

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL MEETING
Monday, December 13, 2021

7:00 P.M.
Council Chambers
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Sanders at 7:00 p.m.

PLEDGE OF ALLEGIANCE

PRESENT: Mayor Tim Sanders, Councilmembers Wes Hovland, Chris Massoglia, Richard Paul, Jess Robertson, and Jason Smith.

ABSENT: Councilmember Julie Jeppson.

Quorum Present.

ALSO PRESENT: Michelle Wolfe, City Manager; Joe Huss, Finance Director; Ali Bong, Deputy Finance Director; Ben Hayle, Communications Manager; and Catherine Sorensen, City Clerk.

7:00 P.M. – PUBLIC HEARING AND ITEMS SET FOR A CERTAIN TIME

TRUTH IN TAXATION HEARING

Finance Director Huss explained the city council has held a number of 2021 budget discussions to this point, most recently at the council workshop on November 8, 2021. He reported staff had a presentation on the proposed tax levies and general fund budget.

Deputy Finance Director Bong provided the council with a presentation on the proposed tax levies and General Fund Budget that will be the subject of the public hearing. Staff commented on the process that is followed each year to complete the budget process. She noted the Preliminary General Fund Budget was adopted along with the Preliminary Levies on September 20 with an expenditure budget of \$38,395,470 - a 6.7% overall increase in expenditures compared to the 2021 General Fund Budget adopted in 2020. She commented further on how individual tax bills were calculated. Staff discussed how the proposed levy would impact the median value homeowners and compared the proposed levy to comparable cities.

Mr. Huss commented since September, \$79,685 of additional cuts have been made, bringing the recommended budget to \$35,315,785. This represents an overall increase of 6.5% over 2021 expenditures and, with the most recently proposed levy allocation, provides a safe margin of revenue over expenditures of \$224,715. Staff commented further on the proposed tax levy, noting the expenditure and revenue increases for 2022 and requested the council hold the Truth in Taxation hearing.

Mayor Sanders opened the Truth in Taxation Hearing at 7:21PM.

Jim Taylor, resident of Blaine, explained he moved from a higher taxing city to Blaine several years ago. He appreciated how fiscally responsible the city was, however, asked if the city had considered curbing spending further. He questioned why the city didn't have a tax decrease considering the fact the tax base was continuing to expand.

Mr. Huss described how the tax rate was calculated in the state of Minnesota noting it was not based on a set amount per home, but rather was driven by a council approved levy. He indicated Blaine was a growing city, which required a bit more funding in order to fund public works and public safety.

Councilmember Paul asked if there were any cost containment measures the council could take. Mr. Huss stated staff has presented a proposed budget that would be approved by the council. He reported staff would be available to make any reductions or adjustments as proposed by the council. He indicated there were some areas of the budget that would not allow for adjustments. City Manager Wolfe discussed how staff worked to provide the council with a budget that would maintain a stable tax rate, while also providing dollars to address strategic priorities.

Mayor Sanders closed the Truth in Taxation Hearing at 7:34PM.

Councilmember Massoglia commented he could only vote for this budget if the spending within the budget were reduced to 4%. He discussed how the city's tax base was growing and suggested ARPA funds be considered for some of the administrative expenditures.

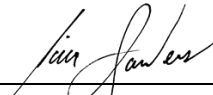
Mr. Huss reported adjustments could be made to the budget prior to being approved on Monday, December 20.

OTHER BUSINESS

Ms. Wolfe stated in years past the city council has taken action to close city offices early in recognition of city staff and if appropriate would move forward in order to inform the public. The council supported staff bringing back a recommendation on this matter to the December 20, 2022 city council meeting.

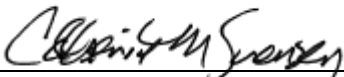
ADJOURNMENT

Mayor Sanders adjourned the meeting at 7:38 p.m.



Tim Sanders, Mayor

ATTEST:



Catherine Sorensen, CMC, City Clerk
Submitted by Minute Maker Secretarial, Inc.