

City Council Agenda Memo

From: Erick Rangel, Chief Financial Officer

Council Meeting: September 13, 2022 / September 27, 2022

Subject: Ordinance 22-032: Budget Amendment No. 8, 2022 Budget

Presenter: Ashley Rentsch, Senior Finance Manager

Summary:

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 needs. This budget amendment authorizes the City of Brookings to pay off the State Revolving Fund Loan associated with the first phase of TIF 1 Improvements.

Background:

The City of Brookings was recently granted approval to pay the balance of State Revolving Fund Loan CW-02, which was originally scheduled for final payoff in 2031. Sufficient TIF revenues have been received to pay the balance in full early, resulting in interest savings of approximately \$50,000. This Ordinance approves payment in full and grants budget authority to the TIF 1 Innovation Campus Fund.

Item Details:

<u>Dept. / Fund</u>	<u>Increase/(Decrease) Amount</u>	<u>Description</u>
TIF 1 – Innovation Campus	\$359,707.37	Principal – Pay in full
TIF 1 – Innovation Campus	\$2,276.50	Interest – Pay in full

Legal Consideration:

None.

Strategic Plan Consideration:

This action supports fiscal responsibility by increasing budget authority for anticipated expenditures and increasing transparency regarding the status of municipal debt.

Financial Consideration:

This principal and interest payment in the amount of \$361,983.87 will pay the State Revolving Fund Loan Balance in full, resulting in approximately \$50,000 of interest savings over the life of the loan. This loan will be paid 100% by TIF revenues generated for the purpose of paying this debt, and this fund has accumulated enough revenues to support this payment.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a Study Session
5. Discuss / take no action / table

Staff recommends approval of the ordinance as presented.

Supporting Documentation:

Memo

Ordinance