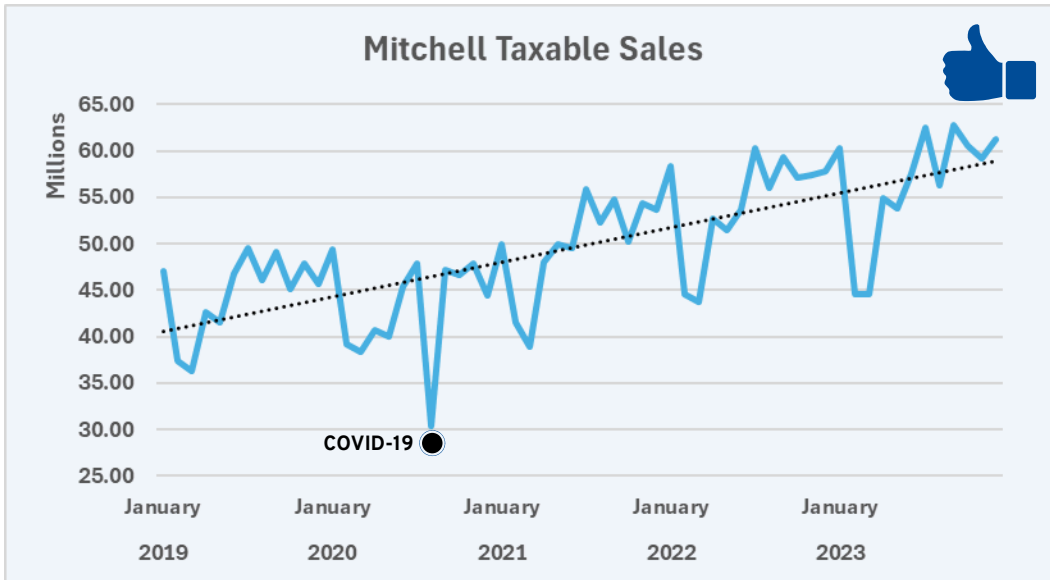
Yearly Change

Automotive Dealers & Service Stations:	+60,116,147.74
Miscellaneous Retail:	+59,796,836.84
General Merchandise Stores:	+40,888,357.87
Building Materials & Garden Supplies:	+31,156,143.68
Food Stores:	+8,720,427.87
Eating and Drinking Places:	+8,615,897.67
Furniture and Homefurnishings Stores:	+7,078,462.32
Apparel Accessory Stores:	+38,067



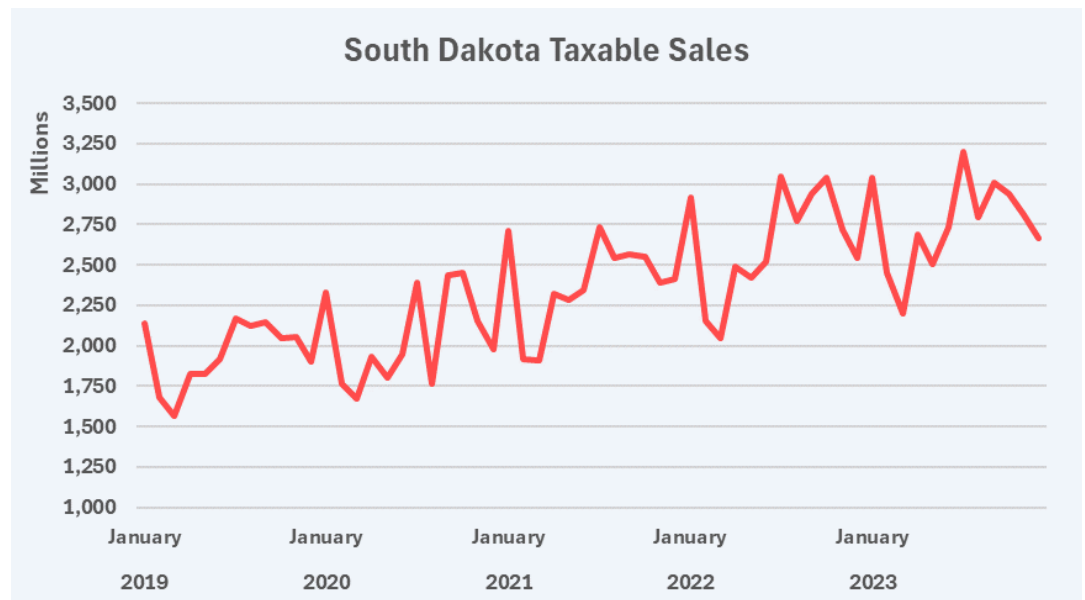
Based on data from the South Dakota Department of Revenue, this figure illustrates a breakdown of the retail sales by year in Mitchell, SD from 2019 and 2023.

TAXABLE SALES



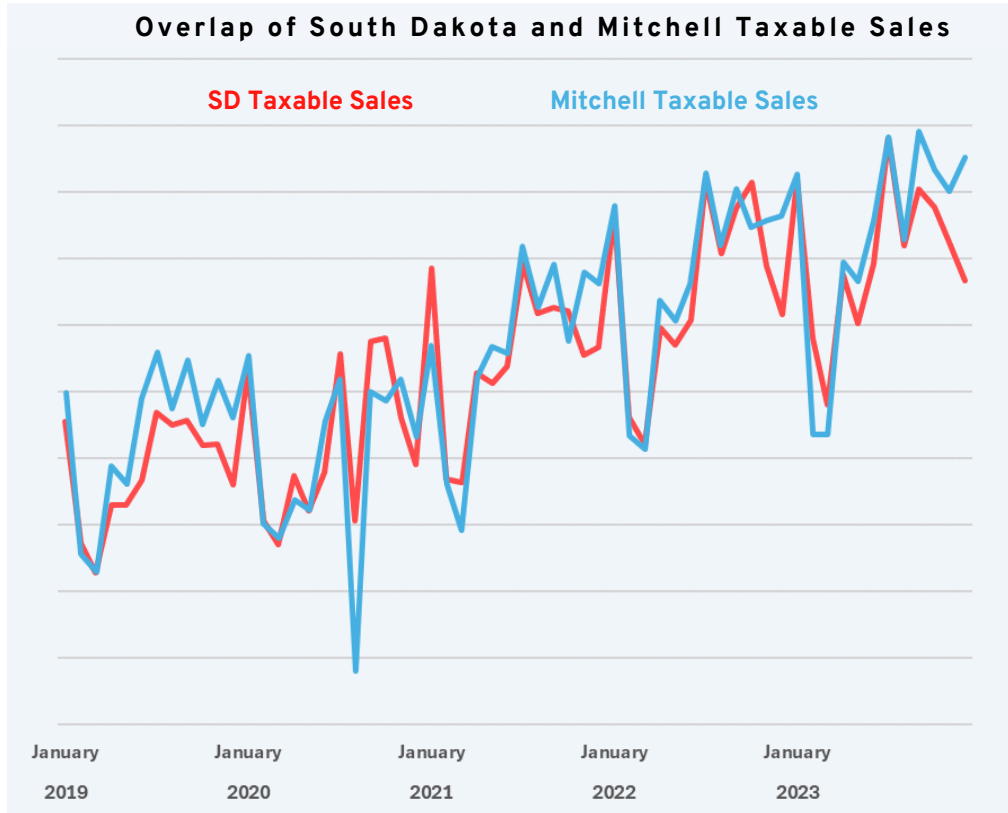
This figure illustrates the amount of taxable sales in Mitchell, SD, based on data from the South Dakota Department of Revenue. Data is represented as monthly taxable sales from 2019-2023.

- Excluding the decline in August 2020 during COVID-19, significant dips are observed in February and March.
- Over the last five years, taxable sales in Mitchell have increased by about \$20 million.



This figure illustrates the amount of taxable sales based on South Dakota data from the South Dakota Department of Revenue. Data is represented as monthly taxable sales from 2019-2023.

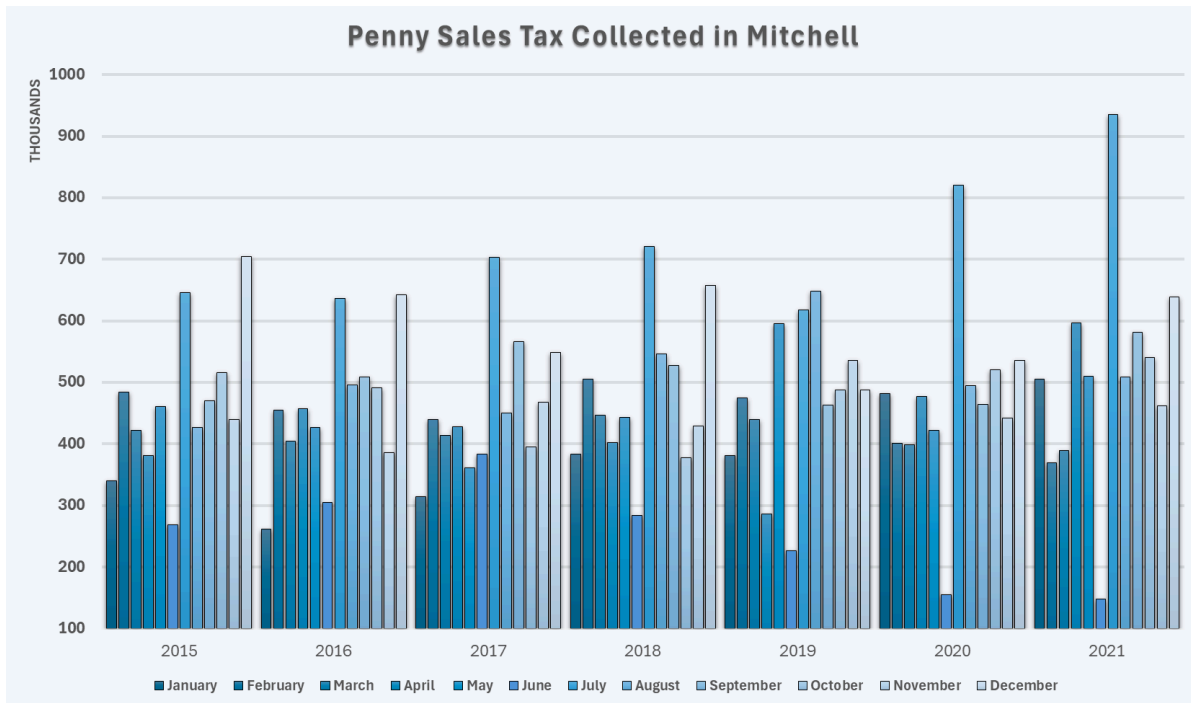
TAXABLE SALES



- The overlapping graph does not show a direct dollar amount comparison.
- Trends indicate comparable growth in taxable sales, indicating a healthy contribution to the state.
- Key comparison indicates the economic drops in times of crisis are also comparable.

This figure illustrates an overlap of taxable sales in Mitchell, SD, in South Dakota, based on data from the South Dakota Department of Revenue. Data represented as monthly amounts from 2019-2023.

TAX COLLECTED



This figure illustrates the penny sales tax collected in Mitchell, SD, based on data from the City of Mitchell. Data is represented as monthly penny tax collected from 2015-2021.

- Prominent peaks occur bi-yearly, notably mid-year and December.
- In the past five years, the mid-year spike has outperformed the spike in December.
- Largest spike occurred in July 2021 of \$900 Thousand

MUNICIPAL SALES TAX - PENNY TAX

This applies to all sales of products and services subject to the state sales tax or use tax if the purchaser receives or uses the product or service in a municipality that imposes a sales tax or use. Mitchell, SD has a 2% municipal tax rate.

MITCHELL TOURISM & DOWNTOWN SHOPS

Tourism plays a massive role in Mitchell's overall economy, especially retail sales. This is evident based on the success seen by Mitchell's downtown shops. According to Jennifer Haddon, the tourism retail director at the Mitchell Area Chamber of Commerce, "All of the downtown shops work well together. Chain members work well together. First Fridays, Second Saturday events, and Crazy Days are huge sales days. There is efficient communication between store owners. Everyone wants to see each other succeed." Because most of the downtown shops and stores are located next to the Corn Palace, it becomes a significant benefactor for the businesses in that area.

One thing downtown shops look to continue striving after is promoting and selling South Dakota-made products. Doing this provides multiple benefits. It offers unique items for the shops that promote South Dakota and its history and culture, as well as revenue for the South Dakota artisans and creators, helping South Dakota communities. Another thing that these shops look to do as they head into the future is continue to build their online shops. These shops have become very popular and allow these stores to continue to bring sales even during the winter months when fewer shoppers are walking around the downtown area.



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