

CITY OF BALATON  
REGULAR CITY COUNCIL MEETING  
April 08, 2024, 7pm

- 1) **CALL TO ORDER:** The regular meeting of the Balaton City Council was called to order at 7pm on Monday April 08, 2024, by Mayor Lonnie Lambertus
- 2) **ROLL CALL**  
a) **Present:** Lonnie Lambertus, Greg Erickson, Council Members: Dylan Fricke, Curt Paradis, Scott Wood  
b) **Absent:** None  
c) **Also Present:** Lyon County Sheriff's Department, Kasey Holm-Fire Chief, Kimberly Wall-Clerk/Treasurer, Josh Torgeson-Public Works, Mike Carr (DGR)), Jacob Hively-Ambulance, Michael Wal, Darci Anderson (Auditor)
- 3) **APPROVE MINUTES:** A motion was made by Greg Erickson and seconded by Dylan Fricke to approve the minutes of the Regular Meeting on March 11, 2024. Motion carried by all present.
- 4) **FINANCIALS:**  
No questions or corrections. A motion was made by Dylan Fricke and seconded by Scott Wood to approve the bills as presented. Motion carried by all present.
- 5) Open Public Hearing  
A motion was made at 7:05 by Dylan Fricke and seconded by Scott Wood to open the public hearing for the resolution granting a property tax abatement for real property located at 3090 Eastbay Ave in the City of Balaton.
- 6) Darci Anderson – 2023 Annual Audit  
Darci Anderson informed the council that on page one (1) of report, the City of Balaton has a clean report except for being dinged on the fire relief, did not go through GASBY standards. Page ten (10), Darci went over assets and liabilities and net position with council. Total assets in 2023, 5.5 million which was up from the previous year by \$502,000.00. Cash reserves are going up, which is good. Liabilities decreased from the previous year by \$177,000.00, the city is currently sitting with two million in liabilities. Net position 3.4 million which was increased by \$23,000 from previous year. Page twelve (12) unassigned fund balance 261,000; the City of Balaton adopted a fund balance policy that was suggested by the state auditor recommended maintaining a three (3) to six (6) month of unassigned fund balance which should be 35%-50% of the budgeting operating budget expenses for the next year, Balaton hit 37% which was the first time since 2018. General funds have \$18,000 in committed funds for parks and community center flooring. Fire and ambulance have a restricted balance of \$25,819 from state funds that will be split between fire and ambulance (\$12,909.50). Fire committed funds that is left over to be spent is \$10,367. EDA has a negative fund balance of \$25,000. Page fourteen (14) Revenues and Expenditures: General fund has a \$57,000 income, fire has a \$5,000 income, EDA had a \$2,100 loss, debt service had a \$3,900 loss and non-major funds had a \$35,000 income. Page seventeen (17) Proprietary Funds: Water fund has \$248,000 income (mainly due to grants and donations for the water tower project), sewer had a \$79,000 income, Liquor Store \$7,800 income and garbage had a loss this year however the city changed companies; overall, there was an increase of water and sewer income from 2022 to 2023. Page twenty-two (22) Budget versus Actual: General fund budgeted for a \$45,000 income; actual income was \$57,000. Page twenty-three (23) EDA Budget: City budgeted a \$5,000 income, actual was a loss of \$2,100. Page twenty-four (24) Fire Fund: Budgeted for a loss of \$25,000, actual \$5,800. Ambulance budgeted for a loss of \$19,000, actual \$35,000. Small Cities (SCDG), income of sixty-five dollars. Page 68-Findings: 2022 there were six (6) finds, 2023 there were three (3) findings; segregation of duties, finding audit adjustments (material adjustments), Darci suggested that Nicole go through entries with City Clerk and ambulance billing continues to have write offs. The ambulance billing company is behind on 2023 billing. A corrective action plan has been put in place by hiring Metro Billing to replace Expert Billing. Overall, Darci advised best audit/year since 2018.
- 7) Mike Carr (DGR):  
Mike Carr handed out DGR packet and informed council that he's familiar with Balaton with past projects (since 1998) with the City of Balaton. Discussed near future needs (5-10 years) and project priority list (setting marker down to state agency with amount of money needed to complete). Mike advised that since January, DGR has been working with Rural Development to get the city lined up to apply for a planning grant. The next step is for a preliminary engineering report for cost assessment and schedules. Through the Rural Development funding process, they can offer loans, grants and other state grants based on the city's income. If there's a health and safety need, could be eligible for up to 75% grant (provided they don't run out of money). Mike informed the council that they will need to decide what will be priority to the city. Mike said they he's looking into the contract that Balaton has with Red Rock Rural Water, asked to have contractual agreement current, also could ask for funding since Balaton supplies water use. Mike suggested the well, upgrading water treatment plant, lift stations and generators should be priority. No decision was made by the council.
- 8) **REQUESTS AND COMMUNICATIONS:**  
Redwood-Lyon-Lincoln County Guides – the council elected not to participate in the Redwood-Lyon-Lincoln County Publication this year.
- 9) **PUBLIC COMMENT PERIOD** – None
- 10) **REPORTS – OFFICERS, BOARDS, COMMITTEES**  
a) **Water/Sewer/Garbage Delinquent Accounts** -Nothing  
b) **City Personnel** - Employee Hours YTD – Nothing  
c) **Public Works:**  
Josh updated council that he is working on getting the bobcat on MNBid.com  
Lonnie Lambertus recognized that Josh Torgeson and staff received a Certificate of Commendation from MN PCA (Minnesota Pollution Control Agency). The Public Works Department's dedication to protecting Minnesota's waters is duly recognized and appreciated by the state of Minnesota.  
d) **EDA** –Wood asked why the EDA meeting minutes are not included in the packet. Greg Erickson will check on this.  
e) **Lyon County Sheriff Department** -Sherrif informed council of incident report, nothing out of the ordinary.  
f) **Liquor Store:**  
Letter was received from the Lyon County Sheriff's Office regarding Alarm Calls at the Balaton Liquor Store. As of January 01, 2024, the Lyon County Sheriff's Office has responded to three (3) false alarm, or human error activation calls at the Balaton Liquor Store. Dates of false alarm are 02/19/2024, 03/17/2024 and 03/20/2024.