

# Baxter Day Service Center

SAVE

1631 Leo Davis Drive  
Mountain Home, AR 72653

## **Proposal for Support of Recycling Services and Services for our Mentally Challenged Adult Clients.**

### **Introduction**

Baxter Day Service Center respectfully requests that the City of Mountain Home consider a budget allocation of \$70,000 annually to support our recycling operations for the City and County. This funding is also critical to sustaining the opportunities we provide to our 40 mentally challenged and developmentally disabled adults for meaningful work, adult development, and community integration.

### **Current Challenges**

- Reduced Medicaid revenue due to declining enrollment.
- Flat funding: No increase in Medicaid reimbursement rates or state funding in over 10 years.
- Market decline: Lower prices for recyclable materials.
- Aging infrastructure and equipment requiring costly maintenance and replacement.
- Loss of external funding: ADEQ grant support is no longer available.

### **Financial Overview**

- 5-Year Operating Loss: \$460,000 (Does not include losses covered by Covid loans/grants)
- Fiscal Year July 2024-June 2025 Loss: \$55,000
- Current Fiscal Year July 2025-June 2026 Projected Loss: \$70,000
- Cash Reserves: Fully depleted
- City Trash Contract Recycling Fund: \$132,000
- SBA Loan: \$150,000 (active)
- Line of Credit: \$75,000 withdrawn from \$125,000 available

### **Fundraising and Cost-Cutting Efforts**

- Raised \$51,000 through direct marketing and corporate sponsorships
- Created in endowment funds with Twin Lakes Community Foundation
- Launched a GoFundMe campaign.

- Effective October 1, commercial cardboard customers will be charged for pick-up services which should generate \$50,000 in annual revenue. Rates range from \$40-200 per month and over 80% are in the city.
- Staffing reduced to state-mandated minimum levels.
- Lunch services eliminated for both clients and staff saving \$50,000. (Center will provide lunch for any client without one)

### **Immediate / Short-Term Needs**

- Box Truck: \$43,000 (with \$28,000 in grant funds available).
- Client Transport Van: 90,000 (Grant program, center must provide 20% of cost)
- Center Building A/C Unit: \$10,000.

### **Medium / Long-Term Needs**

- 2<sup>nd</sup> Box Truck: \$45,000.
- Two Bailers: \$120,000. ↘
- Two Transport Vans: \$140,000
- Day Center Roof Replacement: \$25,000.
- Day Center Siding: \$20,000.
- Warehouse Parking Lot Paving: \$75,000.
- Forklift: \$40,000.

### **Request**

We are respectfully requesting that the City of Mountain Home provide an annual allocation of \$70,000 to ensure the continuation of recycling services and the critical support we provide to our clients. Your investment will directly safeguard jobs for individuals with disabilities, maintain recycling services that benefit the entire community, and stabilize a local nonprofit that has served Mountain Home for decades.

### **Conclusion**

Baxter Day Service Center has exhausted every available resource to remain viable and to continue serving both our clients and our community. With the City's partnership in providing funds, we can secure immediate needs, strengthen operations, and plan responsibly for long-term sustainability.