

CITY OF BLAINE
ANOKA COUNTY, MINNESOTA
CITY COUNCIL WORKSHOP
Monday, August 16, 2021

6:00PM
Council Chambers
10801 Town Square Drive

CALL TO ORDER

The meeting was called to order by Mayor Sanders at 6:20PM.

ROLL CALL

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

Adjunct Member Drew Brown.

ABSENT: Councilmember Wes Hovland.

Quorum Present.

ALSO PRESENT: City Manager Michelle Wolfe; Community Development Director Erik Thorvig; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; City Engineer Dan Schluender; City Attorney Chris Nelson; Communications Manager Ben Hayle; and City Clerk Catherine Sorensen.

3.1 2022 Preliminary Tax Levy and General Fund Budget.

Finance Director Huss stated over the last month, staff has met with Councilmembers to discuss the 2022 tax levy and General Fund budget. From these discussions and in consideration of budget proposals submitted by department heads, staff has developed the initial 2022 tax levy proposal and Preliminary General Fund Budget. At this stage, the preliminary budget is still under review and development and is not being presented as a recommendation.

Mr. Huss explained the preliminary 2022 tax levy is based on the city's guiding principle of capping the levy at an amount such that the combined tax rate of all Blaine tax levies is equal to the tax rate of the previous year. Current tax base estimates indicate an overall growth in taxable market value of 6.4%. Most of the growth in tax base is from residential property, which saw a \$461 million increase (7.3%) from 2020 to 2021. Roughly 2% of the increase in

residential value is from new construction. Estimates for commercial/industrial property indicate an increase of \$44 million (3%) increase in value, with \$6.6 million of that increase coming from new construction.

Mr. Huss reported after factoring in tax base adjustments for tax increment financing (TIF) and fiscal disparities, a conservative estimate for the increase in the city's tax capacity for 2022 is 5%. These preliminary, conservative, tax base estimates would allow for an overall levy increase of \$1,540,000 (4.5%) to \$35,725,000. This levy would maintain the previous year's combined tax rate of 35.834%. Staff commented further on how the 2022 budget was being allocated and requested comments or questions from the council.

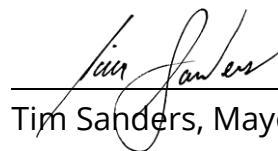
Councilmember Paul requested further information regarding the city's emerald ash borer (EAB) efforts for 2022. Mr. Huss stated there are a couple of issues that still need to be addressed regarding how much time staff would have to address EAB and how to address its spread.

Councilmember Paul requested further comment on the LEAD Academy. Mr. Huss explained this was a training program that would be conducted at a staff level that would assist with creating department heads. He commented further on the extensive training that was completed by staff and the police department on an annual basis.

Mayor Sanders thanked Mr. Huss for the detailed presentation on the preliminary tax levy.

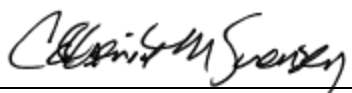
Councilmember Jeppson asked if any decision had been made regarding the park board vacancy. City Attorney Nelson recommended Council speak with staff regarding their park board appointment recommendation.

The Workshop was adjourned at 6:50PM.



Tim Sanders, Mayor

ATTEST:



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