



**City of Blaine**  
**Anoka County, Minnesota**  
**Minutes**  
**City Council**

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

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Thursday, December 13, 2018

8:00 PM

Council Chambers

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**Truth-in-Taxation Hearing**

**1. CALL TO ORDER BY THE MAYOR**

The meeting was called to order by Mayor Ryan at 8:01 p.m.

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

Quorum Present.

**ALSO PRESENT:** City Manager Clark Arneson; Planning and Community Development Director Bryan Schafer; Public Works Director Jon Haukaas; Police Chief/Safety Services Manager Brian Podany; Finance Director Joe Huss; Public Services Manager/Assistant City Manager Bob Therres; City Engineer Dan Schluender; City Attorney Patrick Sweeney; Budget/Fiscal Analyst Ward Brown; Communications Technician Roark Haver; and City Clerk Catherine Sorensen.

**Present:** 7 - Mayor Ryan, Councilmember Swanson, Councilmember Clark, Councilmember King, Councilmember Hovland, Councilmember Garvais and Councilmember Jeppson

**4. PUBLIC HEARINGS**

**4.-1**

**2018 TRUTH-IN-TAXATION HEARING**

Mayor Ryan opened the Truth in Taxation Hearing at 8:02 p.m.

Finance Director Huss explained the Truth in Taxation Public Hearing was being held to take input from the public on the proposed budget and tax levy for 2019. He stated the Council has held monthly discussions about the proposed budget and tax levy since May. Mr. Huss then provided the Council with a detailed presentation on the 2019 Proposed Budget and Tax Levy.

Mr. Huss described how property taxes were determined based on property values and the City's tax rate. He offered the Council a definition of Market Value Home Credits and described how they worked. He discussed how the median value

homeowner would be impacted by the proposed 2019 Tax Levy which was 36.697%, which was .145% under the Council's target tax rate. He compared Blaine's tax rate to neighboring cities and noted the City's tax and utility rates were quite low in comparison.

Mr. Huss reviewed the General Fund Budget revenues and expenditures in further detail and reported on the new positions that would be hired in 2019. It was noted the majority of the General Fund expenditures are for Public and Safety Services. The General Fund 5-year projection assumptions and concerns were discussed with the Council, along with the proposed 5-year model. He described how the City funds General Fund activity. The ratio of employees to residents was reviewed and he explained the City was proud of the fact it had maintained its AA+ bond rating from Standard & Poor's. He indicated last Council meeting of 2018 would be held on Thursday, December 20 where the final levy would be approved.

Councilmember Jeppson requested further information on the City's ratio of commercial to residential property taxes. Mr. Huss explained the City of Blaine had a healthy ratio of commercial to residential property when compared to other communities in Anoka County. He reported Blaine had one-third of the commercial properties in Anoka County. He questioned if the City should consider having citizens assisting with park maintenance in order to reduce costs to residents. He asked if the City truly needed another park, or if additional housing should be pursued for the City's one remaining park. He commented further on how the proposed increases would impact those living on a fixed income.

Jerome Petron, 10450 Washington Boulevard, commented on the increase in debt load over the years, along with the increased tax rate. He cautioned the City against increasing the number of employees too much as well as the number of parks.

Councilmember Clark thanked Mr. Petron for attending this meeting and for sharing his concerns with the Council. He commented on how the City set its tax rate on a yearly basis based on the new formula. Further discussion ensued regarding the City's market value home credits.

Mayor Ryan closed the Truth in Taxation Hearing at 8:40 p.m.

Mayor Ryan thanked Mr. Huss and his staff for all of their work on the budget and tax levy.

Councilmember Garvais commented on the number of parks the City has and noted Blaine has 3.1 parks per household and noted this number has decreased per capita over the past decade given how much the City was growing.

Councilmember Hovland reported Blaine was approaching full build out and discussed how this would impact the City in the future.

**Informational: no action required**

**5. OTHER BUSINESS**

None.

**6. ADJOURNMENT**

**Mayor Ryan adjourned the meeting at 8:46 p.m.**