

**September 4, 2018  
Work Meeting Minutes**

The meeting was called to order by Mayor John Werner at 6:00 p.m. Present for the meeting; Mayor Werner, Councilors Greg Andrews, John Goman, Suzanne Herstad, and Bob Quade; Clerk/Treasurer Toni Blomdahl, Cindy Endicott, Jesse Martus, and Jayme Heim.

John G. made a motion to approve the August 6, 2018 Work Meeting Minutes with a second by Bob. All vote in favor. Motion carried.

**Correspondence:** Notice from Couri & Ruppe regarding their legal fee increase and letter from St. Louis County about the reconstruction project update for Woodland Ave and East Calvary. Toni stated these are just informational.

**NEW BUSINESS:**

**Employee Right to Know Manual:** Suzanne stated the Safety Committee recommended approval of the manual to City Council. Suzanne stated we are making Safety Data Sheets available to all employees for all chemicals used. Suzanne made a motion to approve the Employee Right to Know Manual with a second by John G. All vote in favor. Motion carried.

**Rice Lake Volunteer Fire Department Auxiliary Carnival Donation:** Toni presented Council with a request for a donation to the Auxiliary for the Halloween Carnival and stated we have donated \$500 in the past. John G. Made a motion to donate \$500 to the Auxiliary with a second by Greg. All vote in favor. Motion carried.

**League of MN Cities (LMC) Financial Committee Presentation:** John W. went over the power point presentation from the LMC Financial Committee and went over the formula the state uses to determine LGA. John stated the state looks at city fund balances, cash flow, savings for projects, rainy day funds, etc. and have noted cities have an excess of funds and some legislators think the state should use those excess funds to balance the state budget. John stated the LMC is taking the stand the state should respect local cities decision making authority for these reserves. John stated the formula for LGA is complex and we will need to watch for any changes in the formula and any legislation to use city reserves to balance the state budget.

**UNFINISHED BUSINESS:**

**2019 Proposed Budget:** Toni presented Council with the updated 2019 proposed budget and noted she reduced the administrative wage budget due to staff changes. Greg stated we haven't increased our levy enough for several years, so we've been working in a deficit. There was some discussion as to raising the levy for the West Calvary bond payment. Council agreed they would like Steve Patronas from RBC to come to our next work meeting to discuss our financial situation with the West Calvary bond. John W. suggested we set the levy at a 7.69% increase. Greg made a motion to set the 2019 proposed budget as presented at \$1,476,095 which is a 7.69% increase from 2018 with a second by Suzanne. All vote in favor. Motion carried.

**Suggestions for Administrative Hearing Officer:** Toni stated she contacted the attorney for Hermantown to see if he would be interested in being our Administrative Hearing Officer for our Administrative Fines Ordinance, but he said he was retiring soon and didn't want to take on new projects. Toni asked Council if they had any suggestions of other people to contact. Council suggested Toni ask Mike Couri, our attorney for suggestions and check with the surrounding communities to see who they use as attorneys.

**LED lights for South Fire Hall:** Toni presented Council with an estimate from Duluth Electrical to change out the lights at the South Fire Hall to LED in the amount of \$20,975. John W. stated he is not sure if MN Power will extend the rebate past 2018. Toni stated we have money available in the building

fund. Suzanne made a motion to approve the estimate for the lights with a second by Greg. All vote in favor except for Bob who abstained as his son-in-law works for Duluth Electrical. Motion carried.

**Chicago Ave. Funding:** John W. stated Gary Cerkenik has been working with Senator Bakk to get MN Dot funding for Chicago Ave. John stated MN Dot is not accepting new applications for funding and are working off the 2018 funding list, which Chicago Ave. is on, so hopefully we can get some funds to help with the reconstruction.

**PUBLIC COMMENT:** Jesse Martus stated he was here to discuss the possibility of creating an independent closed school district, as people are moving out of the area because of the schools and ISD 709 and class sizes. Jesse stated he would like to keep the money dedicated to staff and not football fields and swimming pools. Council agreed they were not in opposition to this idea, but suggested Jesse speak with surrounding townships to get a larger pool of students to draw from. Suzanne stated she thinks he would need to petition state legislation to create a new school district. John W. noted Jesse can put a letter in the Rice Lake Newspaper if he would like.

Having nothing further to discuss Greg made a motion to adjourn the meeting with a second by John G. John W. adjourned the meeting.

Respectfully submitted,

  
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John Werner, Mayor

  
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Toni Blomdahl, Clerk/Treasurer

1 OCT 2018  
Date

9-28-18  
Date

Work Meeting  
 Date: September 4, 2018

	Name:	Address:	phone and/or email address:	X-speak
1	Jayme Loom	Kingston Rd		
2	Cydney Emdinett	Kingston Rd		
3	Jesse Martins	3744 W. Fischer Rd	218 340 6113	
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