

City of Leola -- Council Meeting Proceedings

August 4, 2022

The meeting was called to order at 7:00 pm by Mayor Royce Erdmann. Present council members: Jackie Rau, Jackie Leibel, Michael Yost, Alan Wimer. Brett Schaible and Richard Reis were absent. City personnel present: Jeff Tschappat, Jim Hoffman and Sondra Waltman. Ronda Geffre was also present.

Yost moved with a second from Rau to approve the previous council meeting minutes for the regular and special meetings in July. All in favor, motion carried.

Yost moved with a second from Wimer to approve the treasurer's report. All in favor, motion carried.

Schaible joined meeting at 7:05 pm.

After discussion, Wimer moved with a second from Rau to pay the proposed bills except JGE. All in favor, motion carried.

Bills to be Considered for August 2022		
Agtegra	Gas/Fuel; washers	\$ 186.76
Aramark	Supplies	\$ 39.81
Beck Law	Attorney Fees	\$ 50.00
Cahill Bauer & Assoc	2021 Audit - Final Billing	\$ 2,375.00
Code Enforcement Specialists	April-May 2022 services	\$ 1,119.30
Corporate Trust/US Bank	7th Quarterly Pmt - Water Project	\$ 3,082.37
CorTrust Visa	Postage/Payroll Processing Fees	\$ 75.52
Curt's Repair	Welding Labor/Deck Repair/Oil Switch/Install Labor	\$ 328.93
Dependable Sanitation	Garbage Collection	\$ 96.00
Gene's Oil Company	Gas & Diesel	\$ 482.67
JGE	Hitch Pins	\$ 46.56
Maxwell Electric	Generator Maintenance	\$ 377.05
McPherson Co. Herald	Minutes/Notices	\$ 125.01
Mock, LaRae	Water Deposit Refund	\$ 19.75
Montana Dakota Utilities	Utilities	\$ 2,960.88
Moser Excavating & Trucking	Plumbing Parts/Drainage Corrections/Sewer Repair	\$ 5,780.62
Pam Walz	Mileage	\$ 33.60
Rural Development	124th Payment for Sewer	\$ 4,021.00
SD Public Health Lab	Water Testing	\$ 15.00
South Dakota 811	811 calls	\$ 14.70
South Dakota Dept of Revenue	Sales Tax	\$ 14.61
Telespire	Cell Phone	\$ 30.00
Ten-45	Pool cleaning supplies/Bottled water	\$ 84.45
USABlue Book	Lagoon Testing Supplies	\$ 69.87
Valley	Telephone, Fax, Internet	\$ 356.31

WEB Water	Water for July	\$ 6,810.49
Payroll	Finance Office	\$ 3,333.34
Payroll	Government Buildings	\$ 642.00
Payroll	Library	\$ 882.00
Payroll	Mayor/Council	\$ -
Payroll	Park	\$ 6,012.50
Payroll	Pool	\$ 10,276.89
Payroll	West Nile Spraying	\$ 342.00
Payroll	Zoning	\$ -
Payroll	SD Health Pool - August	\$ 1,549.64
Payroll	SS, Med, W/H, SDRS with Matches	\$ 5,476.45
	Total	\$ 57,111.08

At 7:15 pm, Rau introduced the 2023 Budget Ordinance 2022-02 to be read for the first time. Wimer seconded the motion and with all in favor, the motion carried. The first reading was held as follows:

ORDINANCE 2022-02
CITY OF LEOLA
2023 APPROPRIATION BUDGET

101 GOVERNMENTAL FUND	GENERAL FUND
101-41000 GENERAL GOVERNMENT	
41150 Contingency	32,771.00
41200 Mayor & Council	46,500.00
41300 Elections	1,300.00
41410 City Attorney	3,000.00
<u>41420 Financial Administration</u>	<u>170,710.00</u>
101-41000 TOTAL GENERAL GOVERNMENT	254,281.00
101-42000 PUBLIC SAFETY	
42100 County Law Enforcement	50,400.00
42200 Fire-Siren	1,000.00
<u>42300 Protection & Inspection-Code Enforcement</u>	<u>8,100.00</u>
101-42000 TOTAL PUBLIC SAFETY	59,500.00
101-43000 PUBLIC WORKS	
43100 Streets	150,200.00
<u>43200 Sanitation</u>	<u>8,700.00</u>
101-43000 TOTAL PUBLIC WORKS	158,900.00
101-44000 PUBLIC HEALTH	
<u>44130 West Nile Fund</u>	<u>2,464.00</u>
101-44000 TOTAL PUBLIC HEALTH	2,464.00

101-45000	CULTURE & RECREATION		
45110	Golf Course	6,000.00	
45120	Pool	51,200.00	
45130	Miscellaneous Culture & Rec	4,400.00	
45230	Parks	66,700.00	
45500	Library	15,440.00	
45700	Historical Preservation-Museum	100.00	
101-45000	TOTAL CULTURE & RECREATION	143,840.00	
101-46000	CONSERVATION & DEVELOPMENT		
46320	Redevelopment	8,468.00	
101-46000	TOTAL CONSERVATION & DEVELOPMENT	8,100.00	
TOTAL GENERAL FUND APPROPRIATIONS			627,453.00

21700	REVOLVING LOAN FUND		
	UNASSIGNED FUND BALANCE	72,661.86	
128	REVENUE	3,520.00	
172	EXPENDITURES	25,350.00	
	TOTAL SPECIAL REVENUE RETAINED		50,831.86

MEANS OF FINANCE	GENERAL FUND
GOVERNMENTAL FUNDS:	
UNASSIGNED FUND BALANCE	215,106.88
31000 TAXES	374,196.72
32000 LICENSES & PERMITS	4,000.00
33000 INTERGOVERNMENTAL REVENUE	29,900.00
34000 CHARGES FOR GOODS & SERVICES	1,600.00
36000 MISCELLANEOUS REVENUE	2,650.00
TOTAL MEANS OF FINANCE – GENERAL FUNDS	627,453.00

PROPRIETARY FUNDS	WATER	SEWER
Expenditures		
Personnel Services	27,600.00	27,600.00
Operating Expenses	76,650.00	15,500.00
Debt Service	10,724.20	48,252.00
Retained Earnings	2,410.00	31,264.00
Total Proprietary Expenditures:	117,384.00	122,616.00
Means of Finance		
Charges for Goods and Services	117,384.00	122,616.00
Total Proprietary Means of Finance:	117,384.00	122,616.00

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 3.0% & 2.53% GROWTH	243,096.72
AVAILABLE OPT OUT	30,000.00
TOTAL MONIES LEVIED FOR	273,096.72

First Reading: August 4, 2022
 Second Reading: September 7, 2022
 Published: August 11, 2022 & September 15, 2022
 Effective: October 5, 2022

Royce Erdmann

Sondra Waltman

Royce Erdmann, Mayor, City of Leola

ATTEST: Sondra Waltman, Finance Officer, City of Leola

A second public hearing on the 2023 Budget Ordinance 2022-02 is set for 7:15 pm on Wednesday, September 7 at the next scheduled council meeting.

At 7:20 pm, Ronda Geffre with Leola Realty represented a client who is looking to purchase a home in Leola, but with three dogs exceeds the restrictions of Ordinance 7-6-7. After discussion, Schaible moved to grant an exception for Debra Dallas/Ed Riviera to be allowed to move to town with three dogs. Roll call vote: Wimer, aye; Schaible, aye; Yost, aye; Leibel, nay; Rau, nay. Motion carried by majority. Geffre left the meeting.

At 7:30 pm, McPherson County Deputy Sheriff Allie Hilgemann joined the meeting to discuss the monthly county law report. With no questions from the council, she was thanked for her services and left the meeting.

OLD BUSINESS

Pool – Wimer moved with a second from Schaible to have the final pool date set for Sunday, August 7. All in favor, motion carried. Discussion was held regarding fill in lifeguard, Darrel Yost, regarding the hours worked and repaying half of his lifeguard training expenses for not committing full time for the second year. Wimer moved with a second from Rau that he still needed to repay his half of the training expenses for not returning full time for the 2022 season. Roll call vote: Wimer, aye; Rau, aye; Leibel, nay; Yost, abstained. Motion carried by majority. A reminder letter will be sent to the other 2021 lifeguards who chose not to return for a second season stating they also need to pay back half of their training expenses.

Contracted Law Enforcement – After discussion, Rau moved with a second from Leibel to sign the contract from McPherson County’s Sheriff’s Office for contracted law enforcement services for an annual rate of \$50,400 effective January 1, 2023. All in favor, motion carried.

WEB Water Rates – Due to WEB Water increasing the city’s rate \$0.74/thousand gallons effective October 1, the city’s base water rate will also increase \$0.75/thousand gallons effective October 1, 2022. The new minimum water fees will be \$35, making the minimum water/sewer bill \$81.

Restricted Use Site – After discussion, Schaible moved with a second from Leibel to purchase the fencing materials and gate from Agtegra and move the cement bunkers closer to the RUS and off the county road. All in favor, motion carried.

2023 Tax Revenue Projection – The 2023 county revenue projection was reviewed. Leola City showed a 2.53% growth increase from 2021 to 2022. 2021 taxes payable in 2022 are projected at \$230,357.93, an allowable opt out of \$30,000, estimated growth of \$5,828.06 and allowable CPI (3%) is \$6,910.74 all adding to an estimated maximum property tax revenue for 2023 of \$273,096.72. Wimer moved with a second from Schaible to request the estimated maximum property taxes for 2023 with the opt out for a total of \$273,096.72. All in favor, motion carried.

NEW BUSINESS

Notify Plus – Discussion was held regarding Notify Plus, an emergency contact system the city can send messages through. In efforts to update the contact system, a form was sent in the water bills and is also available in the Finance Office.

Propane Tank – The 250-gallon propane tank that was purchased from Westside Heating and Cooling in 2016 was leaking and has been removed to be serviced/repared. After inspection, the tank cannot be repaired. Wimer moved with a second from Leibel to surplus the 250-gallon tank at zero value and allow Westside to properly dispose it. All in favor, motion carried. Discussion was held on purchasing a 500-gallon tank; estimates will be obtained.

Upgrading QuickBooks – After discussion, Wimer moved with a second from Schaible to upgrade the city's QuickBooks version to what the auditors suggested. All in favor, motion carried.

Garbage Options – Discussion was held, and no changes will be made at this time.

Committee Appointments/Designation of Official Business – After discussion, Leibel moved with a second from Rau to nominate Michael Yost as the NEOG Contact/Representative if necessary. All in favor, motion carried. Rau moved with a second from Wimer to designate the following for official city business: CorTrust Bank, official depository; McPherson County Herald, official newspaper; and Beck Law (Vaughn Beck), official attorney. All in favor, motion carried. Rau moved with a second by Wimer to keep the council officers as is: Michael Yost, President and Jackie Rau, Vice President; and to update the committees. All in favor, motion carried. Committees are as follows: Street/Alleys/RUS – Reis, Schaible, Wimer; Water/Sewer – Leibel, Yost, Wimer; Parks/Rec/Pool – Leible, Yost, Wimer; Buildings/Equipment – Reis, Schaible, Rau; County Law/Code Enforcement/Library – Leibel, Schaible, Rau; Golf Course/ADA – Reis, Yost, Rau.

MAINTENANCE UPDATE: Discussion was held on the metal pile at the RUS, drainage and culverts, mowing/trees, cleaned gutters, shop maintenance, concrete grinding, skidsteer rims, city cell phone and checking city buildings regularly.

COMMITTEE REPORTS

Street, Alley, and Restricted Use Site: Through the drainage updates/culvert replacement project, a resident informed Mayor Erdmann to not replace the culvert that goes under her driveway and the alley, and to place the culvert elsewhere as no drainage concerns are noted at the property. The first phase of the drainage/culvert project will no longer include the north alley on Conklin Street between

Sherman Street and Broadway Street. Warranty work/areas of concern from the water project/streets were discussed. Wimer moved with a second from Rau to hire McPherson County to oil areas of concerns in town and lay hot mix in potholes and to implement a 3-year rotation/maintenance plan with chip sealing 1/3 of Leola at a time. Chip sealing rotations will begin in 2023. All in favor, motion carried. The fall consignment sale is September 25. Wimer moved with a second from Schaible to reserve the oversized dumpster for two weeks before and after the sale. All in favor, motion carried. A Peddler's License/Auctioneer's License was also discussed.

Water & Sewer: There were 34 late letters sent out, 7 red tags posted for disconnecting and 1 shut off for nonpayment.

Park, Rec & Pool: The pool activity report was reviewed. Discussion was held on the pool, and a future management requirement will be to attend council meetings to express concerns and answer questions. Weeds, bugs, and lack of power were discussed regarding the park by the pool.

Building & Equipment: A leak was reported in the Medical Building. Gutters on city buildings were cleaned out. A surplus/equipment list was asked to be compiled prior to the next meeting.

Code Enforcement, Law Enforcement & Library Reports: Discussion was held. The code enforcement and library reports were reviewed.

Zoning: None.

PUBLIC COMMENTS: Discussion was held on the development of Pudwill Estates. A second topic discussed was ordinance violations going without consequences, fines will be implemented.

UPCOMING MEETINGS: The next council meeting will be on Wednesday, September 7 at 7 pm due to the Labor Day Holiday on Monday, September 5.

CORRESPONDENCE: Upcoming conferences were discussed; SD Legislative Audit formally accepted Leola's annual report; Leola was awarded the Drinking Water Certificate of Achievement Award from SD DANR; Surface Water Quality Program printed a public notice in 11 larger newspapers in SD; and a Leola home was removed from the South Dakota State Historical Society's National Register of Historic Places due to being demolished.

EXECUTIVE SESSION: None.

ADDITIONAL TOPICS: The Leola Dakota Life Premiere is set for Tuesday, October 4 at 7 pm at the Leola School. After discussion of spraying needs and requirements, Schaible moved with a second from Leibel to have both Tschappat and Hoffman obtain the appropriate licenses through the McPherson County Extension Agent. All in favor, motion carried.

At 9:41 pm, Wimer moved with a second from Leibel to adjourn. All in favor, motion carried.

Royce Erdmann

Sondra Waltman

Royce Erdmann, Mayor, City of Leola

ATTEST: Sondra Waltman, Finance Officer, City of Leola

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