

State of the City
2008
Mayor Scott Munsterman
Presented on April 7, 2009

The City of Brookings is committed to providing a high quality of life for its citizens, and fostering a diverse economic base, through innovative thinking, strategic planning, and proactive, fiscally responsible municipal management

2008 recorded another banner fiscal year for the City of Brookings. Our total governmental fund revenues of \$19,563,286 exceeded projections in our balanced budget of \$19,145,228. During the course of the year, we were presented with some purchases we could not avoid: the purchase of two homes along the rail line at the 22nd Avenue intersection, land that became for sale within the new proposed RPZ area at the airport and in addition, we paid off the infrastructure costs for the new industrial park. These expenditures totaled \$903,935, which we were able to use the increases in our sales tax over and above our budgeted amount, to pay for. Our ability to tackle these types of projects financially is the result of our city's financial policy and the dedication of the city administration to hold the line on expenses and increase efficiencies within each department. Brookings is in a position of financial strength due to this teamwork, allowing us to make strategic investments in the future.

Sales tax receipts increased 4.01% as compared to 15.42% in 2007. Our 3B taxes generated \$643,394 in 2008, holding relatively stable with a small decrease of \$10,723 or -1.64% from 2007. Our 1st and 2nd penny sales tax revenue and our 3rd B revenue for the first quarter of this year have been up 2.79% from last year this time. In light of the recession and economic cycle we are in, I have only one thing to say: Thank you. Thank you to the people of Brookings for shopping at home and supporting their local economy.

Employment in Brookings has remained strong as well. Brookings added 715 total employees in 2008, ranking us tied for second in total job growth in the state with Rapid City. Sioux Falls added about 230 more total employees to the economy. Brookings also exported a number of jobs to Sioux Falls via Daktronics and VeraSun, some which were relocated jobs and some which

were jobs we just could not accommodate due to labor shortages. We - for all practical purposes - are number one in job generation for the state of South Dakota. The total number of employment opportunities listed in SDWORKS, the Department of Labor's online job database today is 589, with a 2.2% unemployment rate; the lowest in a state that ranks third lowest in the nation. The unemployment rate in the nation now is at 8.9% as of February. We can be grateful to our diversified economy and the 'yes we can' attitude we have cultivated in our community over the years. This attitude continues to show through in our strategic planning over this past year.

On May 12th I will be swearing-in our new mayor, Tim Reed. I am excited to help kick off a new era of leadership for Brookings. And I am looking forward to watching our success continue as we move into our future. Mayor-elect Tim Reed will provide a look ahead when he officially takes office, but today I would like for us to celebrate a look back to see how far we have come over the last 8 years:

Words do not express the pride and honor I have felt having been elected by you to serve as your mayor. You have elected me three times over the last 8 years. I do not take that for granted. We have made significant progress together and here are some highlights:

- We reformed the way we did business in the city and have a successful financial policy which has brought Brookings to a position of financial strength.
- We capitalized on the 3rd B tax (which now totals more than \$600,000 in 2008) and we put to work some creative minds on the Brookings Visitor Promotion Board to help promote and bring more people to Brookings for events and to shop.
- We have created new energy in our retail market as evidenced by the expanded retail development efforts with the addition of Lowes, the formation of TIF districts for further business and retail development and the new developments occurring in the area of the University Mall. There is a new enthusiasm for retail in Brookings!

- We established South Dakota's first research park, the Innovation Campus, through a unique partnership effort between the city, county, SDSU, SDSU foundation and the business community in Brookings. This will prove to be one of the best investments we will have made in the last 8 years for the future of the Brookings region. It will also pay dividends to the rest of the state as the 125 acre park spins off research and technology businesses over the next several decades, providing high paying jobs and opportunities for our young families.
- We developed a regional partnership with the smaller communities around Brookings and have embarked upon a larger regional collaboration with communities along the I-29 corridor, aligning our resources within a regional growth strategy. In 2002, Senator Dorgan of ND brought UND and NDSU together to build the Red River Research Corridor; and as a result have amassed in attracting over \$300 million in research dollars to the region. We will bring that type of success to the I-29 corridor and Brookings will be a key player in the game. Partnerships pay dividends.
- We studied our housing market needs and this past year we saw action on that front. Housing developments in a more 'affordable' range have begun. SDSU is also in the planning process of designing residential opportunities for their student population as they continue to grow in enrollment. As a result, pressure for student housing will lessen in our family neighborhoods improving the quality of life for those neighborhoods from less density.
- To help in our city planning needs, we hired our first community development director, to focus our efforts more keenly in planning for the future and providing a unique interface between our public and private sector as we continue to grow into the future. This will be a valuable investment for our city.
- We championed efforts to bring people together as a team: public and private partnerships are alive and well and growing; improving our quality of life in Brookings. Hillcrest Aquatic Center, the Boys & Girls Club and the new downtown streetscape all came about through

the collaboration of key people in the community coming together to get the job done. The Children's Science Museum, in my opinion, will tag Brookings as the 'Wall Drug' of eastern South Dakota. People will come to downtown Brookings.

- We're about to start wellness programming into our park and rec system and through a unique partnership with the SDSU wellness and health promotion students, our community will have an opportunity to be 'coached' to health, providing these students with a purposeful internship program and our citizens with the help they need to regain their health.
- We stepped forward together as a community and as a county, towards a long term solution to rail safety in the region. Through the newly formed Brookings Regional Rail Safety Authority, the city, county and other interested communities or townships along the rail line can participate in the long term planning of rail safety in the region. And we will come up with a long term solution over time. Together.
- We established a transportation board that will continue to monitor and assess the needs of our mass transit system (BATA) and provide a valuable service to not only in-city transportation but also rural transit solutions for years to come.
- Along those same lines, we have and are continuing to invest in more bicycle lanes and pedestrian walkways for the growing number of people interested in the enjoyment of biking and walking.
- We invested in our downtown streetscape and infrastructure and now we hope for the downtown businesses to reinvest in their storefronts like many have to make our downtown a truly historic and authentic attraction.
- Those of you at home are enjoying the televising of our council meetings. We made investments in technology to bring government closer to the people and the success speaks for itself.

The Brookings region is growing and thriving. One can't help but get excited when you take a tour around the community to see what is all going on. It didn't happen by accident. It took vision, planning and good decisions to bring us to this point. It will continue to take these very same components to carry us well into our future.

When you elected me in 2001, we had the daunting task of shoring up a long list of needed improvements, we had a 20th century economic plan and a city budget that was losing money; leaving us in a very poor financial position. Today, significant investments have been made in restoring our city services, preparing our community and the region for a knowledge-based economy and bringing the City of Brookings to a position of financial strength. It wasn't easy making these strategic moves, but we are in a good place now as a city because of the dedicated people, both elected and administrative, who faced the challenges head on.

We have come to a point in time in our community where we must be prepared to make significant long term investments: investments in our airport, railroad safety, water and sewer infrastructure for new housing developments to name a few. We have set a strategic direction for investment in our community for the next decade to lead us well into the 21st century that Mayor-elect Reed will address in the near future.

Brookings is known for its leadership role in innovation and creativity across the state. We must continue to forge ahead with new ideas and sensible decisions that will bring a higher quality of life. As we grow, please keep in mind that your city leadership, from the city council to the volunteers who serve on our city boards as well as our city staff, are dedicated to serving out the mission of the city. A mission *"committed to providing a high quality of life for its citizens, and fostering a diverse economic base, through innovative thinking, strategic planning, and proactive, fiscally responsible municipal management"*.

Please remember your elected officials and city staffs' motives and intentions are noble. So, please give them your support.

Our mission (and let me emphasize our collective community mission) is committed to a common cause, a common goal, and a common purpose. We can be proud of Brookings' successful

formula of leadership and teamwork. Thank you for your support over the last 8 years. Thank you for your commitment and dedication to our collective mission. Nothing worthwhile is ever accomplished without challenges and nothing worthwhile is ever accomplished without the combination of vision with courage. There is no doubt in my mind our better days are ahead. But it will continue to take a culture of creativity and the understanding of the importance to always look for a better way to address our challenges. Let's not rely on our past successes in our leadership or how we have done things, but rather let's rely on refining our vision and revising our plans together as we move ahead.

By working together, let's continue to make 'significant' impacts on the lives of people in our community and the surrounding region.

Thank you.

Scott Munsterman

Mayor

City of Brookings