

**A SPECIAL COMMISSION MEETING OF THE LEWISTOWN CITY COMMISSION
ON AUGUST 31, 2026, WHICH WAS HELD AT THE CENTRAL MONTANA
COMMUNITY CENTER AND STARTED AT 7:00 P.M.**

CALL TO ORDER

Chairman Day called the meeting to order.

PLEDGE OF ALLEGIANCE

Chairman Day asked everyone to stand and say the Pledge to the Flag.

ROLL CALL

Present were Commissioners: Bowser, Buehler, Day, Hewitt, Robertson, Shaver, and Warren.

SPECIAL AGENDA – Resolutions, Ordinances & Other Action Items:

1. Discussion and action on approving Resolution No. 4232, a resolution relating to adopting a preliminary budget and providing a date for public hearing and adoption thereof for the fiscal year beginning July 1, 2026, and ending June 30, 2027

City Manager Phelps explained that the City has received taxes payments through June 30, 2026. It appears that there is approximately \$200,000 in general fund taxes receivable. City Manager Phelps stated it should be noted that delinquency notices and personal and mobile home taxes were sent later than usual. City Manager Phelps reported that the general fund budget is extremely lean, which means capital improvements, building maintenance, computer purchases, special projects, and other discretionary expenditures have been substantially reduced or eliminated. The budget continues to provide funding for existing obligations, wages, contracted services, legal services, and a planner position.

The Commission discussed the City's current court arrangement. City Manager Phelps reported the proposed budget maintains the funding for the current arrangement and \$135,000 is budgeted for the court which is a payment for FY26 in the amount of \$65,000 and a payment for FY27 in the amount \$70,000. If the arrangement changes and the City is required to operate independently, a budget amendment would likely be necessary.

City Manager Phelps explained that all funds must show budgeted expenditure to comply with statutory cash-balance requirements even when the City does not anticipate actually spending those funds. The cemetery improvement fund was provided as an example.

Commissioners discussed whether future budget reports could provide a clearer comparison of anticipated revenues, expected expenditures, available cash, and actual capital expenditures. The Commission expressed interest in having information that would better demonstrate long-term cash flow and trends rather than relying solely on statutorily required budget figures. City Manager Phelps agreed to explore options for providing additional information and historical comparisons.

The Commission reviewed various funds and discussed grant-funded projects, capital improvement accounts, reserves, TIF funds, Special Improvement Districts, water and sewer funds, and other restricted revenues. City Manager Phelps informed the Commission that many funds are restricted to particular purposes and cannot be transferred to the General Fund.

Staff clarified that the overall decrease in proposed expenditure compared with the previous fiscal year was partially attributable to large water and sewer projects that were completed during the prior fiscal year. The proposed General Fund expenditures were discussed as decreasing from approximately \$5.38 million to approximately \$5.22 million.

City Clerk Nikki Brummond explained that the City's available General Fund property tax increase for the year was approximately \$50,000, which was not sufficient to cover the cost of an additional employee or many of the City's increasing operating costs. City Manager Phelps explained that due to revenue limitations and uncertainty regarding tax collections, it was noted that the proposed General Fund budget had been reduced as much as reasonably possible.

City Manager Phelps reviewed the sewer fund, noting that approximately \$1 million had been set aside to assist with the biosolids project. This available funding may reduce the amount the City would otherwise need to borrow for the project.

There was discussion on continued investment in infrastructure, including future street improvements, the possibility of a citywide Special Improvement District, improvements involving narrow streets and parking, conversion of water meters to radio-read technology, and maintenance of historic streetlights. City Manager Phelps reported that weed control has been budgeted in the trails and recreation departments.

City Manager Phelps explained that on the agenda tonight is Resolution No. 4232, which is a resolution approving the preliminary budget. If the resolution is approved the formal budget adoption process begins, which includes setting the public hearing dates for the assessments and mill levy adoption. Commissioner Robertson made the motion to approve Resolution No. 4232, a resolution relating to adopting a preliminary budget and providing a date for public hearing and adoption thereof for the fiscal year beginning July 1, 2026, and ending June 30, 2027 and Commissioner Buehler seconded the motion. Commissioner Day asked for comments from the audience and Commission. There being none, the question was called for and the City Clerk took a roll call vote with all being in favor of the motion.

CITIZENS' REQUESTS

There were none.

COMMISSIONER'S MINUTE

Commissioner Shaver asked the Commission to consider allowing City employees and their families to use City facilities, including the swimming pool, Civic Center, and Library, at no cost. He stated that the benefit could demonstrate goodwill toward employees while also encouraging greater use of City facilities.

Commissioner Shaver also thanked staff for their work preparing the budget.

Commissioner Bowser thanked the Public Works Department for fixing the potholes on G Street. Commissioner Bowser reported she has gotten calls asking about tree removal on the boulevards and reported this to the City Manager. The removal of trees in the boulevards is something the City Manager is working on and will keep the Commission informed.

Commissioner Robertson reported he received an email asking when the Commission is going to start enforcing cats. Commissioner Robertson stated the real question is what are we going to do about cats. This has been discussed at the ordinance committee. City Manager Phelps commented the best place to start is licensing cats. This discussion continued and it was determined that any changes would need to be done by ordinance.

Commissioner Buehler wanted to make sure the discussion regarding boulevards is on an agenda in the future. Commissioner Buehler knows there are interested citizens in the topic.

Commissioner Warren reported he has had several calls and questions regarding parking permits. Commissioner Warren commented he has citizens from Boulevard street and some of the other apartments asking about parking permits because workers are taking their parking spaces.

Commissioner Day reported she attended the downtown masterplan kickoff meeting. Currently, they are identifying stakeholders in the community and will continue to do a lot of public engagement.

ADJOURNMENT

Chairman Day adjourned the meeting.

Dated this 31st day of August 2026.

Loraine Day, Commission Chairman

ATTEST:

Nikki Brummond, City Clerk