City of Severy August 2022 Regular Meeting Minutes

CITY OF SEVERY

REGULAR BUSINESS MEETING

AUGUST 1, 2022

7:00 P.M. AT CITY HALL, SEVERY KS

Council Present: Council President Marc Warren, Lyle Riggs, Rodger Kraft, Ron Robert, Clerk Tessa Riggs, Water Superintendent Paul Schmidt, Treasurer Casandra Myers and Code Enforcement Officer Ken Kierl

Guest – Phil Jarred, Robin Wunderlich, Ed Cornett and Allen Sexton

Guest via Zoom – City Attorney Alleen VanBebber, Kristina Kraft, Kathy Kraft and Roanna Elliott

Mayor Wiss called the meeting to order at 7:00 p.m. Pledge of Allegiance cited. Roll call was done.

Phil Jarred with Jarred, Gilmore & Phillips, P.A. the City of Severy’s Accountants presented the council with the audit. Jarred stated there was a violation of KSA statues that requires the city to publish the annual financial statements and cash balances at the end of the year. The annual statement was not published in the newspaper. The city received another violation was on the bond payments were supposed to be sent to the fiscal agency at least 20 days before they were due. One bond payment was received one day late after the redemption date and two payments were never even paid in 2021. The indebtedness of the city payments, according to Jarred the two bonds in 2016, Bond A & Bond B were the bonds that the dollar amount didn’t change and that was the one that payment didn’t get paid on. The other bond is getting paid by with the water receipts. The principal payments were about double what they were before because the payments didn’t get paid, and the interest is about the same way comparing 2022 to 2023. On the capital projects, the city has the water plant project that is authorized for one million two hundred eighty thousand thru the end of 2021, the city spent $333,000 and this will need monitored if we see if we go over the original the city would need to reauthorize in the minutes a higher amount. If we didn’t reauthorize a higher amount, it would be another statutory violation and they would have to stick it in the audit report. The city also had some back payroll tax liabilities that hadn’t been paid all year. In February 2022, Clerk Riggs did pay those liabilities and March 2022 there were a fistful amount of undeposited funds found in the drawer, loose cash, and checks in the amount of $10,197.00 that did get deposited in March. Those numbers weren’t in the financial statements because they weren’t spent or collected, so that was a significant amount of money that shows up in 2022. The city is in compliance with the budget laws and did not overspend. Councilman Robert stated the situation the city was in it looks like things are starting to turn around. City Attorney VanBebber asked Mr. Jarred if it is fair to say that as far, he could see with the current management of the council and employees. Jarred states that current employees have been very helpful in finding things, asking questions, and getting the payroll tax reports filed. Jarred asked Clerk Riggs if the city has got any penalty letters. Clerk Riggs did receive some from the 941’s on the Schedule B and Jarred was going to help get that taken care of. Jarred is unsure if we can get out of the interest, but he thinks the city could get out of the penalties for late deposits due to the circumstances. VanBebber asked Jarred again as far as he could see that the city is in compliance. Jarred stated at this point, yes.

Robert made a motion to accept the audit report from Jarred, Gilmore & Phillips. Kraft 2nd. Motion passed 5-0.

Jarred proceeded on with the budget. The city’s mill levy is high enough, Jarred didn’t think we wanted to raise it anymore. One mill raises $826.00. The city’s better option is thru the water utility system. VanBebber questioned Jarred if the city has enough money budgeted for next year. Jarred stated he thinks the city will be okay. Jarred also mentioned for next year if the city wished they had budgeted for more dollars, the city needs to have this process done by July 20th. Jarred said if the city would raise one mill on a $100,000 house that computes to about $11 a year. VanBebber asked for a city this size in Kansas is this average? Jarred thought the city was still digging out of a hole, the cash balances aren’t real healthy. They look like they could get better, a lot better than when we started a few years ago. VanBebber asked if was fair to say, that the reason the city has more that we must pay double for the mistakes that was made. Jarred said a lot of that was timing, but now the city must pay interest on late payroll tax deposits that will be a cost for the city which we wouldn’t have, but that might have been 3 to 4 mills. Jarred told VanBebber that the present clerk is doing good so far.

Robert made a motion to accept the budget report presented to the city by Jarred, Gilmore & Phillips for publication by August 12, 2022. Warren 2nd. Motion passed 5-0.

Robert made a motion to set budget hearing for the public on August 22, 2022, at 7:00 p.m. Kraft 2nd. Motion passed 5-0.

Robert made a motion to go into executive session with legal counsel regarding legal matters for 15 minutes at 7:55 p.m. Warren 2nd. Motion passed 5-0.

Council back in session at 8:10 p.m. No action taken.

Mayor Wiss turned meeting over to President Warren due to health reasons by unable to speak.

Kraft made a motion to approve the July minutes. Councilman Riggs 2nd. Motion passed 5-0.

Clerk Riggs explained that on the July bills there were two invoices that were higher than usual. One was from SKT, and the city had a phone line that was causing static, and it needed replaced. The other was from Waste Connection and there were additional charges from switching out the dumpsters to poly carts.

Councilman Riggs made motion to accept the July bills as presented. Klepper 2nd. Motion passed 5-0.

Councilman Kraft made a motion to accept the Treasurer’s Report given by Casandra Myers. Robert 2nd. Motion passed 5-0.

Code Enforcement Officer Kierl reported yards have been mowed to those who received letters. A couple of the yards that were supposed to be baled, and they did not get done so the city mowed and sent invoices to the property owner(s). Kierl and Clerk Riggs had discussion with some of the property owners and explained that if their property is not mowed, the city will be mowing. Kierl is going to contact the individual that was supposed to get the bales of hay off the right a way and that isn’t happening but also that owner will be on the list to have a letter for their yard needing mowed. The property owners who have had their places baled in the past are aware it will not be happening in the future. Kierl is stepping down from code enforcement status in September. He will come back and give one more report. Kierl explained to the council that city employees are out and about and how the council members live within the city limits, someone could report a property that needs the grass addressed. Clerk Riggs is already sending the letters out. VanBebber said the city is just going to have to find a code enforcer.

Water Superintendent Schmidt gave his monthly report. The plans are to get started on the roads and ditches. The backhoe needs a hose. Paul got the salt creek pump back. Employees are going to start getting some trees trimmed around town that are hanging low over some streets before school starts. Schmidt asked the council about some properties on the railroad right away regarding mowing. Councilman Robert explained it is city property. If the homeowners get it, it must be surveyed and be put on their tax roll. Question is, who is paying for the survey? VanBebber interjected by saying, bottom line is the city owns it, the city mows it.

The cemetery had a few burials last month. Schmidt is still running the plant manually. Schmidt is trying to find a place to set the antenna at the water plant. The state called to okay where the antenna could be installed. Once Schmidt knows where the antenna will be set then it will be ready to be put up. Schmidt is still waiting on Kwikom to come out and put their radio up on the water tower. A company is coming in this week to buy bulk water. Clerk Riggs and Schmidt spoke with them on the phone and explained to them that they could not get water before 9 a.m. or after 5 p.m. with Schmidt having to manually run the pumps and keeping Schmidt’s hours within budget. Severy Lake had vandalism in July. Greenwood County Sheriff’s Office was called, and report was made. Schmidt said the urinal and paneling was destroyed.

Klepper made a motion to go into executive session for 10 minutes with legal counsel and city clerk at 9:08 p.m. regarding a contract matter. Councilman Riggs 2nd. Motion passed 5-0.

Meeting back in session at 9:20 p.m. No action was taken.

Councilman Riggs made a motion to form a committee to change the refuse situation and allow President Warren and Councilman Klepper as the trash committee. Kraft 2nd. Motion passed 5-0.

Under new business, Allen Sexton addressed the council with concerns to a neighbor who has 4 goats to the north of him. Sexton lives two blocks away in the city limits and would like to know if there is an ordinance regarding goats. President Warren and Councilman Riggs questioned Sexton on the actual issue. Sexton replied by stating the smell of waste. He also mentioned when the wind is out of the north, the smell comes across his yard and the goats can be noisy. Councilman Robert questioned Sexton if the goats were 4-H animals. Sexton replied no and his assumption is that the neighbors will be getting more goats. Sexton also mentioned when the neighbor asked for the boundary line, their plan was to start a goat farm. So far, they do have 4 goats and Sexton would like to get some help with this situation. President Warren asked if it was the smell of the goats, or the waste and Sexton replied with the waste. Warren stated the city could address that. VanBebber injected again by saying that was a true statement. VanBebber suggested that Mr. Sexton file a written complaint and explain what the problem is. Councilman Riggs said there is ways to help multiple people. Riggs asked VanBebber if the council needed to form committee to handle this correctly. VanBebber agreed. Councilman Robert said the city had talked about kids that had 4-H animals and the city knew those would go away and not exceeding one or two. Councilman Riggs spoke about there must be a way to solve this problem in the city limits and try to be far to everybody.

VanBebber instructed Sexton a written complaint will need to be filed with the city hall.

Councilman Riggs made a motion to update an ordinance on livestock animals in the city limits. Kraft 2nd. Motion passed 5-0. A committee will be formed later.

Clerk Riggs asked the council what they did in the past on the SEK Co-op Propane Contract. Riggs needs to ask the co-op on the history.

Councilman Riggs made a motion to do a summer fill up and then contract what the city did last year. Kraft 2nd. Motion passed 5-0.

Clerk Riggs told the council that fish feeder at the lake had bullet holes in it. Kansas Wildlife and Parks brought some papers in a few weeks ago for a grant to receive a new fish feeder. Clerk Riggs signed the grant so Fisheries Biologist could get it submitted immediately. Once the feeder comes in, Schmidt will need to install it. The city will get CFAP funds once Schmidt does the labor.

Councilman Robert asked the city if they would be willing to pay half of the porta pots for Labor Day like they have done in the past. The Severy Community Activities pays the other half. The cornhole tournament will be held over at the horseshoe pits rather than on Kansas Ave. and block of Main Street for parade.

Councilman Riggs made a motion that the city pays for half of the porta pots for the Labor Day event and block off Main Street as requested for insurance purposes. Warren 2nd. Motion passed 5-0.

Clerk Riggs spoke about the Home Bank & Trust Co CD’s. After council discussion, Councilman Robert made a motion to continue with the CDs at Home Bank & Trust Co. Kraft 2nd. Motion passed 5-0.

Clerk Riggs read a letter from KDHE, and the city is in compliance. VanBebber said that is excellent news. Councilman Riggs stated that was the 1st phase of the rebuild project. Councilman Robert mentioned that people understand the process of what the city had to go thru, and it takes years.

Council President Warren made a motion to go into executive session for 20 minutes with legal counsel and Clerk Riggs regarding a confidential employee matter at 9:45 p.m. Councilman Riggs recused himself. Robert 2nd. Motion passed 4-0.

Council meeting back in session at 10:05 p.m. No action taken.

Klepper made a motion to adjourn. Kraft 2nd. Motion passed 5-0.

Next meeting will be held on Tuesday, September 6, 2022, due to holiday.