City of Sidney

Montana's Sunrise City

115 2nd Street S.E., Sidney, Montana - 406-433-2809

Budget and Finance Committee Meeting
September 8, 2026 5:30 PM
115 2nd Street SE |Sidney, MT 59270

Committee meetings are held in a hybrid format, allowing both in-person and Zoom participation. Councilmembers will attend in person unless remote attendance is necessary. Consistent with the Montana Constitution's Right of Participation and Right to Know, the City is committed to open and accessible meetings. Public participation via Zoom or phone is available using the information below:

Zoom Link:
https://us06web.zoom.us/j/7130805898?pwd=tJpmtgBdGbsjBXS0EAU50ANb4u7h3l.1&omn=82991000382
Call: 1-346-248-7799 **Meeting ID:** 713 080 5898 **Passcode:** 4332809

1. Call to Order
2. Pledge of Allegiance
3. Roll Call

   Committee Members Present:

   City Officials/ Staff Present:
4. Correction or Approval of Minutes
   a. August 11th, 2026 Meeting Minutes
5. Public Comment/ Visitors

   Your opportunity for the public to address the Council on items not included on the agenda, no action will be taken during this time.
6. Monthly Reports
   a. August 2026 Treasurer's Report
7. New Business
8. Unfinished Business

a. LOCAL LLC Mineral Rights Offer

9. Montana Tourism Development Grant

    a. 217 Central Avenue-Empty Lot Update

10. Comments and Questions from the Committee

11. Adjournment

Meeting Guidelines

- We ask that all participants be respectful and courteous.
- Please direct comments to the Council as a whole.
- When speaking, please state your name for the record.
- Be mindful of others by keeping comments concise and avoiding repetition.
- The presiding officer may guide speaking time to help the meeting run smoothly.
- Disruptive behavior may result in removal from the meeting.

City of Sidney, MT
Budget and Finance Committee Meeting
August 11, 2026 5:30 PM
115 2nd Street SE |Sidney, MT 59270

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1. Call to Order

   The Budget and Finance Committee met in regular session on August 11th, 2026, at City Hall and the meeting was called to order.

2. Pledge of Allegiance

   Those present joined in the Pledge of Allegiance.

3. Roll Call

   Committee Members Present:

   City Officials/ Staff Present:

   Council Present: Christenen, Buxbaum, DiFonzo, Skinner
   Council Absent: None
   City Officials/Staff Present: Mayor Norby, PWD Hintz, Interim CAO Chamberlin

4. Correction or Approval of Minutes

   a. July 14th, 2026 Meeting Minutes
      Motion was made by Alderwoman Buxbaum and seconded by Alderman DiFono to approve the minutes from the July 14th, 2026 meeting. Motion carried unanimously.

5. Public Comment/ Visitors

   Your opportunity for the public to address the Council on items not included on the agenda, no action will be taken during this time.

   James Falcon (Sidney Herald)

6. Monthly Reports

   a. July 2026 Treasurer's Report

Interim CAO Chamberlin presented the Treasurer's Report on behalf of Interim Clerk/Treasurer Lange, who was unable to attend.
Interim CAO Chamberlin reported that fiscal year-end closing is nearing completion and the City's financial information is scheduled to be turned over to the auditors on August 15. She also reported that nearly 600 pool passes were sold this season. Staff will attend the League conference in October, and Council members were reminded that they are also invited to attend. Interim CAO Chamberlin further reported that significant staff time continues to be devoted to implementation of the City's new website and employee orientation as new employees are brought on board.

7. New Business

a. CivicPlus Meetings Training
Interim CAO Chamberlin provided the Committee with an overview of the City's new CivicPlus meeting management system. The City's website now provides a calendar-based agenda and minutes page where members of the public can select meeting dates, view agendas and attachments, and subscribe to receive notifications when agendas are posted. Committee and Council members also have access to a separate Board Portal.

b. TBID Update/Issues
Interim CAO Chamberlin provided an update regarding ongoing issues with hotel participation in the Tourism Business Improvement District (TBID). She reported that several hotels have repeatedly failed to timely report and remit required TBID assessments and that attendance at TBID Board meetings has also created difficulties in obtaining a quorum.
Of the participating hotels, MainStay, Wingate, and Microtel were identified as the only properties that had not experienced a delinquency during the previous four quarters. Other properties have experienced multiple reporting or payment delinquencies, with an outstanding balance still being addressed with Candlewood management.
Staff is researching an automated online reporting and payment system that would allow hotels to submit their required reports and payments directly through the City's website. The system could also provide automatic reminders, reducing the amount of staff time currently required to repeatedly contact delinquent properties. Any cost associated with such a system would be paid through TBID-related revenues rather than the City's General Fund.
Interim CAO Chamberlin explained that the City also has options to address continued attendance problems on the TBID Board, including replacing existing representatives with hotels that have demonstrated more consistent participation or potentially increasing the size of the Board. Staff, the Chamber, and the TBID President are also

working to educate new hotel owners and managers regarding the purpose and requirements of the district.

The Committee discussed the substantial administrative burden placed on City staff when participating hotels fail to meet their obligations. Members emphasized that the TBID was created at the request of the hotels and exists for their benefit and the promotion of tourism. The Committee also recognized the significant benefit the program has provided, with more than $1.4 million invested into community events and activities over approximately the last decade.

The Committee agreed that maintaining a functioning TBID remains preferable to dissolution but expressed that continued noncompliance cannot be allowed indefinitely. Interim CAO Chamberlin will communicate the Committee's concerns at the upcoming TBID Board meeting and continue pursuing administrative and Board-level solutions before more significant action is considered.

No formal action was taken.

c. LOCAL LLC Mineral Right's Leasing Offer

Interim CAO Chamberlin presented two offers received from Local LLC to acquire interests in mineral rights owned by the City. The two proposed payments are approximately $164,000 and $53,000, for a combined one-time payment of approximately $217,000.

Interim CAO Chamberlin explained that the City owns numerous mineral interests that have been acquired or gifted over time, making it difficult to immediately determine the exact proportion of the City's mineral interests represented by the offers. The City has received approximately $16,000 to $18,000 annually in oil royalties in recent years, with approximately $40,000 received during the most recent year due in part to a substantial back payment.

The Committee discussed the long-term implications of exchanging an ongoing royalty revenue stream for a one-time payment. Members noted that the proposed purchase price represents approximately ten years of recent royalty revenues and expressed concern that selling the interests could eliminate potentially valuable future revenue if oil development increases.

Interim CAO Chamberlin also noted that oil and gas revenues are currently returned to the community through the City's Oil and Gas Fund and are used to support community organizations and projects.

The Committee agreed that additional expertise is necessary before making a recommendation and discussed obtaining an independent opinion from someone familiar with local oil and mineral interests rather than relying solely upon information from the company making the offer.

Motion was made by Alderman DiFonzo and seconded by Alderwoman Buxbaum to table consideration of the mineral rights offers until additional information and professional input can be obtained. Motion carried unanimously.

8. Unfinished Business

a. Impact and Hookup Fees for Water and Sewer

Interim CAO Chamberlin presented additional research regarding water and sewer connection fees and impact fees charged by other Montana municipalities. She cautioned that the comparison is not comprehensive because fee structures are not consistently codified or readily available among communities, but the information provides a general comparison for the Committee.

Under Montana law, connection fees are intended to reflect the actual cost of connecting a property to the utility system, while impact fees are restricted for improvements associated with future growth. Staff's review indicates the City's actual cost associated with a new connection is approximately $2,000.

The City's current water connection fee is $1,000 and the sewer connection fee is $1,500. Interim CAO Chamberlin recommended establishing both water and sewer connection fees at $2,000.

The Committee also revisited the impact fee analysis previously presented by Ryan Graff. That analysis recommended eliminating street and park impact fees because they are no longer permitted under current Montana law, reducing the sewer impact fee from $3,000 to approximately $400, and increasing the water impact fee from $2,000 to approximately $4,200.

Rather than increasing the water impact fee to the full recommended amount, staff recommended establishing the water impact fee at $2,500 and the sewer impact fee at $400. Interim CAO Chamberlin explained that staff prefers placing more of the overall cost within the connection fee because those revenues provide the utility departments greater flexibility, while impact fee revenues are legally restricted to projects attributable to future growth.

The fee structure would continue to use a tiered approach based upon meter size, with the figures discussed representing the base meter size. Staff also recommended considering an annual inflationary adjustment to impact fees as part of the City's budget process.

Committee members expressed support for shifting a greater portion of the cost to connection fees, noting that the revenues can then be used more effectively for current utility needs rather than remaining restricted until an eligible growth-related project is identified.

Motion was made by Alderman DiFonzo and seconded by Alderwoman Buxbaum to recommend proceeding with preparation of the ordinance and resolution necessary to establish water and sewer connection fees at $2,000 each, a sewer impact fee of $400, and a water impact fee of $2,500, with the applicable tiered structure based upon meter size and an increase by inflation by applied during the City of Sidney budget process. Motion carried unanimously.

b. City Detect for Compliance Department

Interim CAO Chamberlin revisited the proposed City Detect system for the Compliance

Department. The system would utilize a camera mounted to the Compliance Department vehicle to photograph properties as the vehicle travels throughout the City and use software to identify potential compliance issues for staff review.
While Interim CAO Chamberlin continues to believe the technology could provide substantial value to the Compliance Department, she recommended postponing implementation for one fiscal year due to General Fund budget constraints.
Staff will use the additional time to review the Compliance Department's existing fee and fine structure and determine whether adjustments could provide a more appropriate revenue source to support future implementation of the technology.
Interim CAO Chamberlin noted that ideally the costs associated with the program should be borne, at least in part, by the activities generating the need for compliance enforcement rather than entirely by the General Fund.
Motion was made by Alderwoman Buxbaum and seconded by Alderman DiFonzo to table the City Detect proposal for the current fiscal year. Motion carried unanimously.

c. FY 2026-27 Preliminary BudgetInterim CAO Chamberlin reported that the City's taxable valuation increased from the previous fiscal year, increasing the approximate value of one mill from $7,900 to $9,800.
She explained changes enacted by the Montana Legislature affecting property tax growth. Under the new structure, the City may up to 50% of taxes generated from newly taxable property. To receive the full amount available, however, 10% must be placed into a special large taxpayer reserve account. For Sidney, that amount is approximately $4,274. Funds placed into the reserve would remain restricted until qualifying circumstances occur, such as the loss of a large taxpayer, at which time the funds could be used to reduce the resulting property tax impact on remaining taxpayers or for qualifying economic recruitment purposes. The Committee agreed that the City should receive the full amount available rather than leave the additional revenue uncollected.
Motion was made by Alderwoman Buxbaum and seconded by Alderman DiFonzo to recommend to receive the full allowable amount from newly taxable property and place the required portion, approximately $4,274, into the special large taxpayer reserve account. Motion carried unanimously.

General Fund
Interim CAO Chamberlin presented the major changes to the proposed preliminary budget. General Fund revenues are anticipated at approximately $3.9 million, with expenditures of approximately $4 million, resulting in the planned use of approximately $160,000 in General Fund cash reserves. The City's statutory maximum General Fund cash reserve is approximately $2 million. Following the anticipated use of reserves, the City is expected to retain approximately $1.9 million in General Fund cash. Major planned General Fund expenditures include approximately $40,000 for Police Department capital planning, $62,000 for an impound fence, and $100,000 for the Parks Master Plan. Staff obtained updated engineering information that allowed

some of these estimates to be reduced from earlier budget projections. Interim CAO Chamberlin also discussed a proposed $5,000 annual allocation for animal spay and neuter services. Rather than selecting one animal welfare organization to receive a City donation out of the Oil and Gas Fund, the funding would be provided directly to the veterinary clinic for qualifying spay and neuter services from the General Fund. The Committee discussed requiring appropriate accounting for the funds and tying eligibility to City animal licensing requirements.

Payroll projections were also substantially revised based upon current staffing. The Police Department budget had originally anticipated two sergeant positions, but only one position was filled. Additionally, following the promotion of James Meissel to Operations Manager, the Solid Waste Superintendent position will not be refilled. These adjustments reduced the previously anticipated payroll increase from approximately $130,000 to approximately $16,000.

The Parks Capital Improvement budget was amended to include replacement of the South Meadow softball net. Approximately $60,000 is still anticipated to remain available in that fund at the end of the fiscal year. The Police Investigative Capital Improvement Fund will also include anticipated costs for a Secure Warrant software subscription. The proposed service would provide the Police Department with electronic warrant capabilities, including access to available judges outside Richland County when necessary and tools for managing photographs, video, and other information associated with warrant execution. The proposed cost includes a one-time $200 setup fee and approximately $3,000 annually thereafter. Formal consideration of the agreement will be presented to the City Council separately.

No substantive changes were recommended to the City's enterprise fund budgets from those previously reviewed by the appropriate committees.

Interim CAO Chamberlin explained that General Fund cash came in approximately $150,000 lower than initially anticipated. As a result, several discretionary projects are being postponed.

The proposed City Detect system will not be purchased during the current fiscal year. Replacement of the Fire Department's red pickup with a smaller SUV appropriate for use by the Fire Marshal/Building Inspector is also being deferred. The City will additionally refrain from pursuing major new park projects, other than already identified priorities such as the Veterans Park irrigation system and South Meadow softball net, until completion of the Parks Master Plan. Although funding has been contemplated for projects such as pickleball courts, staff recommended waiting for the planning process to identify the improvements most desired by the public before committing substantial funds.

The Committee discussed the possibility of eventually converting the existing sand volleyball area near the pool into pickleball courts. Interim CAO Chamberlin reported that the area could potentially accommodate approximately four pickleball courts if the volleyball area were completely removed, although significant site preparation would likely be required. The Committee agreed the concept can be evaluated through the Parks Master Plan process.

Interim CAO Chamberlin reviewed anticipated transfers from the Oil and Gas Fund, including approximately $65,000 for tennis courts, $45,000 for the pool, $385,000 for parks, $60,000 for police, $50,000 for fire, and $20,000 for the police pension fund. Approximately $375,000 is anticipated to remain available in the tennis court-related fund at the end of the upcoming fiscal year.
Following the budget presentation and discussion, motion was made by Alderman DiFonzo and seconded by Alderwoman Buxbaumto recommend approval of the FY2026-2027 Preliminary Budget to the City Council. Motion carried unanimously.

9. Montana Tourism Development Grant

a. Interstate Engineering Task Order 2-MT Tourism Development Grant
Interim CAO Chamberlin presented Interstate Engineering Task Order No. 2 associated with the City's Montana Tourism Development Grant. She explained that the Budget and Finance Committee is designated as the committee of record for the grant and will therefore review matters associated with its implementation.
The grant provides up to $750,000 during the initial year, with the possibility of extensions for two additional years. Planned work focuses on improvements within the downtown district identified in the City's Downtown Master Plan.
Interstate Engineering's proposed scope includes a downtown drainage assessment, sidewalk and pedestrian facility assessments, GIS integration, development of consistent design standards for sidewalks, curbing, ADA curb ramps, crosswalks, bicycle facilities, public art and seating areas, preparation of construction documents, and conceptual planning for a possible downtown pocket park or plaza.
The total proposed engineering budget associated with the grant is approximately $243,000, which is included as an eligible expense within the grant rather than being funded from the City's General Fund.
The Committee discussed the flexibility within the tourism grant to modify project priorities as circumstances change. If a proposed plaza location is ultimately unavailable or determined not to be the best use of grant funds, funding could potentially be redirected toward additional sidewalk, drainage, pedestrian, or downtown beautification improvements.
Motion was made by Alderman DiFonzo and seconded by Alderwoman Christensen to recommend City Council approval of Interstate Engineering Task Order No. 2 under the City's existing Master Services Agreement to begin work associated with the Montana Tourism Development Grant. Alderwoman Buxbaum recused herself from the vote. Motion carried.

10. Comments and Questions from the Committee

Interim CAO Chamberlin advised the Committee that because of the Labor Day holiday, the September Budget and Finance Committee meeting and City Council meeting will both be held on September 8, 2026, with Budget and Finance scheduled for 5:30 p.m. and City Council to follow at 6:30 p.m. Committee members indicated the schedule would be acceptable.

Committee Member Skinner reiterated that she is available to provide historical information regarding the creation and operation of the TBID if it would be helpful as staff and the Committee continue addressing the current participation issues.

11. Adjournment

There being no further business before the Committee, the meeting was adjourned.

[MIN_SIGNATURES]

City of Sidney
Montana's Sunrise City
115 2nd Street S.E., Sidney, Montana - 406-433-2809

August 2026 Treasurer's Report

Fiscal Year Closing

Fiscal year-end closing is nearing completion, with final reconciliations currently being completed. CAO Chamberlin and I continue to review accounts and supporting documentation to ensure year-end balances are accurate and ready for the next steps in the financial reporting process to ensure the new fiscal year is successfully budgeted. Financials will be turned over to the auditor on August 15th for them to begin official closing and our annual audit.

Swimming Pool Season

The swimming lesson season has wrapped up and was very successful. This year, 594 pool passes were sold and 291 children participated in swimming lessons. Thank you to the pool staff for their hard work throughout the season and for providing a safe and enjoyable program for our community.
The pool will remain open for a few more weeks for adult swim only, as well as scheduled school PE class field trips before closing for the season.

Montana League of Cities and Towns Annual Conference

The Montana League of Cities and Towns Annual Conference is scheduled for **October 7–9 in Helena**. Public Works Director Hintz, Mayor Norby, CAO Chamberlin, and I plan to attend. The conference provides a great opportunity to connect with other municipalities, attend educational sessions, and learn about issues and resources impacting cities and towns across Montana.

New CivicPlus Website

The new CivicPlus website is up and running for meeting agenda and minute postings. It is a completely new design and streamlining process compared to the previous website. CAO Chamberlin and I are working through a few unexpected issues and updates needed to fully utilize the website successfully. The City has taken careful steps to ensure ADA compliance, documentation transparency and archiving, and accuracy.

Employee Orientation

This past month or two has seen some staff changes with new hires and job promotions. CAO Chamberlin and I have taken further steps to ensure that the new hires and/or new positions have all of the essential tools to assist in team building and success.

Respectfully Submitted,
Karmen Lange
Interim Clerk/Treasurer

CITY OF SIDNEY

Monthly Financial Summary | August 2026

Fiscal Year 2026-2027 | Reporting Period: August 2026

Total Expenditure Budget	YTD Expenditures	Total Revenue Budget	YTD Revenues
$27,374,251	**$2,507,027**	**$23,523,748**	**$3,719,873**

Fund	Fund Name	Expenditure Budget	YTD Expenditures	% Expended	Revenue Budget	YTD Revenues	% Received	Ending Cash Balance
1000	**General**	**$3,956,909**	**$279,191**	**7.1%**	**$3,911,844**	**$487,471**	**12.5%**	**$2,244,297**
2062	Tennis Courts	$375,000	-	0.0%	$70,000	$5,000	7.1%	$310,230
2101	TBID	$164,300	$26,360	16.0%	$145,750	$34,727	23.8%	$32,892
2170	Airport	$19,958	-	0.0%	$22,108	$3,510	15.9%	$4,258
2190	Comprehensive Liability	$36,443	$55,748	153.0%	$58,951	$8,367	14.2%	($47,256)
2220	Library Levy				$500	$1,437	287.4%	$2,213
2260	Emergency Disaster	$68,000	-	0.0%	$11,317	$2,796	24.7%	$59,867
2350	Local Govt Study Commission	$28,389	-	0.0%	$4,774	$605	12.7%	$28,504
2370	P.E.R.S. - Employer Contribution	$262,826	$14,711	5.6%	$122,760	$33,588	27.4%	$179,435
2371	Employer Contribution Group Health	$342,723	$24,775	7.2%	$255,287	$45,694	17.9%	$138,544
2372	Permissive Health Levy	$2,700	-	0.0%	-	$297		$3,248
2390	Drug Forfeiture	$25,000	-	0.0%	$12,500	$500	4.0%	$32,517
2399	Impact Fees	$327,990	-	0.0%	$6,000	$6,000	100.0%	$328,248
2425	Street Lighting	$213,500	$21,240	9.9%	$235,100	$25,586	10.9%	$491,948
2550	Tree Removal - Dutch Elm Disease	$4,600	-	0.0%				$4,830
2565	**City Wide Street Maintenance**	**$645,903**	**$110,058**	**17.0%**	**$566,500**	**$75,156**	**13.3%**	**$362,043**
2566	Snow Removal	$272,584	$10,917	4.0%	$227,000	$5,000	2.2%	$253,033
2584	Mowing	$70,370	$2,553	3.6%	$33,700	$5,152	15.3%	$113,467
2598	MVS Park Maintenance #98	$12,000	-	0.0%	$3,000	$1,353	45.1%	$34,064
2810	Police Reserve Training	$15,000	$3,816	25.4%	$16,000	-	0.0%	($4,665)
2820	**Gas Apportionment Tax**	**$400,670**	**$43,429**	**10.8%**	**$307,987**	**$39,257**	**12.7%**	**$571,101**
2861	Main Street MT Grant	$120,000	-	0.0%	$120,000	-	0.0%	$500
2869	Nuisance	$65,000	-	0.0%	$16,500	$6,271	38.0%	$86,536
2889	MT Tourism Development Grant	$750,000	-	0.0%	$750,000	-	0.0%	
2890	Oil/Gas Severance	$668,500	-	0.0%	$680,000	$198,385	29.2%	$658,683
2990	ARPA	$54,922	-	0.0%	$1,000	$1,000	100.0%	$55,072
3400	Revolving Fund				$2,000	$2,000	100.0%	$65,772
3600	SID 100 SMV Paving	$28,715	-	0.0%				$28,715
3601	SID 101A	$48,667	-	0.0%				$48,667
3604	SID #104	$55,000	-	0.0%	$53,100	$10,331	19.5%	$18,431
4010	City Hall CIP	$103,500	-	0.0%				$103,776

CITY OF SIDNEY

Monthly Financial Summary | August 2026

Fiscal Year 2026-2027 | Reporting Period: August 2026

Total Expenditure Budget	YTD Expenditures	Total Revenue Budget	YTD Revenues
$27,374,251	$2,507,027	$23,523,748	$3,719,873

Fund	Fund Name	Expenditure Budget	YTD Expenditures	% Expended	Revenue Budget	YTD Revenues	% Received	Ending Cash Balance
4011	Pool CIP	$191,000	-	0.0%	$45,000	-	0.0%	$145,233
4015	Parks CIP	$607,200	$12,600	2.1%	$385,000	-	0.0%	$151,197
4020	Police CIP	$60,000	-	0.0%				$1,957
4025	Police Investigative CIP	$30,000	$1,200	4.0%				$55,281
4030	Capital Project - Street Equipment	$221,875	-	0.0%				$112,324
4040	Capital Projects - Fire Equipment	$40,000	-	0.0%	$50,000	-	0.0%	$1,000,388
4060	Enhancement Project - Bike Path	$188,023	$1,633	0.9%				$86,478
4070	Downtown Enhancement Capital Project	$12,500	-	0.0%				$23,927
4075	Curb & Sidewalk	-	$9,900					($9,000)
5210	**Water Utility**	**$11,493,486**	**$1,589,707**	**13.8%**	**$11,436,600**	**$2,026,685**	**17.7%**	**$8,460,755**
5211	Water Impact Fees	$319,900	$1,285	0.4%	$10,000	$10,000	100.0%	$318,633
5310	**Sewer Utility**	**$3,135,085**	**$168,848**	**5.4%**	**$2,185,500**	**$467,032**	**21.4%**	**$4,175,719**
5311	Sewer Impact Fees	$161,000	$1,285	0.8%	$5,000	$5,000	100.0%	$159,723
5410	**Solid Waste**	**$1,385,973**	**$89,287**	**6.4%**	**$1,252,000**	**$152,119**	**12.2%**	**$805,432**
5710	**Sweeping Operating**	**$293,817**	**$38,485**	**13.1%**	**$425,216**	**$43,872**	**10.3%**	**$533,485**
7120	Fire Disability	$90,000	-	0.0%	$95,754	$15,684	16.4%	$15,693
7970	Grant - Richland County	$5,223	-	0.0%				$6,119
TOTAL		**$27,374,251**	**$2,507,027**	**9.2%**	**$23,523,748**	**$3,719,873**	**15.8%**	**$26,464,008**

Note: Ending cash balance is shown where the fund appears in the August Cash Report. The total cash balance includes all funds and accounts reported by the City, including funds not listed in the budget-vs-actual reports. Major operating funds are lightly highlighted for easier Council review.