



**DAKOTA  
RESOURCES**

**2**

**3**

**THE FUTURE**  
**OF RURAL IS**  
*here*

- 01*    **DAKOTA RESOURCES OVERVIEW**
- 02*    **COMMUNITY DEVELOPMENT LOANS**
- 03*    **LEARNING NETWORK**
- 04*    **COMMUNITY COACHING**
- 05*    **NEW MARKETS TAX CREDIT**
- 06*    **STATEMENTS OF FINANCIAL POSITION**
- 07*    **STATEMENTS OF ACTIVITIES**
- 08*    **GET INVOLVED**

# A Note from the President

You'll see from the numbers in this report that we're touching more rural leaders and communities than ever before. But the numbers don't tell the most important thing—the stories that point toward our vision of thriving rural communities. Thriving is a mindset as much as anything, and I'm proud to say we work with organizations and communities that are seeing themselves as thriving.

The core of our mission is connection. To us, that means connecting rural development organizations to flexible funding, collaborative networks, leadership development, and the right resources at the right time. Here's a taste of how we're creating capacity in those four areas.

In 2023 our Community Development Loan fund grew to a new all-time high of over \$35 million. Nearly 30 rural economic development organizations are making things happen in four states thanks to the commitment of the 29 investors who put their money to work through our fund. Dacotah Bank, First National Bank of Omaha, and Opportunity Finance Network lead the way, with at least \$2 million each invested in our fund through 2023. Later in this report, we feature Entrepreneur Fund, one of our two borrower organizations that serve rural communities outside South Dakota.

Another approach, our Thriverr learning network for rural economic development leaders, continued to thrive in 2023. Our quarterly in-person Thriverr Gatherings continue to see

high demand with topics focused on the needs of rural economic development organizations, and we couldn't do it without East River Electric and REED Fund, along with many other gathering sponsors. Later, we share how Tripp, SD leveraged their learning from a Thriverr Housing Development Gathering.

Thanks to our main Thriverr sponsor, Citi, we hosted sixteen Thriverr Live sessions, allowing members to learn together virtually from experts focused on community & economic development topics. We also hosted Thriverr Learn cohorts, focusing on rural economic development professionals who started their jobs in the last two years. They get up to speed more quickly, build connections, and gain knowledge by learning and working together



Our community coaching and facilitation work continued with 37 community organizations around South Dakota. I love our feature story about how we're helping Murdo. Thanks to the Bush Foundation, we can continue to build the leadership capacity of our Thriverr members and Coaching organizations and communities.

With support from the SD Community Foundation's BIG Grant, we rolled out an all-new approach to helping rural economic development boards level up their operation and impact through a variety of tools built, tested, and proven through our Community Coaching work over many years. Six organizations across South Dakota joined our first cohort working through our "Building Organizations for Local Development" (B.O.L.D.) process.

Through our sister company, Dakotas America, we work with investors through the New Markets Tax Credit program to invest dollars in low-income rural communities and Native Nations, supporting equal opportunities in health care, education, manufacturing, community services, and more. We currently work with 17 low-income community projects, like the Edward Via College of Osteopathic Medicine, which you can read about later in this report.

We wrapped up 2023 with our first-ever individual donor campaign, landing just shy of 100 donors. We'll continue outreach for individual donations through 2024. You can donate today at [dakotaresources.org/donate](https://dakotaresources.org/donate).

As we continue to celebrate the progress of 2023, we also continue to work toward our priorities for 2024:

1. We're launching a new Thriverr membership for individuals. The new option will make our learning network accessible for any rural community leader anywhere.

2. More rural development organizations ask for our community coaching help than we can handle, so we're planning a special Simple Facilitation Thriverr Gathering and follow-up cohort to train rural community development leaders to host powerful community conversations on their own.

3. We put our RuralX conference on hold in 2023 so we could step back and rethink our approach. I'm happy to let you in on our plans. The all-new RuralX Network will connect the agencies, organizations and foundations that support local economic development organizations so we can all help each other to help communities better. Stay tuned.

Of course, we couldn't do any of this without the terrific partners who help make it happen. In addition to those I've already mentioned, a special thanks to our 2023 "Leading Partners" Avera Health, BankWest, Dacotah Bank, First Interstate Bank, and First PREMIER Bank, along with the many other investors, sponsors, funders, and donors who continue to believe in a thriving future for rural communities.

Our team of 12 staff and 49 volunteer leaders are even more committed than ever to helping rural communities to thrive—in whatever way they define it. We feel good about what's possible for rural communities because of Dakota Resources. And we couldn't do our work without you.

I always welcome your ideas and questions at [joel@dakotaresources.org](mailto:joel@dakotaresources.org).

To the future of rural,

Joe



# MISSION

**We connect capital and capacity to empower rural communities.**

# VISION

**We believe in a thriving rural.**

# VALUES

**We include, connect, inspire, empower, and celebrate.**

Thank you to all our partners who made our mission possible in 2023.



## LEADING PARTNERS



*Here for you.<sup>SM</sup>*



---

## LEADING INVESTORS



*Here for you.<sup>SM</sup>*



**We continue to make great strides in our mission to connect capital and capacity to rural communities throughout the state but also throughout the country. We see more communities working together for the betterment of their community, which helps all of us toward a thriving rural.**

*– Mark Litton, Board of Directors President, Dakota Resources*



# IN 2023, WE...



**impacted**

**109**

**community organizations.**



**raised**

**\$754**

**thousand for impact programs.**



**raised**

**\$549**

**thousand in new investments for lending programs.**

# Community Development Loans

Economic development is a crucial part of a thriving rural. It's important to find the proper funding to support the people and projects that will make a difference. That's where Dakota Resources comes in. We make loans to underserved rural economic development organizations, housing authorities, and other community development financial institutions. We connect capital from regional investors with communities ready to make an economic impact. Our loans are flexible and allow these organizations to fill a gap and build their financial resiliency.

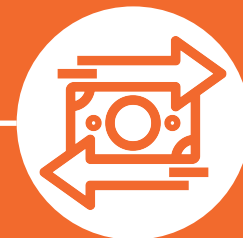


**8**

loans made in 2023

**\$3.1M**

lent to underserved  
organizations in 2023



**\$35.4M**

total loan fund  
at the end of 2023

**34**

active borrowers



# Entrepreneur Fund Supports Rural Business in Minnesota, Wisconsin

Success stories are among our favorite tales to tell, and that's certainly the theme of our work with the Entrepreneur Fund.

Like Dakota Resources, Entrepreneur Fund is a Community Development Financial Institution (CDFI) that lends capital and provides services in order to diversify the regional and rural economy in northern and central Minnesota and, since 2022, in rural Wisconsin as well. Born out of a need to diversify industry on the Iron Range in the late 1980's and early 90's, Entrepreneur Fund was founded with two main priorities: to support entrepreneurs to start and grow small businesses that would create steady incomes for themselves and others, and to renew the entrepreneurial culture in the region.

Entrepreneur Fund's connection to Dakota Resources began in 2017, when Beth Davis, who served as the President for Dakota Resources at the time, connected with Entrepreneur Fund's Shawn Wellnitz and encouraged him to engage in a business plan training course, which was held in rural South Dakota. This training further engaged Wellnitz in cultivating Entrepreneur Fund's connection to Dakota Resources.

Wellnitz attributes a lot of Entrepreneur Fund's early successes to Dakota Resources' support and what he calls our organizations' "tight alignment on rural."

"When you're based in a rural area, you have a hard time raising capital because there's a lack of big banks in the area," Wellnitz said. "When Beth shared her intention to find ways to support the Entrepreneur Fund with capital through Dakota Resources, we were truly in jeopardy at the time of running out of capital. As we've grown and scaled beyond those days to now serving 29 counties across Minnesota and Wisconsin, Dakota Resources has become one of the biggest capital providers we have."

Today, Entrepreneur Fund supports a variety of small businesses, from startups to higher-growth corporations. From microloans and gap financing projects to revenue-based financing for businesses who want to scale or are planning to execute a transition in ownership, Entrepreneur Fund was named Minnesota's 2022 Microlender of the Year by the United States Small Business Association (SBA).

“As a CDFI, the sweet spot of our work is when capital and service-based support can come together to support an entrepreneur,” Wellnitz said. “Our work supports the business owner that is seeking out opportunities to scale and grow, and we as an organization are constantly cultivating new ways to offer different capital and services to support entrepreneurs as they progress up the chain of business.”

As a part of our Community Development Loan program, and Capital Investment Fund in particular, Dakota Resources serves as an intermediary lender to other CDFIs like Entrepreneur Fund, creating further impact in remote rural places throughout the nation. They are then able to turn around and decide how they want to lend that money to the entrepreneurs that they support. According to Dakota Resources’ President Joe Bartmann, our decision to expand our lending has helped grow our impact. “Entrepreneur Fund was the first organization we ever invested in outside South Dakota. That was a big decision for our board at the time,” Bartmann said. “The work they do to help rural business owners makes it easy to feel good about that move today.”

One such rural business owner is Jason Wobbema, CEO of Advanced Machine Guarding Solutions (AMGS), which is based in Hibbing, Minnesota. Specializing in steel perimeter guarding, which protects employees from the dangers of large-scale machines and robotics, AMGS and Wobbema are on a mission to grow and to diversify the economy in the Iron Range while also supporting the local steel industry. Wobbema, an Iron Range native, has decades of experience in robotics and automation, and he worked with Entrepreneur Fund to support the business’s cash flow projections and to connect him with additional funding

opportunities.

In the time since Entrepreneur Fund helped connect Wobbema to city government, financial partners, and other economic development partners in the region, AMGS has seen sales increases by 20-30% every year for the last five years. Moreover, looking ahead to the next 3-5 years, AMGS is planning for future growth, both in terms of job opportunities, commercial expansion, and community support. Wobbema plans to work with local organizations in Hibbing, such as schools and technical colleges, to assist in the development of technical skills so that instead of leaving home for a high-paying technical job, people can have that right in their hometown.

Wobbema points to the Entrepreneur Fund’s support as a pivotal spoke in the wheel for the rapid growth of AMGS. In turn, Entrepreneur Fund CEO Shawn Wellnitz gives credit to Dakota Resources for its foundational support of their ventures as a CDFI, as well as our tenacity in working on behalf of rural communities.

“Dakota Resources is a smart and innovative CDFI, and their mission and competencies align really well with ours,” Wellnitz said. “As we go after capital and work with big banks, it can be difficult to be the first of our scope and size to approach investors at that level. In many cases, however, Dakota Resources is unafraid to go first, to ask first, and to be bold. Then, when others, like Entrepreneur Fund, follow, the path forward is much less daunting.”



# Learning Network

Economic development professionals working in rural communities are often the only staff member in town. Working alone can be challenging, making you feel isolated from the rest of the world. But with the Thriverr Learning Network, you aren't alone anymore. You can connect with peers on Thriverr, both online and in-person, and discuss your concerns, find inspiration and even brainstorm any time, in real time.



# 89%

annual retention rate



# 61

Thriverr members engaging  
in in-person, online, and  
virtual content in 2023



# 151

registrations for Thriverr  
Gathering events in 2023

# Learning Network's Housing Gatherings Spark Tangible Results

While conferences and workshops are frequently offered by all types of organizations and industries, opportunities to truly engage with others by sharing success stories and best practices are comparatively rare.

Every year since 2018, Dakota Resources' Learning

Network program hosts quarterly events known as Thriverr Gatherings. Although our Thriverr Gatherings share some commonalities with a typical conference or workshop, we've spent years designing these events to cultivate regular and consistent collaboration and connection for our members.





One Thriverr Gathering in particular each year focuses on housing. At these gatherings, we bring together community leaders and housing resource partners not simply to talk or learn about housing initiatives, but to collaborate and share tangible solutions to rural housing challenges in real time.

### **The Housing Gathering's Structure: The Reverse RFP**

Over the years, Dakota Resources has cultivated relationships with resource providers who are doing the important work of expanding housing opportunities in South Dakota, including Homes are Possible, Inc. and the South Dakota Housing Authority, among others. By bringing resource partners together with community leaders to communicate and collaborate together at Thriverr Gatherings, we're redefining the traditional conference or workshop model in favor of facilitating fruitful discussions and strategic partnerships that endure well beyond the confines of one event.

According to Tom Farber, a community leader and housing advocate from Britton, South Dakota, the fruits of participating in gatherings like these come in the form of making connections to resources and building relationships.

"Part of the problem with large projects like housing in small communities is a lack of knowledge of what resources are available to help," Farber said. "That's what Dakota Resources does so well; they pair projects with resources. It's important to go to

gatherings like these to get fresh ideas. You never know what you're going to pick up that you can take back and apply in your community."



One key component of the Housing Gathering is a reverse Request for Proposals (RFP), which is an opportunity for participants to connect 1:1 with resource providers who can assist them in creating a plan to move forward. Participants are encouraged to bring forth housing ideas that they are dreaming about or are working on for their community. Resource providers and experienced housing developers then "pitch" how they can help make the project happen. Sometimes, that means being a part of the financing or construction; other times, that means answering questions.

"The connections that community leaders make during the reverse RFP process help them take the next step with their project," said Dakota Resources' Mike Knutson. "They discover people who have done the work before and are willing to help them. They discover information that they didn't know they needed to know, and they also find partners who help make their projects realities."

What's exciting about the Housing Gathering is that the collaborations and conversations that take place have sparked the development of housing solutions in many rural communities, including Tripp, South Dakota.

### **Tripp's Story: 2021 Housing Gathering Sparks New Home Build, Sale**

In July 2021, after a few “scary community moments,” including the closure of a nursing home and a grocery store in his community, long-time Tripp resident and community leader Caleb Finck decided to attend the Housing Gathering.

“At the time, the Tripp Development Corporation started digging into the core of what we as a community needed to work on, and we kept coming back to the lack of new housing available in town,” Finck said. “Plus, the existing housing in Tripp was small in square footage, and some were in a dilapidated state. I went to the Housing Gathering with the idea to find something that we realistically could tackle; we at the Development Corp had never made housing happen before.”

During the Reverse RFP process at the 2021 Housing Gathering, which took place in Centerville that year, Finck connected with Jeff Mitchell from Homes Are Possible Inc., in Aberdeen, who shared blueprints for smaller, slab-on-grade, villa-style homes that were relatively inexpensive to build. Other participants shared cost estimates for building homes like this, and Amy Eldridge from the South Dakota Housing Authority helped to brainstorm financing options through the Housing Opportunity Fund. The progress

made at this gathering left Finck feeling hopeful about expanding housing options in Tripp.

“I came away from that Housing Gathering pretty excited that housing development was not a far-fetched idea for Tripp to take on,” Finck said. “I would never have made the connections and built the relationships had I not been at the Housing Gathering.”

Things took off quickly from there; the Development Corporation board in Tripp approved a 2-bedroom, 1-bathroom home build – the first new home in Tripp in decades – the day after the Housing Gathering





wrapped up, and the board worked tirelessly to submit their application for the Housing Opportunity Fund financing quickly. Whenever the project hit a roadblock, Finck turned to the Thriverr network. He'd join and ask questions at one of the weekly Virtual Coffee Breaks, or he found resources and answers on the Thriverr platform.

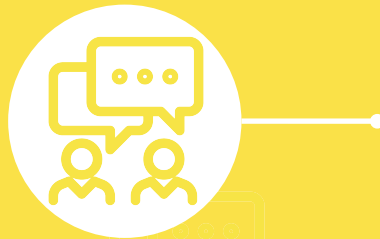
In January of 2023, the new home was sold to a Tripp native, the culmination of multiple years of work, and community leaders like Finck are already looking toward the future. The Development Corporation has acquired two dilapidated properties and has finished removing these structures, leaving two empty and build-ready lots, which is helpful for community appeal. In addition, building duplexes, triplexes, and governor's homes are all potential projects on the table for the future.

What's most exciting? The housing market in Tripp has completely changed in the past two years. Finck says that two other homes, in addition to the Development Corporation's home build project, were built in 2022, and another one is coming soon. Multiple homes for sale in Tripp have also changed hands within weeks of hitting the market, and housing appraisals have more than doubled.

"I'm hopeful that 2024 brings about another home build and another sale," Finck said.

# Community Coaching

Community Coaching starts with learning new ways of working together by practicing it. We help you involve more people in making shared decisions. It's customized for you: to host one community event, a strategy retreat, or dive in to practice this process for 24 months. You'll help people form teams and take on projects to make good things happen. We guide the process at first, but you discover the answers together.



**37**  
rural economic  
development  
organizations served

# Murdo's Ripple Effect: A Community Coaching Story

It's been said that dropping a pebble in water creates a ripple effect that emanates outward from the source. At Dakota Resources, we believe the same can be said about cultivating a thriving rural, particularly when a pebble is dropped with intention inside rural towns like Murdo, South Dakota.

Last year, the Murdo Development Corp. engaged with Dakota Resources' Community Coaching program to spark growth and development in the city of Murdo. Dakota Resources' Kristi Wagner, who serves as the Director of Organizational Relationships and Community Coach, facilitated the Community Coaching process in this rural town, which is home to the Jones County seat in South Dakota.

"Dakota Resources guided the Murdo Development Corp. through four pivotal phases by fostering community input, strategic planning, and transparent implementation," Wagner said. "Their work is a testament to the power of community engagement in driving sustainable development."

The first phase of the Community Coaching process in Murdo involved soliciting community input through a Community Stakeholders session, which was attended by more than 70 community members. Next, a board retreat was held to aggregate the results of the first phase of the project and develop strategic initiatives, according to the Thriverr Community and Economic Development blueprint.

From this strategy session, Murdo stakeholders identified the community's strategic directions, including Growing Housing Opportunities, Supporting Daycare, Enhancing Community Unity, and Creating Career Opportunities, particularly in terms of Developing Workforce. The Murdo Development Corp. also identified board governance as a priority and has collaborated with Dakota Resources' president, Joe Bartmann, on that initiative.

Like many other rural communities, Murdo volunteers identified housing as a key initiative for growth. The shared goal of these volunteers was to work on behalf of the community to make housing opportunities available, particularly by acquiring land or lots for the public at cost. From mapping current housing stock within the Murdo city



74200

The future of rural is here.



Engage in a process that empowers you.



THE FUTURE OF RURAL

WHAT MIGHT WE WANT TO SEE IN THE FUTURE?

## COMMUNITY COACHING

limits to purchasing properties in town, volunteers sought to expand housing opportunities in the area, which can be difficult for a landlocked town like Murdo.

According to Ashley Geigle, Executive Director of the Murdo Development Corp, housing volunteers have created a roadmap of existing housing and available land/lots for the Development Corp. to utilize as a reference, with the goal of placing a couple of governor's homes – reasonably sized, affordable housing options – within the next two years.

One contributing factor to housing shortages is a lack of childcare options in the community, and through the work of volunteers and stakeholders, the city of Murdo received a GOED Daycare Planning Grant to assist in its efforts. Work is also underway to secure a location and building for a community daycare center and to facilitate important conversations between current and past daycare providers and the rest of the community.

“The daycare team has been phenomenal in creating space for current providers to discuss needs/wants,” Geigle said. “Their work with our local 4-H group to collect gently used toys has resulted in

needed donations to providers. We're continuing our collaborative work on the grant we received as well.”

The third initiative that stakeholders in Murdo identified had the goal of enhancing community unity.

While tangible resources like housing opportunities and daycare facilities certainly can go a long way in promoting emotional investment in a community, this group's focus was to facilitate communication and cooperation amongst various community groups and to adopt a vision and





excitement for Murdo as a hometown. From this work, strategic mixers and lunch and learn functions were held, and Geigle says that it's been enjoyable to see community members, young and old, show up to network and to hear what's happening around the community.

Beyond these events, a sense of renewed desire to participate in community growth is certainly evident, according to volunteer Kelsie Slovek.

"Murdo is cultivating its own definition of a thriving rural community by listening to what community members are telling us is a priority for them," Slovek said. "We have been fortunate enough to have community members give their feedback at various meetings and gatherings since March of 2023, and we continue to ask for feedback as we make progress in the strategic direction initiatives to ensure we are heading in the right direction."

When it comes to developing the workforce in and around Murdo, these volunteers set out to develop and support the workforce in existing and future opportunities by hosting a Career Day, in collaboration with the local school district and business in the area. In addition, Murdo stakeholders also developed a survey for business owners to identify workforce needs. Exploration of grant opportunities for both existing and startup businesses is also underway.

"The workforce group is working on the opportunity to collaborate with surrounding schools and really focusing on exposing our youth to the career possibilities that are out there," Geigle said. "This group is doing an exceptional job and I can't wait to see what they continue to create."

The culmination of Murdo's Community Coaching process will be celebrated in March 2024, where the teams will

share their success and plan for future investments and commitments to continue building a thriving community. These accomplishments, while stellar on their own, are also evidence of something greater in Murdo: a renewed commitment to collaboration and growth. What's most exciting? The impacts of such work only continue to ripple outward throughout the community.



"In Murdo, we know that so many volunteers have put in their time and dedication into making our city great and what it is today," Geigle said. "We also know that we have to continually work towards progression while being mindful of the values our community was raised on. What we have learned through this process of coaching with Dakota Resources in the past year is the value of creating space for collaboration to happen and constantly inviting additional community members to join us."

# New Markets Tax Credit

Our New Markets Tax Credit work attracts investment across underserved rural communities and Native Nations. That includes building equal opportunities in health care, education, vital community services, manufacturing and processing. As the manager and controlling entity of Dakotas America, LLC we provide New Markets Tax Credit allocation for equity investments in innovative businesses that are shaping their community's future.



**\$460M**

**all-time allocation  
amount awarded**

**17**

**active projects**

# Training Healthcare Professionals to Make an Impact in Rural Communities

The decision to pursue a career in healthcare is only the first step in what can be a lengthy process. Whether a potential medical student elects to pursue anesthesiology, family practice, surgery, or other specialties, one of the first questions a student needs to answer is, “Where should I apply for medical school?”

For many students who come from rural areas and who seek to return to rural communities to serve as healthcare professionals, the answer to that question can be answered like this: the Edward Via College of Osteopathic Medicine (VCOM). With campus locations in Virginia and the Carolinas, as well as at Auburn University in Alabama and at the University of Louisiana – Monroe, VCOM medical school campuses are amongst the top two graduate-producing medical schools in the nation, yet are one of few medical schools with a mission-based focus on serving rural communities.

In particular, the VCOM medical schools at Auburn and at Louisiana – Monroe were financially supported in part through Dakotas America’s New Markets Tax Credit work, and while Louisiana – Monroe will graduate its first class of

doctors next May, more than 5,000 doctors have graduated from a VCOM institution since the first campus opened its doors in 2007, according to John Rocovich Jr., Chairman of VCOM.

“Funding from Dakotas America has made a tremendous difference in rural healthcare,” Rocovich said. “We were able to build these medical schools at a reasonable cost, which helped us to keep tuition for students more affordable, so that they can afford to live and work in underserved areas. These allocations have been essential and highly valuable for our work to train doctors to serve in rural communities.”

Healthcare professionals are needed everywhere, but rural communities are experiencing unparalleled shortages nationwide, particularly when it comes to those who are trained in primary care. According to a report released by the Association of American Medical Colleges (AAMC), the U.S. faces a projected shortage of between 37,800 and 124,000 physicians by 2034. Additionally, such shortages only continue to hamper efforts to remove barriers to care, such as rural communities with lower populations. Early projections report that when underserved areas in the U.S.

are taken into account, the physician shortage is actually between 102,400 and 180,400 physicians by the year 2034.

In light of both the current and the projected physician shortage nationwide, the impact of medical schools like VCOM, particularly when it comes to rural shortages, simply cannot be overstated. According to Rocovich, nearly 70% of VCOM graduates specialize in primary care, while other graduates choose to specialize further in psychiatry, general or specialized surgery, emergency response, and public health. Furthermore, the majority of VCOM graduates go on to work in rural communities in the Appalachian, Southeast, and Delta regions of the United States, many of whom completed their residency training in that area as well.

“Students show up at our VCOM campuses knowing our mission; we take very seriously the obligation and honor to prepare globally-minded, community-focused physicians to meet the needs of rural and medically underserved populations,” Rocovich said. “We try very hard to recruit students from rural areas, train them in rural areas, and send them back to serve in rural areas as primary care physicians.”

When it comes to VCOM’s dedication to training doctors in primary care, Rocovich points to the impact of treating people for common conditions such as obesity, diabetes, and high blood pressure. While complications associated with these conditions can necessitate a visit with a specialist, much of the ongoing maintenance of these ailments can be treated by a primary care physician without the stress of waiting to be seen by a specialist. In addition, of the 30 percent of VCOM graduates who do specialize, many choose to serve the general population in meaningful ways, from emergency medicine or general surgery to

psychiatric care or internal medicine specialties, such as cardiology.

“We train our medical students to be confident and competent in serving a variety of patient types and ailments,” Rocovich said.

As for the work of training medical professionals who are ready to serve rural communities, Rocovich likens this work to many other professions or callings: it must remain a high priority.

“In this line of work, we can never rest or rely on the feeling that we’ve done enough; we have to keep going and keep pushing,” he said. “The impact of healthcare echoes throughout eternity, because it affects people today, their children tomorrow, and their grandchildren in the decades to come. There’s an enormous difference and a tremendous impact that can be made for humanity and for everyone’s quality of life through healthcare, and in that way, our work is never done.”



# Statements of Financial Position

AS OF DECEMBER 31, 2023

| <b>CURRENT ASSETS</b>                  | <b>2023</b>      | <b>2022</b>      |
|--|------------------|------------------|
| Unrestricted Cash                      | 571,241          | 1,481,282        |
| Current Maturities of Loans Receivable | 501,390          | 1,034,118        |
| Current Portion of Receivable          | 340,893          | 152,816          |
| Other Receivables                      | 67,129           | 42,327           |
| Prepaid Expenses                       | 6,346            | 2,506            |
| <b>TOTAL CURRENT ASSETS</b>            | <b>1,486,999</b> | <b>2,713,049</b> |

| <b>OTHER ASSETS</b>  | <b>2023</b>       | <b>2022</b>       |
|--|-------------------|-------------------|
| Grants Receivable  | 150,000           | 125,000           |
| RBEG Loans Receivable, Net                                   | 42,540            | 0                 |
| Capital Investment Fund Loans Receivable, Net                | 30,050,548        | 27,296,095        |
| Opportunity Fund   | 95,000            | 95,000            |
| Funds Available for Capital Investment Fund Lending          | 3,665,771         | 1,233,049         |
| Funds Available for RBEG Lending                             | 165,035           | 158,939           |
| Other Investments and Operating Reserve                      | 1,092,767         | 0                 |
| Investment in Dakotas America                                | 862,555           | 761,583           |
| Interest in Assets held at South Dakota Community Foundation | 19,454            | 17,466            |
| Other Assets   |                   | 500               |
| <b>TOTAL INVESTMENTS &amp; OTHER ASSETS</b>                  | <b>36,143,670</b> | <b>29,687,632</b> |
| Property and Equipment, Net                                  | 109,144           | 259,346           |

The financial information presented herein is in summary form, and represents the standalone results of Dakota Resources. For audited financial information, refer to the consolidated financial statements of Dakota Resources and Subsidiary, the accompanying notes to the consolidated financial statements, and the auditor's report thereon, available upon request. The organization's most recently filed Form 990 is available on the Dakota Resources website or can be provided upon request.

|  |                   |                   |
|--|-------------------|-------------------|
| <b>TOTAL ASSETS</b>                      | <b>37,820,783</b> | <b>32,660,027</b> |
| <b>CURRENT LIABILITIES</b>               | <b>2023</b>       | <b>2022</b>       |
| Current Maturities of Notes Payable      | 500,000           | 250,000           |
| Line of Credit                           | 500,000           | 0                 |
| Capital Lease Obligations, Current       | 0                 | 0                 |
| Accounts Payable                         | 81,704            | 67,418            |
| Sales Tax Payable                        | 2,176             | 1,679             |
| <b>TOTAL CURRENT LIABILITIES</b>         | <b>1,083,880</b>  | <b>319,097</b>    |
| <b>LONG-TERM LIABILITIES</b>             | <b>2023</b>       | <b>2022</b>       |
| Notes Payable, Net of Current Maturities | 4,075,000         | 4,075,000         |
| Equity Equivalent Notes Payable          | 17,685,000        | 14,185,000        |
| <b>TOTAL LONG-TERM LIABILITIES</b>       | <b>21,760,000</b> | <b>18,260,000</b> |
| <b>TOTAL LIABILITIES</b>                 | <b>22,843,880</b> | <b>18,579,097</b> |



| <b>NET ASSETS</b>                       | <b>2023</b>       | <b>2022</b>       |
|---|-------------------|-------------------|
| Board Designated                        | 5,604,688         | 4,253,347         |
| Undesignated                            | 8,608,503         | 9,082,927         |
| With Donor Restrictions                 | 763,712           | 744,656           |
| <b>TOTAL NET ASSETS</b>                 | <b>14,976,903</b> | <b>14,080,930</b> |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>37,820,783</b> | <b>32,660,027</b> |

# Statements of Activity

AS OF DECEMBER 31, 2023

| <b>REVENUE AND OTHER SUPPORT</b>      | <b>2023</b>      | <b>2022</b>      |
|---------------------------------------|------------------|------------------|
| Grants, Pledges, and Sponsorships     | 1,303,504        | 670,358          |
| Interest Income on Loans Receivable   | 1,135,124        | 835,110          |
| Dakotas America, LLC Income           | 854,664          | 413,032          |
| Net Investment Return                 | 104,143          | 64,496           |
| Management fee income                 | 394,469          | 289,826          |
| Registration and miscellaneous income | 111,980          | 142,383          |
| Other income                          | (132,853)        | 3,950            |
| <b>TOTAL REVENUES</b>                 | <b>3,771,031</b> | <b>2,419,155</b> |

| <b>EXPENSES</b>             | <b>2023</b>      | <b>2022</b>      |
|-----------------------------|------------------|------------------|
| General and Administrative  | 2,324,015        | 1,980,164        |
| Program Service Expenses    | 551,043          | 508,151          |
| <b>TOTAL EXPENSES</b>       | <b>2,875,058</b> | <b>2,488,315</b> |
| <b>CHANGE IN NET ASSETS</b> | <b>895,973</b>   | <b>(69,160)</b>  |

# PROGRAMS

Dakota Resources supports rural economic development organizations to increase their capital capacity and leadership capacity. There are many ways to get involved in our mission through our programs.

**Connect with  
community & economic  
development leaders**

## THRIVERR

Our Thriverr network allows you to connect with like-minded peers online and in-person. Join us at the following levels:

- Thriverr Solo: Built for individuals
- Thriverr Plus: Built for organizations

Learn more at [thriverr.net](http://thriverr.net).

**Build the leadership  
capacity of your  
organization &  
community**

## COMMUNITY COACHING

We work to build capacity through the following ways:

- Organization and Board Development
- Community Engagement
- Comprehensive Coaching Services

Learn more at [dakotaresources.org/community-coaching/](http://dakotaresources.org/community-coaching/).

**Build the financial  
capacity of your  
organization**

## COMMUNITY DEVELOPMENT LOANS

Dakota Resources makes flexible, affordable loans to community and economic development organizations in rural places nationally.

Learn more at [dakotaresources.org/community-development-loans/](http://dakotaresources.org/community-development-loans/).

GET INVOLVED

# SUPPORT

Dakota Resources supports rural economic development organizations to increase their capital capacity and leadership capacity. We cannot do this work without the support from our investors, sponsors, and donors.

## Contribute long-term capital

### INVEST

Strengthening rural communities is possible by investing long-term capital in Dakota Resources' Capital Investment Fund. Your investment is pooled with other funds and is re-lent to small, rural economic development organizations, many of whom have limited access to capital.

Learn more at [dakotaresources.org/invest/](http://dakotaresources.org/invest/).

## Sponsor our work in rural communities

### SPONSOR

Your partnership helps rural leaders, organizations, communities, and regions thrive. From sponsoring all the operations of our programs to sponsoring an event, we work with you to make the greatest impact for your organization.

Learn more at [dakotaresources.org/sponsor/](http://dakotaresources.org/sponsor/).

## Donate to a thriving rural future

### DONATE

With your individual support, we can continue to work to provide development and financial services to support people like yourself. Your donation will allow us to do even more for those who see the potential in their community.

Learn more at [dakotaresources.org/donate/](http://dakotaresources.org/donate/).

# INVESTORS

1st Financial Bank USA

American State Bank

Avera Health

BankWest

Black Hills Community Bank

Black Hills Corporation

BMO / Bank of the West

Bush Foundation

CDFI Fund

Citi Foundation

CorTrust Bank

Dacotah Bank

First Bank & Trust

First Dakota National Bank

First Interstate Bank

First National Bank in Sioux Falls

First National Bank of Omaha

First National Bank Pierre

First PREMIER Bank

Midcontinent Media, Inc.

NorthWest Area Foundation  
Opportunity Finance Network

Sanford Health

SDN Communications

Security First Bank

Target National Bank

US Bank

Wells Fargo

Xcel Energy Inc.

# SPONSORS

AARP South Dakota

Avera Health

BankWest

Bush Foundation

Central Bank

Citi

Dacotah Bank

Delta Dental of South Dakota

First Bank & Trust

First Dakota National Bank

First Fidelity Bank

First Interstate Bank

First PREMIER Bank

Goldman Sachs

REED Fund

South Dakota Housing  
Development Authority



**DAKOTA  
RESOURCES**

**2**

**3**