

City Council Agenda Item Memo

From: Ashley Rentsch, Finance Director

Council Meeting: August 12, 2025 / August 26, 2025

Subject: Ordinance 25-029: Amendment No. 6 to the 2025 Budget

Presenter: Ashley Rentsch, Finance Director

Summary and Recommended Action:

Staff recommends approval of the proposed budget amendment to recognize grant revenue and allocate resources for strategic initiatives:

1. Acceptance of a \$120,000 Lowe's Hometown grant for improvements to the Brookings Public Library.
2. Allocation of \$54,900 for design and development services by Johnson Controls, Inc. (JCI) for a future chiller replacement project.

Item Details:

1. Brookings Public Library – Lowe's Hometown Grant (\$120,000)
The City has been awarded a \$120,000 grant through the Lowe's Hometown program to enhance the children's and teen spaces at the Brookings Public Library. This funding will replace the 25-year-old shelving and support the creation of more welcoming and functional youth areas. The project is expected to be completed by mid-November 2025.
2. Chiller Replacement Project – Preliminary Development Agreement (\$54,900)
The City has entered into a preliminary development agreement (PDA) with Johnson Controls, Inc. (JCI) to conduct engineering and development work related to the replacement of the City and County Administrative Building's chiller system. This phase will define design parameters, scope, and cost structure for a turnkey replacement project proposal to be considered by the Council later this year. The PDA only obligates the City to the initial \$54,900. It is important to note the City and Brookings County will share these costs at 48% and 52%, respectively, for which Brookings County will reimburse the City for its share. This action has been approved by the Joint Powers Board and County Commission.

Legal Consideration:

Per SDCL 9-21-7, municipalities may approve supplemental appropriations when sufficient fund balance exists and the amendment is necessary to address operational and capital needs. This action aligns with state law and internal financial policies.

Strategic Plan Consideration:

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

- Safe, Inclusive, Connected Community – The City of Brookings will create an environment for inclusive programs, gathering places, and events where the community can safely live, work and come together to participate in opportunities for learning, recreation and enjoyment.

Financial Consideration:

Part 1 increases both the grant revenue budget and the grant expenditure budget in the General Fund Library Department by \$120,000. No local funds are required, and the project will be fully funded by the Lowe's grant.

Part 2 transfers Buildings Sinking Funds and budget authority from the CIP Fund to the General Fund for the City's portion of \$26,352 or 48 percent. The 52 percent Brookings County Portion of \$28,548 will be recognized as revenues for the reimbursed expense, and the total budget of \$54,900 will be recognized as a capital expenditure in the City and County Administration Department budget in the General Fund.

Supporting Documentation:

Ordinance