

TIMBER LAKE CITY BOARD  
REGULAR MEETING  
JUNE 10, 2024  
6:00 PM  
CITY FINANCE OFFICE

- 1) Board President Tom Hermes called the meeting to order at 6:00 PM.
  - Board Present: Tom Hermes, Jess Schlosser, Michael LaCompte (by telephone), Brent Biegler, and Tanner Kraft
  - Board Absent: None
  - Employees Present: Karla Nordyke and Jerimiah Garon
  - Guests/Others Present: Kathy Nelson, Joe Scherer, Margaret Holloman, and Sheriff Ashley Arpan
  
- 2) Declaration of Conflict of Interest  
None of the Trustees self-disclosed a conflict of interest on any agenda item. No conflict of interest was identified by the Board.
  
- 3) Approval of Agenda:  
Schlosser motioned to approve the agenda with no changes. Biegler seconded. Motion carried.
  
- 4) Public Forum and Visitors: None
  
- 5) Approval of Last Meeting Minutes:  
Schlosser motioned to approve both sets of minutes of May 8, 2024, each with no corrections. One set represents the last meeting of the 2023-2024 Board of Trustees. The second set represents the first meeting and organization of the 2024-2025 Board of Trustees. Biegler seconded. Motion carried.
  
- 6) Financial Report:
  - A) Reconciliation Report  
The Board reviewed and discussed the reconciliation summary, detail, and bank statement for the City's checking account for the month of May. Discussed the increasing cost of Quickbooks Desktop. Nordyke said she intends to investigate the matter and will present information in the near future. It was noted the current Quickbook subscriptions were recently renewed for one (1) year.
  - B) Cash Flow Report

The Board reviewed and discussed the monthly financial report. Hermes motioned to approve the May Cash Flow Report. Schlosser seconded. Motion carried.

	GENERAL FUND	ENTERPRISE FUNDS WATER FUND	SEWER FUND	TOTAL
<b>Beginning Balance (Checking Account) (as of 05/01/2024)</b>	730,219.59	141,993.35	187,023.55	1,059,236.49
<b>Total Receipts (Income)</b>	88,127.79	12,485.68	16,076.17	116,689.64
<b>Total Expenditures</b>	37,828.04	53,103.20	110,563.67	201,494.91
<b>Ending Balance (Checking Account) (as of 05/31/2024)</b>	780,519.34	101,375.83	92,536.05	974,431.22
<b>Savings Account Balance (as of 05/31/2024)</b>	57,786.50			57,786.50
<b>Cash Value of Certificate of Deposits (as of 05/31/2024)</b>	28,000.00			28,000.00
<b>Petty Cash (as of 05/31/2024)</b>	150.00			150.00
<b>TOTAL FUND BALANCES (as of 05/31/2024)</b>	866,455.84	101,375.83	92,536.05	1,060,367.72

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**Daily Ledger Balance (Bank) -- Checking Account  
(as of 05/31/2024)** 973,676.28

7) Accounts/Claims Payable:

Schlosser motioned to approve the claims presented for payment totaling \$37,201.93 and \$17,416.29 payroll expenses. Biegler seconded. Motion carried. See Attachment 1.

8) OLD BUSINESS

A) 6<sup>th</sup> & B Streets (New Hope Church, Pastor Bryce Schaffer)

The Board further discussed Pastor Schaffer's request, on behalf of New Hope Church, to level and gravel the City property adjoining the Church's north side on 6<sup>th</sup> Street and the west side on B Street. The Board reviewed excerpts of prior meeting minutes relevant to the matter. The Board discussed concerns about draining issues and also discussed possible solutions to best serve property owners on 6<sup>th</sup> and B Streets. The Board agreed more information is needed. The Board directed Nordyke to correspond with New Hope Church and ask for representation at the next regularly scheduled meeting and to have them prepare a detailed plan.

9) NEW BUSINESS

A) Open Sealed Bids: Hay Grounds Lease

Nordyke reported there was one (1) bid received in response to the Notice to Bidders and Advertisement for Lease of City Properties for Hay Ground, published in the *Timber Lake Topic* on May 26 and 23, 2024. At 6:25 pm, the Board asked Nordyke to open the sealed bid. Mitch Enright bid \$451.00 for the hay ground as described in the bid advertisement and states he will provide proof of liability insurance upon bid acceptance. Schlosser motioned to accept Enright's bid of \$451. Biegler seconded. Motion carried.

B) Open Sealed Bids: Block 9 Lot 4 Lease

Nordyke reported there were no bids received in response to the Notice to Bidders and Advertisement for Lease of City Property located on Block 9 Lot 4 ("water tower lot"), published in the *Timber Lake Topic* on May 26 and 23, 2024.

C) Right-of-Way Easement Agreement (Timber Lake and Area Development Corporation)

Joe Scherer was present for discussion and representing the Timber Lake and Area Development Corporation (TLADC). The Board reviewed and discussed the Easement Agreement, drafted by Shane Penfield, City Attorney. This easement grants a private right of access and use easement, consisting of a driveway, located on Block 32 Lots 7 and 8. It is granted for the sole purpose of providing access for ingress and egress and for constructing and maintaining a driveway with grantee to assume all liability and maintenance of said driveway and for no other purposes. Biegler motioned to approve the Easement Agreement. Kraft seconded. Motion carried. A copy of the Easement Agreement is on file in the City Finance Office, at the Dewey County Register of Deeds Office, and with the TLADC.

D) Joint Cooperative Agreement and Financial Commitment (Central South Dakota Enhancement District)

The Board reviewed and discussed the Central South Dakota Enhancement District (CSDDED) correspondence, dated May 22, 2024; including its fiscal year 2025 budget plan,

its 2025 membership dues, and the Agreement and Financial Commitment document. Biegler motioned to a) approve the Agreement; b) commit to paying membership dues of \$950 for 2025 membership; and c) commit to a contribution to Dewey County for the County's 2025 CSDED membership at a rate of \$1.80 per person. Schlosser seconded. Motion carried.

E) Building Permit (Bonita Richter)

The Board reviewed and discussed a New Construction & Improvements – Building Permit submitted by Bonita Richter. She applied to construct a 14' x 24' concrete pad with placement of garden shed on said pad on her property located at 611 G Street (Block 24 Lots 1-2). Biegler motioned to approve the Building Permit. Schlosser seconded. Motion carried. A copy of the Permit is on file in the City Finance Office, the Dewey County Equalization Office, and with the Permittee.

F) Community Center Use Agreement (Western South Dakota Senior Services)

The Board reviewed and discussed correspondence received from the Western South Dakota Senior Services Meals on Wheels program, dated June 3, 2024. The Board also reviewed and discussed the Space Agreement; said agreement is for the purpose of providing meals to the elderly using the Timber Lake Community Center. The Agreement details the responsibilities and expectations of the Western South Dakota Senior Services and its staff and also of the City staff as relevant to the Timber Lake Community Center. Biegler motioned to approve the Agreement. Schlosser seconded. Motion carried.

10) Department Reports:

A) Custodial (Char Boysen)

Char was not present for discussion. She reported to Nordyke she did not have anything to report or discuss.

B) Maintenance (Jerimiah Garon)

i) Streets: Jerimiah reported he will blade streets after receiving moisture. He has been filling cracks and holes.

ii) Water

Jerimiah reported Gregg's Drilling has cleaned Well #5. It is now pumping at about 25 gallons per minutes (previously 7 gallons per minute).

(1) Training Request -- SDWWA Fall Conference (September 21-23 in Deadwood):

Jerimiah requested approval to attend the SD Water and Wastewater Association Fall Conference (SDWWA), scheduled for September 21-23, 2024 in Deadwood. Discussion occurred. He will meet his continuing education credit requirement by attending. Schlosser motioned to approve this registration, lodging, and per diem costs. Kraft seconded. Motion carried.

- iii) Sewer: Jerimiah reported the sewer system is functioning effectively.
  - iv) Landfill: Jerimiah reported the landfill is in good condition.
  - v) Park: Jerimiah and the Board discussed the recent property damage that occurred at the park. A portion of the fence was damaged and will need repaired. It is understood a report is filed with the Dewey County Sheriff. Jerimiah said Levi Long has been contacted and he is scheduled to make repairs in the near future. The Board directed Nordyke to report damage to the City's insurance.
  - vi) Other Matter(s)
    - (1) West Nile Virus Prevention Grant Application: Jerimiah reported the West Nile Virus Prevention grant application is submitted. The City requested \$3,500 grant funds to supplement the City's 2024 budget plan. The SD Department of Health will appropriate its funds and award contracts in July.
    - (2) Use of Tables: Margaret Holloman requested the Board's permission to use six (6) tables for upcoming yard sale(s) planned. Biegler motioned to approve Holloman's request contingent on the tables being properly maintained and returned promptly after her event. Schlosser seconded. Motion carried.
- C) Law Enforcement Activity Report (Sheriff Arpan):
- The Board reviewed the Dewey County Sheriff's Office law enforcement report for the month of May. Sheriff Arpan reports the following services provided to Timber Lake: total records of 99 and total time of 126:50:15 hours. Activities are detailed in the report. Sheriff Arpan and the Board also discussed the Sheriff Office's recent open house and enforcement of nuisance ordinance violations evident through-out town. Where ordinance violation is happening, on City property, Arpan suggested the City notice the property owner and provide a thirty (30) day period for the property owner to respond. Thereafter, the City could have the violating item(s) towed and/or removed. Sheriff Arpan also stated he will provide the City with a copy of the report regarding damage to the park fence and he will find out if the driver has insurance.
- D) Finance (Karla Nordyke)
- i) Project(s) Funding and Next Steps – Update:
    - (1) Sewer (Wastewater) Project – Karla reported the City has received correspondence from the SD Governor's Office on Economic Development (GOED) stating their office has received the bid specification book for the Community Development Block Grant (CDBG) project and they have conducted a review for CDBG compliance. They determine the bid specifications as reviewed meet the CDBG program requirements. Karla also reported the City has received correspondence from the SD Department of Agriculture and Natural Resources (SD-DANR) stating their office has reviewed the City's plans and specifications. They determined several edits are necessary. Karla understands the engineer

has made these edits and returned the document to SD-DANR. Karla expects to receive the SD-DANR approval letter in the near future. Once said correspondence is received, the City can advertise for bids for completion of Phase II and III. The Board directed Karla to notify them when the SD-DANR approval letter is received and the bid notice document is ready. Further discussion will be held in regards to publish dates, bid opening and contract award dates. It was also noted a special meeting may be needed in July for the purpose of opening bids.

- (2) Water Infrastructure and Storage Improvement Project -- Karla reported the City has received correspondence from the SD Governor's Office on Economic Development (GOED) stating their office has received the bid specification book for the Community Development Block Grant (CDBG) project and they have conducted a review for CDBG compliance. They determine the bid specifications as reviewed meet the CDBG program requirements. Karla also reported the completion of required documents relevant to the historical preservation is not yet completed. It is pending signature from the Federal Environmental Protection Agency (EPA). Once received, the City can publish the remaining notices and close the loan for this project. Thereafter, the City can publish bid notice(s) for project construction. It was agreed that doing all things necessary to get bid notices published is critically important. It is noted funds must be obligated by December 31, 2024. Karla said she will relay the Board's concern to the planning district.
- i) 2025 Budget Planning – Historical Financial (Discussion): Karla provided the Board with a 2025 budget planning worksheet showing historical financial information from 2019 to 2023 and a five-year average. Karla also requested everyone begin thinking about the City's financial needs for 2025.
- ii) 2025 Rates and Charges Planning (Discussion): Keeping with the Board's intent to review rates and charges simultaneously with planning the next year budget, Karla provided information for water, sewer, and garbage rates.
- (1) Sewer Rates: The Board reviewed a) income, expenses, and net income, by quarter, for years 2021 to 2024 (to March 31); b) The Board also reviewed income, expenses, and net income, by year, for years 2010 to 2023; and c) Sewer Debt Surcharge collected, by month, for July 2023 to May 2024. The Board also reviewed a Sewer Debt Surcharge worksheet. This review is pursuant with the Sewer Debt Resolution which states the City is required to perform an annual review. After review and discussion, it was agreed no changes are needed in regard to the sewer rates and charges.

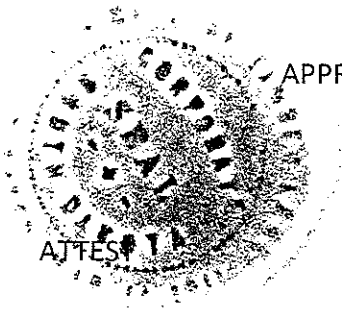
- (2) Water Rates: The Board reviewed a) income, expenses, and net income, by quarter, for years 2021 to 2024 (to March 31); and b) The Board also reviewed income, expenses, and net income, by year, for years 2010 to 2023. After review and discussion, it was agreed that an additional review and discussion will be necessary after the water project loan is closed.
  - (3) Garbage Rates: The Board reviewed a) income, expenses, and net income, by quarter, for years 2021 to 2024 (to March 31); and b) The Board reviewed income, expenses, and net income, by year, for years 2010 to 2023. The Board reviewed information provided relevant to the number of users, number of containers, and new contracted rates from Heartland Waste Management. It was agreed more information is needed to promote a more informed discussion. Karla said she will present requested information at the next meeting; including contracted cost per yard, contracted cost per dumpster by size, and location of containers by site and size.
- iii) Delinquent Accounts – Update and Action(s): Karla reported the following information regarding customer accounts.
- (1) Late Payment Charges & Disconnect Warnings (31-60 days past due) – 9 accounts were assessed a \$10 late payment charge and 4 accounts were assessed a \$10.00 late payment charge with disconnection warning.
  - (2) Disconnections – 2 service disconnections are scheduled if not paid by deadline.
  - (3) Due Process Notice(s) – 1 customer received a first notice. 0 customers received a second notice. 1 customer received a final notice.
  - (4) Court Collection Process – 2 customers are delinquent sufficient to begin small claims court proceedings. Discussion occurred about the account. No action to be taken.
  - (5) Financial Arrangements – 2 accounts have an approved financial arrangement and both are compliant.
  - (6) Legal Action Status – 2 accounts remain referred to CRST Small Claims Court and 1 account remains referred to CRST Civil Claims Court. No change.
  - (7) Delinquent Account Status (61+ days past due) -- Overall, the delinquent account balance total shows a decrease (improvement) from last month (\$668.19).
- iv) Uncollectable Debt and Board Write-Off – None

11) Schedule Next Meeting:

The next regularly scheduled meeting is set for Tuesday, July 9, 2024 at its regularly scheduled time and place.

12) Adjourn:

At 7:50 PM, Schlosser motioned the meeting be adjourned. Biegler seconded. Motion carried.



APPROVED: \_\_\_\_\_

*Tom Hermes*

Tom Hermes, Board President

*Karla Nordyke*

Karla Nordyke, City Finance Officer

Recorded: June 13, 2024

Published: June 20, 2024

Published at an approximate cost of \_\_\_\_\_



CITY OF TIMBER LAKE  
 ACCOUNTS/CLAIMS PAYABLE: MAY 2024

APPROVED: JUNE 10, 2024

GENERAL GOVERNMENT

Postalia	400.00	Already Paid: 05/07/24; EFT	Postage
A&B Business Solutions	93.38	Already Paid: 05/15/24; Check #32639	Printer Maintenance: Remaining Balance Due (April)
SD Dept of Revenue	269.47	Already Paid: 05/20/24; EFT	Sales Tax Liability (April)
US Treasury (Internal Revenue Service)	1,554.55	Already Paid: 05/23/24; EFT	Payroll Liabilities & Employer Payroll Taxes (May)
VISA	1,037.84	Already Paid: 05/24/24; Check #32647	Office Supplies: Microsoft; Adobe; Quickbook Annual Subscriptions
SD Retirement System	622.50	Already Paid: 05/24/24; Check #32646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match)
A&B Business Solutions	128.30		Printer Maintenance (May)
American Solutions for Business	159.69		Office Supplies
Biegler Equipment	38.96		General Supplies: Community Center
Century Link	207.26		Telephone & Fax Lines
CRST Telephone Authority	146.90		Internet
Dewey County Treasurer	5,000.00		Law Enforcement Services (June)
DVL Fire and Safety	253.45		Annual Fire Extinguisher Inspection & Maintenance
ELO Prof.	5,875.00		Audit Services (to 5/24/24)
G&O Paper and Supplies	257.60		Cleaning & Paper Supplies (Community Center)
Health Pool of SD	882.34		Employee Benefits: Health & Life Insurance
Moreau Grand Electric Coop.	514.89		Electricity: Community Center, Fire Hall
Servall Uniform & Linen Supply	308.57		Mats & Mops & Linens
Timber Lake Topic	706.90		Publishing (May)
	<u>18,457.60</u>		

STREETS/PARK/LANDFILL/SANITATION

US Treasury (Internal Revenue Service)	515.14	Already Paid: 05/23/24; EFT	Payroll Liabilities & Employer Payroll Taxes (May) 40%
SD Retirement System	291.10	Already Paid: 05/24/24; Check #32646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 40%
AT&T Mobility	38.20		iPad Connectivity (40%)
Automotive, Inc.	59.90		Equipment Maintenance: Skid-Steer
Biegler Equipment	334.36		Supplies, Equipment Maintenance; Tools; Crack Filler
Biegler's Timber Lake Service	745.36		Fuel (April)
DVL Fire and Safety	204.34		Annual Fire Extinguisher Inspection & Maintenance (40%)
Health Pool of SD	352.94		Employee Benefits: Health & Life Insurance 40%
Heartland Waste Management	5,625.00		Garbage Collection (May)
Heartland Waste Management	806.48		Roll-Off Dumpster (Spring Clean Up)
Herman's Service	192.81		Fuel (May)
Moreau Grand Electric Coop.	1,268.85		Electricity: Airport, City Shop, Street Lights, Camper Site
Running's	284.93		Tools: City Shop & Park
VanDiest Supply Company	842.60		Mosquito Control Briquets
Western Dakota Bank	1,605.35		Loan Payment #42/60 (Blade): Principal (1,506.22) & Interest (99.13)
	<u>13,167.36</u>		

WATER/SEWER

US Treasury (Internal Revenue Service)	772.72	Already Paid: 05/23/24; EFT	Payroll Liabilities & Employer Payroll Taxes (May) 60%
SD Retirement System	436.64	Already Paid: 05/24/24; Check #32646	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 60%
AT&T Mobility	57.30		iPad Connectivity (60%)
Biegler Equipment	32.84		Water -- General Supplies
Biegler's Timber Lake Service	226.97		Fuel (April)
DVL Fire and Safety	306.51		Annual Fire Extinguisher Inspection & Maintenance (60%)
Gregg's Drilling & Excavating	1,967.25		Cleaned Well (West)
Health Pool of SD	529.40		Employee Benefits: Health & Life Insurance 60%
Herman's Service	179.57		Electricity: Well Houses & Lift Stations
Moreau Grand Electric Coop.	822.77		Water Analysis
ND Dept of Health	25.00		Drinking Water Fees (2024-25)
SD-DANR	220.00		
	<u>5,576.97</u>		

Grand Total

37,201.93

