

CITY OF BALATON
REGULAR CITY COUNCIL MEETING

June 09, 2025, at 7pm

- 1) **CALL TO ORDER:** The regular meeting of the Balaton City Council was called to order at 7pm on Monday June 09, 2025, by Mayor Lonnie Lambertus
- 2) **ROLL CALL**
 - a) **Present:** Lonnie Lambertus, Council Members: Dylan Fricke, Tracy McCloud, Greg Erickson, Curt Paradis
 - b) **Absent:** None
 - c) **Also Present:** Lyon County Sheriff's Department, Kimberly Wall-Clerk/Treasurer, Kaey Holm-Fire Department, Matt Gross-Attorney, Josh Mehon, Dar Sherman, Darci Anderson-Kinner and Co., Sophia Gaul-Above the Fold, Jason Klass-Southwest Health and Human Services.
- 3) **APPROVE MINUTES:** A motion was made by Tracy McCloud and seconded by Dylan Fricke to approve the minutes on May 12, 2025 (regular meeting and closed meeting). Motion carried by all present.
- 4) **FINANCIALS:**

No questions or corrections. A motion was made by Greg Erickson and seconded by Tracy McCloud to approve the bills as presented. Motion carried by all present.
- 5) **REQUESTS AND COMMUNICATIONS:** Nothing.
- 6) **PUBLIC COMMENT PERIOD –**
 - a) Theresa Zaske questioned the council about golf permits and underage kids driving recklessly in town. She stated that several golf carts last year did not have a permit and what the consequences are if people don't get permits. Secondly, she approached the council about the fireworks. She stated that according to MN state laws, fireworks that leave the ground are illegal. Her concerns are people with PTSD as well as concerns for pets. She is requesting that the council consider having stricter city codes and those codes be enforced. Lonnie Lambertus asked Eric Wallen if the deputies were around when this happened. Eric Wallen advised the council that he urges residents to call (non-emergency) when fireworks are going off. Also, call the sheriff's office when people see kids (16 and under) driving golf carts around town. Matt agreed with calling the sheriff's office regarding fireworks and kids driving golf carts.
- 7) **Darci Anderson – Balaton 2024 Audit**
 - a) Darci Anderson informed the council that on page one (1) of the audit, opinions of Balaton's financial statements (all departments). Darci stated that she had to qualify their opinion this year again because of the GASBY pension related to Fire Relief. The unmodified opinion (page 1, paragraph 3), all business types of activities for all funds present fairly, which is a good clean report. Page fourteen (14) shows all balances and governmental activities (cash equivalence was up two hundred ninety-eight thousand (\$298,000). Total assets equal four million four hundred thousand (4.4 million) which is an increase of two hundred fifty-two thousand (\$252,000). Business assets are at two million five hundred and forty thousand which is an increase of one hundred and fourteen thousand. Governmental Liabilities equal two million one hundred thousand (2.1 million) and are down one hundred and thirty-seven thousand from 2023 which is good, meaning that Balaton is paying off debt. The liability for business type activities liability is at three hundred and seventy-seven thousand, down fifty-nine thousand from 2023. Total Governmental Activity (General, fire, ambulance, small cities and EDA) increased three hundred and fifty thousand dollars (\$350K). The business type activities (net position) increased by one hundred forty-seven thousand dollars (\$147K) which is good. Darci informed the council that there is an unassigned fund balance (general) of three hundred fifty-two thousand four hundred and ten dollars (\$252,410.00). The statement of revenues and expenditures: net change in fund balance is as follows: General is one hundred twenty-two seven hundred and forty four dollars, fire is at a loss of fifteen thousand five hundred and fifty-eight dollars, ambulance is forty-six thousand forty-seven dollars, SCDG fourteen thousand six hundred and sixty-eight dollars, EDA is eleven thousand nine hundred and forty-four dollars and debt services is ta five thousand nine hundred and five dollars. The water net (income) position is seventy-six thousand three hundred and fifty dollars; the sewer net (income) position is eighty-three thousand seven hundred and twenty-five dollars. The liquor store had a loss of twenty thousand eight hundred dollars. Non major garbage net (income) position is at eight thousand one hundred forty dollars. Darci informed the council that she would suggest watching the liquor store to increase pricing. Fund balance verses actual increased by one hundred seven thousand seven hundred and nine dollars due to state funding. Findings are: 2024-001 segregation of duties (clerk/deputy clerk), 2024-002 Audit Adjustments, 2024-03 Ambulance billing, 2024-004 Conflict of Interest MM Legal Compliance finding, 2025-005 Lack of budget for major special revenue fund, 2024-006 Lack of adequate collateral for deposits MN legal compliance finding.

- b) A motion was made by Greg Erickson and seconded by Curt Paradis to accept the 2023 audit provided by Kinner and Company. Motion carried by all present.

8) REPORTS – OFFICERS, BOARDS, COMMITTEES

a) **Water/Sewer/Garbage Delinquent Accounts**

- 1) Parcel 21-12050-0. A motion was made by Curt Paradis and seconded by Dylan Fricke to approve the write-off of \$1081.08 for water/sewer/garbage bill. Motion carried by all present.

b) **City Personnel** - Employee Hours YTD – Nothing

c) **Public Works:**

- 1) A motion was made by Dylan Fricke and seconded by Tracy McCloud to declare the old t-dock surplus. The council agreed to accept closed bids until July 11, 2025. The closed bids will be opened and discussed during the July 14, 2025, council meeting. Motion carried by all present.

d) **Zoning:**

- 1) Josh asked the council for better clarification of what a zoning permit is needed for. As of now, there is no zoning permit for concrete pads and no charge, however if it's structure and would like to know the thoughts of the council. Dylan asked if there are guidelines of the zoning, clerk advised city codes are on the website – Dylan said that would be okay and no need to send them directly to the one drive. Greg Erickson suggested that any type of structure that allows setbacks should have to fill out zoning permit. No decision at this time – will table for now.

898

e) **EDA:**

- 1) Dylan Fricke advised the council that Tracy McDonald is interested in fulfilling a vacant spot on the EDA board. Dylan expressed concern with a council quorum. Per Matt Gross, the public notice would have to change to include city council at the EDA meeting and it would have no effect on the city council. Minutes would be EDA only. Dylan informed the council that Kasey Holm has also applied. Greg Erickson agreed that it would not be a problem to have a quorum on the EDA board. The EDA will go through interviews and will approve applicants the following month.

f) **Lyon County Sheriff Department**

- 1) The Lyon County Sheriff Department Officer handed out the May 2025 incident report. No concerns.

g) **Liquor Store**

- 1) A new handheld scanner as purchased to help with on/off sale.

h) **Community Center:** n/a

i) **Fire/Ambulance Department:**

- 1) Kasey Holm brought to the council's attention that emergency vehicles cannot get through on Lake Yankton Ave (located in Eastbay) when parking is allowed on both sides of the street. Suggestion is there is no parking on the north side of Lake Yankton Ave.
- 2) Truck 604 is still in the shop for transmission repair.
- 3) Kasey spoke with the council about the audit. Darci advised that the council is over on budget. Kasey said the budget being over was due to transfers not being made to budget of \$14,168 which the city should be making (agreed upon in 2019) which will help budget. Kasey advised that the fire's budget has been shorted \$70,849 (2021-2025) that has come out of reserves. Kasey suggested that he would like to increase the city transfer by \$14,168 in the 2026 budget. The council tabled until budget time.

j) **Nuisance:**

- 1) Nuisance properties were discussed. A letter will be sent to all non-compliant residents to give them an opportunity to attend the July 14, 2025 meeting before they pass any abatement processes.

9) Resolutions

a) **2025-18 Resolution Accepting Donations to the City of Balaton**

- 1) Balaton American Legion Post 237 donation of \$3,000 for the Lake Yankton Pier, plaque and continuous maintenance for the life of the pier. A motion was made by Tracy McCloud and seconded by Greg Erickson to accept the donation of \$3000.00 from Balaton American Legion Post 237. Motion carried by all present.
- 2) Balaton Area Community Center Foundation donation of \$3,000 for Lake Yankton Pier, plaque and continuous maintenance for the life of the pier. A motion was made by Dylan Fricke and seconded by Tracy McCloud to accept the donation of \$3000.00 from Balaton Area Community Foundation. Motion carried by all present.

- 3) Chet Johnson Foundation donation of \$3,000 for the Lake Yankton Pier, plaque and continuous maintenance for the life of the pier. A motion was made by Tracy McCloud and seconded by Dylan Fricke to accept the donation of \$3000. Motion carried by all present.
- b) A motion was made by Dylan Fricke and seconded by Greg Erickson to reassign all unused park donations, four thousand one hundred and twenty-eight dollars and fourteen cents) for the use of the new pier. Motion carried by all present.
- 10) **NEW BUSINESS**
- a) Jason Kloss spoke with the council regarding parcel 21-114008-0 – the house could be considered abandoned and dangerous. Jason will call the owner and report back to the council for the next steps for the council to discuss.
- b) Lois Swanson sent a letter to the council requesting pay increase. The council decided to table until July.
- 11) **UNFINISHED BUSINESS:**
- a) Balaton Vet Run – Dar Sherman requested that the picnic tables and garbage containers to be placed outside the community center on July 11, 2025. Josh requested a list from Dar and will take care of prior to the Vet Run. Balaton Vet Run will donate a homemade picnic table to the Balaton Liquor Store and should be done by July 2025. (labor is donated)
- 12) **MISCELLANEOUS:** None
- a) **Closed Personnel Meeting** – A motion was made by Greg Erickson and seconded by Dylan Fricke to close the meeting – because the vote was never called, the meeting stayed open.
- 1) Kimberly Wall requested that the personnel meeting be open to the public and stated she has nothing to hide. Lonnie Lambertus asked Kimberly if she was sure about having the meeting opened, and Kimberly advised yes. Lonnie advised that there have been a lot of concerns about how the office has been run. He said there were a lot of rumors from citizens. Greg Erickson stated that when residents are in the office, they are saying that they have been hollered at. Kimberly informed the council that she has never ever yelled or hollered at a resident except for one resident who was causing problems at the service window (he was asked to leave the building). Kimberly apologized to the council that they have heard rumors however she stated the rumors are not true. Greg Erickson said he doesn't want to lose staff however he heard numerous people complain. He would like the office to be more comfortable when residents come in. Kimberly informed the council that residents no longer use the service window as the office has an open-door policy and people walk in and there has never been a problem that she's aware of and has always been professional. Kimberly advised the council that if there was a problem, she would make the council aware of any situation. Kimberly also stated that if residents are upset due to a late fee, a late letter, nuisance letter or water has been disconnected that they aren't mad at the clerk, they are upset with the situation and should not fall on the clerk. Kimberly brought to the council's attention that residents do come to the office very upset (including using foul language), however she has never raised her voice or was unprofessional. Curt also stated that he would like it to be more professional and welcoming environment however, if it's not happening, then its not and he doesn't know that. Kimberly stated that Tracy McCloud is in the office every day and asked him if he's ever heard the clerk be rude or unprofessional to anyone, Tracy responded no. Kimberly asked the council if they want a different clerk in the office – Lonnie Lambertus responded no. Kimberly was not told any specific concerns. Kimberly informed the council that a City of Balaton employee has been telling residents that they need to "get the bitch out of the office". Kimberly informed the council that she approached two city workers, in the city office (in the presence of a council member) about the issue. Kimberly asked the council if another city worker have been involved with what they

899

- are hearing. Lonnie stated that he hadn't heard anything from another employee. Dylan Fricke asked about how the training is going with Jody Kruger. Kimberly gave good reviews and said she's 100% on what she's learned. Curt asked if the liquor stats would be in the next council packet, advised yes now that Nicole Larson corrected taxes in March daily entries.
- 13) **ADJOURNMENT:** With no further business, a motion to adjourn was made by Greg Erickson and seconded by Curt Paradis. Motion was carried by all present. The meeting was adjourned at 8:08pm.

Kimberly Wall, City Clerk-Treasurer

Lonnie Lambertus, Mayor