

Sidney, Nebraska August 21, 2025 Budget Workshop

A meeting of the Mayor and Council of the City of Sidney, Nebraska, was convened in an open and public session at 12:00 p.m. on August 21, 2025, in the Council Room. Present in person were: Mayor Bondegard and Council Members: Kerkman, Kuhns, Radcliffe, Lee. Others present: City Manager Scott, City Clerk Borchert, City Attorney Strommen, Finance Director Carwin, Assitant City Manager Hanson. Notice of the meeting was given in advance by publication in The Sidney-Sun Telegraph, the designated method for giving notice, a copy of the proof of publication attached to these minutes. Advance notice of the meeting was 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 the notice to the City Council. All proceedings shown hereafter were taken while the convened meeting was open to the public's attendance.

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

City Manager David Scott and Finance Director Kegan Carwin presented the recommended budget for the FY2025-2026 Budget for Council's input and recommendation for the second time. City departments were represented by the department heads and were available for questions and input. The City has been affected by state legislation which have imposed additional financial burden on municipalities. Discussions with Nebraska Municipal League Executive Boards suggest that sales tax revenues are stagnating statewide. It is anticipated that the Legislature will continue to shift fiscal responsibilities to municipalities, particularly through restrictions on sales and property tax equalization funds. Despite these challenges, the City has made progress in reducing debt. Two city bonds were retired last fiscal year, and municipal debt has been reduced from \$36.7 million in FY 2018-2019 to just over \$20 million today. The County Assessor is expected to increase the City's overall assessed valuation by approximately 7%.

Scott stated that this budget proposed increasing salaries across the board for the police department. The City has aggressively recruited officers but can't compete with surrounding communities. This will be an adjustment to the current pay scales to increase police department salaries. A higher pay rate for the police is needed or we may not have a functioning police department.

Discussion was held on the capital equipment projects for the General Fund: Cemetery – 4x2 utility vehicle, Park- 72" front-deck mower, Police – One new cruiser and a code enforcement vehicle; Street Department: Engineering and construction work on 11th, 12, Hickory and King Streets, funding for a loader; Electric Department: Underground conversion, purchase of meters and monitoring equipment; Water Department: pickup and a hypochlorite generator; Sewer Department and Wastewater Treatment: Recent upgrades funded through ARPA include installation of a new bar screen, influent pumps and a grit washer. Currently waiting on a timer for the grit washer; Solid Waste Department: Revenues have reached historic highs due to strong scale house activity. Current capacity will last through 2026. Construction of a new solid waste cell is projected to cost over \$2 million.

Also discussed was how to increase the revenues for Hillside Golf, including the possibility of increasing the building rental to the public for events. Carwin stated that Lance Juelfs, Golf Director, is researching ways to generate more revenue. Kerkman stated that the Golf Course should be at least a break-even business and would like to see some proposals to increase revenues including the potential risk of the proposals. Lee questioned the number of full-time employees at Hillside. Scott stated that there were currently three full-time employees. Council agreed to forgo the social media service and Placer.ai in Economic Development's budget for FY2025-2026. Conversation was held concerning employee insurance. High claims volume has significantly reduced reserves. The best renewal rate achievable is a 20% premium increase for FY2025-2026. Employee contributions were raised last year; however, additional adjustments may be necessary to preserve reserve balances.

Meeting adjourned at 2:16 pm.

ATTEST: /s/Brandon Bondegard, Mayor

ATTEST: /s/Lori Borchert, City Clerk