

City Council Agenda Item Memo

From: Ashley Rentsch, Finance Director

Council Meeting: February 24, 2026 / March 10, 2026

Subject: Ordinance 26-007: Budget Amendment #1 to the 2026 Budget

Presenter: Ashley Rentsch, Finance Director

Summary and Recommended Action:

Staff recommends approval of Budget Amendment #1 to the 2026 Budget. The budget amendment will allow carry forward budget authority and surplus funds from 2025 for expenses to be incurred in 2026.

Item Details:

City of Brookings staff continually monitors departmental budgets and brings amendments to the City Council as necessary to account for circumstances not anticipated in the originally adopted appropriation ordinance. This ensures compliance with state and local laws and maintains transparency regarding the City's operational and capital needs.

This ordinance carries forwards 2025 budgeted amounts for expenses to be incurred in 2026, due to project timing or surplus allocation to account for pricing changes or priority initiatives. A budget transfer from the General Fund to the Fire Facility Capital Project Fund will account for the entire estimated project price. These funds are General Fund reserves designated for City Council Financial Policy Projects. A transfer from the 2nd Penny Sales Tax / Capital Improvement Plan Fund to the Dacotah Bank Center fund accounts for unused capital funds in 2025 to be carried forward for use in 2026.

The attached detail by account provides additional information regarding the projects and initiatives included in this amendment.

Legal Consideration:

Per SDCL 9-21-7, supplemental appropriations are allowed and necessary when funds are available and are required to meet expenditure obligations.

Strategic Plan Consideration:

- Fiscal Responsibility – The City of Brookings will responsibly manage resources through transparency, efficiency, equity, and exceptional customer service.

Financial Consideration:

This ordinance carries forward previously budgeted amounts and budget surplus and impacts the various types of funds in the 2025 Budget as follows:

- General Fund Expenditure Increase: \$1,565,209.00
- General Fund Revenue Increase: \$547,840.80
- CIP Fund Expenditures Increase: \$3,199,364.31
- Special Revenue Funds Expenditures Increase: \$1,108,329.88
- Capital Project Funds Expenditures Increase: \$7,177,884.30
- Capital Project Funds Revenues Increase: \$316,215.00
- Enterprise Funds Expenditures increase: \$313,520.00

Supporting Documentation:

Ordinance

Detail by Account