



**City of Blaine
Anoka County, Minnesota
Minutes - Final**

10801 Town Square Dr.
Blaine MN 55449

City Council Workshop

**While this is a public meeting where interested persons are welcome to attend, it is a work session for Council and staff to discuss issues before them. It is not for the purpose of receiving public input.*

Thursday, July 19, 2012

6:30 PM

Cloverleaf Farm Room A

Meeting Number 12-42

NOTICE OF WORKSHOP MEETING

The meeting was called to order by Mayor Ryan at 6:35 p.m.

Quorum Present.

ALSO PRESENT: Clark Arneson, City Manager; Thomas Sweeney, City Attorney; Bob Therres, Public Services Manager; Bryan Schafer, Community Development Director; Joe Huss, Finance Director; Ward Brown, Budget/Fiscal Analyst; Roark Haver, Senior Engineering Technician; Jane Cross, City Clerk; and Recording Secretary Linda Dahlquist.

Present: 7 - Councilmember Clark, Councilmember Kolb, Councilmember Bourke, Councilmember Herbst, Mayor Ryan, Councilmember Hovland, and Councilmember Swanson

1.0 [WS 12-36](#)

2013 BUDGET UPDATE - DEPARTMENT REQUESTS

Sponsors: Huss

Finance Director Huss stated at the Workshop on June 14, 2012, Council reviewed progress on the 2013 General Fund Budget and the budget schedule for the rest of this year. He stated the Finance Department is presenting the 2013 General Fund Budget showing departmental priorities using a zero-based budgeting method. He stated staff has begun developing a defined division-level list of responsibilities, programs and activities that are needed to carry out responsibilities and the resources required with an estimated cost to achieve goals. He stated the Finance Department will review the preliminary budgets with the City Manager and at the first meeting in September a preliminary tax levy and budget will need to be adopted by the Council.

Finance Director Huss commented the City has received updated numbers from Anoka County that show a slight decline in valuations; although overall the net tax base has not changed and remains close to initial estimates. Mr.

Huss gave an overview of the budgeting work that has been done in April, May and June. Finance Director Huss gave an overview of the Finance Department's purpose, responsibilities and staffing.

He stated the preliminary budget shows a budget gap and depending on the Council approved levy, the gap could be significant; although as the budget is refined the gap is expected to lower. He stated the next budget discussion will be at the Workshop on August 9, 2012.

Councilmember Hovland arrived at 6:48 p.m.

Councilmember Clark arrived at 6:49 p.m.

City Manager Arneson noted the City's survey deadline is July 30, 2012, and results will be reviewed at the Workshop and Council meetings on August 16, 2012.

Councilmember Herbst requested an update on the Unrestricted Reserves. Finance Director Huss stated staff is working on projections.

Councilmember Herbst asked about the beach use. Public Services Manager Therres replied there have been more parking permits purchased and the City is ahead in projections. He commented the rain has been timely and Blaine does not have sprinkling restrictions.

Councilmember Hovland left the meeting at 6:52 p.m. and returned at 6:53 p.m.

Finance Director Huss stated the preliminary tax levy and budget need to be adopted at the September 6, 2012 meeting. He stated the Truth-in-Taxation public hearing is scheduled for December 13, 2012, and the public hearing to adopt the tax levy and general fund budget is scheduled for December 20, 2012.

Councilmember Swanson asked about fuel assumptions. Finance Director Huss replied fuel assumptions are based on last year's contract and increased slightly.

Councilmember Herbst commented he had heard housing prices are slightly up. He asked if housing in the City is experiencing a slight increase as well. Finance Director Huss replied the metro area is returning to a seller's market.

Council discussion took place on the housing market, Blaine's Board of Review responsibilities, and City services.

Discussed

[WS 12-34](#)**DISCUSSION ON SPECIAL ASSESSMENT POLICY**

Sponsors: Keely

Attachments: [SpecialAssessmentPolicy](#)
[Council Action item for 8-16-12](#)

Public Services Manager Therres stated on June 21, 2012, the Council tabled the motion to levy special assessments for the Cloud Drive overlay project that was done in 2011. The Council passed a motion to discuss the City's Special Assessment Policy at the Workshop on July 12, 2012. He stated at the Workshop on July 12, 2012, Mayor Pro Tem Kolb tabled the topic for the Council to continue discussion at the Workshop on July 19, 2012. Public Services Manager Therres distributed a handout that shows examples of special assessment options for the 119th Avenue Reconstruction project.

Mayor Ryan noted that some of the lots are Farm Residential (FR). He stated the project is assessed on front foot.

Councilmember Bourke asked if the same size lot somewhere else in the city would be assessed the same. Public Services Manager Therres replied the lot is assessed by the unit method. He stated the lot would be mock platted and assessed in the same manner.

Council discussion took place on lot sizes around the City and it was noted that lot sizes in North Oaks West are all the same.

Councilmember Clark suggested using an age based deferment. Councilmember Kolb responded the City needs to be careful using an age based program.

Councilmember Hovland has concern with the City mock platting lots. Mayor Ryan replied mock platting is used to avoid leap frog development.

Councilmember Kolb stated little lots and large lots should not pay the same amount.

Councilmember Clark suggested assessments by lineal foot.

Council consensus is to table the discussion to the Workshop on August 2, 2012.

Postponed

ADJOURN

The Workshop adjourned at 7:30 p.m.