

**MINUTES  
CITY OF LONSDALE  
SPECIAL CITY COUNCIL MEETING  
JULY 15, 2014**

**1. CALL TO ORDER**

Mayor Rud called the meeting to order at 6:00 p.m. in the City Council Chambers, 415 Central St. W., Lonsdale, MN 55046

**2. PLEDGE OF ALLEGIANCE**

Everyone stood and recited the pledge of allegiance.

**3. ROLL CALL**

Present: Daleiden, Kodada, Rud, Furrer and Pelava

Absent:

Staff Present: City Administrator Joel Erickson, Public Works Director Russ Vlasak and City Treasurer Tami Brokl

Others Present: None

**4. AGENDA**

Mayor Rud said there was one item on the agenda and asked if there were any additions to the agenda. A motion was made by Kodada and seconded by Daleiden to approve the agenda as presented. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried.

**5. APPROVAL OF MINUTES**

None

**6. PUBLIC HEARINGS**

a. None

**7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS**

None

**8. APPROVAL OF THE CONSENT AGENDA**

None

**9. OLD BUSINESS**

None

**10. NEW BUSINESS**

a. Discuss the City's Preliminary 2015 Budget

Erickson said this was the first budget meeting of the year. He said that goals/priorities for 2015, the proposed 2015 property tax levy, staffing levels/pay scale/comparable worth study and the line item budget should be discussed at the meeting. Erickson reviewed the 2014 property tax levy. He said the levy has not been increased in three years. Erickson said that LGA will be budgeted at 100% of what is certified later this month. Mayor Rud asked about staffing levels in

Public Works. Erickson said the estimated cost increase for two new full time employees would be \$40,000.00. Vlasak said he is requesting two new full time employees. Mayor Rud asked if two new full time employees is the top priority. Vlasak replied yes. Erickson said he will be meeting with Vlasak to determine project and need priorities for Public Works. Furrer said Public Works will have more to do with the addition of the Business Park. Vlasak said the increased time will be plowing, mowing the boulevard and inspections.

Line Item Budget:

Wages/Health Insurance:

Erickson said that a 3.5% wage increase will be proposed and included in the budget. He said for now, health insurance will be budgeted at a 10% increase. Erickson questioned if the City Council wanted to consider conducting a comparable worth study. The City Council said they did not want to do the study.

City Council:

Erickson said expenses are based on 24 regular and 10 special meetings. He asked if the City Council was interested in purchasing TV's for the Council chambers so the City Council and residents could better view presentations and having packets go electronic instead of a paper packet. The City Council said they would like to purchase TV's and explore the idea of "e" packets. Erickson said it is budgeted for two City Council members to attend the LMC's annual conference.

Library:

Erickson said staff has submitted a funding request to Rice County and the Library Board will be reviewing the proposed budget at their next meeting. He said staff requested an increase of \$5,000.00 in funding from Rice County for 2015. Erickson said expenses are proposed to increase minimally and the main increases pertain to the replacement/addition of computers for both staff and patrons. He said the percentage of City Administrator's wage and benefits allocated to the Library has been removed for 2015.

Debt Service:

Idaho Street:

Erickson said that because the special assessments levied against the Legacy Meadows subdivision have not been paid, the fund has a deficit of approximately \$450,000. He said it needs to be determined how this deficit will be eliminated.

8<sup>th</sup> Ave NW:

Erickson said the 8<sup>th</sup> Ave NW debt service fund might run a deficit as well. He said without having received the first half of the property tax levy, it was difficult to determine the deficit, if any.

Parks and Recreation (Capital Outlay):

Erickson reviewed the 5 year capital outlay for parks and recreation. He said after the "Linking Lonsdale" trail project, the fund will have approximately \$40,000 and after that is spent, all project will rely mainly on the property tax levy. Erickson said the two main projects for 2015 are the Veteran's Memorial and a

fishing pier at Rezac Nature Preserve. Erickson said trail maintenance will also have to be budgeted as well.

Planning & Zoning:

Erickson said the City's Comprehensive Plan was last updated in 2005 and it should be reviewed in 2015. Erickson said \$20,000 is proposed to be budgeted for it to be updated. He also said the City Council has discussed conducting a citizen satisfaction survey in the past and asked if one should be done in 2015. Erickson estimated the cost of the survey at \$2,500.

Police:

Erickson said the Chief of Police is working on updating the capital outlay plan for the department, which will be incorporated in the budget. He said staff is proposing to purchase a speed trailer, estimated to cost \$6,000 in 2015. Erickson said staff is reviewing an agreement for animal control services as well.

3 R Landmark School:

Erickson said the City needs to determine what the future use of this building will be. He said staff has met with the Rice County Historical Society on ownership and programming. He said with the City rehabilitating the building this year, the building needs to be used more than it currently is.

City Hall:

Erickson asked if there was interest in mailing a quarterly newsletter to residents. The City Council said communication with resident is very important. Erickson said a new computer needs to be purchased for use at the front desk. He also said a separate space for the City Planner has been needed for a long and questioned if there was interest in expanding City Hall. The City Council directed staff to bring a plan back to the next budget meeting.

Next Meeting:

The City Council requested staff provide information at the next budget meeting on Public Works staffing levels and the tax impact if the levy is increased. Daleiden suggested that with the EDA having a fund balance of over \$200,000, it might be worth discussing using some of it to reduce the debt service fund deficits discussed earlier in the meeting.

**11. OTHER BUSINESS**

a. None

**12. ADJOURNMENT**

A motion was made by Daleiden and seconded by Pelava to adjourn the meeting. Vote for: Daleiden, Kodada, Rud, Furrer and Pelava. Vote against: None. Abstained: None. Vote: 5-0. Motion carried. The meeting was adjourned at 7:40 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator