

Cambridge City Council Meeting Minutes
Monday, June 19, 2017

A special meeting of the Cambridge City Council was held on Monday, June 19, 2017, at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008.

Members Present: Mayor Marlys Palmer; Council Members Kersten Conley, Joe Morin, Lisa Iverson, and Jim Godfrey. All present, no absences.

Staff Present: City Administrator Woulfe, Finance Director Moe, Public-Works Utilities Director Schwab, Police Chief Dwyer, Economic Development Director Stan Gustafson, Deputy Fire Chief-Emergency Management Director Pennings, and Community Development Director Westover.

Call to Order and Approval of Agenda

Palmer called the meeting to order at 2:30 pm. Morin moved, seconded by Iverson, to approve the agenda for the special meeting as presented. The motion carried unanimously.

Long Range Financial Plan Update

Review of Council's Strategic Goals and Comprehensive Plan USA 1 Map

Westover stated that as part of the recent Comprehensive Plan update a new USA 1 boundary was adopted. Westover noted the revised USA 1 boundary does not include much of the land along Spirit River Drive/Jackson Road NE that the Council expressed a desire in annexing due to the construction of the new water tower in that area.

Westover and the Council reviewed the new USA 1 boundary map and noted the reason the area along Spirit River Drive south of the new water tower location is not included in the boundary is due to:

- The City's Future Sanitary Sewer System study/plan. According to our Public Works staff and City Engineer, this area is not one of the first areas feasibly served with sewer.
- Many obstacles including wetlands and the Rum River play a part in the cost effectiveness to be served.
- The cost of an additional river crossing and the need for lift stations creates a very expensive area served with a burden to the homeowners.
- The new USA 1 boundary includes areas that are most efficiently served first.

Councilmembers expressed a desire to continue with discussions on the annexation of this area and to meet with the Isanti township representatives regarding annexation.

Preview of 2018 Budget and Levy

Moe presented the first draft of the 2018 budget and long range plan information. Moe stated to reach a levy increase of only two percent, the Council will need to cut \$650,000 from the proposed 2018 budget. Woulfe and Moe stressed that the cuts cannot be one time cuts but reoccurring costs

must be cut to reduce the pressure future levies. Moe stated that if the Council reduces the 2018 proposed levy, it simply increases the levy needed in future years to sustain services.

Moe stated the initial draft of the budget and long range plan has significant increases as compared to the prior year and noted the main reasons for the increases were:

- Operating levy requests are up approximately \$430,000
 - General government budget has increased \$29K (Admin, Election, Finance, Legal, Community Development, City Hall Maintenance)
 - Public Safety budget has increased \$287,000 (Police, Fire, Emergency Management)
 - Public Works-Streets budget has increased \$62,000
 - Parks Operating budget has increased \$26,000

- Capital levy requests are up approximately \$410,000
 - Tax levy requests for Park capital has increased \$160,000
 - Tax levy requests for Pavement Management has increased \$153,000
 - Tax levy requests for Public Works Streets has increased \$60,000, but is the same amount as the plan draft from prior year
 - Tax levy requests for City Hall has increased \$30,000, but is the same amount as the plan draft from prior year

- Abatement levy requirements are down \$50,000 since we prefunded this for 2018 with excess building permits. Future commitments need to be considered for 2017-2021.

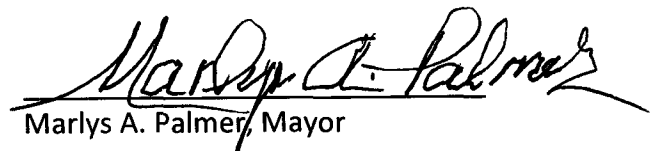
- The levy for existing debt is down \$56,000 due to status of tax and assessment collections.

Woulfe and Moe requested the City Council to have a high level discussion about the major categories of the tax levy and provide direction on where the Council would like to reduce services. Councilmembers expressed a desire to retain all current services but would be willing to look at reducing the number of sidewalk miles that Public Works clear, local option sales tax for street improvement project costs, and exploring other revenue possibilities.

Councilmembers expressed the desire to continue to work on the 2018 budget with a target goal of only a two to three percent levy increase.

Adjournment

Being no further business before the City Council, Godfrey moved, seconded by Iverson, to adjourn the special meeting at 5:25 pm. Motion carried unanimously.


Marlys A. Palmer, Mayor

ATTEST:


Lynda J. Woulfe, City Administrator