

**MINUTES
CITY OF LONSDALE
SPECIAL CITY COUNCIL MEETING
AUGUST 29, 2016**

1. CALL TO ORDER

Mayor Rud called a Special Meeting of the Lonsdale City Council to order at 6:01 p.m. in the City Council Chambers, 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the pledge of allegiance.

3. ROLL CALL

Present: Daleiden, Rud and Furrer

Absent: Kodada and Pelava

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

Others Present: None

4. AGENDA

Mayor Rud said there was one item on the agenda and asked if there were any additions, deletions or corrections to the agenda. A motion was made by Daleiden and seconded by Furrer to approve the agenda as presented. Vote for: Daleiden, Rud and Furrer. Vote against: None. Abstained: None. Vote: 3-0. 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

Discuss the City's 2017 Budget

Erickson provided a summary of the last budget meeting held and what would be discussed at this meeting. He said staff has met and reviewed the following departments:

Planning & Zoning:

Erickson said funds have been budgeted for Planning Commission and staff to attend training. He said professional services are proposed to be down when compared to 2016 because of the Comprehensive Plan being updated this year. He said funds have been budgeted to share an intern with Rice County in 2017 but Rice County is not sure at this time if they will be hiring one. Erickson said engineering and legal are similar to budgeted amounts in 2016.

Park & Recreation:

Erickson said the Park Board has reviewed and recommended capital improvement project/funding for 2017 and subsequent years. He said \$12,500 is proposed to be budgeted for recreational programming and a shared staff person with a school district as part of a Joint Powers Agreement to provide recreational programming in Lonsdale. Erickson said that \$22,000 is proposed for the dog park, \$25,000 for repairs to the Willow Creek Heights Dr. SE trail and \$50,000 for future capital outlay projects to build up a reserve for larger projects.

Review of the Line Item Budget:

Erickson said he recommends the entire line item budget be reviewed at the next budget meeting along with wages and insurance.

Capital Outlay - Facilities:

Erickson said that during both the 2016 and 2017 budget processes, discussion has been held on expansions to City Hall, the Public Works Building and improvements to the Police Station. He said funding options include: (1) save and build up reserves; (2) use existing reserves or (3) issue capital improvement bonds. Erickson said to issue capital improvement bonds, the City must adopt a capital improvement plan, hold a public hearing and wait 30 days after the hearing to issue bonds, to allow time for a citizen petition for a reverse referendum on the bonds.

Property Tax Levy / Tax Rate:

Erickson said the 2017 budget will be based on prior discussions that the City's tax rate be reduced by 2%, which would set the tax levy at \$2,073,400. The Council reviewed a spreadsheet showing the impact on various valued residential and commercial/industrial properties.

Veteran's Memorial Fund Transfer to the General Fund:

Erickson said the fund has a deficit of approximately \$100,000 and recommended it be transferred to the General Fund to eliminate the deficit. He said the recommendation is based on the fact that very few people are purchasing pavers like in 2015. Furrer asked if that was a good idea given that once transferred, the fund balance will not be known if larger donations are given to the City. Erickson agreed that would be an issue. Pelava asked if Erickson has reviewed his email showing several options for security cameras to be used at the memorial. Erickson said he had not.

Furrer asked if staff could research emailing out utility billing statements to those that are interested in receiving them via email and not the mail to reduce the cost of mailing bills out monthly. Erickson and Brokl said they would look into it.

10. NEW BUSINESS

a. None

11. OTHER BUSINESS

None

12. ADJOURNMENT

A motion was made by Daleiden and seconded by Furrer to adjourn the meeting. Vote for: Daleiden, Rud and Furrer. Against: None Vote 3-0. Motion carried. The meeting ended at 8:05 pm.

Respectfully Submitted:

Joel A. Erickson, City Administrator