

Sidney, Nebraska, August 22, 2023 – BUDGET WORKSHOP

A special meeting for the purpose of a Budget Workshop with the Mayor & Council of the City of Sidney, Nebraska, was convened in open and public session at 12:00 p.m. on August 22, 2023 in the Council Room. Present were: Mayor Sherman and Council Members: Strommen, Buckner, Radcliffe, Bondegard. Others present: City Manager Scott, City Attorney Leef and City Clerk Borchert. Notice of the meeting was given in advance thereof by publication in *The Sidney Sun Telegraph*, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the members of the City Council and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the advance notice and in the notice to the City Council. All proceedings shown hereafter were taken while the convened meeting was open to the attendance of the public.

Mayor Sherman informed the public of the location of the posted Open Meetings Act.

City Manager David Scott presented recommendations for the FY2023-2024 Budget for Council's input and recommendations. Scott stated that the last few fiscal years' budget cycles have been challenging. In fiscal years 2019 and 2020 there were large budget cuts across the board as property tax revenue was reduced due to large decreases in the city's full value determination (assessed value). Looking ahead to FY2023-2024, Scott reported, there has been good news with housing developers willing to come to the Panhandle. The city is still struggling with sky rocketing materials, energy and fuel costs, supply chain issues and inflation. The city also needs to address the mandated minimum wage increase. The county assessor has sent out assessments showing large increases due to state property tax calculations. This can be addressed with an allowable 2.3% increase, lowering the overall mill levy for the city and the property tax payers. Scott continued that this budget proposes that the city overall levy be reduced from .05746 to .05452. The city general fund levy is currently .003388, which is close to the statewide average of .003176. In this budget we are proposing lowering that general fund levy to .003139. Scott pointed out that in the 2018/2019 city budget report to the state the city held \$36,686,988 in debt, and in the 2022/2023 budget report to the state, the city debt that was reported was \$24,965,638. This will go down more in this fiscal year's state budget report, with principal dipping below 20 million.

Lane Kizzire, Finance Director, followed up with a powerpoint presentation. The current budgeted total expenses are at \$39,070,202 with budget revenues at \$35,879,083. Kizzire stated that capital projects will be paid with existing funds and no new taxes/fees will be incurred. The Budget Hearing (public hearing) will be held separate from the regular City Council meeting.

Discussion was held regarding departmental objectives with the department heads of each city department for the upcoming year, which will be taken into consideration in the final budget preparation.

Meeting adjourned at 2:44 p.m.

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/s/BRAD SHERMAN, MAYOR

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ATTEST: /s/LORI BORCHERT, CITY CLERK