

UNAPPROVED MINUTES OF
December 7, 2010

The Moody County Commissioners met in regular session on Tuesday, December 7, 2010 in the County Commissioners' Room in the Courthouse at 9:00 AM, with the following members present: Vice Chairman Tom Peper, Alvin Gullickson, David Stenberg, and Tony Firman, with Lori Schaefers, Auditor as Clerk of the Board. Absent: Martin May. Also present were Jerry Doyle, Commissioner Elect of Commissioner District #1, Rick Veldkamp, Commissioner Elect of Commissioner District #3, and Dan Miles, Commissioner Elect of Commissioner District #5.

AUDITOR'S ACCOUNT WITH THE COUNTY TREASURER

To the Honorable Board of County Commissioners, Moody County:

I hereby submit the following report of my examination of the cash and cash items in the hands of the County Treasurer of this County as of November 30, 2010, which includes money collected for schools, cities, townships and state:

Total amount of deposits in bank:	\$ 1,414.28
Total amount of actual cash:	\$ 2,138.71
Total amount of checks and drafts in Treasurer's possession not exceeding 3 days:	\$ 39,269.45
Itemized list of all items, checks and drafts which have been in the treasurer's possession over 3 days:	\$ 114.01
First National Bank Flandreau CD	\$ 1,800,000.00
First National Bank Flandreau Savings	\$ 934,628.67
Flandreau First Savings Bank CD	\$ 1,475,000.00
TOTAL	\$ 4,252,565.12

Dated this 10th day of December, 2010

Lori Schaefers

Moody County Auditor

Vice-Chairman Peper called the meeting to order. Motion by Gullickson, seconded by Stenberg to approve the agenda. All present voted "aye". Motion by Firman, seconded by Gullickson to approve the minutes of November 16, 2010. All present voted "aye".

Motion by Gullickson, seconded by Stenberg to declare a 5 drawer filing cabinet (CHN-003) located at the Public Health Building surplus property, and to dispose of it as it no longer has any value. All present voted "aye".

Auditor Schaefers reviewed 2010 department budgets with the Board.

As advertised, a hearing was held at 9:05 AM for the Board to consider the 2011 liquor license renewal application of Crossroads Truck-stop. Motion by Gullickson, seconded by Firman to approve the 2011 renewal application for Crossroads Truck-stop. All present voted "aye".

Commissioner Gullickson discussed the ambulance department, and the statistics that had been printed in the Moody County Enterprise. Gullickson noted that the Enterprise was using the wrong dollar amount for the annual cost to run the ambulance department. He noted that to operate the ambulance department, it costs the County between \$35,000 and \$40,000 a year when you factor in the purchase of an ambulance rig every 5 years. Discussion was also held on the response time of the ambulance service.

Motion by Firman, seconded by Stenberg to adjourn to conduct business as Drainage Board at 9:15 AM. All present voted "aye".

Motion by Stenberg, seconded by Gullickson to adjourn to conduct business as Joint Board of Commission and Board of Planning and Zoning at 9:35 AM. All present voted "aye". Also present was Director of Equalization Brenda Duncan. Two plats were reviewed. Motion by Firman, seconded by Stenberg to approve the following plat, with all members present voting "aye":

COUNTY COMMISSION

"BE IT RESOLVED by the County Commission of Moody County, South Dakota, that the plat of MICHAEL HEMMER'S

CONSERVATION EASEMENT TRACT 1 IN THE SE 1/4 OF SECTION 35, TOWNSHIP 106 NORTH, RANGE 49 WEST OF THE 5TH PRINCIPAL MERIDIAN, MOODY COUNTY, SOUTH DAKOTA, be and the same is hereby approved.

I hereby certify that the above is a correct copy of the resolution duly passed by the County Commission, at a meeting held on the dated adopted.

Adopted this 7th Day of December, 2010.

Lori Schaefers
County Auditor
Moody County, South Dakota

Motion by Stenberg, seconded by Gullickson to approve the following plat, with all members present voting "aye":

COUNTY COMMISSION

"BE IT RESOLVED by the County Commission of Moody County, South Dakota, that the plat of LOT 1A AND LOT 1B OF GULLICKSON'S ADDITION IN THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 108 NORTH, RANGE 50 WEST OF THE 5TH PRINCIPAL MERIDIAN, MOODY COUNTY, SOUTH DAKOTA, be and the same is hereby approved.

I hereby certify that the above is a correct copy of the resolution duly passed by the County Commission, at a meeting held on the dated adopted.

Adopted this 7th Day of December, 2010.

Lori Schaefers
County Auditor
Moody County, South Dakota

Property owner Jason Albee met with the Board to discuss the appearance of his property. The Board will follow up with Albee again in April of 2011. Motion by Firman, seconded by Gullickson to resume regular session at 9:50 AM. All present voted "aye".

Discussion was held on the work hours of the Highway Department. Schaefers informed the Board that the Highway Department has reverted back to their winter hours, operating 5 days a week, 7:00 am -3:30 pm.

Motion by Gullickson, seconded by Stenberg to authorize Vice-Chairman Peper to sign the 2011 Juvenile Detention Contract with Minnehaha County. All present voted "aye".

Auditor Schaefers reviewed pending poor relief cases. Motion by Gullickson, seconded by Firman to deny Case #20101106 as the applicant did not respond to request for information. All present voted "aye". Motion by Stenberg, seconded by Firman to deny Case #20101111 as the applicant did not respond to request for information. All present voted "aye". Motion by Gullickson, seconded by Firman to deny Case #20101103 as the applicant did not respond to request for information. All present voted "aye". Motion by Stenberg, seconded by Gullickson to deny Case #20101102 as the applicant did not respond to request for information. All present voted "aye". Motion by Stenberg, seconded by Firman to deny Case #20101101 as the applicant did not respond to request for information. All present voted "aye". Motion by Gullickson, seconded by Firman to deny Case #20101104 as the applicant did not respond to request for information. All present voted "aye". Motion by Firman, seconded by Gullickson to deny Case #20101117 due to the patient being indigent by design and able to work but has chosen not to work. All present voted "aye". Motion by Stenberg, seconded by Firman to deny Case #20101110 as the applicant is eligible for services through IHS. All present voted "aye".

Discussion was held on East Dakota Water Development District, and the amount they levy for taxes. Auditor Schaefers will contact Jay Gilbertson of East Dakota Water to meet with the Board to discuss the operations of EDWDD.

Paul Lewis, Attorney met with the Board to discuss the Union Contract. Motion by Gullickson, seconded by Firman to authorize Vice-Chairman Peper to sign the Memorandum of Understanding between Teamsters Local Union No. 120 affiliated with the International Brotherhood of Teamsters, and Moody County and its Sheriff's Department, regarding the 2011 wages for Union Members, authorizing a 4% wage increase effective January 1, 2011. All present voted "aye".

Sheriff Troy Wellman met with the Board to review vehicle maintenance logs, SDPAA Policies and Procedures, and the purchase of a Suburban.

Linette Christensen, Treasurer met with the Board to present an investment policy for the County. Motion by Stenberg, seconded by Gullickson to approve the following resolution, with all members present voting "aye":

RESOLUTION 10120701
RESOLUTION ESTABLISHING AN INVESTMENT POLICY

WHEREAS, the Moody County Commissioners found that the Moody County Treasurer does not currently have a written investment policy for its funds; and

WHEREAS, Moody County Commissioners having found that it is prudent to adopt such a policy and having reviewed and approved the policy proposed for adoption by the Board;

NOW THEREFORE, IT IS HEREBY RESOLVED that the attached Investment Policy for the Moody County Treasurer is adopted effective this date and that all future county investment activity shall be governed by this policy.

Adopted this 7th day of December, 2010.

Thomas B Peper
Vice-Chairman
Moody County Commissioners

ATTEST: Lori Schaefers
Moody County Auditor

Passed: 12-7-10
Published: 12-15-10
Effective: 1-4-10

**MOODY COUNTY TREASURER, FLANDREAU, SOUTH DAKOTA
INVESTMENT POLICY**

1. SCOPE

This policy applies to the investment of all funds of the Moody County Treasurer, Flandreau, South Dakota. Longer-term funds, including investments of employees' retirement funds and proceeds from certain bond issues, are covered by a separate policy. Except for funds held in trust or special funds that are otherwise specifically provided for, the Treasurer will consolidate the balances from all funds to maximize investments earnings and meet the liquidity requirements of the County subject to the primary objective of providing security of principal. Investment income will be allocated to the various funds based on their respective participation of capital in the overall portfolio in accordance with generally accepted accounting principles.

2. POLICY

Pursuant to SDCL 4-5-8 it is the policy of the Moody County Treasurer to invest idle public funds in a manner to meet the daily cash flow demands of the County with the primary objectives, in priority order, being: a) Safety of Principal b) Liquidity and c) Return on Investments.

A) Safety of Principal

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate the following risks.

1. Credit Risk

The County will minimize credit risk, which is the risk of loss due to the failure of the investment issuer or backer, by limiting the portfolio to the types of investments listed in section 5. Authorized and Suitable Investments of this policy and diversifying the investment portfolio to diminish the impact of potential losses from any one type of investment or from any one individual issuer.

2. Custodial Credit Risk

The County will minimize Custodial Credit Risk for deposits, which is the risk that in the event of the failure of a depository financial institution the deposits or collateral securities that are in the possession of an outside party would not be able to be recovered as addressed in section 6. Collateralization.

B) Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

C) Return

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of the portfolio is limited to relatively low risk investments in anticipation of earning a fair return relative to the risk being assumed.

3. DELEGATION OF AUTHORITY

Authority to manage the investment program is granted to the Treasurer, who shall refrain from personal business activity that could impair her ability to make impartial decisions. The Treasurer acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for and individual investment's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of investments are carried out in accordance with the terms of the policy.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

In case of extended leave of absence, the Governing Board shall appoint a replacement Officer.

4. AUTHORIZED FINANCIAL DEALER AND INSTITUTION

The Governing Board authorizes the placement of cash resources in the following financial institutions:

- First Savings Bank
- Home Federal Bank
- First National Bank
- South Dakota Public Funds Investment Trust (FIT)

5. AUTHORIZED AND SUITABLE INVESTMENTS

The Treasurer is empowered by statute to invest in the following instruments:

- Interest bearing checking accounts
- Savings accounts
- Certificates of Deposit (CDs)
Certificates of Deposit (CDs) purchased through CDARS (Certificate of Deposit Account Registry Service) (SDCL 4-5-6.1)*
- Local Government Investment Pool (SD FIT)

*When investing in Certificates of Deposit (CDs) public funds will be invested at the highest rate of interest possible after attempting to secure three (3) quotes.

The above listed authorized deposits will be kept in banks in South Dakota as required by SDCL

The county treasurer shall deposit and at all times keep on deposit the money in his possession as county treasurer in state or national banks within the county. In the event that such deposits exceeds the limit prescribed in 7-20-10 or if there is but one bank located within the county then such deposits may be made in other banks or branch banks within an adjacent county of this state having an approved and responsible financial standing. (SDCL 7-20-1)

The resolution to adopt this policy is separate from the policy itself.

6. COLLATERALIZATION

In accordance with the SDCL 4-6A and 51A-10-9 Qualified Public Depositories will furnish collateral in the sum equal to one hundred (100%) of the public deposit accounts that exceed deposit insurance. The financial institution shall submit a copy of their collateralization report to the Treasurer.

SDCL 4-6A-3 requires that collateral be segregated by each depository in such manner as approved by the South Dakota Public Deposit Protection Commission. Collateral may not be held in any safety deposit vault owned or controlled either directly by the pledging financial institution but must be deposited for safekeeping in a financial institution that is a member of the Federal Reserve.

7. REPORTING

The Treasurer shall prepare an investment report not less than twice a year, that provided a clear picture of the status of the current investments.

8. INTEREST EARNED

The interest earned from investments shall be credited to the respective fund, except Agency funds. At year-end (all or state specific funds) investment income will be transferred to the General Fund. (SDCL 4-5-9)

Exceptions: Debt Service Fund SDCL 9-22-12 (cities) and SDCL 7-24-19 (counties) and Perpetual Care Fund SDCL 9-32-18 (cities). The interest earned from investments made with funds from these accounts shall be credited in accordance to the respective statutes.

Thomas B Peper

Board Vice-Chairperson

ATTEST:

Linette Christensn

Treasurer

Motion by Firman, seconded by Gullickson to enter into executive session at 11:35 AM. Reason: personnel discussion. All present voted "aye". Motion by Gullickson, seconded by Firman to resume regular session at 11:55 AM. All present voted "aye".

Kristene Rancour, Ambulance Supervisor met with the Board to review the Ambulance Department's November monthly report and quarterly vehicle maintenance logs. Rancour presented the ambulance incident reports by location for the years 2010, 2009, and part of 2008. Discussion was also held on the response times of the ambulance department.

Travis Smith of PCC joined the meeting. Smith reviewed the Billing Service Agreement that Moody County currently has with PCC. Smith offered to adjust PCC's collection fee from 10% to 8%, with the stipulation that the Agreement would be extended until December 31, 2014. The Board instructed Schaefers to have State's Attorney Bill Ellingson review the proposed Billing Service Agreement. Discussion was also held on the credit collections company utilized by PCC.

Brenda Colombe, with the Department of Legislative Audit, conducted the formal closing conference in connection with the audit of the financial statements of Moody County as of December 31, 2009. Motion by Gullickson, seconded by Firman to approve and authorize the Vice-Chairman to sign the letter of compliance for the Department of Legislative Audit. All present voted "aye".

Troy Wellman, Sheriff met with the Board to further discuss the purchase of a Suburban.

The following reports for November were received and filed in the Auditor's Office: Civil fees \$1,261.00 and Register of Deeds fees \$4,098.00.

Motion by Gullickson, seconded by Firman to approve the following claims and issue warrants, all present voted "aye":
General: Ahlers Automotive, service 40.50, A&B Business, copier contract 44.10, Avera Flandreau Medical, county nurse 2661.74, Alltel, cell phones 121.79, Nathan Bowden, travel 49.12, Best Business Products, copier maintenance 12.52, Donna Bittiker, travel/reimbursement 77.24, Buhl's Cleaners, service 52.90, Center Point Large Print, books 80.88, ChemSearch, ice melt 113.61, Crossings Book Club, books 15.98, Clippers Septic, service 125.00, Credit Collections Bureau, service 19.77, Century Business Products, copies/copier maintenance 70.00, Cardmember Service, supplies/postage/gas 254.25, Consumer Reports, subscription 49.00, Brenda Duncan, travel 18.90, Department of Revenue, blood alcohols 245.00, Doubleday Book Club, books 36.46, Marlene Dahlmeier, reimbursement 34.63, William Ellingson, office expense/drainage 1683.37, Ekerns, service 469.01, ES&S, services/misc, 1972.86, Enterprise, publications/supplies 396.74, Alvin Gullickson, travel 38.11, Gale, books 75.17, Hauge Associates, service 144.20, Humana Health Care, ambulance refund 17.49, Hillyard, supplies 279.30, ICAP, service 428.75, IBS, service/PC/DVD drive 1122.50, J&K, supplies 361.83, Carol Jensen, reimbursement 1550.63, Knology, telephone/fax 312.76, Kennedy Pier & Knoff, court appointed attorney 350.40, Krulls Garage, service 196.36, Lewis & Clark, service 284.00, Lincoln County Treasurer, service 447.02, MAS Modern Marketing, supplies 428.97, Maynards, supplies 6.39, Martin's Flag Company, flag 80.08, Gail Meyer, reimbursement 571.00, Moody County Public Health, service 80.00, Mid-American Research, supplies 112.10, Minnehaha County Auditor,

evaluation 67.50, McCleod's Printing, tax slips 628.46, Bob Pesall, court appointed attorney 393.60, Physio Control, supplies 298.50, Pitney Bowes, postage meter lease 252.51, Rhapsody Book Club, books 50.43, Reader Service, books 20.77, John Shaeffer, court appointed attorney 4396.10, Sioux Falls Two Way Radio, radio 399.00, David Stenberg, travel 27.75, Sturdevant's Auto Supplies, supplies 38.78, SDAAO, 2011 dues 110.00, SDSU 4-H Department, tags 240.00, Southwest Office Supply, supplies 651.79, Maurice Tye, reimbursement 1252.62, Troy Wellman, reimbursement 1300.00, Geneva Powell, refund 82.77, Frances Loiseau, refund 163.58. Highway: Marc Blum, reimbursement 627.00, Bob's Electric, service 71.85, Bowes Construction, gravel 2926.21, Butler Machinery, repairs/supplies 881.05, City of Colman, utilities 53.40, Catco, repairs 42.45, Curt's Collision, repairs 58.00, Don's Tire Shop, repairs/service 15.00, Greg's Welding, repairs 123.00, Great Plains International, repairs 256.00, Huron Culvert & Tank, culverts 7898.12, J&K, supplies 95.69, Knology, phone/cable/internet 218.01, Kimball Midwest, supplies 192.03, LG Everist, supplies 475.61, MidStates Equipment, sealant 25328.15, M&H Communications, repairs 91.00, Mills & Miller, deicing salt 7140.06, NAPA Auto Parts, repairs 48.72, Powers Oil Company, gas 1954.54, River's Edge, diesel/oil/misc. 23609.04, RDO Equipment, repairs 8855.86, Sheehan Mack, repairs 538.85, Sioux City Foundry, cutting edges 2483.52, Sturdevant's, repairs 498.84, SDDOT, service 891.60, Sanitation Products Inc., repairs 2162.33, USPS, PO Box rent 44.00, Verizon Wireless, cell phone 49.04, Wheelco Brake & Supply, supplies 604.20, Dakota Diesel Service, repairs 107.41. Flexible Spending: Lori Schaefer, reimbursement 600.19, Karen Spencer, reimbursement 57.00, Maurice Tye, reimbursement 173.50. Miscellaneous: City of Flandreau, utilities 1596.58, Dust-Tex Service, service 149.84, ESRI, Arcview license 700.00, Knology, telephone/fax 82.68, MidAmerican Energy, natural gas 1244.66, Powers Dakota Stop, gas/jail meals 2278.85, State Treasurer, monthly remittance 73527.87. November Payroll: 149218.27.

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Meeting adjourned at 2:30 PM.

ATTEST: Lori Schaefer
Moody County Auditor

Thomas Peper, Vice-Chairman
Moody County Board of Commissioners