

Regular Meeting, Ethan Town Board, 9-8-09

The Town of Ethan board met in regular session on September 8, 2009 at the Town Hall at 7:00 pm. Members present were Nancy Schoenfelder, Terry Mathis, Josh Franks and Chad McGuire. Member absent was Robert Fitzgerald. Others present were Sonya Hespe, Brett Scott, Johanna Scheich, Dale Meinke, John Hart & Gallus Thill.

Chairman Schoenfelder called the meeting to order and led the pledge of allegiance. All motions were unanimously voted as aye unless stated otherwise.

Motion Franks, second McGuire to approve the agenda.

Hespe informed the board that Camden Hofer, the engineer from SPN, suggested submitting a request to DENR to discharge into Twelve Mile Creek. There was a previous request to discharge into Ethan Lake that was denied by DENR. Motion Mathis, second Franks to send a letter to DENR with a request to discharge into Twelve Mile Creek.

Several items were discussed regarding the contract with the Davison County Sheriff department. Sheriff Miles will be asked to attend the next board meeting to discuss some options being added to the contract.

NEW BUSINESS

Johanna Scheich, representing Ethan High School, asked the board permission to have the burning of the "E" and to white-wash the streets during Homecoming week. She also asked about having a parade in town of Friday, September 18th. The parade will be on Main Street heading East, turn South on 3rd Street and end at the school. Permission for all activities was granted.

Schoenfelder announced to the board that there is a location for sale with a building that could be used for a city shop.

John Hart was tape recording the meeting. He was told that in the future he needs to get prior approval and give notification. This applies to anyone wanting to record the meetings.

The proposed amended contract with Hanson Rural Water was talked about. It was decided that there needs to be a special meeting with Hanson Rural Water to get more information on the contract and tower project.

An increase in water and sewer rates was looked into. The water rates would need to be increased to do some extensive repairs to the existing water tower or to proceed with the construction of a new tower with the joint efforts of Hanson Rural Water. The sewer rates would need to be increased to secure better funding options for a major wastewater system project. SPN has given proposals on different options but has stressed there would need to be a rate increase for any state funding assistance. Motion Mathis, second Franks to have the water increase \$0.50 per 1000 gallons per year for the next three years and sewer rates increase \$1.00 per year for the next three years, beginning in January of each year. This will put the water rates at \$4.50 per 1000 gallons in 2010, \$5.00 per 1000 gallons in 2011 and \$5.50 per 1000 gallons in 2012. The sewer rates will be \$18.00 in 2010, \$19.00 in 2011 and \$20 in 2012.

Hespe informed the board that the Department of Legislative Audit reviewed and accepted the audit report conducted by Schoenfish & Co for the year 2006. There were two findings noted. The first was proper segregation of duties. Due to the size of Ethan there is only one employee handling all financial matters for the municipality. It is recommended that there be a second person (a board member) reviewing the financial records for internal control. This is being addressed and board members will review the records. The second item is that the audit was not completed in a timely manner. The audit was originally to be completed by the State. They were not able to do the audit and then advised to have the municipality hire an independent firm to perform the audit. This was nothing that the city could control but had to be noted in the audit report. Another item noted was that the loan payments were being paid from the general fund instead of the water and sewer funds. This is being corrected starting with the 2010 budget.

Hespe presented the 2010 budget to the board. There were some items changed including the loan payments now being paid out of the water and sewer fund instead of the general fund. Motion Mathis, second McGuire to approve the second reading of the 2010 budget as follows:

TOWN OF ETHAN

APPROPRIATIONS ORDINANCE 2010 YEAR

BE IT ORDAINED BY THE TOWN OF ETHAN, SOUTH DAKOTA, that the following sums are appropriated to meet the obligation of the municipality.

SECTION I

GENERAL GOVERNMENT (general fund)

411 Legislative

	411.1	Board	\$	14,500.00	
	411.5	Contingency	\$	12,250.00	
413		Elections	\$	1,000.00	
414		Financial Administration	\$	20,920.00	
419		Other			
	419.2	General Govt Building	\$	10,000.00	
	Total				\$ 58,670.00
PUBLIC SAFETY					
	421	Police Protection	\$	7,200.00	
	Total				\$ 7,200.00
PUBLIC WORKS					
	431	Highways & Streets	\$	158,578.00	
	432	Sanitation	\$	15,000.00	
	Total				\$173,578.00
HEALTH					
	441	Health	\$	3,500.00	
	Total				\$ 3,500.00
PARKS					
	452	Parks	\$	3,425.00	
	Total				\$ 3,425.00
DEBT SERVICE					
	470	Debt Service	\$	4,450.00	
	Total				\$ 4,450.00
TOTAL TAX SUPPORTING FUNDS:					<u><u>\$250,823.00</u></u>
SELF SUPPORTING FUNDS:					
		Water Fund	\$	42,000.00	
		Sewer Fund	\$	117,000.00	
	Total:				\$159,000.00
TOTAL APPROPRIATIONS & ESTIMATION FROM TAX SUPPORTED FUNDS:					<u><u>\$409,823.00</u></u>

SECTION II

The following is a summary by fund of the appropriated amounts of financing them.

TAX SUPPORTED FUNDS:	<u><u>\$250,823.00</u></u>
APPROPRIATION: MEANS OF FINANCE	
Estimated unencumbered cash balance	\$ 75,000.00
Fund Operations:	
Two percent sales tax	\$ 90,000.00

Interest Earned	\$ 1,500.00
Garbage Collection	\$ 16,000.00
License Permits	\$ 1,500.00
Liquor Tax Reversion	\$ 1,800.00
Highway & Bridge	\$ 5,000.00
General Tax Levy (increase \$1,748) 58,275 x 3.0% CPI	\$ 60,023.00
Total Means of Finance:	<u><u>\$250,823.00</u></u>

SELF SUPPORTING FUNDS:

Estimated Revenue:	Sewer Fund	Water Fund
TOTAL:	<u>\$ 117,000.00</u>	<u>\$ 42,000.00</u>

SECTION III

The municipality has monies in excess of the amount necessary to service the water fund for the year.

SECTION IV:

The finance officer is directed to certify the dollar amount (\$60,023) of tax levies made in the Ordinance to the County.

ATTEST: _____
Finance Officer

APPROVED _____
Chairman

REPORTS

Scott informed the board the there will be a state inspection at the lagoon on Wednesday, September 9th. The truck is being looked at and will need some repairs. Scott said he has been asked if archery is allowed at the landfill. No hunting is allowed on city property. He had also been asked if someone could take some of the dirt at the park and was given permission to do so. Scott also asked about the ordinances relating to abandoned property and grass mowing.

Hespe asked permission to attend election school in Sioux Falls. Motion Franks, second Mathis to pay for registration and mileage for Hespe to attend election school. The rabies clinic has been set for October 1 from 5:30 – 6:30 PM at the city office. Hespe also presented the board with a resolution to be put on the state water plan for the wastewater project. Motion Mathis, second McGuire to set the following resolution:

A RESOLUTION TO SUBMIT AN APPLICATION FOR PLACEMENT ON THE STATE WATER PLAN.

- WHEREAS**, the Town of Ethan has recently identified the need for sanitary sewer and storm drainage improvements within the community; and
- WHEREAS**, the Town of Ethan has identified the need to seek additional outside financing to assist in funding the recently expanded project; and
- WHEREAS**, the Town of Ethan requests placement onto the State Water Plan; and
- WHEREAS**, the Town of Ethan is eligible for placement on the State Water Plan; and
- WHEREAS**, with the submission of the SWP application of the Town of Ethan assures and certifies that all SWP program requirements will be fulfilled; and
- THEREFORE, BE IT RESOLVED**, that the Town of Ethan duly authorizes the submission of the SWP application.
- THEREFORE, BE IT RESOLVED**, that Board Chairman Nancy Schoenfelder be authorized to execute the SWP application for the Town of Ethan.

Dated this 8th day of September 2009

SIGNED: Nancy Schoenfelder, Board Chairman
ATTEST: Sonya Hespe, Finance Officer

APPROVAL OF MINUTES

There is a change on the 8-10-09 minutes under new business, second paragraph. It should state "It was agreed to apply for a credit card..." not "It was agreed to purchase a credit card...". Motion McGuire, second Franks to approve the minutes of the 8-10-09 meeting with the noted change and approve the 8-12-09 minutes as is.

APPROVAL OF CLAIMS

Motion Mathis, second McGuire to approve the claims.

CLAIMS

September 8, 2009

<u>General Fund</u>			
1	Brett Scott	salary	
2	Chad McGuire	wages	\$83.11
3	Josh Franks	wages	\$83.11
4	Nancy Schoenfelder	wages	\$83.11
5	Robert Fitzgerald	wages	\$41.56
6	Sonya Hespe	wages	\$852.05
7	Terry Mathis	wages	\$41.56
8	Aflac	employee insurance	\$128.42
9	Agland Coop	fuel	\$147.35
10	Bill's Trucking	gravel	\$960.00
11	Campbell Supply	supplies	\$94.44
12	Commercial Asphalt	patch mix	\$42.84
13	Daily Republic	publishing	\$452.61
14	Davison Co Auditor	3rd quarter sheriff protection	\$1,500.00
15	Dennis Puepke	backhoe work	\$75.00
16	Ethan Coop Lumber	supplies	\$72.00
17	Farmers State Bank	payroll taxes	\$601.42
18	Menards	supplies	\$43.92
19	NorthWestern Energy	street light 426.63; fire hall 10.71	\$437.34
20	Santel	telephone	\$83.24
21	Schoenfish & Co	audit	\$5,000.00
22	SD Municipal League	annual conference registration	\$100.00
23	SD Municipal League	election workshop registration	\$15.00
24	SD Retirement	retirement	\$276.60
25	SPN	drainage project fees	\$2,100.00
26	Super 8	lodging for annual conference	\$186.00
27	Topkote	seal coat 24,998.52; transportation 1261.00	\$26,259.52
28	USDA - RD	monthly loan payment	\$1,023.00
29	USDA - RD	monthly loan payment	\$368.27
30	Weber Sanitation	garbage service	\$1,250.00

*** previously approved claim Brett Scott \$1407.20

Water Fund

1	Brett Scott	salary	
2	Hanson Rural Water	9/09 usage	
3	Jason & Betsy Raymond	water deposit refund	\$85.00
4	McFarland Supply	supplies	\$120.17
5	NorthWestern Energy	utilities	\$15.44
6	SD Dept of Revenue	water testing	\$12.00

*** previously approved claim Hanson Rural Water March usage \$2,876.60; Brett Scott \$469.06

Sewer Fund

1	Brett Scott	salary	
2	NorthWestern Energy	utilities	\$96.02
3	Santel	telephone	\$30.22
4	SD Dept of Revenue	testing	\$118.00

*** previously approved claim Brett Scott \$469.06

The next regular board meeting is Monday, October 12 at 7:00 PM.

Motion Franks, second Mathis to adjourn at 9:38 pm.

Sonya Hespe
Finance Officer

Nancy Schoenfelder
Chairman

Published once at the approximate cost of \$_____.