

AVON, SOUTH DAKOTA – August 13, 2003

A special meeting of the Avon City Council was held on the above date at the Avon City Building at 7:00 p.m. Roll Call: Mayor Bechtold, Aldermen: Kuhlman, Tolsma, Tjeerdsma, Reister, Cameron, Mensch and Finance Officer Berndt. Also present Roger Frey and Mike Petrik.

Mayor Bechtold called the meeting to order at 7:00 p.m.

Mayor Bechtold opened the discussion of the proposed Daycare Center: Mike Petrik presented papers pertaining to the expenses and revenue of the daycare, and a letter from the Community Bank. The Council was advised regarding some of the questions from the last meeting, which were directed to Eric Ambrosion, of District III.

Alderman Kuhlman expressed that if the time line difference of getting the house if they got their own number or allowed to use the city's number is only 3-6 months he didn't feel that the city should go forward. He stated that if others wanted to use the number for another venture we have then set a precedent that we may not want to. No final decision was made at this time.

Finance Officer Berndt presented Sales Tax Ordinance #279 for second reading. Motion by Alderman Tolsma and seconded by Alderman Reister to approve the ordinance as presented. Roll call: Reister, Tolsma, Tjeerdsma, Mensch, Cameron and Kuhlman all voted "aye". Motion carried.

Mayor Bechtold presented the pay back schedules for the bond if the entire \$120,000 were to be borrowed. The Council looked at 10, 15 and 20-year payback of the loan. They then discussed the measures need to make the payment. This year the cities large loan will be paid in full which frees up \$4,489, which is presently budgeted for in the Sewer Fund. One option would be to raise the monthly sewer rate from \$8 to \$11. The city \$8 rate is presently \$9 short of the \$17 (5,000 gallons) minimum sewer rate required by the state to apply for state or federal funds. Ordinance #263 adopted in January 1999 was the last rate increase of these utilities. No action was required at this time.

Motion by Reister and seconded by Tjeerdsma to go forward and with advertising and paper work to receive an Experienced Worker, formerly known as Green Thumb. All voted "aye". Motion carried.

Finance Officer Berndt presented the Council with projected revenue and expenditures for 2004. The Council looked through the numbers asking questions and giving input. Motion by Alderman Tolsma and seconded by Alderman Reister to approve the first reading of

Ordinance #280 entitled "2004 Annual Appropriation Budget." Roll call: Reister, Tolsma, Tjeerdsma, Mensch, Cameron and Kuhlman all voted "aye". Motion carried. The second Budget Hearing will be held at the regular council meeting to be held on the 4th of September.

Having no other business, motion by Mensch and seconded by Cameron to adjourn at 8:50 p.m. All voted "aye". Motion carried. The meeting was adjourned.



Russell Bechtold - Mayor

ATTEST:



Carol Berndt
City Finance Officer
(SEAL)