

**MINUTES  
CITY OF LONSDALE  
SPECIAL CITY COUNCIL MEETING  
AUGUST 16, 2011**

**1. CALL TO ORDER**

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

**2. PLEDGE OF ALLEGIANCE**

Everyone stood and recited the pledge of allegiance.

**3. ROLL CALL**

Present: Daleiden, Rud, Furrer and Pelava

Absent: Kodada

Staff Present: City Administrator Joel Erickson, City Treasurer Joyce Skluzacek,  
Public Works Director Russ Vlasak and Library Director Diana Tallent

**4. AGENDA**

Mayor Rud said there is one item on the agenda and asked if there were any additions or deletions to the agenda. A motion was made by Daleiden and seconded by Pelava to approve the agenda. Vote for: Daleiden, Rud, Furrer and Pelava. Against: None  
Vote 4-0. Motion carried.

**5. APPROVAL OF MINUTES**

None

**6. PUBLIC HEARINGS**

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 2012 Annual Budget

Erickson said this was the third budget meeting of the year.

Library:

Erickson said the Library was discussed at the meeting but since then, staff has meet to review the 2012 budget. Erickson said no increase in County funding was budgeted for. Mayor Rud asked if that would increase the property tax levy. Erickson said it would increase the tax levy by about \$3,400.00. Library Director

Diana Tallent updated the City Council on the presentation given by the Library Directors to the Rice County Commissioners. She said the Commissioners were happy with the presentation and provided positive feedback on the presentation. Mayor Rud commented on the fact that a formula needs to be adopted and used going forward. Tallent agreed with Rud and said she sent an email to the County Administrator stating the same concern for the use of a formula.

#### Road and Bridge:

Erickson said based on discussions at the last budget meeting, staff has proposed an increase to street maintenance materials for increased crack filling and sealcoating. Mayor Rud suggested updating the City's Capital Improvement Plan. Mayor Rud asked if staffing levels were sufficient. Erickson said for 2012, the budgeted is based on the current staffing levels. Vlasak said the seasonal employees have been working out well. He said one seasonal employee is leaving next week and it will have to be decided whether or not to replace the employee. Mayor Rud said staff will have to inform the City Council as to the work load and make a recommendation whether or not to hire a seasonal employee to replace the one leaving.

#### Park and Recreation:

Erickson said staff has been working on updating the costs to make improvements to the ball fields at the Jaycee Park. Mayor Rud said the City should purchase the County maintenance shop. Erickson said he emailed the County Engineer for an update but has not received a response. Mayor Rud asked if funds had been budgeted to make improvements to Kalina Park. Erickson said no and those funds would come from the Park Development account.

#### Liquor Store:

Erickson said the Liquor Store Manager will be at the next budget meeting. He said the key to success of the liquor store is maintaining gross margins that cover all expenses. Mayor Rud asked if the repayment to the sewer fund and depreciation were being funded. Erickson said both are budgeted for. Furrer asked if inventory was being reduced. Erickson said the goal is reduce inventory to below \$275,000.00 in 2011. He said inventory is higher during the summer months because of beer sales.

#### Water Fund:

Erickson said water sales are down compared to budgeted revenues because of the wet summer and property owners are not sprinkling their yards. Erickson said sales revenue will increase in 2012 because of the increase in the water base fee. Mayor Rud said all properties in town should pay the base fee regardless of whether or not their water is turned on. The City Council held general discussion on whether or not to charge everyone a base fee regardless of if their water is turned off.

#### Other Budget Items:

Mayor Rud asked when the City would know the cost for health insurance in 2012. Erickson said he would know at the end of August. He said he has already told the City's broker to plan to go to market. Mayor Rud said for the next meeting, he would like to see several property tax levy scenarios and the effect on

property taxes to residents. Furrer asked how the City would save money on the G & K bill. Erickson said the City has a five year contract and it would need to be restructured to less frequent delivery of rugs during the summer months at City Hall and the Liquor Store.

**11. OTHER BUSINESS**

a. None

**12. ADJOURNMENT**

A motion was made by Daleiden and seconded by Pelava to adjourn the meeting. Vote for: Daleiden, Rud, Furrer and Pelava. Against: None Vote 4-0. Motion carried. The meeting ended at 7:37 pm.

Respectfully Submitted:

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Joel A. Erickson, City Administrator