

**Cambridge City Council Meeting Minutes
Special Budget Meeting
Monday, November 16, 2020**

A special meeting of the Cambridge City Council was held on Monday, November 16, 2020, at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008.

Members Present: Mayor James Godfrey; Council Members Lisa Iverson, Joe Morin, Kersten Conley, and Bob Shogren.

Staff Present: City Administrator Woulfe, Police Chief Schuster, Finance Director Moe, and Public Works-Utilities Director Schwab.

Call to Order and Pledge of Allegiance

Godfrey called the meeting to order at 3:30 pm.

Approval of Agenda

Conley moved, seconded by Iverson, to approve the amended agenda. Motion carried unanimously.

Financial Matters for 2021

Review Draft of Truth in Taxation Hearing Materials

Moe presented the materials that will be used at the Truth in Taxation Meeting. The presentation included the services provided by the City, what the City is planning to do in 2021 with taxes, and what other funds are received. Moe covered the 2021 Budget Summary, the 2021 Tax Levy, and discussed the previous tax levies and tax rate history. The council and staff discussed the possibility of reducing the tax burden within the City of Cambridge.

Iverson moved, seconded by Shogren, to approve a 3% tax levy, but the motion failed with only Morin and Iverson supporting the motion; Godfrey, Conley, and Shogren voted nay. Godfrey then moved, seconded by Conley, to set a tax levy increase as low as 2%, and not to exceed 5%, based upon property tax collections. Motion passed unanimously.

Review 2021 Budget and Levy Recommendations

Moe reviewed the Levy Projections for 2021-2030, the proposed 2021 General Fund Budget, Capital Improvement Plan for 2021-2030, proposed 2021 Airport Operating Fund Budget, proposed 2021 EDA Operating Fund Budget, proposed 2021 Debt Service Fund Budget, and proposed 2021 Capital Project Fund Budget.

Review Proposed 2021 Utility Rates & 2021 Utility Fund Budgets

Moe explained the proposed changes to the water rates for 2021. She noted any changes to the water fund, sewer fund, storm sewer fund, and street light utility fund. She also compared the utility

rates for the City of Cambridge to neighboring cities, and other cities that are comparable in size. Moe noted there would be an overall two percent increase in the utility rates. Morin moved, seconded by Godfrey, to accept the changes to the water, sewer, storm water, and street light utility fund as presented. Motion carried unanimously.

Northbound Liquor Fund Budget for 2021

Moe stated Northbound Liquor has had phenomenal sales this year in light of the COVID pandemic. Therefore, she tried to formulate a budget for 2021 back closer to that of 2019. If there are still higher than average sales, Moe stated the council members could then define some priorities that could be achieved with the extra funds.

Other Financial Matters

Moe informed the council of a situation in which The Preserve Apartments had been overbilled on their utility statements, due to an error in the meter reading. They had three meters: a high-flow meter, a low-flow meter, and a sprinkler meter. The high-flow meter was overbilled by a factor of 10, while the low-flow meter and the sprinkler meter had been underbilled. The amount of the overbilling was approximately \$90,000. In response to the situation, Moe said they have reviewed other accounts with the same type of billing, and have found no other issues. They have also changed how meter information is clarified between departments. Iverson moved, seconded by Shogren, to approve staff to refund the overbilling of The Preserve Apartments utilities from 2015 to 2020, not to exceed \$90,000, subject to a final review by the City Administrator. Motion passed unanimously.

Conley had asked about any more information regarding the CARES Act Funding for the local businesses. Moe stated that over \$240,000 was given out to local businesses through the Cambridge Cares for Businesses program. She said she felt like the City had done a great job balancing the needed safety upgrades for the City itself while helping relieve the local businesses with needed funding during the pandemic.

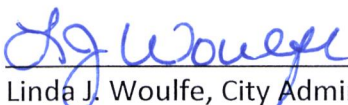
Adjournment of Council Meeting

Being no further business before the City Council, Conley moved, seconded by Iverson, to adjourn the budget meeting at 4:34 pm. Motion carried unanimously.



James A. Godfrey, Mayor

ATTEST:



Linda J. Woulfe, City Administrator