



City of Sidney, MT
Budget and Finance Committee Meeting
August 12, 2024 5:30 PM
115 2nd Street SE | Sidney, MT 59270

The City Council meetings are open to the public attending in person, with masks encouraged when social distancing cannot be accomplished. If the public does not wish to participate in person, they are also invited to participate via a Zoom meeting. You can participate via phone:

Meeting ID: 713 080 5898 Passcode: 4332809 Call: 1-346-248-7799

Alderman Present: Christensen, Koffler and DiFonzo

Other's Present: Mayor Norby, PWD Hintz, Chief Kraft, Clerk/Treasurer Chamberlin, Deputy Clerk/Treasurer Schmierer, Parks Superintendent Ridl and McKenzie Coltrin

1. New Business

a. American Tower Lease

Alderman Koffler stated he feels the City should stay with the current contract. Alderman DiFonzo stated it is in the best interest of the City to keep it the way it is.

Motion was made to recommend keeping the current contract.

Motion made by DiFonzo, Seconded by Koffler.

Voting Yea: Christensen, Koffler, DiFonzo

b. Red River Drive Drainage Report

PWD Hintz stated Interstate Engineering is recommending installing valley gutter and retaining wall for the portion of the property that is eroding. He stated he does not have a cost estimate at this time but he is guessing \$50,000-\$100,000 if it is hired out to complete the project as the report recommends. He stated the runoff is not from the road, it is all from the normal rainfall and where it falls on the roof of building. Alderman DiFonzo stated the report does not say the City is responsible for the erosion and PWD Hintz stated 8 feet of the property is public right of way and the rest is Sidney Mill Works private property. Alderman DiFonzo asked if the road being paved caused the issue and PWD Hintz stated he cannot say but guesses because of the curb and gutter taking it down the street it is better. Alderwoman Christensen stated from reading the report it proves it is not the City's issue. Mayor Norby stated the grade of the street and the curb and gutter help keep the water away from the property.

Alderman DiFonzo stated he sympathizes with the situation and paid for the plan to show him what needs to be done. PWD Hintz stated doing drainage work for private property could open the City up to having to do more properties that have issues. Clerk/Treasurer asked if the property owner is responsible for work in the right of way and PWD Hintz stated City Code does not give the responsibility of drainage to the report owner like sidewalks or snow removal is. PWD Hintz stated City Crew could install the valley gutter for cheaper than a contractor, but they do not currently have the time to do the work.

Alderman DiFonzo recommended having City Attorney Kalil review the report to ensure the City is not liable for the improvements and the Committee agreed.

c. FY24-25 Budget-Taxable Valuation and Mill Levies

Clerk/Treasurer Chamberlin reviewed the 2024 taxable valuation, the mill levy computation form and the mill levy schedule for FY24-25. She stated the number of mills increased because of the taxable valuation dropping. She stated the total property tax revenue for FY24-25 will be \$1,854,683 for 171.47 mills, plus the voter approved additional mill levy for the local government review of \$31,000 or 2.87 mills. She stated the only change in the expenditures that has taken place since preliminary budget that was presented presented is an increase to the Fire Relief Agency payment from \$85,000 to \$90,000. She stated the Fire Relief Agency pays the volunteer fire fighter retirement and has not been increased since 2013.

d. SB332-Mill Levy Increase Calculation

Clerk/Treasurer Chamberlin stated SB332 requires the City to discuss the potential increase to the mill levy property taxes as part of the budget discussion and MACO provided the enclosed worksheet to estimate the increase. She stated the worksheet says the City will be increasing mill levy property taxes \$8.99 per \$100,000 in home value.

Clerk/Treasurer Chamberlin stated she would like to state she disagrees with the form provided and although it is currently the best tool to do as required by SB332, the form does not take into account the reduction in the amount each mill is worth. She stated the work sheet currently only accounts for increase or decrease in the number of mills.

e. FY24-25 Property Tax/Fee Rates

Clerk/Treasurer Chamberlin presented the proposed fee rates for the property tax assessments, as recommended for approval by the individual committees who have reviewed the preliminary budget.

f. FY24-25 Preliminary Budget

Clerk/Treasurer Chamberlin stated one change to the preliminary budget since its original appropriation is cash available in the general fund. She stated with the preliminary budget and mill levy's, there was not revenue available to transfer out of the general fund, but since updated information has been received there is \$50,000 available that could be transferred out of the general fund. She stated she currently has it budgeted to transfer into the Parks Facility CIP to go towards a grant opportunity that Parks Superintendent Ridl is present to discuss.

Parks Superintendent Ridl stated the National Fitness Campaign grant is an invite only grant for a fitness court that they would like to install by the pool where the current volleyball courts are. She stated half of the court will be a fitness court and the other half will be a blank slate that the City could paint the lines for pickleball or anything they chose. Mrs. Coltrin stated they are teaming up with Blue Cross Blue Shield to create free amenities for adults of all ages and abilities to increase activity in the nation. She stated they will assist in getting local sponsors such as hospitals or businesses who can advertise on the wall.

Clerk/Treasurer Chamberlin asked if the City applies and is approved for the grant, what happens if they do not have all of the match available when it is needed and Mrs. Coltrin stated the city can get approval to move it to the next campaign year. Clerk/Treasurer Chamberlin asked if the City applies and is approved for the grant but discovers they cannot proceed with the project at all, what happens and Mrs. Coltrin stated there is no obligation to continue if the City decides it cannot. Clerk/Treasurer Chamberlin stated the reason why she is recommending transferring the Parks Facility CIP is because should the grant fall through that CIP money could be used for any parks project the City chooses. Alderman DiFonzo stated the current tennis court is in dire need of improvements and it going to be a much more costly project that should take precedence. Mrs. Coltrin stated it is their hope to backfill any City costs by sponsorships. Alderman DiFonzo stated he has no issue pursuing the grant and transferring the money as presented but does not want that money to be specifically obligated until we know more about the grant and parks projects.

Motion was made to recommend approval of applying for the National Fitness Campaign grant.

Motion made by DiFonzo, Seconded by Koffler.

Voting Yea: Christensen, Koffler, DiFonzo

Clerk/Treasurer Chamberlin stated the City Council Committee have reviewed most the budget and have recommended approval of the preliminary budget. She reviewed the general fund preliminary budget that had no changes other than the discussed transfer. She reviewed the oil and gas fund budget whose only change was to reduce the City Hall computers and server update expenditures. She stated she budgeted \$25,000 out of 6 funds for a total of \$150,000 but the estimate came in at \$60,000 so all expenditures in all the funds have been reduced accordingly. Clerk/Treasurer Chamberlin stated that is the only change made in the rest of the budget also.

Motion was made to recommend approval of the preliminary budget.

Motion made by Koffler, Seconded by DiFonzo.

Voting Yea: Christensen, Koffler, DiFonzo

Adjourned at 6:13pm.