

Bond Case Briefs

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INCORPORATION - SOUTH DAKOTA

Lippold v. Meade County Board of Commissioners

Supreme Court of South Dakota - January 24, 2018 - N.W.2d - 2018 WL 547466 - 2018 S.D. 7

Neighboring city and county residents appealed order of county board of county commissioners approving incorporation of proposed city and setting election for voters to decide whether to assent to incorporation.

The Circuit Court issued judgment declaring that the board's order was invalid and that election was a nullity. Board appealed.

The Supreme Court of South Dakota held that proposed city operated at minimum as de facto corporation, and thus, statute, requiring that any action challenging the regularity of acting municipality's organization be brought by the State, deprived neighboring city and county residents of standing to appeal board's order.

Putative city operated at minimum as de facto corporation, and thus, statute, requiring that any action challenging the regularity of acting municipality's organization be brought by the State, deprived neighboring city and county residents of standing to appeal order of county board of county commissioners approving incorporation of putative city and setting election for voters to decide whether to assent to incorporation; putative city was governed by acting board of sworn trustees and was engaged in acts of municipality, including taking out loans and obtaining licenses and sales-tax exemptions.