

TIMBER LAKE CITY BOARD  
REGULAR MEETING  
FEBRUARY 6, 2023  
6:00 PM  
CITY FINANCE OFFICE

- 1) Board President Tom Hermes called the meeting to order at 6:00 PM.
  - Board Present: Tom Hermes, Michael LaCompte (by telephone), Sandra Koenig, Brent Biegler
  - Board Absent: Jess Schlosser
  - Employees Present: Karla Nordyke
  - Guests/Others Present: Kathy Nelson and Ann LaCompte (by telephone)
- 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:  
Koenig motioned to approve the agenda with no changes. LaCompte seconded. Motion carried.
- 4) Public Forum and Visitors: None
- 5) Approval of Last Meeting Minutes:  
Koenig motioned to approve the minutes of January 10, 2023 with no corrections. LaCompte seconded. Motion carried.
- 6) Financial Report:
  - A) Reconciliation Report (January)  
Board reviewed and discussed the reconciliation summary, detail, and bank statement for the City's checking account for the month of January.
  - B) Cash Flow Report  
Board reviewed and discussed the monthly financial report. Koenig motioned to approve the January Cash Flow Report. LaCompte seconded. Motion carried.

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	GENERAL FUND	ENTERPRISE FUNDS WATER FUND	SEWER FUND	TOTAL
Beginning Balance (Checking Account) (As of 01/01/2023)	653,512.40	355,863.98	104,714.95	1,114,091.33
Total Receipts (Income)	237,561.67	15,189.19	9,150.41	261,901.27
Total Expenditures	42,438.47	4,446.89	6,320.73	53,206.09
Ending Balance (Checking Account) (As of 01/31/2023)	848,635.60	366,606.28	107,544.63	1,322,786.51
Savings Account Balance (As of 01/31/2023)	57,278.62			57,278.62
Cash Value of Certificate of Deposits (As of 01/31/2023)	28,000.00			28,000.00
Petty Cash (As of 01/31/2023)	150.00			150.00
<b>TOTAL FUND BALANCES (As of 01/31/2023)</b>	<b>934,064.22</b>	<b>366,606.28</b>	<b>107,544.63</b>	<b>1,408,215.13</b>

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**Daily Ledger Balance (Bank) -- Checking Account  
(As of 01/31/2023)** 1,324,674.99

7) Accounts/Claims Payable:

Koenig motioned to approve the claims presented for payment totaling \$43,476.41 and \$19,566.04 payroll expenses. LaCompte seconded. Motion carried. See Attachment 1.

8) OLD BUSINESS – None

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9) NEW BUSINESS

A) Ordinance #2023-01-01: 2023 Supplemental Budget Ordinance – Second Reading and Adoption

The Board reviewed and discussed this ordinance document for approval and adoption on its second reading. There are no changes from the first reading. The Board agreed Ordinance #2023-01-01 meets the City's financial needs. Koenig motioned to approve and adopt Ordinance #2023-01-01. LaCompte seconded. Motion carried by roll call vote (Koenig-yes; LaCompte-yes; Hermes-yes; Biegler-no vote/not yet present).

B) 2023 Hay Grounds (Documents Approval)

i) Lease Agreement: The Board reviewed and discussed the lease agreement document, prepared by Nordyke and approved by Penfield. The Board agrees the document serves the City's best interest. The lease agreement document is approved.

ii) Public Hearing Notice: The Board reviewed and discussed the public hearing notice, prepared by Nordyke. The Board agreed a public hearing is required in this matter. The Board set Monday, March 6, 2023 as the date for the public hearing. Hermes motioned to approve the public hearing notice and its publishing. Koenig seconded. Motion carried. The Board directed Nordyke to publish the notice for public hearing two times (February 16, 2023 and February 23, 2023).

iii) Sealed Bid Notice: The Board reviewed and discussed the notice to advertise for sealed bids, prepared by Nordyke. The Board agreed the document serves the City's needs. The notice advertising for sealed bids will be published in March with bids opened and considered at the Board's regularly scheduled April, 2023 meeting.

C) Sewer Debt Bond Resolution #2023-02-01

The Board reviewed and discussed Resolution #: 2023-02-01, which is a resolution to a) give approval to certain sewer facilities improvements; b) give approval to the issuance and sale of a revenue bond to finance, directly or indirectly, the improvements to the facilities; c) approve the form of the loan agreement and the revenue bond and pledging project revenues and collateral to secure the payment of the revenue bond; d) create special funds and accounts for the administration of funds for operation of the system and retirement of the revenue bond; and e) provide for a segregated special charge or surcharge for the payment of the bonds. The SD-DANR awarded the City a \$2,229,066 Drinking Water State Revolving Fund (SRF) Loan for its Wastewater Infrastructure Improvements Project. This loan is contingent upon the borrower (City) adopting a bond resolution and the resolution becoming effective. Resolution #2023-02-01 serves this purpose. Nordyke informed the Board the resolution document was prepared by the bond company and has been reviewed and approved by the Central SD Enhancement District and the SD-DANR representative. Much discussion occurred.

Koenig motioned to approve the Surcharge Resolution (Resolution #2023-02-01). LaCompte seconded. Motion carried by roll call vote (Koenig-yes; LaCompte-yes; Hermes-yes; Biegler-no vote/not yet present).

D) Resolution #2023-02-02: Surcharge Resolution – Wastewater Infrastructure Improvements Project

The Board reviewed and discussed Resolution #: 2023-02-02, which is a resolution providing for a surcharge for improvements to the City's sewer system, for payment of a revenue bond, and yearly review of the surcharge. The SD-DANR awarded the City a \$2,229,066 Drinking Water State Revolving Fund (SRF) Loan for its Wastewater Infrastructure Improvements Project. This loan is contingent upon the borrower (City) establishing a surcharge at a level sufficient to provide the required debt coverage. Resolution #2023-02-02 serves this purpose. Nordyke informed the Board the resolution document has been reviewed and approved by the bond company, the Central SD Enhancement District, and the SD-DANR representative. Much discussion occurred. The surcharge is \$36.70 monthly per connection to the sewer system. The surcharge begins July 1, 2023. Hermes motioned to approve the Surcharge Resolution (Resolution #2023-02-02). Koenig seconded. Motion carried by roll call vote (Hermes-yes; Koenig-yes; LaCompte-yes; Biegler-no vote/not yet present).

E) Permits (Moreau Grand Electric Cooperative)

- i) Building Permit: The Board reviewed and discussed the New Construction & Improvements – Building Permit application submitted by Kent Larsen on behalf of Moreau Grand Electric Cooperative. They are applying to construct a 137' x 144' office and shop on their property located at 405 9<sup>th</sup> Street (Block 17 Lots 1, 2, 3, 4, 5, and 6). A review of their construction plans indicates there are no encroachment issues. Biegler motioned to approve the Building Permit application. LaCompte 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.
- ii) Water Connection Permit: The Board reviewed and discussed the Utility Connection Permit – Water application submitted by Kent Larsen on behalf of Moreau Grand Electric Cooperative. They are applying to connect to the water main on their property located at 405 9<sup>th</sup> Street (Block 17 Lots 1, 2, 3, 4, 5, and 6). Biegler motioned to approve the Water Utility Connection Permit application. LaCompte 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.
- iii) Sewer Connection Permit: The Board reviewed and discussed the Utility Connection Permit – Sewer application submitted by Kent Larsen on behalf of Moreau Grand Electric Cooperative. They are applying to connect to the sewer main on their property located at 405 9<sup>th</sup> Street (Block 17 Lots 1, 2, 3, 4, 5, and 6). Biegler

motioned to approve the Water Utility Connection Permit application. LaCompte 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.

10) Department Reports:

A) Custodial (Char Boysen)

Char was not present. No report. The following matter concerning the Community Center was discussed.

- i) Divider Replacement: Discussion occurred in regards to the divider separating the meeting from the gymnasium. The Board is interested in receiving input from local contractor(s) and will consider viable options. The Board directed Nordyke to contact local contractors and have them examine the existing divider system (perhaps it just needs maintenance) and to have contractor(s) provide an estimate for repair, replacement, and/or a new divider system.

B) Maintenance (Jerimiah Garon)

- i) Streets: Jerimiah was not present. No report.
- ii) Water: Jerimiah was not present. No report.
- iii) Sewer: Jerimiah was not present. No report.
- iv) Landfill: Jerimiah was not present. No report.
- v) Park: Jerimiah was not present. No report.
- vi) Other Matter(s) – Equipment: Jerimiah was not present. No report.

C) Law Enforcement Activity Report (Sheriff Arpan):

The Board reviewed the Dewey County Sheriff's Office law enforcement report for the month of January. Sheriff Arpan reports the following services provided to Timber Lake: total call records of 35; total time of 90 patrol hours. Activities involve calls for DUI, reckless driving, speed violations, stolen vehicle, narcotics, assaults, disorderly conduct, intoxicated persons, ambulance/medical, motorist assist, traffic hazard, welfare checks, community policing, animal control/bite, and alarm. The Board commented on the improved presence at the school and expressed appreciation. Sheriff Arpan further explained his plans for upcoming weeks.

D) Finance (Karla Nordyke)

- i) Auto-Supplement 2023 Budget (Insurance Claim): Karla reported the City has received a check from Claims Associates, in the amount of \$189,780.66. This payment is made in response to an insurance claim filed as a result of hail damage occurring on July 5, 2022. Karla also reported this check has been deposited. She requests the Board's approval to auto-supplement the 2023 budget plan, as follows:

Revenue	\$189,780.66	Compensation for Loss on Capital Assets (Insurance) Account #: 101-391.04
Expense	\$121,955.12	Community Center: Building Maintenance Account #: 410-419.2-425.03
	\$1,411.00	City Shop: Building Maintenance Account #: 430-431-1-425.1
	\$28,145.10	Library: Building Maintenance Account #: 450-455-425
	\$24,719.48	Fire Hall: Building Maintenance Account #: 420-422-425
	\$13,549.96	Rodeo Club Building: Building Maintenance Account #: 410-419.2-425.07

Karla further explained this payment represents property adjustments on the above buildings minus depreciation and minus a \$500 deductible. She will report actual expenses on building repairs as invoices are paid; the depreciation can then be claimed. Koenig motioned the 2023 budget be auto-supplemented. Biegler seconded. Motion carried.

- ii) External Audit (2022) – Engagement Letter Approval: Karla reported the external audit, on the City’s financial records of 2022, is scheduled for April 3, 2023. The Board reviewed and discussed the auditing firm’s engagement letter which details their audit plan and expectations. Biegler motioned to approve the engagement letter. Koenig seconded. Motion carried.
- iii) SDPAA Insurance: Karla provided the Board a copy of the insurance coverage adjustments completed after a recent property valuation. Karla explained the adjustments. The Board expressed agreement with the adjustments.
- iv) 2023 Election – Update: Karla reported no petitions have been taken out from the City Office; she is not aware of any petitions circulating. The deadline to file a petition is Friday, February 24, 2023, at 5:00 PM.
- v) Project(s) Funding & Next Steps – Update: Karla reported the passing of the sewer/wastewater bond resolution and sewer debt surcharge resolution nearly completes the needed paperwork. The next prioritized matters include environmental review(s) and final engineering plans submitted to the State Offices.
- vi) Records Destruction Request: Karla presented an inventory of five (5) boxes of stored records which are eligible for records destruction. These records are all audited and have no further legal, fiscal, administrative, or historical use to the City. Koenig motioned to approve the Request to Dispose of Records. LaCompte seconded. Motion carried.

- vii) Delinquent Accounts: Karla reported the following information regarding customer accounts.
- (1) Late Payment Charges & Disconnect Warnings (31-60 days past due) – 1 account was assessed a \$10 late payment charge and 9 accounts were assessed a \$10.00 late payment charge and provided a disconnection warning.
  - (2) Disconnections – 1 service disconnection is scheduled.
  - (3) Due Process Notice(s) – 0 customers received a first notice. 2 customers received a second notice. 0 customer received a final notice.
  - (4) Financial Arrangements – 2 accounts have an approved financial arrangement. 2 accounts are in compliance.
  - (5) Legal Action Status – 1 account remains referred to CRST Small Claims Court and 1 account remain referred to CRST Civil Claims Court. 1 account is being processed for small claims court collection.
  - (6) Delinquent Account Status (61+ days past due) -- Overall, the delinquent account balance total shows a decrease (improvement) from last month (\$2,035.41).
  - (7) Uncollectable Debt and Board Write-Off: None

11) Schedule Next Meeting:

The next regularly scheduled meeting is set for Monday, March 6, 2023 at its regularly scheduled time and place.

12) Adjourn:

At 7:08 PM, Koenig motioned the meeting be adjourned. Biegler seconded. Motion carried.



APPROVED: *Tom Hermes*  
Tom Hermes, Board President

*Karla Nordyke*  
Karla Nordyke, City Finance Officer

Recorded: February 7, 2023  
 Published: February 16, 2023  
 Published at an approximate cost of \_\_\_\_\_

CITY OF TIMBER LAKE  
 ACCOUNTS/CLAIMS PAYABLE: JANUARY 2023

APPROVED: FEBRUARY 6, 2023

**GENERAL GOVERNMENT**

Postalia	400.00	Already Paid: 1/5/23; EFT	Postage
SD Dept. of Labor; Reemployment Assist Div.	2.30	Already Paid: 1/19/23; EFT	Investment & Administrative Fees (4th Quarter 2022)
SD Dept of Revenue	299.50	Already Paid: 1/19/23; EFT	Sales Tax Liability (December)
VISA	30.08	Already Paid: 1/23/23; Check #31955	Office Supplies: Microsoft & Adobe
SD Retirement System	602.94	Already Paid: 1/25/23; Check #31954	Employee Benefits: Retirement (Payroll Liabilities & Employer Match)
US Treasury (Internal Revenue Service)	1,521.51	Already Paid: 1/25/23; EFT	Payroll Liabilities & Employer Payroll Taxes (January)
A&B Business Solutions	93.10		Printer Maintenance (January)
American Solutions for Business	165.91		Office Supplies
Biegler Equipment	41.49		Community Center: Shovel
Century Link	214.39		Telephone & Fax Lines
Cole Papers, Inc.	171.43		Cleaning Supplies: Floor Sealer
CRST Telephone Authority	146.90		Internet
Dewey County Treasurer	5,000.00		Law Enforcement Services (February)
G & O Paper and Supplies	62.80		Community Center: Paper Products
Health Pool of SD	472.50		Employee Benefits: Health & Life Insurance
Mobridge Gas	1,582.20		Propane (Community Center)
Moreau Grand Electric Coop.	300.00		Electricity: Community Center, Fire Hall
Penfield Law	608.00		Legal Services (January)
Pfizer Pest Control	219.31		Lawn Maintenance (Annual)
Plunkett's Pest Control	284.07		General Pest Control: Community Center & Library
Servall Uniform & Linen Supply	519.75		Mats & Mops & Linens
Slater Oil	333.64		Propane (Fire Hall)
Timber Lake Topic	<u>13,885.20</u>		Publishing (January): Minutes & Election

**STREETS/PARKS/LANDFILL**

SD Dept. of Labor; Reemployment Assist Div.	0.57	Already Paid: 1/19/23; EFT	Investment & Administrative Fees (4th Quarter 2022) 40%
VISA	306.28	Already Paid: 1/23/23; Check #31955	Pesticide Applicator License, Tool
SD Retirement System	284.36	Already Paid: 1/25/23; Check #31954	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 40%
US Treasury (Internal Revenue Service)	561.63	Already Paid: 1/25/23; EFT	Payroll Liabilities & Employer Payroll Taxes (January) 40%
AT&T Mobility	35.80		iPad Connectivity (40%)
Biegler Equipment	1,454.97		Supplies, Tools, Equipment Maintenance, Sand
Health Pool of SD	327.03		Employee Benefits: Health & Life Insurance (40%)
Heartland Waste Management	4,380.00		Garbage Collection (January)
Herman's Service	383.01		Fuel: (January) -- Snow Removal
Mobridge Gas	718.20		Propane: City Shop
Moreau Grand Electric Coop.	1,584.76		Electricity: Airport, City Shop, Street Lights, Camper Site
RDO Equipment Co.	218.58		Equipment Maintenance
Western Dakota Bank	1,605.35		Loan Payment #25/60 (Blade): Principal (1427.40) & Interest (177.95)
	<u>11,860.54</u>		

**WATER/SEWER**

SD Dept. of Labor; Reemployment Assist Div.	0.86	Already Paid: 1/19/23; EFT	Investment & Administrative Fees (4th Quarter 2022) 60%
VISA	414.42	Already Paid: 1/23/23; Check #31955	Tool
SD Retirement System	426.54	Already Paid: 1/25/23; Check #31954	Employee Benefits: Retirement (Payroll Liabilities & Employer Match) 60%
US Treasury (Internal Revenue Service)	797.45	Already Paid: 1/25/23; EFT	Payroll Liabilities & Employer Payroll Taxes (January) 60%
AT&T Mobility	53.70		iPad Connectivity (60%)
Health Pool of SD	490.55		Employee Benefits: Health & Life Insurance (60%)
Menards - Pierre	45.38		Tool
Milbank Winwater Works	14,174.40		Meter Radios & Materials
Moreau Grand Electric Coop.	1,280.01		Electricity: Well Houses & Lift Stations
ND Dept. of Health	16.00		Water Analysis
South Dakota 811	31.36		Locate Fees (4th Quarter 2022)
	<u>17,730.67</u>		
Grand Total	<u><u>43,476.41</u></u>		



