



# 2026 Budget

# 2026 BUDGET

## WORKSHOPS

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### September 9

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

### September 23

- 10-year Capital Improvement Plan
- Fee Schedule

### October 14 (Optional)

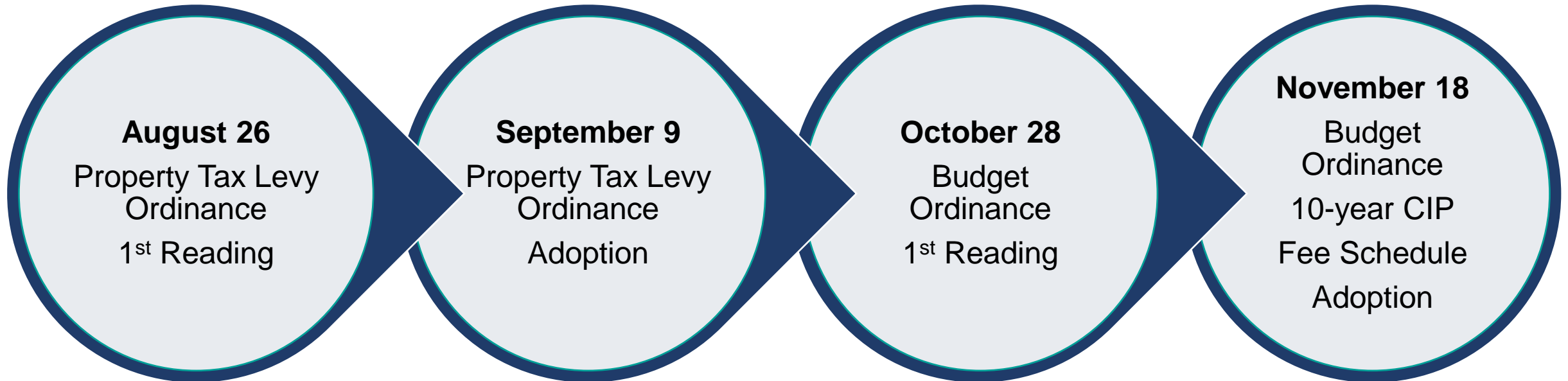
- Recap & Discussion



# 2026 BUDGET

## ADOPTION PROCESS

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# 2026 BUDGET

## WORKSHOP 2 AGENDA

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- 2026 Budget Highlights
- Total Budget Comparison
- 2026 Capital Improvement Plan (CIP) Highlights
- 2026 CIP Overview
- 2026 CIP Revenues/Expenditures
- 2026 CIP Budget Detail
- Departmental CIP Projects
- 10-year Outlook
- Consolidated Fee Schedule Review
- Questions & Feedback

# 2026 BUDGET

## HIGHLIGHTS



- Total budget \$650,000 less than 2025 Adopted
- 3% Sales Tax Growth +\$307k
- 5% Property Tax Growth +\$210k
- \$1M General Fund Increase from 2025 Adopted Budget
- Continued Investment in Employees
  - Wages
  - Professional Development & Training
- Intuitive
- Sustainable

# 2026 BUDGET

## CIP HIGHLIGHTS

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- Street Projects - \$4.5M
- SDSU PAC and Brookings Health System- \$1M
- Fire Engine 3 Replacement - \$700k
- 5<sup>th</sup> Street Gym Improvements - \$450k
- Police Vehicles - \$330k

# 2026 BUDGET

## CIP EXECUTIVE OVERVIEW

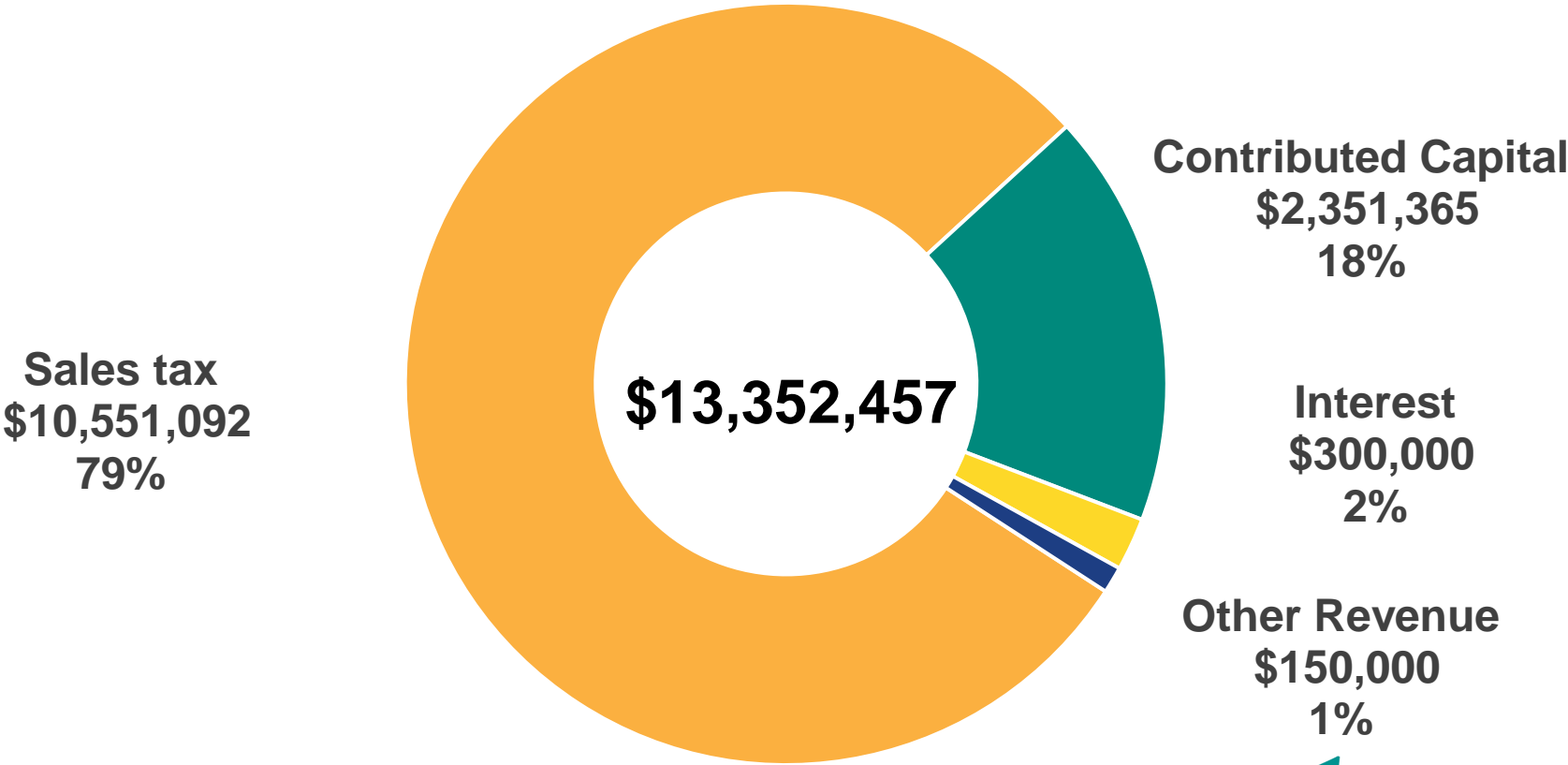
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- **Balanced 10-year Capital Improvement Plan**
  - Based on current revenue and expenditure projections
  - Prioritizes maintenance & replacement of existing infrastructure and assets
  
- **\$1M Annual Outside Agency Funding Ends in 2027**
  - SDSU Performing Arts Center
  - Brookings Health System
  
- **Current Debt Service ends in 2033**
  - Final year of bond repayment

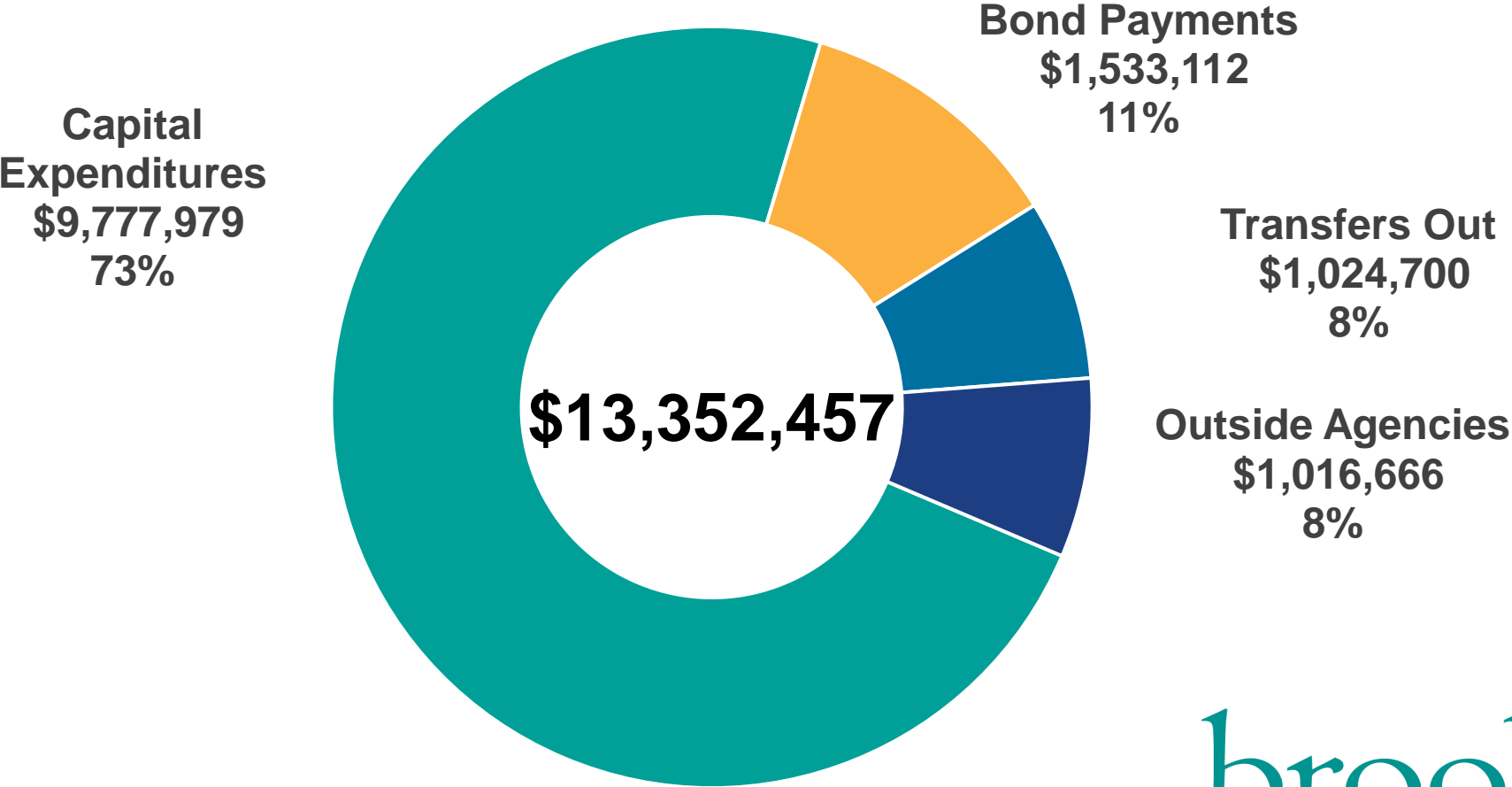
# 2026 BUDGET

## CIP REVENUE



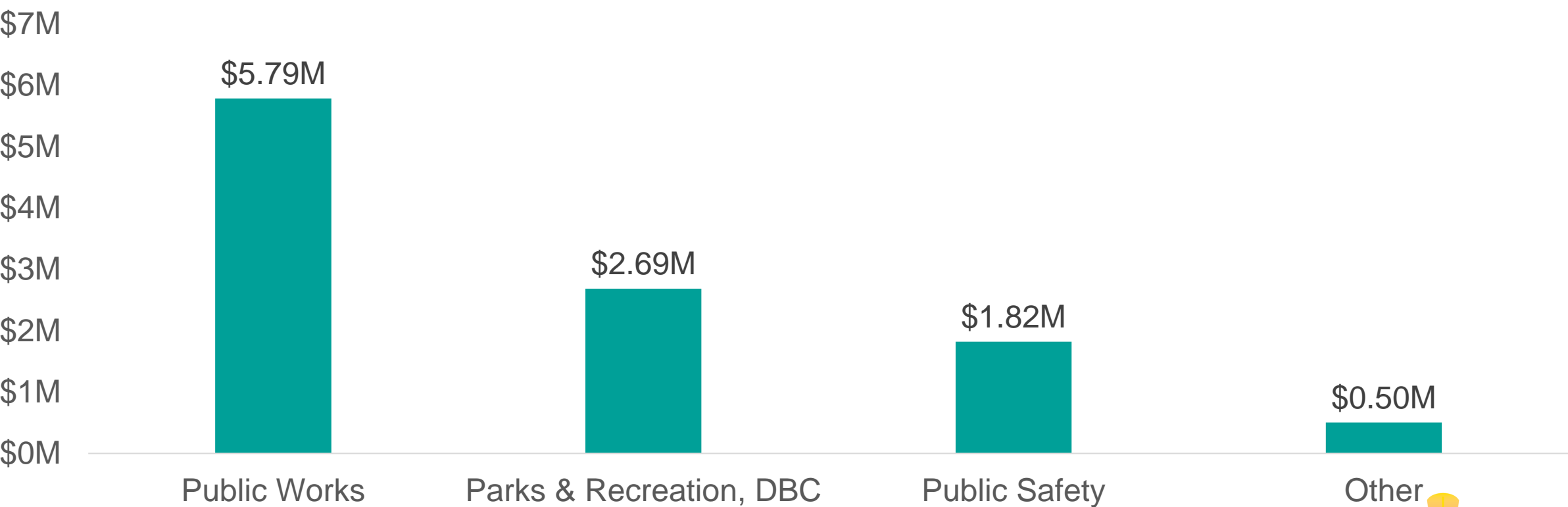
# 2026 BUDGET

## CIP EXPENDITURES



# 2026 BUDGET

## CAPITAL EXPENDITURES AND TRANSFERS OUT



*These figures include transfers out to other funds.*



# 2026 BUDGET

## PUBLIC WORKS CAPITAL



Projects	Amount
Street Maintenance – Asphalt, Striping	\$2,445,599
Chip Sealing	1,350,000
ADA Standard Ramps	340,000
STP Improvements (22 <sup>nd</sup> Ave Phase III)	150,000
Street Improvements	126,788
Sidewalk & Curb Replacement	35,000
<b>Total Projects</b>	<b>\$4,447,387</b>

Facilities	Amount
Street Facility Repairs	\$46,350

Transfers Out	Amount
Airport	\$60,000

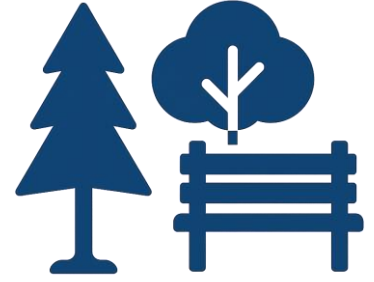
Vehicles & Equipment	Amount
Street Sweeper	\$430,500
Payloader	360,000
1 Ton Dually Flat Bed Striper	190,000
Crack Sealer	100,000
Crew Cab – Mosquito Truck	58,000
Community Development Vehicle	50,000
Thermoplastic Grinder	26,000
Paint Striper	21,000
<b>Total Vehicles and Equipment</b>	<b>\$1,235,500</b>

**Total Public Works: \$5,789,237**



# 2026 BUDGET

## PARKS, REC & FORESTRY CAPITAL



Parks & Facilities	Amount
5 <sup>th</sup> Street Gym Improvements	\$447,662
HAC – New Filter System – Leisure Pool	350,000
LIC – HVAC Controls	200,000
Hillcrest Park – Parking Lot Improvements	100,000
Playground – Arrowhead Park	100,000
LIC – Security cameras	64,350
LIC Generator	53,840
HAC – Main Building – Pumps 1-2	49,700
McKinstry Study Items – Parks Facilities	42,240
<b>Total Parks &amp; Facilities</b>	<b>\$1,407,792</b>

Vehicles & Equipment	Amount
Bobcat Skidsteer	\$70,000
Toro Mower	65,000
<b>Total Vehicles &amp; Equipment</b>	<b>\$135,000</b>

# 2026 BUDGET

## PARKS, REC & FORESTRY CAPITAL, CONTD.

Library	Amount
New Tile Floor	\$75,000

Transfers Out	Amount
Dacotah Bank Center	\$470,720
Edgebrook Golf Course	227,750
Public Art	96,230
<b>Total Transfers Out</b>	<b>\$794,700</b>

Bike Lane/Trail Improvements	Amount
Master Bike Plan Implementation	\$150,000
Bike Trail Maintenance	75,000
Dakota Nature Park Trail Repairs	25,000
<b>Total Bike Lane/Trail Improvements</b>	<b>\$250,000</b>

**2026 Tree Planting Program: \$25,000**  
**Total Parks, Recreation, and Library: \$2,687,492**



# 2026 BUDGET

## PUBLIC SAFETY CAPITAL



Police Department/Animal Control	Amount
Vehicles	\$330,000
E-911 Console	189,000
Mobile Field Force	50,000
Armor Carriers/Helmets	48,000
Firearms	40,000
Axon Fleet	32,000
Body Cameras	25,000
Vests	19,000
Interview Room Cameras	15,000
Cellebrite Super Computer	11,000
<b>Total Police Department</b>	<b>\$759,000</b>

Fire Department	Amount
Engine 3 Replacement	\$700,000
Structure/USAR Gear	132,000
Hydraulic Rescue Tools	75,000
Pagers & Radios	65,950
South Station – Roof Replacement	50,000
South Station – Training Tower Concrete	40,000
<b>Total Fire Department</b>	<b>\$1,062,950</b>

**Total Public Safety: \$1,821,950**



# 2026 BUDGET

## OTHER CAPITAL EXPENDITURES & TRANSFERS

Other Capital	Amount	Transfers Out	Amount
R&T Center Demolition	\$135,000	CITCO Improvements City – 48%/County – 52%	\$169,000
Sinking Fund Contribution	150,000		
Police Dept. IT	50,000		
<b>Total Other Capital</b>	<b>\$335,000</b>		

**Total Other: \$504,000**



# 2026 BUDGET

## LOOKING AHEAD

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- Fire Platform Truck - \$1.75M (2027 – Financed over 5 years)
- 5<sup>th</sup> Street Gym Improvements - \$1.06M (2027-2031)
- Fire Engine 4 Replacement - \$700k (2029 – Financed over 3 years)
- Continued prioritization of maintenance and replacement of existing assets over new additions



# 2026 BUDGET

## 10-YEAR OUTLOOK



### 10-YEAR CAPITAL IMPROVEMENT PLAN

10-Year Capital Improvement Plan										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		OUTSIDE AGENCIES								
Total Outside Agencies	1,016,666	991,666	-	-	-	-	-	-	-	-
		PUBLIC SAFETY								
Total Public Safety	1,821,950	1,764,925	1,631,940	1,239,334	1,233,274	1,110,654	1,978,800	1,051,810	1,669,990	2,232,820
		PARKS AND RECREATION								
Total Parks and Recreation	2,216,772	1,719,712	1,494,406	1,626,609	1,888,448	2,677,351	3,050,290	3,417,264	2,915,207	4,543,642
		STREETS/AIRPORT								
Total Streets/Airport	5,789,237	8,502,632	5,789,988	5,802,776	6,535,218	9,020,091	5,384,679	6,100,401	7,356,416	10,287,772
		DACOTAH BANK CENTER								
Total Dacotah Bank Center	470,720	436,590	504,307	496,203	876,200	815,800	498,400	497,880	498,640	499,660
		BUILDINGS AND EQUIPMENT								
Total Buildings and Equipment	504,000	380,000	322,000	355,984	429,680	235,000	1,178,358	486,800	517,230	991,800
		DEBT SERVICE								
Total Debt	1,533,112	1,531,287	2,433,351	2,019,370	730,691	730,691	730,690	730,690	-	-
City Council Financial Policy Projects										621,405
TOTAL EXPENDITURES	13,352,457	5,326,812	12,175,992	11,540,276	11,693,511	14,589,587	12,821,217	12,284,845	12,957,483	18,555,694
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		REVENUE								
TOTAL REVENUES	13,352,457	5,326,812	12,175,992	11,540,276	11,693,511	14,589,587	12,821,217	12,284,845	12,957,483	18,555,694
Sales Tax Change	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	300.00%	3.00%
Debt to Revenue	22.89%	17.65%	21.74%	17.51%	6.03%	4.86%	5.80%	5.63%	0.00%	0.00%
SURPLUS/(DEFICIT)	0	0	0	0	0	(0)	(0)	(0)	(0)	0

# 2026 BUDGET

## CITY COUNCIL FINANCIAL POLICY PROJECTS

<b>Total City Council Priority Funding Available</b>		<b>\$18,442,739</b>
Less:		
Primary Projects (In Priority Order)		
Fire Facility	4,000,000	
Police Facility	19,000,000	
<b>Priority Funding After Primary Projects</b>		<b>(\$4,557,261)</b>

Secondary Projects (In Priority Order)	
Activity Center	5,000,000
Library	10,000,000
<b>Total Secondary Projects</b>	<b>\$15,000,000</b>



# 2026 BUDGET

## CONSOLIDATED FEE SCHEDULE

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### ➤ Components

- General Fees
- Fines and Violations
- Edgebrook Golf Course Rates

### ➤ Review semi-annually and as needed

### ➤ Departmental Objectives

- Comparative analysis with peer communities
- Market Trends
- Cost Recovery



# 2026 BUDGET

## FEE SCHEDULE HIGHLIGHTS

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- Solid Waste Collections & Landfill: 3% increase across the board
  - Refrigerators now same price as air conditioners based on processing time
  - Mobile home disposal now \$500 – in line with regional pricing and processing time
- Storm Drainage Unit Financial Charge increasing by 3%
- Upcoming fee analysis planned for Airport Fees, Parks & Rec Fee Analysis in progress
- Planning & Zoning
  - Signs: annual \$5 increase
  - Flag & Banner removal fees increased to \$60 and \$160, respectively to account for staff time.
  - Zoning Fees: Increased by \$25-\$50 based on processing costs.
- Building permit fee increases \$5-\$10 per square foot.





# Questions & Feedback