



City of Blaine

City Council Workshop

August 11, 2025 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

MINUTES

NOTICE OF WORKSHOP MEETING

In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

1. Call to Order

The meeting was called to order by Mayor Sanders at 5:30PM.

2. Roll Call

PRESENT: Mayor Tim Sanders, Councilmembers Terra Fleming, Chris Ford, Leslie Larson, Chris Massoglia (arrived at 5:40PM), Tom Newland, and Jess Robertson.

ABSENT: None.

Quorum Present.

ALSO PRESENT: Interim City Manager/Community Development Director Erik Thorvig; Assistant Community Development Director Sheila Sellman; Safety Services Director/Police Chief Brian Podany; Finance Director Jason Zimmerman; Director of Administrative Services Scott Johnson; Finance Analyst; Accountant Haley Chapman; Public Works Director Nick Fleischhacker; Human Resources Manager Lori Carbajal; Communications Manager Ben Hayle; City Attorney Lida Bannink; and City Clerk Catherine Sorensen.

3. New Business

- 3.1.** 2025-179 Closed Session Pursuant to MN Statute 13D.03 Subd. (1)(b) - Labor Negotiations Update
Sponsors: Scott Johnson, Director of Administrative Services

After motion and second the council moved into a closed session meeting pursuant to Minnesota Statute 13D.03 Subd. 1(b) to receive a labor negotiations update.

3.2. 2025-180 2026 Budget - General Fund Budget and City Property Tax Levy
Sponsors: Jason Zimmerman, Finance Director

Finance Director Zimmerman stated in accordance with the city's budget schedule, the August 11 Workshop was set aside for a presentation and discussion on the city managers' recommended 2026 budget and property tax levy. With the feedback received during prior public meetings, the current proposal was developed with the intent of aligning city council priorities with available financial resources to provide Blaine property owners, residents, and visitors with quality municipal services at a responsible tax level. Based on established guidance, staff have prioritized investments in capital assets that provide a broad benefit across the community, while minimizing additional ongoing operating requests.

Mr. Zimmerman explained because this document is being prepared in late July, many assumptions continue to be made based on trends in prior years' financial performance. Several factors may impact the final budget, including legislative changes, state mandates, economic shifts, and union negotiations. County-generated estimated market values for taxes payable in 2026 have yet to be provided, so at this time staff are unable to prepare an estimated tax capacity rate or impact scenario on the median valued single-family home. Additionally, metro-wide fiscal disparity information isn't anticipated until sometime in late August, which staff also need to calculate an accurate estimate of tax rate/impact. Staff presented the 2026 general fund budget and property tax levy in further detail to the council and asked for comments or questions.

Safety Services Director/Police Chief Podany discussed the staffing change that was proposed for 2026 noting the previously requested evidence technician position has been changed to a licensed police officer whose role would be focused on training. He provided the council with further information on how this change will impact the budget. He indicated he would continue to evaluate how the police department needs to be staffed in order to meet the needs of the community once the 105th redevelopment project was complete.

Mr. Thorvig reported this was the only new staffing position within the 2026 budget.

Councilmember Robertson asked if MSA dollars could be used to complete a road condition study for the city. Mr. Zimmerman stated he could look into this further, but he did not believe this was an eligible expense.

The council recessed the workshop at 6:55PM to convene the special council meeting.

The council reconvened the workshop meeting at 8:14PM.

Mayor Sanders thanked Finance Director Zimmerman and Interim City Manager Thorvig for all of their efforts on the proposed 2026 budget. He stated he appreciated the process that was followed for this budget and that the preliminary levy was coming in under 10%.

Councilmember Newland asked if going with a levy under 10% would do the city a disservice in the future. He noted he did appreciate the fact the city would be paying cash for

equipment purchases. He anticipated it would be difficult for the council to reduce the levy much more than it has already been reduced. Mr. Zimmerman was of the opinion the proposed budget was adequately funding the city. Mr. Thorvig added that this budget was not a bare bones budget but rather a happy medium that would not compromise city operations.

Councilmember Fleming stated she was very impressed by the leadership Mr. Thorvig and the entire staff has demonstrated through the budgeting process. She thanked staff for their efforts and noted she was happy with the proposed budget for 2026.

Councilmember Massoglia thanked staff for all of their efforts on the 2026 budget.

Council consensus was to support the proposed 2026 property levy of 9.9%.

4. Other Business

None.

5. Adjournment



Signed by

Tim Sanders, Mayor

Signed by

Catherine M. Sorensen, City Clerk

The workshop was adjourned at 8:43PM.