



City of Sidney, MT  
Budget and Finance Committee Meeting  
May 13, 2024 5:00 PM  
115 2nd Street SE | Sidney, MT 59270

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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 Godfrey (in replace of DiFonzo)

Others Present: Mayor Norby, PWD Hintz, Chief Kraft, Clerk/Treasurer Chamberlin and Deputy Clerk/Treasurer Shanks

**1. New Business**

**a. TBID Grant for Svarre Pool**

Clerk/Treasurer Chamberlin stated the TBID will be writing the City of Sidney a check for the \$10,000 grant for the City to then purchase the lap lane lines, wheel, cover, deck chairs and umbrellas. She stated that these purchases were not budgeted for in the current fiscal year, but if the City waits to order these items until the new budget is passed, the swimming season will be over before they are received. Clerk/Treasurer Chamberlin reviewed the YTD expenditures for the current fiscal year for the pool budget and recommended the approval of purchasing these items out of the current fiscal year.

Motion was made to approve.

Motion made by Christensen, Seconded by Godfrey.

Voting Yea: Christensen, Godfrey

**b. Nuisance Fund for FY24-25**

Clerk/Treasurer Chamberlin stated in FY23-24 the City Council approved expending \$15,000 out of the oil and gas fund to pay for the clean-up of some of the nuisance properties, with the thought of creating a Nuisance Fund for FY24-25. She stated the nuisance fund would pay for the clean-up of the properties and those charges would then get put on that properties property taxes, when that is paid the revenue would go back into the Nuisance Fund to then pay for future properties to

be cleaned-up. She stated to start this fund there will need to be a transfer from the oil and gas fund to start the process, but if we wait until the FY24-25 budget is passed in August, instead of the beginning of the fiscal year July 1st, the season for cleaning-up these properties will be mostly over. Clerk/Treasurer Chamberlin asked for pre-approval to start the Nuisance Fund in FY24-25 with a transfer from the oil and gas fund of at least \$50,000, with those expenditures to be able to be used starting with the fiscal year. She stated the amount transferred from the oil and gas fund could be more than the \$50,000, depending on how the budget process goes.

Motion was made to approve the creation of the Nuisance Fund for FY24-25 by transferring \$50,000 from the oil and gas fun, with those expenditures able to be spent starting July 1st, 2024.

Motion made by Godfrey, Seconded by Christensen.

Voting Yea: Christensen, Godfrey

#### c. FY24-25 Payroll and Proposed PW Pay Scale

Clerk/Treasurer Chamberlin stated the public works department is has been having retention and recruitment problems in the last fiscal year. She stated there are currently still 2-3 positions open in the public works department and the positions that are currently filled are employees who are closer to retirement age, so the need for the next generation to be hired and trained is imperative. She stated part of the problem is that the starting wage for public works employees is \$17.00, which has not been increased in at least 9 years.

Clerk/Treasurer Chamberlin presented a pay scale, based off the police department pay scale approved in FY21-22, with a starting wage of \$19.00, an increase of \$1.00 after their first year. The \$20.00/hour then becomes the base rate, which then has 4 percentage increases after set number of years, capping at 10 years. She stated the percentage increase is a percentage of the base rate, not the employees current wage. She stated to implement the pay scale equitably for all of the employees in question, all employees would then receive the increase they would have received should the pay scale be in place since they started. She stated that this creates a very large increase in payroll for the first fiscal year the pay scale is in place, a total increase across all funds of \$272,602.59. She stated the pay scale increase cost per fiscal year would drop substantially after the initial year, but the initial increase becomes the base payroll and would not decrease. Clerk/Treasurer Chamberlin then reviewed each fund that would be affected by this large increase in payroll, showing how much assessment rates would have to be increased to not only covered upcoming capital purchases, increased expenditures and the pay scale increase.

Clerk/Treasurer Chamberlin stated another option to review to try to resolve the issue at hand would be to review the starting wage of the public works department and then possibly do an additional increase for the current employees above the COLA, which the social security COLA is 3.2% this year. She stated if the COLA's that have been approved each fiscal year for the last 5 fiscal years had been applied to the starting wage of \$17.00/hour, the starting wage would now be approximately \$19.50/hour. Clerk/Treasurer Chamberlin stated that by then adding the COLA to the base rate each year, the situation that is currently at hand will not continue. She stated if the starting wage is increased to \$19.50/hour, and a 3.2% COLA was given to all employees, the increase in payroll costs would be \$699,742.79. She stated that if an additional \$1.50 was added

per hour for public works, or non-police department employees, it would be a total payroll increase of \$161,876.66. She stated these are additional options that can also be amended to reflect anything that they wished, including the COLA amount or the additional amount. She stated for example if a 6.4% COLA was applied for all employees, that would be a total payroll increase of \$133,666.55. Clerk/Treasurer Chamberlin stated these increases to payroll do include the liability increases of health insurance going up 1.6% and workers comp over increase of 4.37%.

In discussion the Budget and Finance Committee agreed that the increase in payroll costs for implementing the pay scale is not feasible and they would like to look further into the second option of increasing the base wage and its continuing to increase with the COLA each year. Also discussed was the starting wage being different depending on position and department.

Clerk/Treasurer Chamberlin will create starting wages for the different departments and positions and will report back to the Budget and Finance Committee to continue to review at the scheduled May 22nd, 2024 meeting.