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brookings
SOUTH DAKOTA

JEFFREY W. WELDON
City Manager

October 2016

Mayor and City Council Members
Brookings City and County Government Center
520 Third Street
Brookings, SD 57006

RE: Budget Message for the Proposed 2017 Budget for the City of Brookings

Dear Mayor Reed and Members of the City Council and Citizens of Brookings:

It is with great pleasure I submit to you the proposed Operating and Capital Budgets for 2017. As always, it includes all budgets for the City with the exception of Brookings Municipal Utilities and Brookings Health System. The budgets are developed in accordance with standard government accounting and auditing practices. While we attempt to maintain budgetary consistency from year to year to foster familiarity and increased knowledge of our budget by all users, we do make some adjustments to formats and presentations in the interest of continuous improvement of our budget development, submittal, and operational processes.

This document is my attempt to provide a narrative policy description of the numbers that make up the budget. Such numbers are an expression of the policy statements of the City Council and this narrative budget message further attempts to describe and explain the values, priorities, and commitments that are important to the efficient and effective operations of city government.

Budget process

The staff budget development process was similar to past years. Beginning in April, staff submit updates to the five-year Capital Improvement Plan (CIP) followed by departmental budget requests for their respective operational budgets for 2017. The budget review team consisting of Finance Director Shawna Costello, Assistant to the City Manager Kevin Catlin, and myself meet with each department to review their budgets and make sure programs, services, and any changes are clearly understood. Some changes were made at that time. Later, the budget team matched the requested expenditures with anticipated revenues and further budget adjustments were made. The final document has been presented to you in Workshop #1 (June 21) where we examined the CIP and Workshop #2 and #3 (July

19 and August 8 respectively) for the respective operating budgets. The budget hearing was held, and the budget was approved on September 13.

How to Read and Understand the Budget

In order to effectively interpret the 0data, it is presented to you in budgetary totals divided first by fund, beginning with the General Fund, which is further subdivided into departmental budgetary divisions. Generally, the budget divisions have four line items; (1) departmental-generated revenue; (2) personnel expenses; (3) operating expenses; and (4) capital expenses. Some departmental budgets do not have any department-generated revenue so (1) may not be included. Most of the items that comprise capital expenditures were discussed and described in Budget Workshop #1 and this number reflects the total of all capital for that budget division for 2017.

Additional data indicates the historical trend of these four lines; which is helpful in assessing any changes. Most changes are minimal, but where more substantial changes occur, they will be described in the following pages. As per previous direction, you requested budget divisions be displayed in these categories as opposed to line-item descriptions and amounts within these categories.

Following the General Fund budget categories, we have the Special Revenue Funds and Enterprise Funds.

With that overview, the following are the specifics.

General Fund

Since the General Fund is chiefly dependent upon our primary revenue streams of property and sales tax, it is the fund that runs most of the daily operations of city government. Thus, each General Fund department has very little capacity to generate revenue for itself. As such, it relies on the property and sales tax. The General Fund is balanced with $22,185,883 in current revenues and $22,614,905 in current expenditures and utilizing $430,000 from General Fund Cash Reserves to produce a balanced budget. Generally, we strive for a balanced budget utilizing exclusively current revenues to match current expenditures. So for this budget, the use of some fund cash reserves in not typical, but is necessary in this case due to the nature of some committed expenditures in 2016 which will affect 2017. To minimize the effect of required reserves, we attempted to reduce operating expenses. The chief drivers of necessity of reserves are the consultant for the comprehensive master plan and the parking lot reconstruction at Bob Sheldon/Dwiggins-Medary Ball Field Complex.

The General Fund shows an overall decrease in revenue from 2016 of $1,145,537 and a decrease in expenditures of $1,716,008 from 2016. This amount fluctuates significantly from year to year due to variations in capital expenditures. Another explanation for the variation is that, while our primary revenue streams have steadily increased, we experienced decreases in departmental-generated revenue. The major budget categories for the General Fund are described in the chart below.

Revenues for the General Fund include property taxes in the amount of $3,020,000, up by $77,476 from 2016 chiefly due to inflationary allowance and an expansion of the tax base. A growing tax base is the direct result of more taxable property being developed and an overall expansion of the community. Since we cannot raise property tax rates, and inflationary increases are minor, our revenue growth stems mostly from solid, progressive economic development which yields more tax revenue. It is important to note that the South Dakota property tax code grants municipalities the smallest share of the property tax pie; primarily because we also have sales tax, which the other local units of government do not have with the recent exception of the new sales tax revenue granted to school districts this year to address the teacher pay issue.

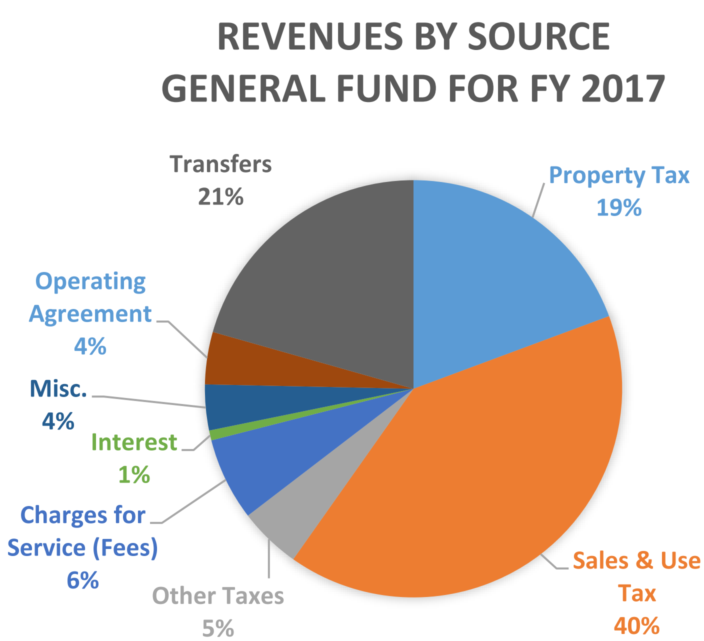
With regard to sales tax, we are estimating first penny sales tax revenue to be $6,428,000, an increase of $248,000 over 2016, or four percent. This is slightly more aggressive than past year's budget estimates. However, we have been running ahead of projections by a level that we are confident is sustainable with this higher projection. The first penny sales tax supports the General Fund while second penny sales tax supports two different capital funds.

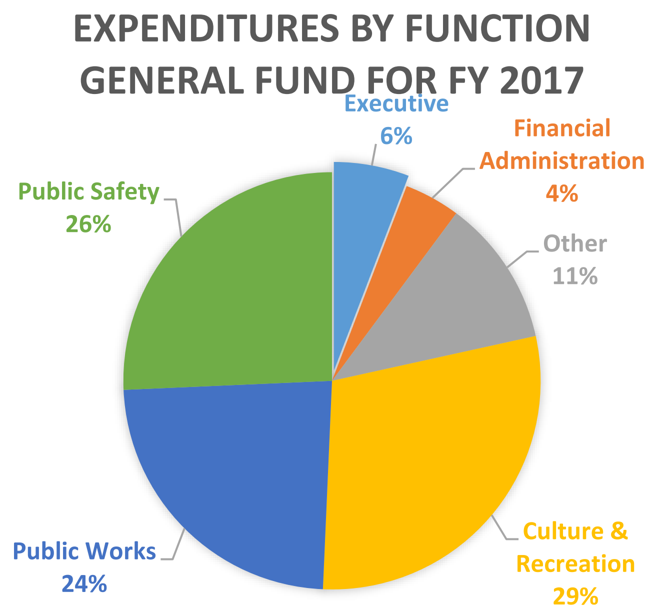
The General Fund has a contingency amount of $250,000 for unanticipated but necessary, expenditures. We have never utilized this balance as an additional means of unbudgeted supplemental spending except for those determined to be absolutely necessary.

In addition to property and sales tax, other sources of revenue for the General Fund include transfers from public enterprise operations, licenses and permits, operating agreements (override) from alcohol sales, cable television franchise fees, fees for service and programs, intergovernmental aid, sale of assets, and interest income.

The following is a summary of General Fund expenditures compared to the current year:

Category	Proposed 2017	Amended 2016
Personnel	$9,538,395	$9,311,662
Operating expenses	$10,774,897	$10,506,644
Subsidies	$730,400	$726,700
Capital expenses	$1,328,250	$3,064,729
Transfers out	$242,963	$979,650
Total	$22,614,906	$23,839,385





Personnel Investment

The full-time workforce under the proposed 2017 budget is being reduced by one. We have eliminated one position due to re-organization and lean savings and eliminated a second with lean savings and replacing it with a part-time status. This budget provides for an increase of one full-time employee bringing our net workforce total to a reduction of one position, at 138 positions. That added position would be another detective in the Criminal Investigation division of the Police Department. The increase of specific types of crimes, mostly drugs and domestic abuse, is requiring more resources than we currently have. This increased costs will be off-set in 2017 by suspending the salaries of two officers who will be activated for National Guard duty. When they return, possibly in 2018, we will see personnel increases associated with this additional employee.

Our existing union contracts provide for overall salary adjustments of 2.50 percent and employees who are eligible to continue moving through the corresponding ranges and steps of the pay plan and receive pre-determined increases contingent upon performance evaluation. In addition to salaries and wages, the personnel expenses include benefit costs and employee training expenses. For the most part, employee benefit expenses have remained chiefly static, but we have increased training expenses and crime prevention programs slightly for the police department in light of current trends.

As always, we utilize permanent part-time and seasonal/temporary employees for various needs throughout many departments over the course of the year.

Notable changes in the General Fund

There are several unusual items which have an impact on the proposed 2017 General Fund Budget. First, the Council committed to two planning studies during 2016 that will carry over into 2017, which were not budgeted. They are the Comprehensive Bike Plan and the Comprehensive Master Plan. This is part of the reason for utilizing some General Fund Reserves to help balance the budget.

Second, we are seeing a significant increase in the streetlights and traffic signals expenditure. Brookings Municipal Utilities owns the street/traffic light infrastructure but is “leased’ to the City. As I mentioned previously, BMU is about to undertake a comprehensive replacement of approximately 2,000 old and structurally-compromised wood streetlight poles over the next several years and this cost is being passed along to us in the lease. The lease rate includes the costs of electricity and capital and is adjusted annually with the increase in the number of streetlights. As we have more residential subdivisions being developed annually, this requires additional costs from installing more streetlights.

Many communities have added a standard rate to their utility bill for streetlights and passed the cost of streetlights on directly to property owners instead of absorbing it in the City’s general revenue stream. If you wish to consider this alternative revenue stream for streetlights, please let me know.

When comparing transfers to past years, one will notice a change in transfers in/out involving the capital funds. Previously, we budgeted the capital expenditures in the General Fund, then transferred the funds from the Sales Tax Fund to the General Fund. This change will shorten the process by budgeting and paying for the specific capital item directly from the respective Sales Tax Fund.

Some of the major changes in the General Fund include:

-Engineering-$70,000 for AutoCADD mapping project; a lean efficiency and technology upgrade.
-Community Development-$150,000 consulting expense for Comprehensive Master Plan.
-City Clerk-$27,000 for the Comprehensive Bike Master Plan.
-Streets-$116,520 increase from BMU for Streetlight Replacement Program.
-Parks-$53,000 reduction in revenue due to unexpected 2016 grant donation.
-Parks-$200,000 capital expense for Bob Sheldon/Dwiggins Medary parking lot from reserves.
-All capital funds including the General Fund, allocation for public art.

Capital Investment

The City of Brookings has always had an aggressive Capital Improvement Plan (CIP), and 2017 is no exception. The total cost of the five-year CIP is $42,145,568 and for 2017 alone it is $9,751,306 across all funds. Most capital expenditures occur in Funds 212 and 213, the second penny funds for 25 percent and 75 percent respectively, although the General Fund also carries significant capital expenditures.

Major infrastructure improvements for 2017 include:

-Reconstruction of south end of Runway 17/35 at airport
-South Fire Station
-Highway 14 from 22nd Avenue to 34th Avenue gateway improvements
-15th Street and 7th Avenue Street, Utility, and Storm Drainage Project
-Re-construction of South 20th Street West (old C.R. 16) from Main Avenue to Cumberland Ct.
-Re-construct Dwiggins-Medary/Bob Sheldon Athletic Complex parking lot
-Solid Waste Landfill set-aside for new trench and gas collection system
-Lefevre Drive Storm Sewer Project
-Renovation of Community Cultural Center Arts Council Building (old Carnegie Library)
-Annual Street Maintenance Program of chip seal, overlayments, striping, curb replacements

A new feature to capital planning is the adoption of the Community Reinvestment Plan (CRP). This is a companion document to the CIP, which adds another five-year projection beyond the CIP, providing a comprehensive 10-year window for capital planning. The CRP provides mostly for the largest expenditures such as real estate, and major infrastructure and building projects. The CRP will be a helpful tool in long-range capital planning, especially as some of our expenditure commitments are increasingly long-term and cash flow projections will be critical. Capital items consist of new, replacements or major repairs and upgrades to: vehicles, equipment, infrastructure, and buildings and grounds.

Debt Management

Issuing and managing debt is a significant component of public finance. The City currently has issued debt for capital improvements, and the 75% Second Penny Capital Fund is paying the debt service for most of this amount. The following is a summary of our debt service obligations:

1) 2010 debt re-financing for library, Swiftel Center, PAC I, and government center:
   Outstanding balance owed of $7,955,000 with final payment 12/1/2022 as of year-end.
2) 2014 debt issuance for South Main Avenue/26th Street Project and several other capital projects to provide cash for the Bel Brands incentive package:
   Outstanding balance owed of $9,582,019 with final payment 12/1/2033 as of year-end.

   Total debt service payments for 2017 in the 75 Percent Second Penny Fund is $2,396,754.

The City Council also assumed two forms of debt without actually issuing any bonded indebtedness. This was in the form of 'annual appropriations' meaning we budget annual payments for a prescribed term. These three items are new for 2017 and will also come from our 75 Percent Second Penny Fund.

1) $6 million to PAC II paid over 12 years; beginning in 2017.
2) $750,000 to Brookings Health System paid over 11 years; beginning in 2017.
3) $500,000 to Brookings County for the purchase of the County Resource Center, as an expansion of the Swiftel Center; paid over five years beginning in 2017.

In addition, 2017 represents the third year of a five-year commitment for an additional annual appropriation for the expansion of the Boys and Girls Club of Brookings of $100,000 per year. That is also being financed by the 75 Percent Second Penny Fund.

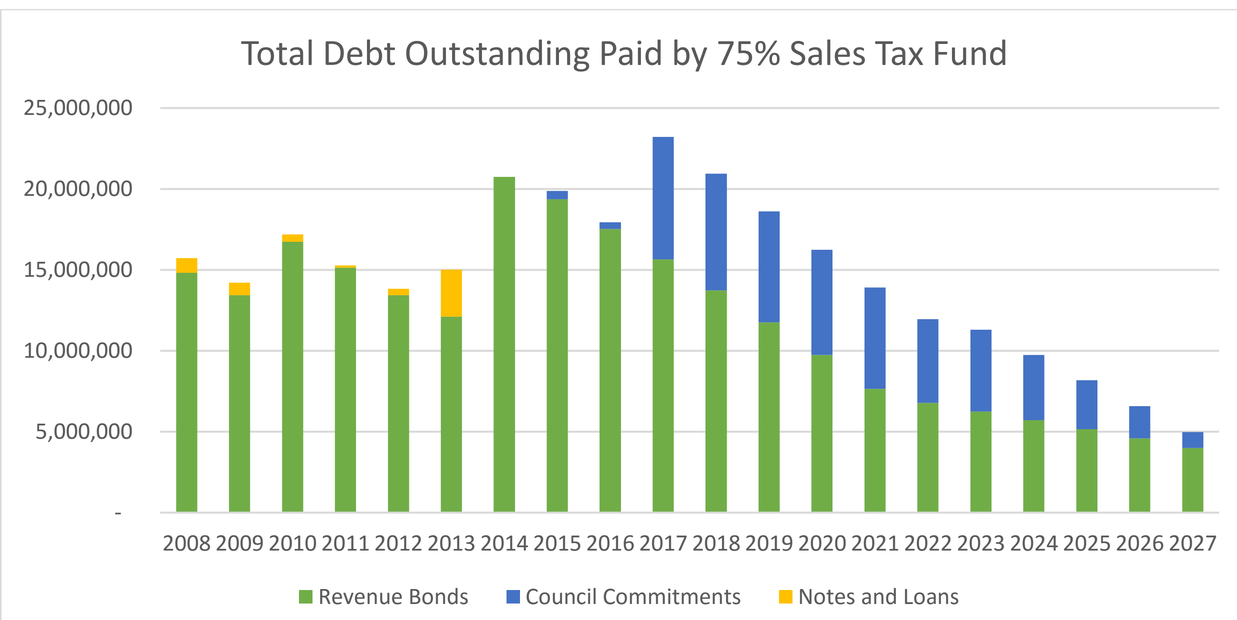
An additional annual appropriation is made in the form of Sales Tax Grants as an economic development incentive. This grant affects the General Fund, 25 Percent Second Penny, and 75 Percent Second Penny. The incentive grants are currently being made to 3M and Bel Brands, USA as part of an overall economic development program adopted by the City Council. These do have maximum amounts and are paid commensurate with an amount of local sales tax paid by the recipient. In 2017, our budget expects to grant $577,500 for these two recipients. All three funds are affected, because these funds receive sales tax as a revenue, so the grant affects each fund equally. This annual appropriation is considered revenue-neutral because the grant matches the revenue generated by the private improvement.

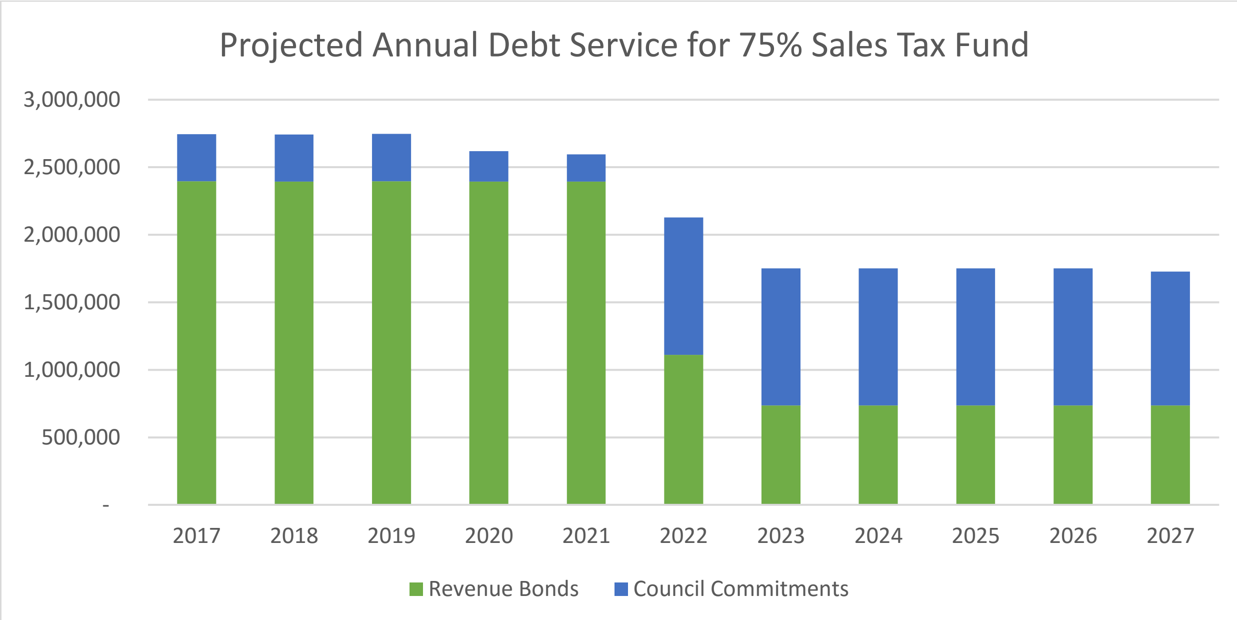
Finally, the Storm Drainage Fund is financing debt service issuances associated with several drainage improvement projects through the State Revolving Fund Loan Program (SRF). This program has an interest rate of three percent (3%) and a term of 20 years. It is specifically designed to assist local units of government with financing water-related infrastructure projects. The following is a summary of the storm water debt:

	Storm Drainage Project	2017 Debt Service	Last Year of Payment
1)	Southland Lane pond	$26,037	2032
2)	Pheasant Nest pond	$22,356	2033
3)	Nelson pond	$15,076	2033
4)	Camelot drainage system	$131,526	2034
5)	Division Ave. system	$29,878	2036

Municipalities are statutorily limited in the amount of tax-supported debt they can assume. This limitation is expressed as a percentage of overall property assessed valuation. At this point, we are consuming approximately 40 percent of our allowable debt capacity. The City has a very strong credit history with a credit rating of A1 according to Moody's Investor Services who completed our last analysis. Such a rating is a 'snapshot' of our overall financial picture and how we manage our finances, including cash reserves and overall fund balances. Favorable credit ratings also earn lower interest rates for any future debt issuances. Debt issued by Brookings Health System or Brookings Municipal Utilities are considered public enterprise debt with debt service being financed by revenue from their respective operations. As such, they are classified differently and subject to different debt limitations. As you know, these entities also have significant debt.

State law and standard accounting practices require us to describe tax increment as debt even though actual debt may not be issued. For some of our districts, the developers actually issue the debt, and for other districts, the City fronted the project costs with cash, and recover such costs over time with increment.





Cash Balances

An inherent component of public budgeting is projections of cash and fund balances, reserves, cash flow, and working capital. As a general rule, reserves in various funds need to be healthy, but not excessive. Admittedly, striking this balance is subjective, but some axioms provide guidance. First, reserves should adequately provide three to six months of working capital for cash flow purposes. Second, they should provide for desired depreciation, capital replacement, contingencies or emergencies, and any desired savings for future capital needs. Third, they should not be so excessive to amount to over-taxation or over-charging. Cash and fund balances are critically examined by auditors, bonding agencies, and lenders. Sufficient cash balances are an integral component of our A2 credit rating. Great pains should be taken to preserve our credit rating.

Much of our reserves are liquid and easily accessible, while other amounts have various levels of restrictions for their use. For example, bond reserves are not accessible, as lending agencies often require a reserve restriction to cover debt payments in the event of a shortfall, as long as there is a principle outstanding. In my opinion, this budget strikes the appropriate balance of meeting our spending needs within our revenue parameters, preserves and protects our reserves, and where necessary, makes responsible use of reserves, in accordance with the Council's priorities. Perhaps most importantly, our credit rating is preserved.

Estimated year-end 2017 cash balances for the largest and most active funds are:

Fund 101 General Fund	$2,727,199
Fund 212 Second Penny 25%	$296,394
Fund 213 Second Penny 75%	$1,018,642
Fund 284 Third Penny	$862,993
Fund 214 E-911	$67,602
Fund 282 Storm Drainage	$438,772
Fund 224 Swiftel Center	$306,890
Fund 285 BID Hospitality Tax Revenue	$150,913

Special Revenue Funds and Budgets

Our special revenue funds are chiefly the Storm Drainage Fund, E-911 Fund, Public Art Fund and the Swiftel Center Fund. The Storm Drainage Fund finances most of the capital projects involving the City's storm water management infrastructure and maintenance thereof. It has a dedicated revenue stream using Drainage Utility Fees and has a comprehensive long-term plan, which the Council recently updated for prioritized improvement projects. The Council has the option of increasing this fee. The last increase was a doubling of the previous fee in 2008 and has not been increased since. Staff recently provided you with a rate study for this fund on potential rate increases. The Drainage Fee provides for cash payments of various storm drainage capital projects as well as debt service for more expensive capital projects. We can expect an operational cost increase in 2017 as rates from BMU for sewer-jetting costs will be increasing. Such rates have not been adjusted in many years.

The second major revenue fund is the E-911 Fund. This is a joint powers fund for dispatch services between the City and County. The City acts as the fiscal agent for the fund and dispatch employees are City personnel. The primary revenue stream is State funding, which comes to all local dispatch centers via a state-imposed Telephone Tax. This tax does not provide, nor is it intended to provide, all necessary funding to operate local dispatch centers. The City and County supplement operational expenses on a pro rata share based on call load. Because this is an intergovernmental operation and receives significant state funding, it is considered a Special Revenue Fund separate from the General Fund.

The Public Art Fund is a third segregated fund. Established in 2016 for implementation with the 2017 Budget, this prescribes a one percent (1%) supplemental transfer for each other fund's capital expenditures annually to be dedicated to public art. An Arts Commission has been established to recommend expenditures for public art displays to the City Council. For 2017, the estimated revenue for this fund is $67,471.

The fourth major revenue fund is the Swiftel Event Center Fund. This fund provides for the operation and management of the Swiftel Center. Its revenue is comprised of $2,052,979 from its own operations, up slightly from $1,996,155 in 2016, and augmented with an operating shortfall from the Third Penny Sales Tax Fund. The proposed 2017 3B Supplement is $404,950, up from $375,000 in 2016. One of the reasons for this increase is the new Federal Fair Labor Standards Act (FLSA) which mandated a significant increase in overtime costs for exempt employees. VenuWorks employs a significant number of employees on our behalf that are affected by this change. The Swiftel Center is a significant community generator of Sales Tax Revenue. Capital expenditures associated with the Swiftel Center are financed chiefly by the 75% Second Penny Public Improvement Fund, which is capped for 2017 at $300,000. Most of that will be consumed by debt service payments via an inter-fund loan from the Solid Waste Landfill Fund for the seating replacement.

Hospitality Tax Revenue

The City of Brookings utilizes two statutorily-authorized revenue streams using hospitality commerce as the base for a tax. The 3B (bed-board-booze) tax is a supplemental sales tax applied to a much narrower base than the First and Second Penny Sales Tax. Listed as Fund 284 in the budget, it provides for expenditures connected with the promotion of the City. For 2017, we are estimating revenue of $871,500 and expenditures of $935,884. Primary expenditures of 3B Revenue include the Convention and Visitors Bureau, Downtown Brookings, Inc., the Swiftel Center, Chamber of Commerce, and other like expenses which include some outside agencies.

The second Hospitality Tax is authorized through a Business Improvement District and identified as Fund 285 in your budget. This tax is a $2 per room per night surcharge on all lodging accommodations. Commonly referred to as the "pillow tax" because of the nature of its tax base, all revenue is budgeted for the Convention and Visitors Bureau.

The primary public purpose of these two revenue streams is to provide reinvestment capital into entities that can leverage spin-off development for other entities, primarily private entities, to further generate increased commerce, economic development, and tax base expansion.

Public Enterprise Funds and Budgets

Public Enterprise Operations include the Liquor Store, Solid Waste Landfill, Solid Waste Collections, Golf Course and Airport. By the strictest of definitions, public enterprise operations should ideally be self-sufficient in generating enough revenue to cover their expenses, so they do not rely on tax revenue. This has historically been the case, and continues to be so for the Liquor Store and Solid Waste Budgets. The Golf Course should see that level of financial sustainability with the many operational and capital improvements that have been made and contemplated in the future. This operation is heavily weather-dependent and favorable weather conditions can help insure that profitability. The Airport will never achieve profitability and requires a transfer from the General Fund for operations. The Airport is heavily dependent upon State and Federal Grant Programs for capital improvements. It is limited in capacity as an FAA-General Aviation, Part-139 Airport Facility.

A primary public purpose of public enterprise operations is to generate sufficient revenue to provide a transfer to the General Fund as another revenue stream to reduce the reliance on taxes. Judicious use of transfers needs to insure that sufficient cash is retained for purposes of operating expenses, cash flow and working capital, and depreciation. The proposed budget has the following public enterprise operations making transfers to the General Fund. A supplemental transfer to the Golf Course from the Liquor Store is envisioned only to the extent a shortfall develops by year-end. No tax revenue is used for the golf course operating expenses, and this year, we have moved the golf cart leases from second penny capital to operations. Capital expenditures, such as equipment replacement and facility improvements, continue to be financed by Second Penny. The Golf Course Revenue includes a surcharge for capital improvements beginning in 2016 and continues for 2017.

Proposed transfers are as follows:

Brookings Municipal Utilities	$2,255,000
Solid Waste Landfill	$600,000
Municipal Liquor Store	$300,000
Municipal Liquor Store (to golf if needed)	$100,000
Research & Technology Center	$120,000

Funding Requests for Outside Agencies

As always, we solicit requests for City financial assistance to other entities by which we can form partnerships to further the quality of life for our community. We received 23 applications totaling $1,469,200. Most were repeat requests, but some were first-time requests. The Council has received copies of all applications and this budget includes my staff recommendations of funding for each applicant. Subsidy requests are found in the General Fund, 75 percent Second Penny Fund, 3B Fund, and the Business Improvement District Fund.

Economic Development

As in past years, furthering economic development remains a staple of our goals. This priority is reflected in our Strategic Plan as well as our Budget. It is important that policy prescriptions be adequately supported with budgetary commitments. This budget continues our strong support of Brookings Economic Development Corporation (BEDC) and the Growth Partnership of the SDSU Research Park. In addition to the traditional economic development strategies of commercial and industrial development, BEDC has launched new initiatives reflective of the new economy such as fostering entrepreneurialism and workforce development.

We continue to emphasize the visitor industry as a key component of economic development through the Convention and Visitors Bureau and with special events such as the third year of "Downtown at Sundown." The Swiftel Center is also a key generator of visitor traffic. The proposed budget also continues the Downtown Retail Acceleration Grant Program through the 3B Fund for eligible recipients as another Economic Development Incentive Program targeted to our Downtown Central Business District.

In recent years, our economic development efforts have broadened to include retail development. Since our budget is heavily-dependent upon sales tax, it makes sense to invest in strategies that help generate sales tax for the future. In addition to the budgetary imperatives of increased sales tax revenue, expansive retail opportunities add to the quality of life for residents and visitors with additional options for shopping, dining, and other consumer services. Brookings is losing too much sales tax revenue to other destinations. Our efforts to develop the old DOT property into Brookings Marketplace represents the best opportunity to help make this happen. We own the land and have interest from private sector partners that can make it happen.

A note of caution is warranted here. A 10,000-foot view of our Capital Improvement Plan and Community Reinvestment Plan clearly reveal they will require substantial increases in sales tax growth to be sustainable. Property taxes alone will not keep up with the projected spending. Our long-term commitments to SDSU's PAC II, Brookings Health System, the Sales Tax Rebate Program, and even the Boys and Girls Club facility, along with current debt service obligations, consume capacity for cash for other capitalized expenditures. The long-range project of financing the 20th Street/Interstate 29 overpass/interchange will require substantial cash that can only be generated from sales tax growth. For this reason, we need to aggressively move to develop Brookings Marketplace with more retail in an effort to increase the revenue stream.

This will require incentives; a fact of life in today's economic development world. Incentives can be challenging to quantify a justifiable return on investment. But consider this perspective: if we offer too much, we are out a little money. If we offer too little, we will have lost future opportunities to recover not only that original incentive investment, but almost certainly the spin-off value that will materialize. Perhaps without consciously realizing this, we adopted this strategy which successfully caused Bel Brands, USA to select Brookings.

New Initiatives

A few years ago, we embarked on new concepts and ideas to improve our governance. Such efforts have intensified over the past two years specifically. We began by undertaking a comprehensive discussion about sustainability issues and integrating more eco-friendly measures into government services. That expanded to lean government practices, improved public transparency, more integration of modern technology applications, and a stronger commitment to public art.

We have since expanded such efforts by examining measures to bolster our Central Business District through the Small Business Grant Program and promotion of downtown open/green/gathering space. We have been working with our economic development partners on workforce development and maker-space initiatives. Special projects have taken long-term perspectives for a new Comprehensive Master Plan and the first-ever Bicycle Master Plan designed to institutionalize our commitment to bicycling for enjoyment and as an alternative mode of transportation. The public dialogue about the Recreation Center has spurred considerations about a Park Facility Master Plan for both indoor and outdoor recreation and athletic facilities. We have met future needs of transportation by facilitating efforts with the State of South Dakota for Highway 14 improvements and involved the community in every aspect of this ambitious project, while also positioning ourselves for a future major street system and interstate highway crossing to serve the southern portion of the City.

Finally, we have taken on the difficult challenge of affordable housing for a large segment of our population. We have also begun a community conversation about mental health issues.

To be sure, these items have implications on our resources of time, talent, and treasure; but can be addressed with proper prioritization, and thoughtful, pragmatic discussion. Perhaps most importantly, we need to expand our base of partners and build upon our current partnerships for continued success. Government cannot and should not undertake these efforts alone and strong partners have always been a hallmark of everything we have endeavored to do. Certainly, this needs to continue to address the needs and challenges of the future in our never-ending quest of continual improvement.

Conclusion

As perhaps the single-most important policy document government can have, the Budget is not only the lubricant to grease the gears of a complex mechanism. It is also an expression of goals, values, and a vision for the present and the future. In order to operationalize that vision, we have aggressively developed and implemented Strategic Plans, which now spans more than just one year. As a living document, we monitor performance and track results of the Strategic Plan and make mid-course corrections as necessary.

As always, budgets reflect priorities. Priorities come with opportunities and limitations, but also challenges to be overcome, if we are bold enough to assume a responsible degree of risk in pursuit of that vision. I believe this budget accomplishes all of these objectives and continues to be true to our compass as expressed in our mission statement and vision statement.

I would like to thank the staff and especially the department heads for their diligent work in helping me prepare this comprehensive document. Their commitment, dedication, and perseverance to the values of public service continue to be stellar and are serving this community in an outstanding fashion. I would also like to thank the Mayor and Council Members for your leadership in addressing the many opportunities we face with courage, pragmatism, and boundless optimism for the future.

As always, it remains an honor and privilege to serve as your City Manager. For me, there is no higher calling than to serve the residents of the City of Brookings.

Sincerely,

CITY OF BROOKINGS

Jeffrey W Weldon

Jeffrey W. Weldon
City Manager