

## **Cambridge City Council Meeting Minutes Monday, August 16, 2021**

A special budget meeting of the Cambridge City Council was held on Monday, August 16, 2021, at Cambridge City Hall Council Chambers, 300 3rd Avenue NE, Cambridge, Minnesota, 55008.

**Members Present:** Mayor James Godfrey; Council Members Lisa Iverson, Kersten Conley, Mark Ziebarth, and Bob Shogren.

**Staff Present:** City Administrator Vogel, Assistant City Administrator Lewis, Finance Director Moe, Utilities/Public Works Director Schwab, Deputy Police Chief Shawn Machin and Deputy Fire Chief Will Pennings.

### **Call to Order**

Godfrey called the meeting to order at 4:00 pm.

### **Approval of Agenda**

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

### **Update to Long Range Plan and 2022 Budget and Levy Discussions**

Vogel started by recapping the Community Survey Results from the ice cream social. He said 25 surveys were received, and touched on the satisfaction scores. He also reviewed the comments and answers to the questions that were given.

Conley indicated that she also had received community feedback about adding additional area to the dog park specifically for small dogs.

Moe reviewed for Council how tax rate is calculated for the City. She also went on to discuss the difference between a change in tax rate versus a change in tax levy.

Moe reviewed projected 2022 property city taxes for a variety of parcels based on three projected increases in the levy 3%, 4% and 8%. The 8% increase in the levy was included as that is the amount of levy increase that can occur to have a tax rate equivalent to 2021. Moe emphasized that the estimated 2022 property tax calculations were based on estimated property tax capacity amounts from Isanti County which are subject to change.

Moe then went on to review four different versions of the proposed 2022 budget and property tax levy as differentiated below:

Version 1: Budget requests as initially received from department heads for 2022 and a property tax levy increase for 2022 of 3%.

Version 2: Version 2 is the same as version 1 except the property tax levy for 2022 was increased to 4% and adjustments were made to manage the projected spike in the tax levy in 2023.

Version 3: Version 3 is the same as version 1 except the property tax levy for 2022 was increased to 8%, one additional staff position added, and extra funds used to prefund capital to offset the impact of the expected increase in levy for street project debt service.

Version 4: Version 4 is the same as version 1 except the property tax levy for 2022 was increased to 7.63% and additional positions were added to provide service related to City growth.

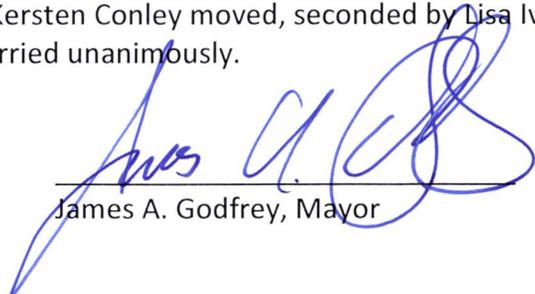
Much discussion among Council members occurred regarding the different options. Godfrey asked staff to see if we could get information on how much of the market value change of properties was due to growth versus how much was just market value change.

Given the Council visioning process expected to occur within the next month, Council came to the consensus to set the preliminary levy with an 8% increase. Future work on the budget and levy setting will occur after the Visioning process and when requested information is available.

Moe briefly discussed that approximately \$485,000 of American Rescue Plan funds were received in July 2021. Another \$485,000 is expected to be received in the summer of 2022. The entire amount of \$970,000 must be expended on activities specifically allowed by law no later than December 31, 2024.

**Adjournment of Council Meeting**

Being no further business before the City Council, Kersten Conley moved, seconded by Lisa Iverson, to adjourn the regular meeting at 5:28 pm. Motion carried unanimously.



James A. Godfrey, Mayor

ATTEST:



Evan Vogel, City Administrator