

**LEOLA CITY COUNCIL MEETING
AUGUST 19, 2013**

The Leola City Council reconvened on Monday, August 19th. Mayor Dean A. Schock called the Meeting to order at 7:30 P.M. with the following members present: Glenn A. Spitzer, Brian Walz, Norman C. Tschappat, James Severson, David Gohl and Douglas Yost. Absent: None. Also present: Chief Matt Van Der Linden, Jeff Tschappat and Shana Gohl.

The Council Minutes of the July 8th meeting stand approved as mailed out.

The Council discussed the delinquent loan payments still owed on Revolving Loan #22. Council Member Tschappat moved, with a second by Council Member Walz, to contact the City's Attorney to begin foreclosing on delinquent Revolving Loan #22 as account was not brought current within the time specified. Upon Roll Call Vote: Spitzer-Aye, Yost-Nay, Severson-Aye, Gohl-Aye, Walz-Aye, and Tschappat-Aye. Motion carried.

Mayor Schock presented from Council Member Spitzer a written resignation from the City Council and Chairman of the City Zoning Board due to job related issues and possible conflicts to his position as County Highway Superintendent effective after the September 9th Council Meeting.

At 7:37 Natalie Dempsey joined the meeting.

Shana Gohl informed the Council the scheduled Pool closure date is set for August 26th. The Council discussed pool matters and various problems circulating the chemical in to the pool. They discussed the clogged chlorine pump and new hoses have been installed. The Legion Auxiliary plans to donate towards propane for the pool when the heater is working again. The pool will be winterized in September. She informed the Council the pool could be painted a light blue if it's light enough to see people swimming on the bottom. Shana Gohl said there will be enough lifeguards in 2014 with those who are returning to work at the pool next year.

Natalie Dempsey, representing the Park Committee spoke with the Council about the installation of the new park equipment. Both city trucks are broke down and was on hold until one is back running so the dirt work can be done.

Natalie informed the Council the posts should arrive this week and that she had the funds needed to cover the cost of the pergola for the Pool Park. It was decided to use 12 inch sleeves for the posts.

The Council discussed the progress of the Sewer Line Project, the road work to be done and dirt work and grass seeding that was missed. We were informed from Helms & Associates that Dahme's were unaware when Jenson's would get back to Leola to do the chip sealing. The Council discussed the (\$71,751.00) change order #4 for Dahmes Construction adjusted to (\$86,601.90) for a new sewer project contract amount of \$1,840,419.56. The needed paperwork was signed by Mayor Schock and submitted.

The Council discussed the McPherson County Pre-Disaster Mitigation Plan informational meeting held August 13th, to outline the requirements to formally adopt the pre-disaster plan and meet federal requirements for our community to be eligible for FEMA Hazard Mitigation Grant Program funding. The Council discussed the paperwork completed by the mayor and the finance officer, along with work to the spillway that may be added to the McPherson County Plan. It was decided Council Member Spitzer will contact Jennifer Sietsema, from NECOG, to see if just cost estimates are needed, or if any feasibility, legal and environmental studies would be need to be written in our plan in addition to the need for a generator.

The Council discussed McPherson County's request to be able to use city law enforcement for county law enforcement. The hours needed for City law enforcement and maintenance was discussed along with the possibility of use in only an emergency and billing a \$25.00 an hour fee when needed to cover an emergency.

The Council discussed the L & L Bar's extended hour's license and the tape was not turned over to law enforcement when requested as agreed upon. It was decided to contact the board members to get access to the tape. The Council also requested a contact with bar management about cleaning up the accumulation of cigarette butts and open containers allowed outside.

The Finance Officer informed the Council she contacted the auditing firms that Council chose from the list of auditing firms. Estimates or engagement letters were to be received to be considered at the September 9th Council Meeting.

The Council discussed the title search needed and that the description of lots which need an appraisal and title search was turned over to Jim Schaffer. It was unknown if Schaffer was contacting McPherson County Abstract or if the city needed to.

The Council discussed that the South Dakota Retirement System Roth 457 Program. The finance officer informed them council, part-time and full-time employees can all invest monies in the program. Monies would need to be deducted from the pay checks. Council Member Yost moved, with a second by Council Member Gohl, to enter into the Roth portion of the Roth 457 account, with the amount to be invested deducted before payroll deductions. All Council Members voted in favor. Motion carried.

The Council granted Matt Van Der Linden permission to attend meetings in Gettysburg and Pierre.

The Council examined the following SD Broadband grant bills for in-kind match:		
CompQuest Technology	In-kind Match for Software updates & Installation	\$650.70
Demco	In-kind Match–Library Software & Training	\$936.48

Council Member Tschappat moved to pay the above in-kind expense for the SD Broadband Grant. Council Member Spitzer seconded the motion. All Council Members voted in favor. Motion carried.

The Council granted the Finance Officer permission to attend the Northeast Finance Officers Group Meeting in Aberdeen on Wednesday, September 18th.

The Council discussed the SDML Conference to be held in Aberdeen October 8th – October 11th. Sid Swanson, Mayor Schock, Council Member Tschappat, and Finance Officer Kappes will be inducted in the SDML Hall of Fame honoring them for 20 years or more municipal service at noon on Thursday, October 9th. Bio to be written and submitted for them was discussed.

Representative Judy Vrchota from Senator John Thune’s Office responded to the City concerning medical and personal debt accumulations against abandoned properties. Her recommendation was to contact Attorney General Marty Jackley’s Office on the procedure to take to clear up this type of debt.

Terry Pudwill came before the Council concerning the proposed passage of the Pudwill Plot. The City Attorney Vaughn Beck was called and said before it could be approved it needed to be worded on the City’s Agenda as follows: Possible Plotting of Pudwill Lakeside Estates in Leola, which need to be posted at least 24 hours before passage could be approved to give notice to the public. Pudwill told the Council he was planning to put a drain field in the adjoining 7 acres. Discussion was held possible 6 inch water line for the fire hydrant, getting water service to the other properties, the new road, along with getting access to the park. It was decided to check if other properties along the way still wanted service. It was decided to see if City Attorney Vaughn Beck still had agreement he started in 2008. Pudwill left the meeting.

Council Member Spitzer moved, with a second by Council Member Severson, to grant Finance Officer Kappes and Pam Schaffner permission to attend the excel workshop in Aberdeen on November 7th. All Council Members voted in favor. Motion carried.

The Council discussed the insurance agent checking into leak that damaged the new boards for the water pumps and other damage caused. Helms & Associates will check to see why this would have happened.

The Council discussed the 2013 Budget, line item by line item.

Council Member Spitzer moved, with a second by Council Member Severson to raise the Council Members meeting pay from \$95.00 per meeting to \$105.00 per meeting attended and increase Mayor Schock’s monthly salary from \$230.00 to \$245.00. Upon Roll Call Vote: Spitzer-Aye, Yost-Nay, Severson-Aye, Gohl-Nay, Walz-Aye, and Tschappat-Aye. Motion carried.

The Council discussed and decided to include a 3% increase to be included in the Budget for 2013 on wages.

Terry Pudwill joined the meeting to discuss the buildup and possibility of putting in posts or guard rails, along with the liability. The Council said it should be checked with insurance company. Pudwill left the meeting.

Council Member Tschappat introduced the following Year 2014 Budget Ordinance 2013-01, to be read the 1st time and moved for its adoption. Council Member Walz seconded the motion. Upon roll call vote, all Council Members voted in favor. Motion carried. The first reading was held as follows:

ORDINANCE 2013-01

CITY OF LEOLA

2014 APPROPRIATION BUDGET

PART I:

Be it ordained by the City of Leola, McPherson County, South Dakota, that the following sums are appropriated to meet the obligations of the Municipality.

GOVERNMENTAL FUND	FUND AMOUNTS	TOTALS
<u>TOTAL GENERAL FUND-100</u>		
101-41000 GENERAL GOVERNMENT		
41150	Contingency	30,580.00
41200	Mayor & Council	24,200.00
41300	Elections	1,000.00
41410	City Attorney	2,000.00
41420	Finance Office	48,200.00

41450	Insurance	25,000.00	
41470	Unemployment	100.00	
41490	Government Buildings	42,000.00	
101-41000	TOTAL GENERAL GOVERNMENT		173,080.00
101-42000	PUBLIC SAFETY		
42100	Police	68,000.00	
42200	Fire-Siren	1,000.00	
42300	Protection & Inspection	1,000.00	
101-42000	TOTAL PUBLIC SAFETY		70,000.00
101-43000	PUBLIC WORKS		
43100	Streets	62,000.00	
43200	Sanitation	6,425.00	
101-43000	TOTAL PUBLIC WORKS		68,425.00
101-44000	PUBLIC HEALTH		
44130	West Nile Fund	2,700.00	
44620	Ambulance-EMT'S	100.00	
446	Regulation & Inspection	100.00	
101-44000	TOTAL PUBLIC HEALTH		2,900.00
101-45000	CULTURE & RECREATION		
45110	Golf Course	22,500.00	
45120	Pool	40,300.00	
45130	School Alumni Committee	100.00	
45140	Senior Citizens	100.00	
45150	Rhubarb Committee	500.00	
45160	Celebration	500.00	
45220	Parks	16,750.00	
45230	Ball Diamond-Fields &Athletic Assoc.	8,000.00	
45500	Library	14,000.00	
45700	Historical Preservation-Museum	100.00	
101-45000	TOTAL CULTURE & RECREATION		102,850.00
101-46000	CONSERVATION & DEVELOPMENT		
46300	Leola Housing & Redevelopment	5,000.00	
46510	Leola Credit Board	1,450.00	
46520	Zoning & Planning Comm.	1,800.00	
46530	Development Corporation	500.00	
46540	Northern Route to the Black Hills	300.00	
101-46000	TOTAL CONSERVATION & DEVELOPMENT		9,050.00
101-47000	TOTAL DEBT SERVICE		0.00
101-48000	TOTAL INTERGOVERNMENTAL EXPENDITURES		0.00
101-49000	MISCELLANEOUS -Judgments & Losses		0.00
101-51000	OTHER FINANCING USES		0.00
101-61000	FUND EQUITY USES		0.00

TOTAL GENERAL FUND APPROPRIATIONS 426,305.00

21700 REVOLVING LOAN-ENTERPRIZE LOAN FUND

128 REVENUE 25,750.00
172 EXPENDITURES 25,750.00
TOTAL SPECIAL REVENUE RETAINED 0.00

PART II.

The following designates the fund or funds that money derived from the following sources is applied to.

GOVERNMENTAL FUNDS - 100

UNOBLIGATED CASH BALANCE 103,005.00
31000 TOTAL TAXES 270,500.00
32000 TOTAL LICENSES & PERMITS 3,000.00
33000 INTERGOVERNMENTAL REVENUE 18,200.00
34000 CHARGES FOR GOODS & SERVICES 3,250.00
35000 FINES AND FORFEITURES 0.00
36000 MISCELLANEOUS REVENUE 3,350.00
39000 OTHER SOURCES-BORROWED & TRANSFER IN 25,000.00
TOTAL MEANS OF FINANCE-GENERAL FUND 426,305.00

PART III.

PROPRIETARY FUNDS - 600

	<u>WATER</u>	<u>SEWER</u>
UNAPPROPRIATED FUND BALANCE	50,000.00	70,000.00
ESTIMATED OPERATING REVENUE	95,800.00	50,000.00
ESTIMATED SEWER PROJECT FEE COLLECTIONS		50,000.00
AMOUNT TO BE BORROWED & GRANT-Cap Project-Lagoon/Sewer Project	0.00	0.00
TRANSFER IN	0.00	0.00
<u>TOTAL AVAILABLE</u>	145,800.00	170,000.00
LESS APPROPRIATIONS (Operating Expenses)	130,300.00	80,100.00
TRANSFER OUT-SALARY	12,500.00	12,500.00
SET ASIDE FOR LOAN PAYBACK	0.00	50,000.00
<u>TOTAL EXPENSE</u>	142,800.00	142,600.00
ESTMATED RETAINED EARNINGS	3,000.00	27,400.00

PART IV.

The Finance Officer is hereby directed to certify the following dollar amounts of tax levies made in this Ordinance to the McPherson County Auditor.

PROPERTY TAXES, CPI-2.1% & 6.3% GROWTH 165,793.00
OPT OUT 30,000.00
TOTAL MONIES LEVIED FOR 195,793.00

ATTEST:

Candice Kappes, Finance Officer

Dean A. Schock, Mayor

Public Hearing on the 2014 Appropriations Ordinance 2013-01 will be held at 8:00 P.M. on Monday, September 9, 2013, in the Council Room of the Municipal Building, at which time, any opposition may come before the Council.

The Council granted the Development Corporation permission to distribute City pens and pencil in their Hunter bags and Welcome baskets.

The Council discussed upcoming wastewater meetings.

The Council granted Finance Officer Kappes permission to use the City's roaster.

There being no further business, Council Member Severson moved, with a second by Council Member Gohl, to adjourn. All Council Members voted in favor. Motion carried.

The Leola City Council in regular session on Monday, September 9th, 2013 at 7:30 P.M. in the Council Room of the Municipal Building instead of Monday, September 2nd due to Labor Day Holiday.

ATTEST:

Candice Kappes, Finance Officer

Dean A. Schock, Mayor of Leola

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