

**CITY COUNCIL WORK SESSION  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, September 8, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen  
Councilmember Jill Johns (arrived at 5:33 p.m.)  
Councilmember Mark Kuzma  
Councilmember John LeTourneau  
Councilmember Chris Riley  
Councilmember Melody Shryock  
Councilmember Kristine Williams

Also Present: City Administrator Kurtis Ulrich  
Finance Director Diana Lund  
Fire Chief Dean Kapler  
Police Chief Jeff Katers  
Public Works Superintendent Grant Riemer  
Human Resources Manager Colleen Lasher  
Community Development Director Timothy Gladhill  
City Engineer Bruce Westby  
Asst. City Administrator/Economic Development Manager Patrick Brama

**1. CALL TO ORDER**

Mayor Strommen called the City Council Work Session to order at 5:33 p.m.

**2. TOPICS FOR DISCUSSION**

**2.01: Further Discussion of 2016 Proposed Budget and Levy**

City Administrator Ulrich reviewed the staff report and highlighted changes made to the proposed budget since the last Council review.

Finance Director Lund reviewed the three budget scenarios included in the staff report.

Councilmember Johns arrived at 5:33 p.m.

Finance Director Lund continued to review the budget scenarios highlighting changes that would need to be made to reach each level and the impact that would have on City services.

Mayor Strommen stated that this was helpful to show the different scenarios and what it would mean in real terms to make cuts to the budget.

Councilmember LeTourneau stated that there is always a challenge between what is too much and what is not enough. He stated that in scenario one there is an impact of \$67 per resident based on the average home value of \$201,000 and believed that to be a great value for what the City is able to provide in return.

Mayor Strommen agreed and believed that it was helpful to see the services that are provided through the proposed budget.

Councilmember LeTourneau stated that the proposed budget includes the Strategic Plan items that the Council wanted to focus on as well as the services that staff feels would be beneficial.

Councilmember Kuzma stated that he understands that the budget is increasing and noted that while he would like to keep that down, the items proposed to be added are beneficial and do add value to the City. He stated that he would be in support of scenario one with possibly some minor cuts.

Councilmember Shryock agreed with the comments made by Councilmembers LeTourneau and Kuzma as she believed that the items proposed to be added will add value in the areas of safety and community wellbeing. She believed that these services are a good value and noted that she would be willing to pay the extra to have these services and therefore would support scenario one.

Councilmember Kuzma stated that there was discussion the previous year regarding the possibility of a franchise fee, which would have had an increase of over \$100 to \$160.

Councilmember Johns echoed the comments regarding the franchise fee discussion and stated that there is a cost to provide these services and yet the cost is still less than it would have been under the franchise fees. She noted that the drug task force position has already been delayed for several years and believed that there is a lot of value added.

Councilmember Williams stated that she does not agree and could not support the budget as proposed in scenario one as she would like to see a lean budget and levy. She stated that she would support scenario two because it is the smallest increase.

Councilmember Riley commended staff for developing all three scenarios. He noted that the roads and debt services are somewhat out of the control, as those items are needed. He stated that because of that he likes the idea of scenario three, although that is not his preferred option. He stated that there have been large increases the past two years and he would like to keep the tax levy low. He stated that he would like to see the tax levy equal to the rate of growth and revenue that the City has. He noted that inflation has been very low for the past several years and is anticipated to remain low, noting that the levy increases are continuing to outpace the rate of growth.

Councilmember Kuzma stated that prior to this Council, the previous Council had cut the budget to the bone and these budgets the past few years are attempting to regain some of the services that had been cut in the past.

Councilmember Riley referenced past debt levy rates and stated that there have not been cuts even in the lean years.

Mayor Strommen stated that there have been cuts in services to maintain the budget levy as the cost to provide services increases. She stated that there are normal cost increases over time in addition to the rate of growth. She noted that the road issue is not a linear item as the City has a bubble of roads that need a large amount of maintenance and the City is attempting to level that cost out as much as possible. She stated that item cannot be pushed down the road because that is how the City got into this situation in the first place. She stated that there would have to be some increase in order to account for the road improvements that are needed. She noted that public safety is a huge priority that she has and believes that it is problematic if the City continues to not be proactive in those areas.

Councilmember Kuzma stated that this year the proposed increase is mostly labor and noted that during the past few years there have been contract negotiations. He noted that if labor costs could be held down to what they had been three years ago, that would be a reduction in the budget, but acknowledged that cannot be done.

Mayor Strommen stated that the staff and road costs will continue. She stated that every position proposed to be added is justified and questioned if all existing staff positions are being used in the best manner possible. She stated that staff has been doing that in some cases when vacant positions come forward and staff amends that job to cover the most amount of services needed at that time.

Councilmember Shryock stated that everyone has made great points and appreciated the comments of Mayor Strommen. She noted that the City is at the point where there will be increases in taxes to stay on top of maintenance and other items. She stated that perhaps staff can look at some items that are not necessary at this time, such as the survey or modifying the newsletter to be as efficient as possible. She stated that while no one wants their taxes to go up, the reality is that there is a need to increase. She asked that staff be mindful of the little extras that add up.

Mayor Strommen appreciated the comments of Councilmembers Williams and Riley but did not know how to make cuts and still maintain and improve the roads.

Councilmember Riley noted that there is \$600,000 proposed for increases outside of the road costs where cuts could be made. He stated that perhaps some of the recent hiring decisions should have been held off until the budget discussion.

Councilmember Johns stated that labor will always be the biggest bucket in the budget because staff provides services to the residents.

Councilmember Williams stated that she is a bit confused in regard to the overall desire to provide services and the link to specific line items.

Mayor Strommen stated that she believes the public safety items are a huge priority as the higher the population, the more the issues will change. She did not want to see that area get into the same situation as the roads.

City Administrator Ulrich stated that this year's budget does not put a lot into the roads, in addition to the flat amount, noting that in the next few years, additional costs will roll into the budget for the roads.

Mayor Strommen referenced the newsletter item and stated that perhaps cuts could be made in that area and still convey the necessary information. She stated that she does have concerns with not investing in what needs to be invested in and continually pushing items down the road. She stated that if the City backslides on public safety it would be easy for the City to fall behind quickly.

Councilmember Riley stated that several items relate to the police department and asked if it would be cheaper or better to go through the Sheriff's Department rather than have an in house department.

Police Chief Katers explained that the Council has the full authority over the police and acknowledged that there is a higher cost, but higher service is provided. He stated that if the City were to contract through the County there would be a contract and the City would not have much control over the services or level of service provided.

Mayor Strommen stated that costs increase but noted that as the City grows the revenue should also be eventually growing. She acknowledged that the rates may not always increase at the same rate because of strategic decisions. She appreciated how Police Chief Katers has reviewed vacant positions to amend those positions to add the most value to his department. She acknowledged that the decisions the Council makes will impact the budget in future years.

City Administrator Ulrich stated that personnel is the most expensive items in the budget and will continue to become more expensive as the years go by.

Mayor Strommen stated that it seems there is consensus on making some of these investments that add value, but the work may not be done as the list could be reviewed again to determine if every item is needed at this time.

Councilmember LeTourneau stated that if the larger budget is accepted at this time, there would be time to remove certain items from that budget, but if the smaller budget is accepted, the Council would not have the opportunity to add those items later.

Mayor Strommen confirmed majority consensus of the Council is to adopt scenario one as the proposed budget with the Council to continue to review the budget for items that could be reduced.

Councilmember Riley stated that history shows that you do not reduce from an initial amount.

Finance Director Lund stated that the City has actually reduced from the adopted amount.

Councilmember Riley suggested that everyone review the budget and find ways to reduce funds.

Councilmember Williams believed that the rate proposed in scenario one is too high to adopt even if the intent is to make reductions.

Police Chief Katers provided additional information on the drug task force position, noting that the issue of drugs is increasing and the department does not have the ability to be proactive and can only be reactive at this time, which is not the best method to handle that situation. He stated that he does not ask for things that he does not need.

Councilmember Kuzma stated that the Council needs to decide if that extra personnel is necessary. He stated that he would like to see the Council make that investment in order to be proactive within the community.

Councilmember Riley asked if the role of the task force has changed in the last few years. He stated that when the item has been explained in the past it was explained that the officer would not work solely in Ramsey and would work throughout the task force. He stated that it appears that Police Chief Katers is stating that the person would be on the streets in Ramsey.

Police Chief Katers explained that the task force has changed, as the cities with officers on the task force want results in their own city. He stated that if there is a case that needs extensive follow up, the City asks the task force to do that but currently a member from another city is pulled from their community to work within Ramsey. He stated that although they will assist, they do not favor that option and the task force has more of a say in where they investigate and work. He noted that there are times the Ramsey task force member would assist in other communities but the majority of the time would be spent in Ramsey, which is a change from the past.

Mayor Strommen stated that based on the majority of the Council, staff should continue with scenario one, reviewing the individual items to determine where reductions can be made.

Councilmember Riley received confirmation that the tax rate proposed in scenario one would then be sent on the truth in taxation statements that will be mailed to residents.

## **2.02: Strategic Plan Update**

Mayor Strommen stated that based on the budget discussion, the Council should think hard about the items in the Plan to determine their priorities and how those correlate to the budget.

City Administrator Ulrich reviewed the staff report and explained how the green, yellow and red indicators are updated with the individual items.

Mayor Strommen noted that perhaps green should be used to identify items that are on track to meet the completion date.

Councilmember LeTourneau stated that he likes the red, yellow and green indicators and suggested that the green is used on items that are a work in progress and are following the timeframe designed. He noted that the yellow could be used if there are indicators that the project may not follow the timeline designed.

Mayor Strommen agreed, noting that the dates show that the item is in progress.

City Administrator Ulrich confirmed that the green indicator would be used to mark items that are completed or on track, while the yellow would be used for items that may not be completed on time, and the red to identify items that will not be completed or have issues.

Councilmember Shryock suggested placing a check mark next to items that have been completed as well.

Mayor Strommen stated that the change in use of the indicators would provide the Council with a better opportunity to review items that are not on track or that have issues arising.

City Administrator Ulrich noted that he would update the Plan using the indicators as suggested by the Council.

Councilmember Riley used the example of the trails plan that has not yet begun but would still be on track and questioned if that would then be shown in green.

Mayor Strommen stated that a decision would be made by staff and noted that if there is not progress on the item it could remain yellow.

City Administrator Ulrich noted that he could also include a comments section to provide additional details on certain items.

### **3. TOPICS FOR FUTURE DISCUSSION**

#### **3.01: Review Future Topics/Calendar**

Mayor Strommen reviewed the upcoming topics for discussion on the calendar.

### **4. MAYOR / COUNCIL / STAFF INPUT**

None

### **5. ADJOURNMENT**

The Work Session of the City Council was adjourned at 6:55 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Jo Ann M. Thieling  
City Clerk

Drafted by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*