

2020 BUDGET



Budget Overview and Process

The City of Brookings adopts a budget on an annual basis to set the strategic direction for the upcoming year. Beyond the dollars and cents discussed in the 2020 Budget, the budget serves as a policy tool, operations guide, financial plan, and communications device.

Policy Document

As a policy document, the 2020 Budget demonstrates service delivery and programs for the upcoming year. New for 2020, the Budget includes the Comprehensive Financial Management Policy (p. 180-183) which provides the foundational principles by which the budget is formulated and implemented.

Operations Guide

The 2020 Budget provides the funding level by department, down to the line item detail. Budget narratives and corresponding financial information for each department show the focus of the department, funding history, and upcoming projects and goals.

Financial Plan

As a financial plan, the budget gives the reader a history of the expenditures by department, revenue trends, changes, and challenges.

Communications Device

The most important role of the 2020 Budget is to provide the reader with an understanding of the City's revenue, expenditures, strategic priorities, and overall direction. Another new feature for the 2020 Budget is the Budget in Brief (p. 11-15). The Budget in Brief summarizes the entirety of this document into a five-page snapshot.

Explanation of the Budget Process

While the administration and implementation of the budget process occurs on a continuous basis, budget preparation generally takes place over a six (6) month period from April through September. The culmination of the budget process is the passage of the annual budget ordinance by October 1. Beyond setting the annual operating budget, the budget process also includes review and adoption of the Consolidated Fee Schedule and 10-Year Capital Improvement Plan. The City takes the following steps to ensure that the budget ordinance is passed on time with significant opportunities for public input:

- April: Department Heads and the Budget Team meet to discuss the status and review expenditures of capital projects, which allows for adjustment of the capital improvement fund based on the need for carryover, project savings, or cost overages. It is also at this time that the Budget Team and Department Heads complete an initial review of the 10-Year Capital Improvement Plan (CIP) to determine changing priorities or needs.
- May: Previous year financial information and key budget assumptions for the upcoming year are distributed to Department Heads to aid in budget development. Budget Team meets with Department Heads to discuss 10-Year CIP projects and funding availability. City Council discusses capital budget priorities, among other topics, at a strategic planning retreat.
- June: Outside agency subsidy application requests, departmental operational budgets, 10-Year CIP updates, and fee schedule updates are due. Departmental meetings are held to review operational and capital requests while considering revenue projections, priorities, and strategic direction.
- July: Proposed operating and capital budgets are distributed to City Council and initial budget work sessions are held.
- August: Budget work sessions continue and transition to formal readings of the Budget Ordinance at City Council meetings.
- September: The Budget Ordinance, 10-Year Capital Improvement Plan, and Consolidated Fee Schedule are adopted by City Council.

2020 Budget Calendar

Date	Activity
April 8 through April 12	Funds 213 – 214 Capital Improvement Plan (CIP) Project Review
May 1	Press Release on Outside Agency Subsidy Application Process
May 6 through May 10 May 13 through May 17	10 Year CIP – Discussion with Department Heads
May 17	Projected Personnel Costs are Calculated
May 30 and May 31	City Council Strategic Planning Retreat
June 1	Outside Agency Subsidy Applications Due
June 7	Department Heads Submit: <ul style="list-style-type: none"> • 10 Year CIP • Updates to the Fee Schedule • Operational Budget Requests
June 17 through June 21	Operational and CIP Budget Team Meetings with Departments
July 23	Budget Work Session #1 with City Council
August 13	Budget Work Session #2 with City Council
August 27	Budget Work Session #3 with City Council First Reading of 2020 Budget Ordinance
September 10	Second Reading of 2020 Budget Ordinance
September 24	Third Reading and Adoption of 2020 Budget Ordinance Adoption of 10 Year CIP and Consolidated Fee Schedule
November	2020 Budget Books Available Budget Available on City Website
January 1, 2020	New Fiscal Year Begins

Basis of Budgeting and Fund Overview

The City maintains over thirty (30) funds, which include a general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, and an internal service fund.

The basis of budgeting for accounting refers to the timing of revenue and expenditure recognition. All governmental fund types are accounted for using the modified accrual basis of accounting. Under the modified accrual system, revenues are recognized when they become measurable and available and expenditures are generally recognized when the related fund liability is incurred. All proprietary and fiduciary fund types are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Below is a breakdown of the structure of the funds which appear in the 2020 Budget Book.

Fund Name	Fund Type	Identifying Numbers	Basis of Accounting
General	General	101	Modified Accrual
75% Sales and Use Tax	Special Revenue	213	Modified Accrual
Enhanced 911	Special Revenue	214	Modified Accrual
Swiftel Center	Special Revenue	224	Modified Accrual
Library Fines	Special Revenue	226	Modified Accrual
Library Donations	Special Revenue	227	Modified Accrual
Special Assessment	Special Revenue	280	Modified Accrual
Storm Drainage	Special Revenue	282	Modified Accrual
Bed, Booze, and Board (BBB)	Special Revenue	284	Modified Accrual
Business Improvement District (BID)	Special Revenue	285	Modified Accrual
Public Art	Special Revenue	290	Modified Accrual
TIF 1 – Innovation Campus	Debt Service	314	Modified Accrual
TIF 3 – Valley View	Debt Service	316	Modified Accrual
TIF 4 – Sieler	Debt Service	317	Modified Accrual
TIF 5 – 32nd Avenue	Debt Service	318	Modified Accrual
TIF 6 – Digester	Debt Service	319	Modified Accrual
TIF 7 – S. Main Ave	Debt Service	320	Modified Accrual
Gateway Project	Capital Projects	520	Modified Accrual
Liquor	Enterprise	601	Accrual
Airport	Enterprise	606	Accrual
Golf	Enterprise	607	Accrual
Solid Waste Collections	Enterprise	612	Accrual
Solid Waste Disposal	Enterprise	625	Accrual
Research and Technology Center	Enterprise	630	Accrual