



2024 Budget

2024 Budget Workshops

September 12

- Overview
- Operating Budget
- Outside Agencies
- 10-Year Financial Plan



September 26

- 10-year Capital Improvement Plan
- Fee Schedule



**October 10
(Optional)**

- Recap & Discussion

2024 Budget Adoption Process

Aug. 22

- First Reading of Property Tax Levy Ordinance

Sep. 12

- Second Reading of Property Tax Levy Ordinance

Oct. 24

- First reading of 2024 Budget Ordinance

Nov. 14

- Second reading of 2024 Budget Ordinance
- Adoption of 10-year CIP
- Adoption of Fee Schedule

Workshop #1 Agenda

- 2024 Budget Highlights
- Total Budget Comparison
- Primary Revenue Sources
- Budget Overview
 - ▶ General Fund
 - ▶ Special Revenue Funds
 - ▶ Enterprise Funds
- 10-year General Fund Projection
- Outside Agency Discussion
- Questions and Feedback

Budget Overview

- The budget serves as a:
 - ▶ Policy Tool
 - ▶ Operations Guide
 - ▶ Financial Plan
 - ▶ Communications Device
- The budget considers the City Council's five (5) focus areas
 - ▶ Fiscal Responsibility
 - ▶ Safe, Inclusive, and Connected Community
 - ▶ Service and Innovation Excellence
 - ▶ Economic Growth
 - ▶ Sustainability

BROOKINGS BUDGET

The City of Brookings adopts a budget on an annual basis to set the strategic direction for the upcoming year.

The budget serves as a policy tool, operations guide, financial plan, and communications device while aligning with City Council's five (5) focus areas.

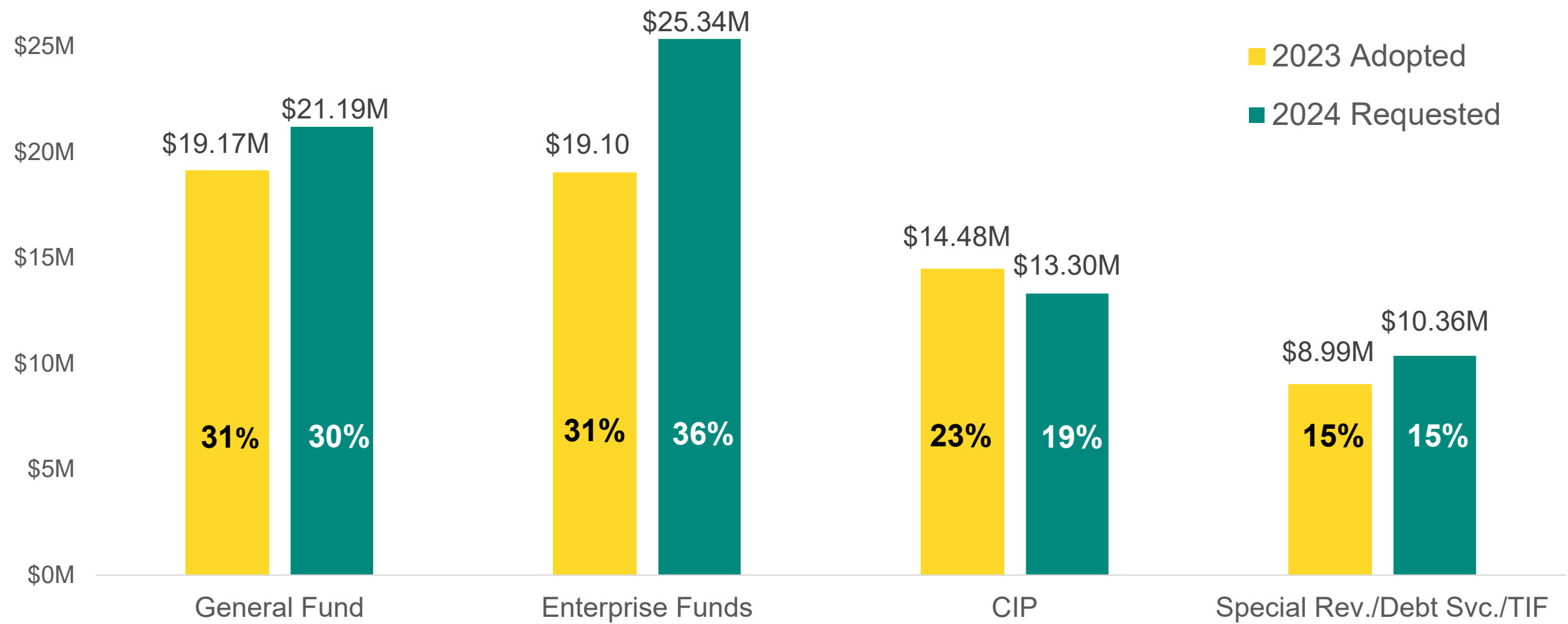


2024 BUDGET HIGHLIGHTS

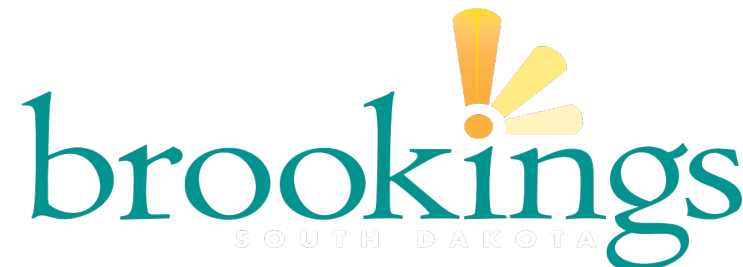
- Balanced Budgeting
- Positive Sales Tax Growth
- \$2M General Fund increase from 2023 Adopted Budget
- Personnel Focus – Retention, Recruitment, & Training
- Intuitive
- Sustainable

Working to Attain Council/Community Dreams

Total Budget Expense Comparison



	2024 Requested	2023 Adopted	Difference
Total Budget	\$70,193,858	\$61,747,840	\$8,446,018



Primary Revenue Sources

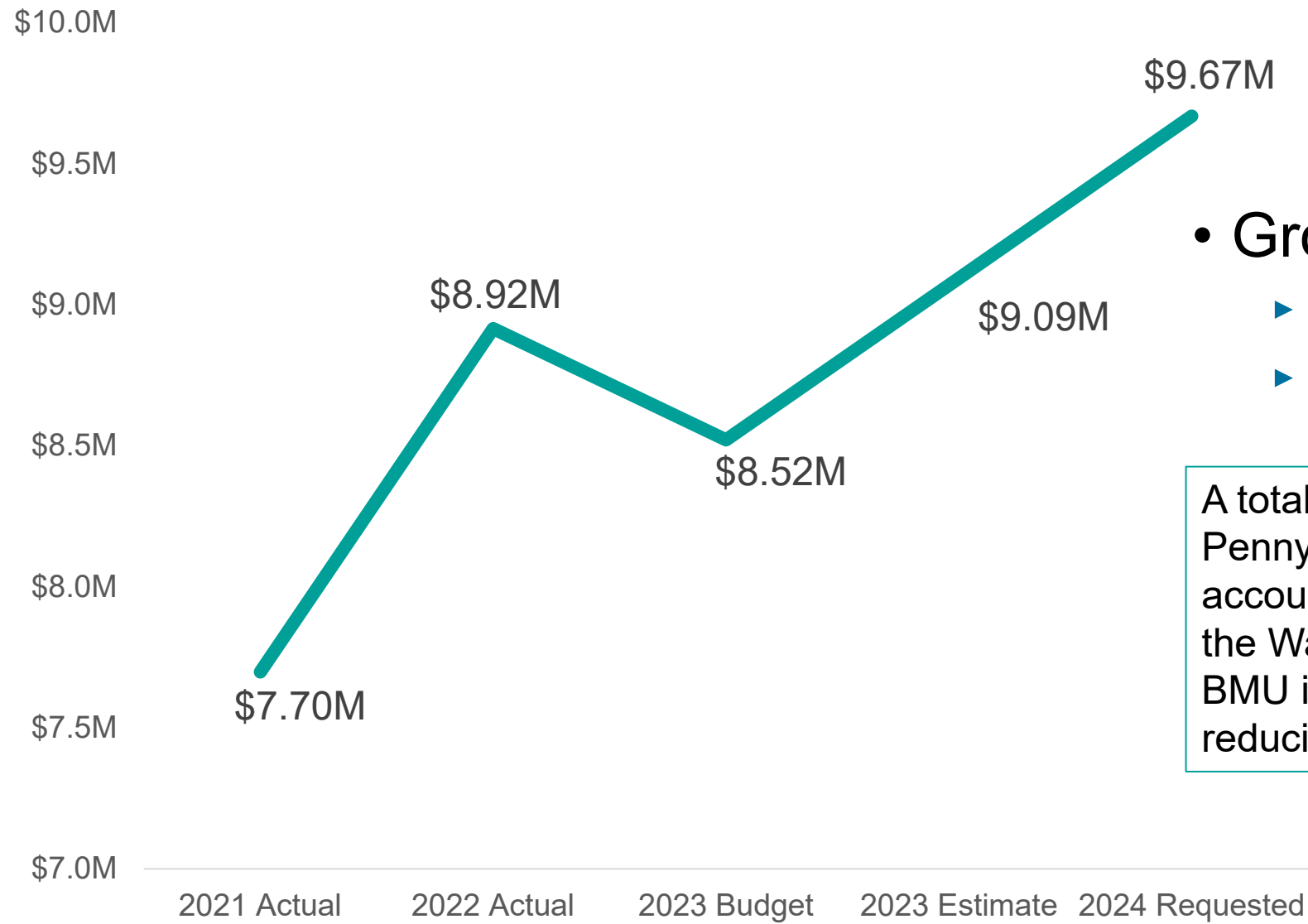
Sales Tax

Property Tax

Bed, Booze, and
Board (3B) Tax

Business
Improvement
District
(BID)/"Pillow" Tax

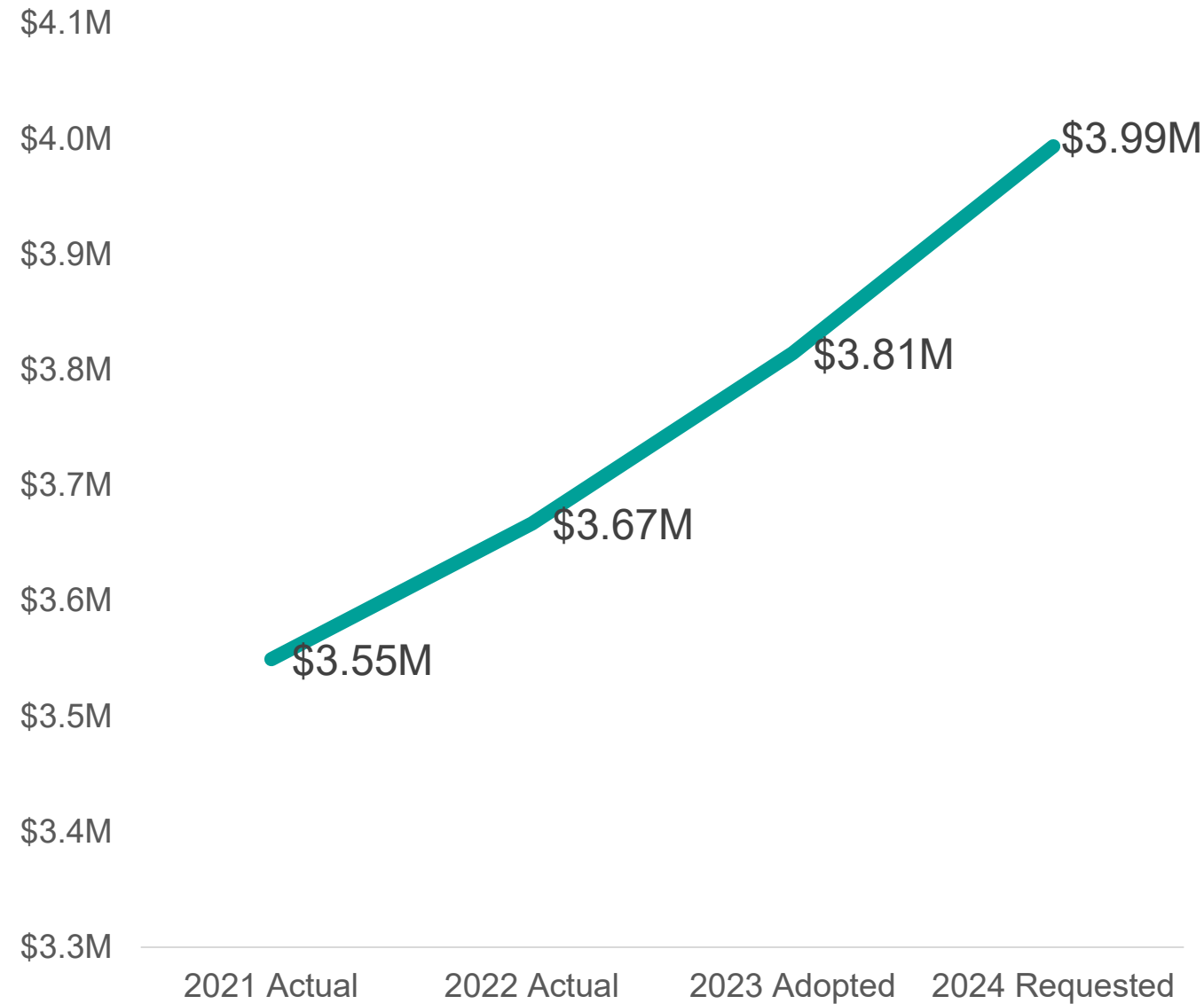
Sales Tax



- Growth Assumptions:
 - ▶ 2023 → 2022 Actual + 2%
 - ▶ 2024 → 2023 Estimate + 2.2%

A total of \$750k in additional 1st & 2nd Penny Sales tax has been budgeted to account for the sales tax paid by BMU for the Water Treatment Plant construction. BMU is balancing the sales tax revenue by reducing their annual transfer.

Property Tax

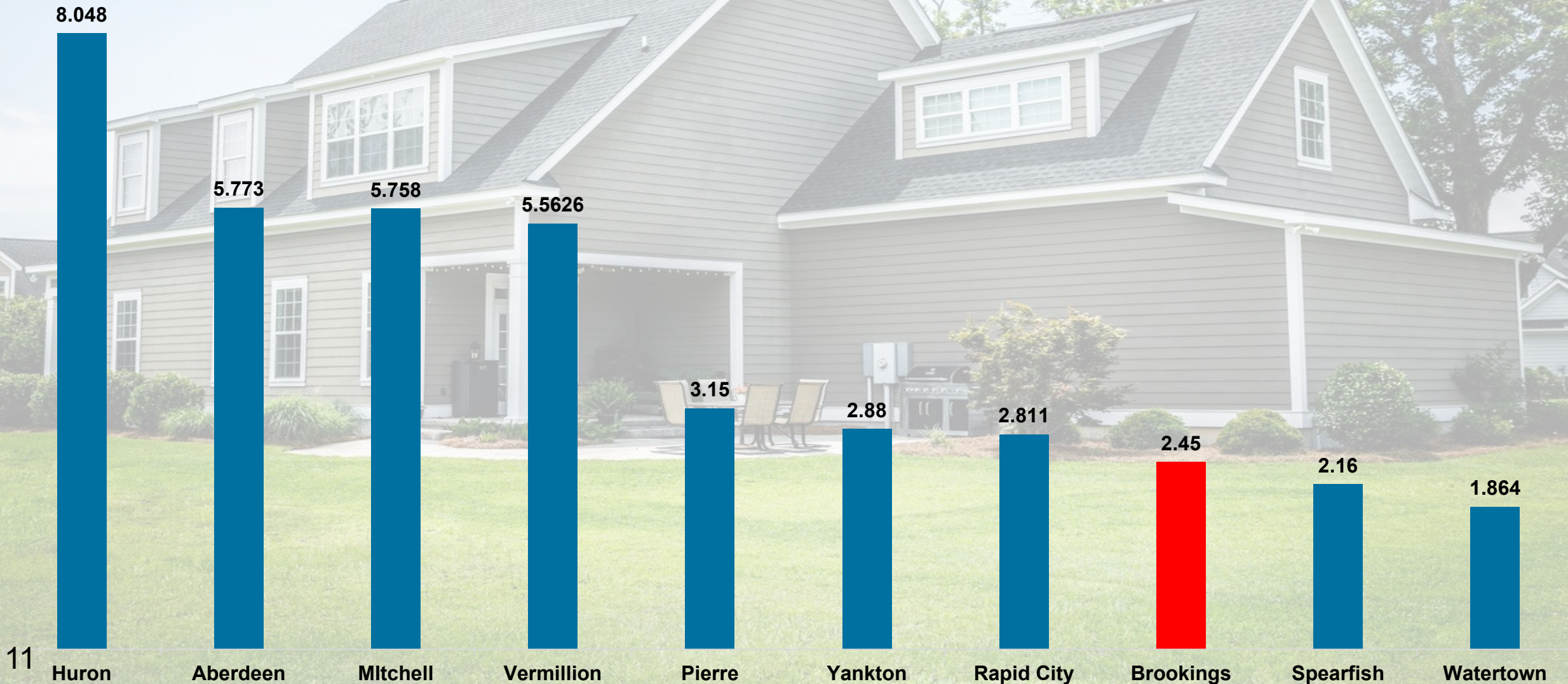


2023 Adopted	\$ 3,814,322
Growth Factor (1.7035%)	64,977
CPI Factor (3.0%)	114,430
2024 Requested	\$ 3,993,728
Total % Increase	4.7035%

The CPI factor is capped at 3%. Actual CPI over the past three years is as follows:

- 2021: 4.7% (1.7%)
- 2022: 8.0% (5.0%)
- 2023 (est.): 4.0% (1.0%)

Property Tax Mill Rate by Municipality



WHERE PROPERTY TAXES GO

\$350,000 Home

\$5,665 Taxes

PUBLIC SCHOOL
59%

Schools
\$3,344

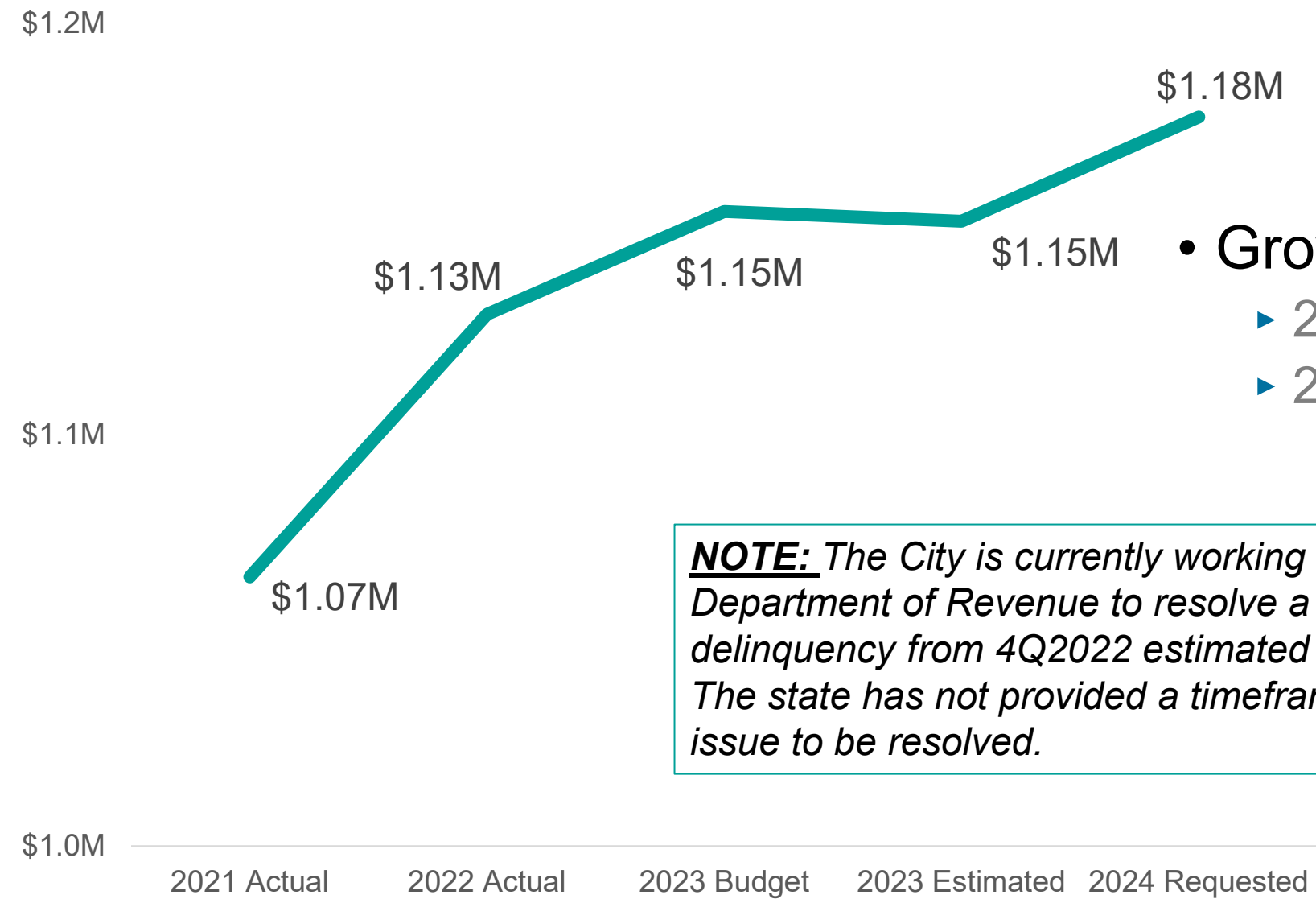
COUNTY
26%

County
\$1,463

CITY
15%

City
\$858

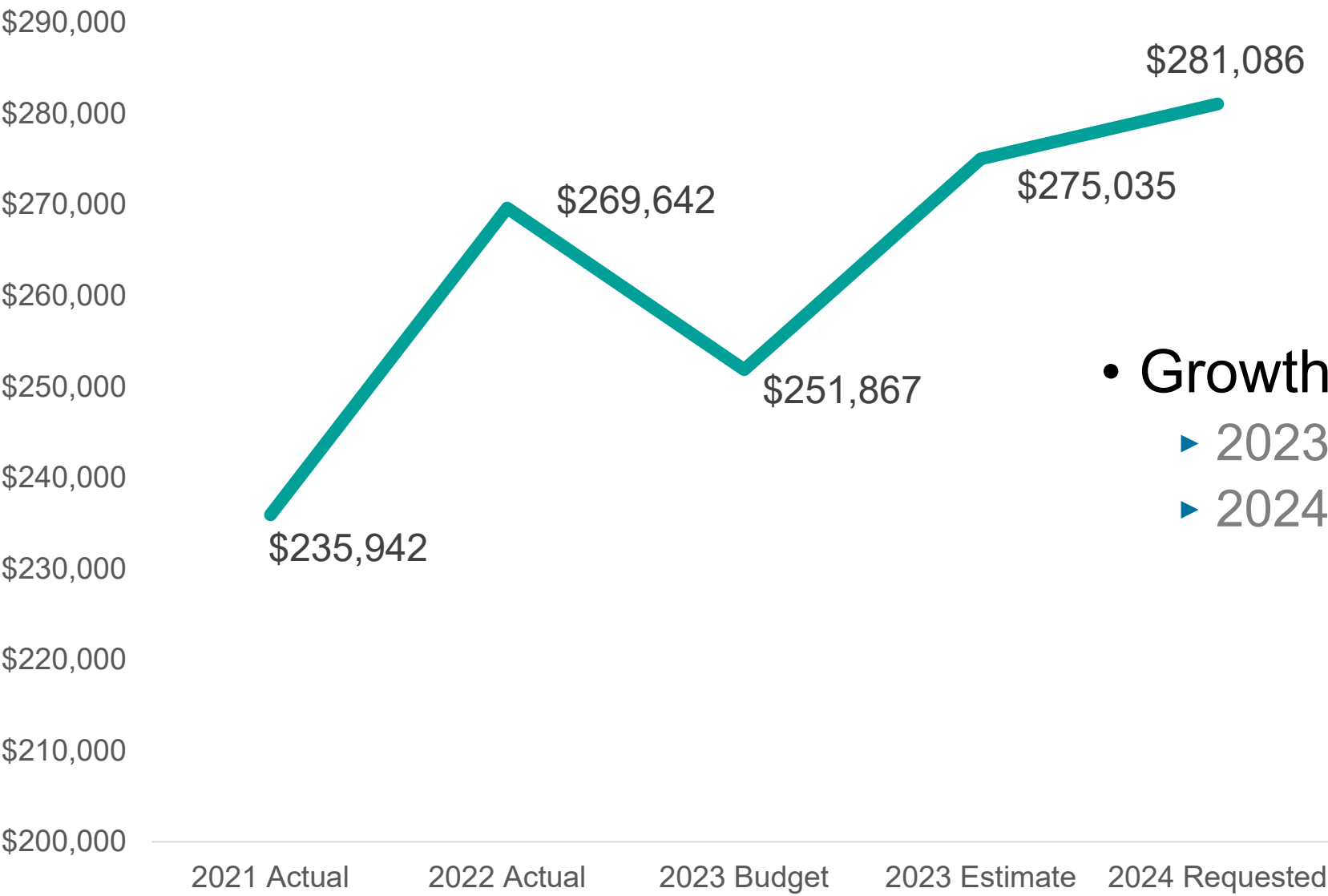
BBB Tax



- Growth Assumptions:
 - ▶ 2023→2022 Actual + 2%
 - ▶ 2024→2023 Estimate +2.2%

NOTE: The City is currently working with the SD Department of Revenue to resolve a 3B tax delinquency from 4Q2022 estimated at \$49k. The state has not provided a timeframe for this issue to be resolved.

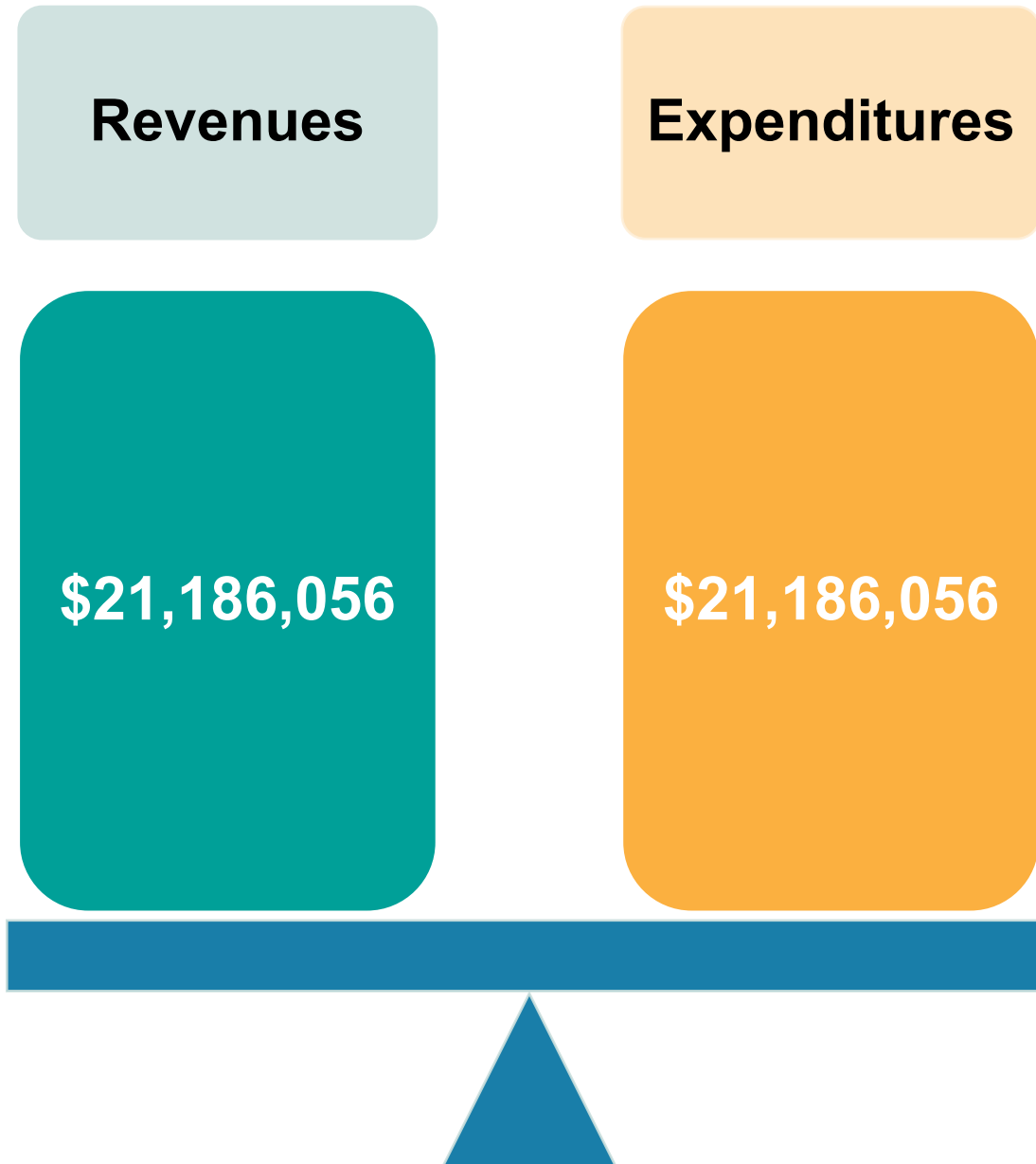
Pillow (BID) Tax



- Growth Assumptions:
 - ▶ 2023→2022 Actual + 2%
 - ▶ 2024→2023 Estimate + 2.2%



General Fund Overview



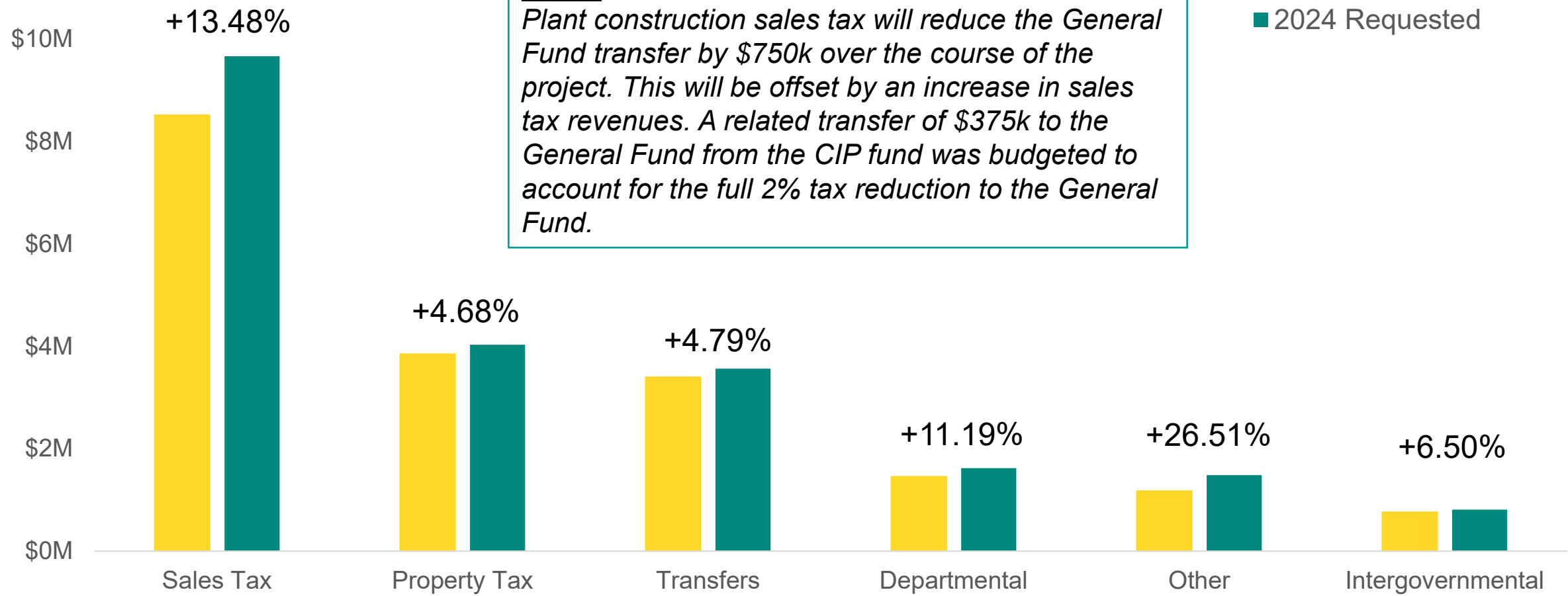
2024 General Fund Projects & Initiatives

- Salary Survey Implementation
- Streamlined Cost Center for Activity Center
- Departmental preventative maintenance now under General Government Buildings
- Additional employee development investment
- Equipment
 - ▶ (6) Speed Boards – PD
 - ▶ Turf Tank for robotic line striping - Park & Rec
- Facility Enhancements
 - ▶ City/County Building Generator Improvement

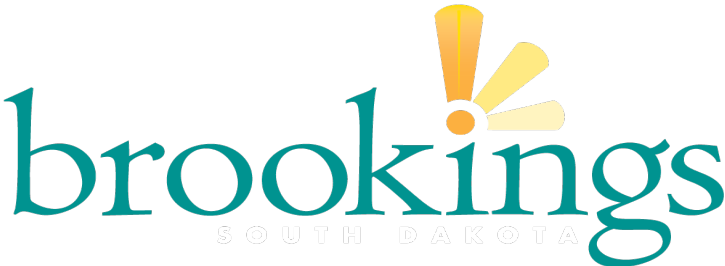
General Fund Revenue

Note: Reimbursement of BMU Water Treatment Plant construction sales tax will reduce the General Fund transfer by \$750k over the course of the project. This will be offset by an increase in sales tax revenues. A related transfer of \$375k to the General Fund from the CIP fund was budgeted to account for the full 2% tax reduction to the General Fund.

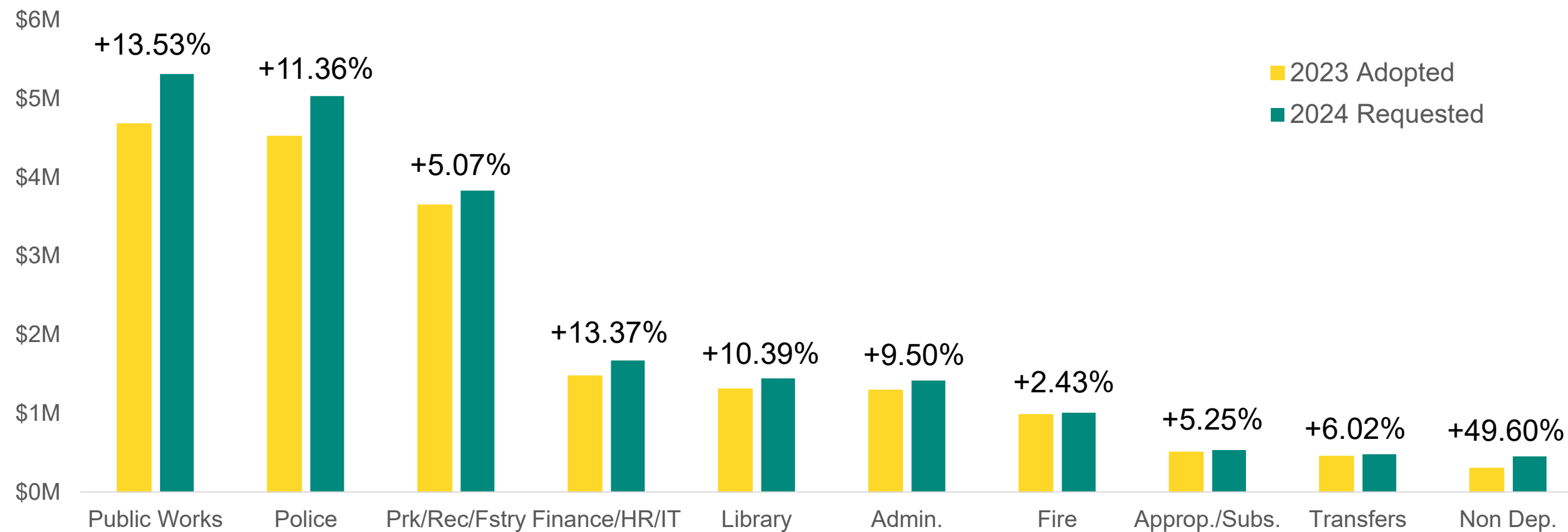
2023 Adopted
2024 Requested



	2024 Requested	2023 Adopted	Difference
Total Revenue	\$21,186,056	\$19,170,384	\$2,015,672



General Fund Expenditures

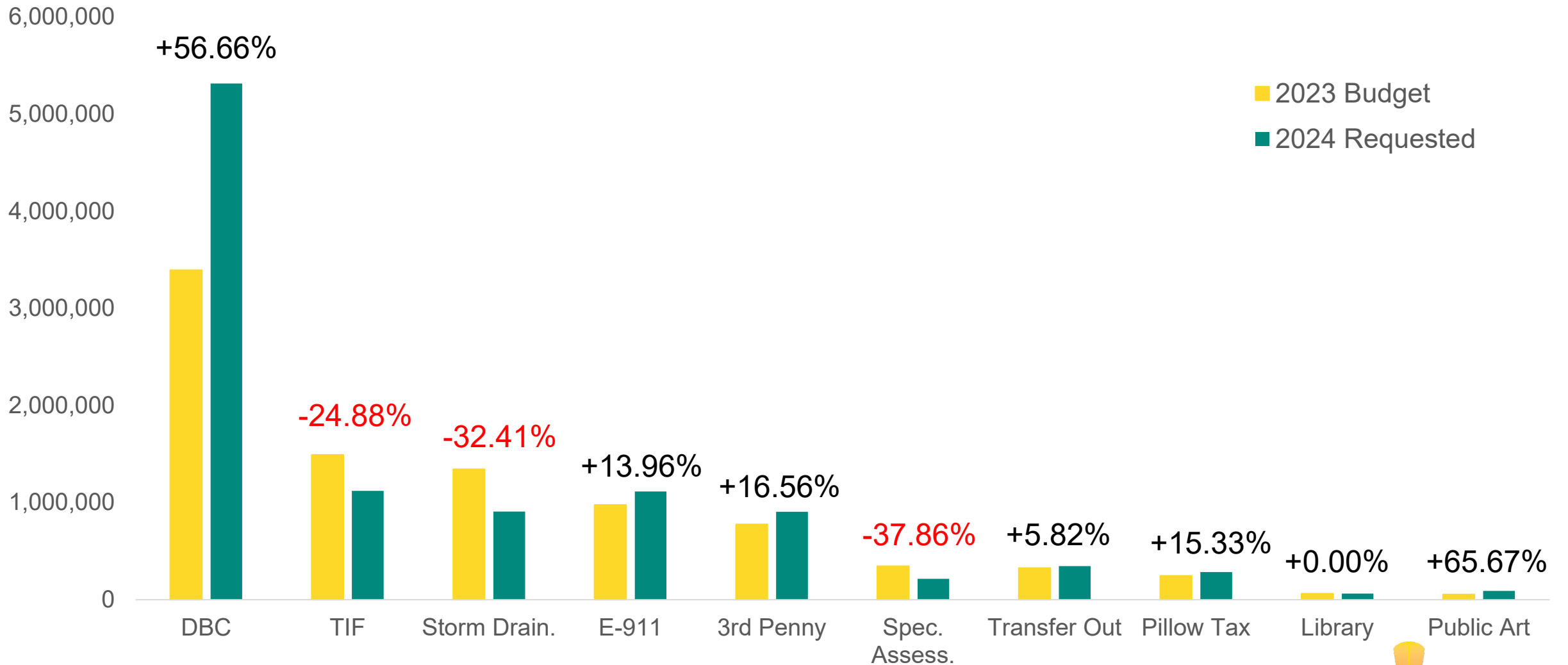


	2024 Requested	2023 Adopted	Difference
Total Expenditures	\$21,186,056	\$19,170,384	\$2,015,672

General Fund Revenue & Expenditure Comparison Excluding Council Initiatives



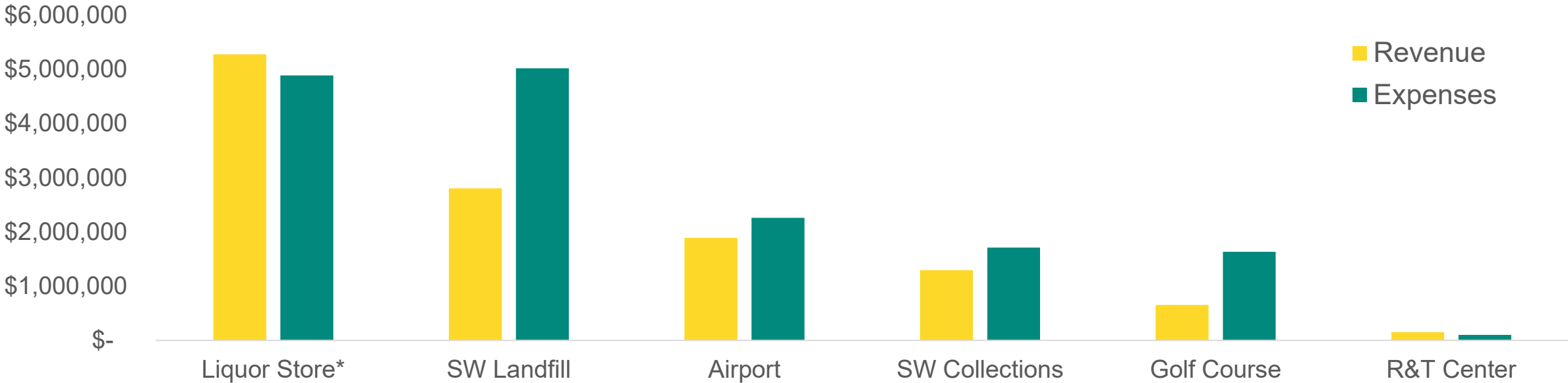
Special Revenue/Debt Service Expenditures



	2024 Requested	2023 Adopted	Difference
Total Expenditures	\$10,362,574	\$9,019,823	\$1,342,751



Enterprise Funds



*excludes operating agreement revenue/expenses

	Contributed				
	Revenue	Capital	Expenses	Transfers	Surplus (Deficit)
Liquor Store	\$ 5,277,254	\$ 100,000	\$ 4,889,717	(487,537)	-
Operating Agreements	8,636,000		8,636,000	-	-
SW Landfill	2,806,013	2,769,191	5,021,714	(553,491)	-
Airport	1,891,835		2,262,098	370,263	-
SW Collections	1,295,467	414,685	1,710,152	-	-
Golf Course	651,750		1,632,772	1,030,000	48,978
R&T Center	148,944		98,129	(50,815)	-
Total	\$ 20,707,263	\$ 3,283,876	\$ 24,250,582	\$ 308,421	\$ 48,978



Outside Agencies – General Fund

★	Description	2023 Rec	2024 Req	2024 Rec
	School District	\$ 195,000	\$ 200,000	\$ 195,000
	Humane Society (Contract) (442)	\$ 40,000	\$ 50,000	\$ 50,000
	Arts Council	\$ 30,000	\$ 35,000	\$ 30,000
	Brookings Swim Club	\$ -	\$ 5,000	\$ -
★	Big Sioux Water Festival	\$ -	\$ 1,000	\$ 1,000
	Humanities Council	\$ -	\$ 15,000	\$ 15,000
	Community Band	\$ 6,000	\$ 8,000	\$ 6,000
	Social Service Agency Funding/United Way Process	\$ 252,480	\$ 263,035	\$ 263,035
	Total Social Services/City Related	\$ 523,480	\$ 577,035	\$ 560,035

- ★ Brookings School District submitted their funding application after the deadline
- ★ Big Sioux Water Festival contribution funded by Storm Drainage

Outside Agencies – BBB, CIP, BID



BBB/CIP/BID/Reserve Funded			
Description	2023 Funded	2024 Req	2024 Rec
Visit Brookings	\$ 470,125	\$ 509,735	\$ 508,000
Brookings Economic Development Corporation	\$ 215,000	\$ 215,000	\$ 215,000
Research Park at SDSU	\$ 154,500	\$ 154,000	\$ 154,000
SDSU PACII (213)	\$ 916,666	\$ 916,666	\$ 916,666
Chamber	\$ 30,000	\$ 50,000	\$ 40,000
Downtown	\$ 30,000	\$ 30,000	\$ 30,000
Downtown - Implementation	\$ -	\$ 100,000	\$ 100,000
Downtown Music Event	\$ 25,000	\$ 25,000	\$ 25,000
Health System (213)	\$ 100,000	\$ 100,000	\$ 100,000
SDSU Student Visitor Promotion	\$ 25,000	\$ 25,000	\$ 25,000
4th of July Fireworks Display	\$ 13,000	\$ 13,000	\$ 14,000
Local Scholarship Fund* (601)	\$ 100,000	\$ 100,000	\$ 100,000
Total Economic Development	\$ 2,079,291	\$ 2,238,401	\$ 2,227,666
Total General Fund (From Previous Slide)	\$ 523,480	\$ 577,035	\$ 560,035
Grand Total	\$ 2,602,771	\$ 2,815,436	\$ 2,787,701

- ★ BEDC submitted their funding application and annual report after the deadlines



Questions & Feedback