

## **NOTICE AND CALL OF PUBLIC MEETING**

GOVERNMENTAL BODY: THE CITY COUNCIL OF CRESCO, IOWA

DATE OF MEETING: APRIL 7, 2014

TIME AND PLACE OF MEETING: 7:00 P.M. AT CRESCO CITY HALL

PUBLIC NOTICE IS HEREBY GIVEN THAT THE ABOVE MENTIONED GOVERNMENTAL BODY WILL MEET AT THE DATE, TIME AND PLACE SET OUT ABOVE. THE TENTATIVE AGENDA FOR SAID MEETING IS AS FOLLOWS:

ROLL CALL: CARMAN, BOUSKA, McGEE, McCARVILLE, LOVELESS

ACT ON THE CONSENT AGENDA: All items listed under the consent agenda will be enacted by one motion. There will be no separate discussion of these items unless a request is made prior to the time council votes on the motion.

1. Approval of the Agenda
2. Approval of the Claims
3. Approval of Minutes from March 17, 2014
4. Approval of Minutes from Worksession March 14, 2014
5. Approval of Class C Beer Permit (BC) and Class B Wine Permit with Sunday Sales for JAGDAMBE, LLC d/b/a Cresco Mart
6. Approval of Class C Liquor License (LC) (Commercial) with Catering Privilege, Outdoor Service and Sunday Sales for M&M Lounge, LLC d/b/a M&M Lounge

STAFF REPORTS: There may be action taken on each of the items listed below.

1. Public Works
2. Police
3. Administration

BUSINESS: There may be action taken on each of the items listed below.

1. Public Hearing for Budget Amendment #2 for Fiscal Year Ending June 30, 2014
2. Resolution Amending the Current Budget for the Fiscal Year Ending June 30, 2014
3. Sue Barnes to Discuss an Emerald Ash Borer Education Class
4. Airport Commission to Discuss Proposed Hangar Lease
5. Set Public Hearing to Amend Chapter 92 of the City of Cresco Code of Ordinances Pertaining to Water Rates
6. Set Public Hearing to Amend Chapter 99 of the City of Cresco Code of Ordinances Pertaining to Sewer Service Charges
7. Discuss Credit for May 1, 2014 and Possibly June 1, 2014 Water and Sewer Bills for Running Water Due to Freezing Service Lines

COMMENTS FROM AUDIENCE:

ADJOURN:

THIS NOTICE IS GIVEN AT THE DIRECTION OF THE MAYOR PURSUANT TO CHAPTER 28A, CODE OF IOWA AND THE LOCAL RULES OF SAID GOVERNMENTAL BODY. POSTED APRIL 4, 2014.

**NOTICE OF PUBLIC HEARING  
AMENDMENT OF CURRENT CITY BUDGET**

The City Council of Cresco in HOWARD County, Iowa

will meet at City Hall

at 7:00 pm on 04/07/14  
(hour) (Date)

, for the purpose of amending the current budget of the city for the fiscal year ending June 30, 2014  
(year)

by changing estimates of revenue and expenditure appropriations in the following functions for the reasons given. Additional detail is available at the city clerk's office showing revenues and expenditures by fund type and by activity.

	Total Budget as certified or last amended	Current Amendment	Total Budget after Current Amendment
<b>Revenues &amp; Other Financing Sources</b>			
Taxes Levied on Property 1	1,766,416		1,766,416
Less: Uncollected Property Taxes-Lewy Year 2			0
Net Current Property Taxes 3	1,766,416	0	1,766,416
Delinquent Property Taxes 4			0
TIF Revenues 5			0
Other City Taxes 6	494,157	-34,000	460,157
Licenses & Permits 7	13,700		13,700
Use of Money and Property 8	60,871	7,200	67,871
Intergovernmental 9	471,570	33,450	505,020
Charges for Services 10	2,233,300	4,900	2,238,200
Special Assessments 11		25,000	25,000
Miscellaneous 12	203,821	40,750	244,571
Other Financing Sources 13	1,462,600	56,000	1,518,600
<b>Total Revenues and Other Sources 14</b>	<b>6,706,235</b>	<b>133,300</b>	<b>6,839,535</b>
<b>Expenditures &amp; Other Financing Uses</b>			
Public Safety 15	941,760	16,000	957,760
Public Works 16	1,230,275	9,000	1,239,275
Health and Social Services 17	4,500		4,500
Culture and Recreation 18	1,103,080	17,000	1,120,080
Community and Economic Development 19	181,800	-20,000	161,800
General Government 20	346,050		346,050
Debt Service 21	390,500		390,500
Capital Projects 22	87,000	149,000	236,000
Total Government Activities Expenditures 23	4,284,965	171,000	4,455,965
Business Type / Enterprises 24	1,270,750	136,000	1,406,750
<b>Total Gov Activities &amp; Business Expenditures 25</b>	<b>5,555,715</b>	<b>307,000</b>	<b>5,862,715</b>
Transfers Out 26	1,452,100	56,000	1,508,100
<b>Total Expenditures/Transfers Out 27</b>	<b>7,007,815</b>	<b>363,000</b>	<b>7,370,815</b>
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out Fiscal Year 28	-301,580	-229,700	-531,280
29			
Beginning Fund Balance July 1 30	5,240,815		5,240,815
Ending Fund Balance June 30 31	4,939,235	-229,700	4,709,535

Explanation of increases or decreases in revenue estimates, appropriations, or available cash:  
 Expenses of an estimated \$121,000 for the Granger Road Project and \$98,000 to purchase a tractor were not originally budgeted. Expenses that may be more than anticipated are drug dog expenses, sand, salt, rock, cold mix, and watermain breaks. Revenue and expenses increased for Thor-a-Thon fundraisers, Fitness Center donations and projects, and sewer testing. Transfers among funds to reallocate bond proceeds, and close Housing Trust Fund. Revenues increased for prior year assessments received.

There will be no increase in tax levies to be paid in the current fiscal year named above related to the proposed budget amendment. Any increase in expenditures set out above will be met from the increased non-property tax revenues and cash balances not budgeted or considered in this current budget.

Michelle Girolamo  
City Clerk/ Finance Officer Name

Budget Amendment – Public Hearing to amend the current budget for unanticipated expenditures and expenses that are more than originally budgeted. I am also amending for some unexpected revenues. All additional expenses will be taken out of reserves of the City's funds. Biggest expenses that were not originally budgeted were for the Granger Road Project engineering and the purchase of the used tractor at the sewer plant for a combined new budgeted expense of \$219,000. We may not expend all of the Granger Road expenses by the end of the fiscal year but I wanted to make sure it was budgeted just in case.

Emerald Ash Borer – Sue Barnes would like to have an informational meeting on the emerald ash borer and wondered if the City would help promote or sponsor the meeting. Also, Richard Kittleson will address Council regarding this issue at our meeting in May. He is the one that did our tree inventory a couple of years ago and is an expert on the issue.

Airport Hangar – Hopefully we will have a counter proposal from Lynn Johnson regarding the proposed lease agreement that would allow him to build a hangar at the airport. I don't have anything yet except copies of the lease agreement he uses in North Dakota. The Airport Long Term Plan is finished and copies will be distributed at the meeting.

Rate Increases – As part of our budget for next year, we had built in rate increases for water and sewer. I am proposing changing the rate schedule to make it more user friendly. This causes some changes in minimum bills and revenues anticipated. I enclosed some samples based on average usages from our utility billing. I would like to recommend a 6% sewer increase and a 5% water increase with the change to the gallons. I enclosed the effects on bills based on average consumptions. I also included a chart of water rates for cities with populations 3500 – 4500. We seem to be almost on the low range of rates so at least I think we are in the right range. Sewer was about impossible to analyze due to such a variety ways of billing that I could not get a good comparison. Reading through the commentaries on the survey it seems that we are about mid-range on the sewer rates. Please advise me on how to proceed with the rate changes. We can then set the public hearing for the May 5<sup>th</sup> meeting for the change in ordinance for the rates.

Credit for Water/Sewer – our original motion was to credit the water and sewer bills to reflect the 4 month average consumption for the March 1<sup>st</sup> and April 1<sup>st</sup> utility bills. We need a motion to calculate a credit for people who have notified the City that they are running their water dues to potentially freezing service lines. You need to decide when we will stop calculating the credit. It will need to be done as of April 20<sup>th</sup> or May 20<sup>th</sup> to be reflected on the May 1<sup>st</sup> and June 1<sup>st</sup> bills respectively. By the way, several of the frozen service lines that were left frozen thawed out last weekend and are now running again. We are only aware of one service line that is still frozen. Good sign that hopefully we are nearing the end of the deep frost.

Michelle Girolamo

The Cresco City Council met March 17, 2014, at 7:00 pm at City Hall. Council members Carman, Bouska and McGee were present. Council Member McCarville arrived at 7:02 pm and Loveless arrived at 7:05 pm. No council member was absent.

Carman made the motion to approve the consent agenda which included approval of the: agenda; claims; minutes of the February 17, 2014 and March 3, 2014 meetings; class B native wine permit (WBN) for Plantpeddler Inc d/b/a Plantpeddler; street closing permit for North Park Place and parade permit for a run/walk route on July 11-12, 2014 for Thor-A-Thon; parade permit for a walk route on May 22, 2014 for Northeast Iowa Area Agency on Aging for Older Americans Month Wellness Walk. McGee seconded and it passed all ayes.

Public Works Director Rod Freidhof reported: (a) last week was very busy with frozen sewer lines, frozen water lines and frozen storm sewers so all three departments were busy; (b) another water leak was detected and not sure if it is the City's watermain or a private service line. We will need to expose it and determine who will be responsible to pay to fix it; (c) all the trees have been cut down on the Granger Road; (d) the Hospital has a 4 inch private service line leaking under the mechanics room. We are helping them find solutions and will work with them to get it fixed; (e) requested citizens to be patient with the roads because we have already received a lot of complaints. The roads are going to get worse before they get better and we are doing the best we can. We have received some compliments that Cresco's roads are better than some other towns but it will be a tough spring for the roads due to the deep frost.

Police Officer Cory Jarchow reported the police have been busy with calls the last few weeks.

City Clerk Michelle Girolamo reported: (a) DOT will be inspecting the airport's runway reflectivity; (b) promotion to sign customers up with ACH and emailing of statements is going good with 80 new ACH customers and 177 ebill customers; (c) we have 120 accounts that are now billed on 21 statements which saves us printing and mailing 120 postcards; (d) working on a budget amendment with the major unexpected expenses for the sewer tractor, additional watermain breaks and Granger Road expenses are starting to come in.

Katie Bee, a certified prevention specialist with Helping Services for Northeast Iowa, explained the Prevention 5 Substance Abuse Coalition which started in the fall of 2010. The mission is to make our community as healthy as possible by reducing alcohol, tobacco and illegal drugs. They came to educate the Council on the benefits of a social host ordinance. They presented a draft form of the Social Host Ordinance they prepared for Howard County. This would be an ordinance making it illegal for an adult to knowingly allow minors to consume alcohol on their property. Other members of the Coalition, Gene Koschmeder, Reed Palo, David Godman and Rick Bush discussed benefits of a Social Host Ordinance.

Airport Commission Members Kevin Bill and Kim Bentz presented a draft copy of a lease agreement that could be used. Lynn Johnson, owner of Johnson's Airspray, has contacted the City and requested permission to build a hangar at the airport. The Airport Commission is looking at applying for grants for a fuel farm, renovation of existing hangars and taxiway/apron improvements. Council requested the Commission to get an estimated cost for all of the improvements and projects for the next few years. Council decided to send the draft copy of the lease agreement to Lynn Johnson for review before sending it to an attorney to review. This will be discussed after we hear back from Lynn Johnson hopefully at the next Council meeting.

At the last meeting, Theatre Commission President David Gosch and Cresco Theatre Manager Marla Johnson discussed Theatre lease issues. There is no operations manual and it needs to be developed. The rent is not covering the utilities and normal operating expenses for operating the Theatre. General property taxes have been subsidizing the Theatre. There has been interest from people interested in submitting bids for running the Theatre. Parameters will be written up to enable the City to go out for bids later this year or next year for operation of the

Theatre. Bouska made the motion that an operations manual be developed by August 31, 2014 and to increase the rent from \$600 to \$700 per month. McGee seconded and it passed all ayes.

Bids for a new generator for City Hall for July 2014 were received. We need a minimum of 35 KW and the bids came in between 36 KW and 40 KW with some bids trading in the old one. Loveless made the motion to accept the low bid from Best Services for a 36 KW generator for \$12,650.75 with trade-in of our old one. Bouska seconded and it passed all ayes.

The Engineer's Construction Cost Opinion for the Granger Road Reconstruction Project is \$1,770,000. Bids will be due 2:00 pm April 17, 2014 and the public hearing at 7:00 pm on April 21, 2014. Loveless made the motion to approve a resolution ordering bids, approving plans, specifications and form of contract and notice to bidders, fixing amount of bid security, and ordering clerk to publish notice and fixing a date for receiving same, and for a public hearing on plans, specifications, form of contract and estimate of costs. McGee seconded and it passed all ayes.

Loveless made the motion to set the public hearing to amend the budget for fiscal year July 1, 2013 – June 30, 2014 for April 7, 2014. Bouska seconded and it passed all ayes.

Loveless made the motion to allow a credit for the sewer of \$122.01 to Roger Halverson for a leak in the garage in-floor heat in which the water did not enter the sanitary sewer. Bouska seconded and it passed all ayes.

Mayor asked if there were any comments from the audience. Jeff Wilson thanked PWD Rod Freidhof and the street department for moving a snow pile that was causing more flooding damage similar to last year. Wilson commended the Street Department for the fantastic way they plowed the snow all winter on Short Street and piled it so it would run to a storm sewer away from his property. There were no other comments.

Carman moved to adjourn at 8:30 pm. McGee seconded and it passed all ayes. The next regular Cresco City Council meeting will be at 7:00 pm on April 7, 2014 at Cresco City Hall.

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Mayor Mark Bohle

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City Clerk Michelle Girolamo

Following is a list of claims approved for payment:

ADVANCED SYS	Maint	70.49
ALEXIS FIRE	Rprs	346.17
ALLIANT	Elect	659.61
BAKER&TAYLOR	Books	1,035.09
BLACK HILLS	Nat Gas	568.70
BC / BS	Insur	25,888.13
BOB'S ELECT	Supplies	6.12
BRUENING ROCK	Srvc	2,005.54
CARD CENTER	Fire trng	1,954.20
CARDMEMBER	DVDs	285.10
CITY OF CRES	Util,insur,maint	3,946.50
CPU	Srvc	397.99
COURTNEY LAWN SNOW	Srvc	720.00
CRESCO INSUR	Insur	212.00
CRESCO SHOPPER	Advert	500.50
CRES TPD	Advert	86.60
CUB SCOUTS	Flag srvc	60.00
DATA TECH	Trng	245.00
DECORAH NEWS	Subscpt	35.00
DRIFTRUNNERS	Tourism grant	2,000.00
DUSTY'S TOTAL TREE	Srvc	8,495.00
FAREWAY	Supp	4.76
FELD FIRE	Supp	350.37
FENCO PROD	Supp	303.56
FOLEY'S CONST	Rprs	911.69
GALLS	Unif, supp	632.79
GROUP SERVC	Fee	328.00
H & S MOTORS	Rprs	1,163.38
HANSON TIRE	Srvc	216.50
HAWKEYE REC	Elect	6,377.25
HAWKEYE SAN	Garb/recyl fees	44,821.72
HEALTHY CONTRI	Mbrshps	31.00
HELPING SERVICES	Contrib	250.00
HOD COUNTY	Shared LEC	11,355.06
IA MUNICIPAL	Dues	618.08
IA NACOTICS	Trng	185.00
IA POETRY	Book	9.00
IA STATE UNIV	Supp	98.00
K & H COOP	LP	164.51
KEYSTONE LAB	Analys	1,315.05
KUBIK	Rprs	318.27
KWIK TRIP	Gas	7,240.26
LS HERALD	Subscpt	33.00
LT MECHANICAL	Rprs	264.92
MERCHANT SRVC	Fees	76.10
MIDWEST BREAT	Srvc	685.58
NORTH AM SALT	Salt	1,531.08
PAYROLL		61,994.56
PETTY CASH	Educ,postage,supp	150.08
POSTMASTER	Postage	100.00
PUSH PEDAL PULL	Rprs	200.00
RICOH	Copies	99.20
RILEY'S	Supp	232.38
RUPPERT	Supp	249.24
SANDRY FIRE	Rprs	318.50

SEC OF STATE	Fee	30.00
SIGNS & DESIGNS	Supp	50.00
SPAHN & ROSE	TIF agree	19,912.80
STATE HYGIENIC	Analys	67.00
STOREY KEN	Supp	41.68
TRUCK COUNTRY	Rprs	19.04
U.S. CELL	Phones	207.36
WELLS FARGO	Fee	750.00
WINDSTREAM	Phone	121.08
WINN CO LANDFILL	Srvc	8,918.40
	GENERAL	97,532.19
	HOTEL/MOTEL	2,000.00
	LOST	2,177.44
	MEDIACOM	628.93
	EQUIP REPLAC	39.14
	DRUG DOG	67.68
	CRESCO COMM FIRE	3,886.55
	ROAD USE TAX	17,424.82
	EMPLOYEE BENEFITS	23,324.03
	TIF FUND	19,912.80
	DEBT SERVICE	750.00
	STREET ASSESS	8,495.00
	WATER	15,703.72
	WATER EQUIP	8,918.40
	SEWER	21,073.57
	PROPRIETARY CAP	70.36
	YARDWASTE	259.36
	EXPENDITURES	222,263.99
	Revenues 3/4 to 3/17/14	173,649.53

The Cresco City Council met in a special session on March 14, 2014, at 9:45 am at City Hall. Council members Carman, Bouska and McGee were present. Council Member McCarville arrived at 9:50 am and Loveless arrived at 9:55 am. No council member was absent.

Carman made the motion to approve the temporary Class C liquor license (LC) (commercial) with outdoor service for M&M Lounge LLC d/b/a M&M Lounge for March 15-16, 2014. Bouska seconded and it passed all ayes.

Carman made the motion to approve an amended street closing on South Park Place to extend closure from March 15<sup>th</sup> at 8:00 am to March 16, 2014 at 11:00 am for the Brew and Stew. McGee seconded and it passed all ayes.

Public Works Director Rod Freidhof addressed a misunderstanding of the bids for removal of trees on the Granger Road. Two of the contractors had contacted the Dubuque office of Alliant Energy prior to submitting their bids. They were told that Alliant Energy would trim the trees around the electrical wires. Two of the other contractors had contacted the Decorah office of Alliant Energy and were told that Alliant Energy would not trim any of the trees. Therefore, one contractor did not bid and the other one submitted a much higher bid. The City of Cresco was not involved in contacting Alliant Energy and did not know that Alliant would be cutting any trees. Unfortunately the contractors were given different information before the bids were submitted but the City had to accept the bids as submitted. The trees should all be cut down by the end of the week. They will do the stump grinding soon.

The Hospital has a leak in their 4 inch water service line. The City has agreed to have an employee help them locate the problem and work with them to isolate the problem on Saturday.

Mayor asked if there were any comments from the audience and there were none.

Carman moved to adjourn at 9:58 am. Bouska seconded and it passed all ayes. The next regular Cresco City Council meeting will be at 7:00 pm on March 17, 2014 at Cresco City Hall.

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Mayor Mark Bohle

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City Clerk Michelle Girolamo

# License Application ( BC0029725 )

## Applicant

Name of Applicant:	<u>JAGDAMBE, LLC</u>		
Name of Business (DBA):	<u>Cresco Mart</u>		
Address of Premises:	<u>202 2nd Ave. SW</u>		
City: <u>Cresco</u>	County: <u>Iowa</u>	Zip: <u>52136</u>	
Business Phone:	<u>(563) 547-2497</u>		
Mailing Address:	<u>202 2nd Ave. SW</u>		
City: <u>Cresco</u>	State: <u>IA</u>	Zip: <u>52136</u>	

## Contact Person

Name:	<u>Jvostana Patel</u>		
Phone:	<u>(478) 461-2435</u>	Email Address:	<u>crafty0080@live.com</u>

Classification: Class C Beer Permit (BC)

Term: 12 months

Effective Date: 05/20/2014

Expiration Date: 05/19/2015

Privileges:

Class B Wine Permit  
Class C Beer Permit (BC)  
Sunday Sales

## Status of Business

BusinessType:	<u>Limited Liability Company</u>		
Corporate ID Number:	<u>414903</u>	Federal Employer ID #	<u>45-1264967</u>

## Ownership

**Jvostana Patel**

First Name: Jvostana

Last Name: Patel

City: Cresco

State: Iowa

Zip: 52136

Position Owner

% of Ownership 100.00 %

U.S. Citizen

## Insurance Company Information

Insurance Company:		
Policy Effective Date:		Policy Expiration Date:
Bond Effective Continuously:		Dram Cancel Date:
Outdoor Service Effective Date:		Outdoor Service Expiration Date:
Temp Transfer Effective Date:		Temp Transfer Expiration Date:

# License Application ( LC0037630 )

## Applicant

Name of Applicant:	<u>M&amp;M Lounge LLC</u>		
Name of Business (DBA):	<u>M&amp;M Lounge</u>		
Address of Premises:	<u>109 South Park Place</u>		
City: <u>Cresco</u>	County: <u>Howard</u>	Zip: <u>52136</u>	
Business Phone:	<u>(563) 419-5306</u>		
Mailing Address:	<u>109 South Park Place</u>		
City: <u>Cresco</u>	State: <u>IA</u>	Zip: <u>52136</u>	

## Contact Person

Name:	<u>Tammy Courtney</u>		
Phone:	<u>(563) 419-5306</u>	Email Address:	<u>dntcourtney@hotmail.com</u>

Classification: Class C Liquor License (LC) (Commercial)

Term: 12 months

Effective Date: 05/16/2014

Expiration Date: 05/15/2015

Privileges:

Catering Privilege  
Class C Liquor License (LC) (Commercial)  
Outdoor Service  
Sunday Sales

## Status of Business

BusinessType:	<u>Limited Liability Company</u>		
Corporate ID Number:	<u>396175</u>	Federal Employer ID #	<u>27-2237856</u>

## Ownership

**Tammy Courtney**

First Name: Tammy

Last Name: Courtney

City: Cresco

State: Iowa

Zip: 52136

Position Owner

% of Ownership 100.00 %

**U.S. Citizen**

## Insurance Company Information

Insurance Company:	<u>Founders Insurance Company</u>		
Policy Effective Date:	<u>05/16/2014</u>	Policy Expiration Date:	<u>05/16/2015</u>
Bond Effective Continuously:		Dram Cancel Date:	
Outdoor Service Effective Date:		Outdoor Service Expiration Date:	
Temp Transfer Effective Date:		Temp Transfer Expiration Date:	



Revenue Fund	Fund Description	Reason	Revenue	Expense	Fund Description	Expense Fund	Line Item Changes
093-110-4700	Drug Dog Fund	Thor-a-Thon Fundraisers not budgeted	19,000	12,000	Drug Dog Fund	093-110-6490	
183-443-4705	FC Trust	Fitness Center Donations to Purchase Equip/Impr	15,000	15,000	FC Trust	183-443-6504	
310-4550/471c	Sewer Revenue Fund	Increased Sewer testing/analysis for CFT	13,900	8,000	Sewer Operating Fund	612-815-6501	
	<b>TOTALS</b>		<b>47,900</b>	<b>35,000</b>			
001-950-4830	General	Transfer all Emergency Tax Levy to General Fund	6,000	6,000	Emergency	119-910-6910	Transfers
022-910-4830	LOST	Transfer remaining Housing Trust Fund back to LOST	13,000	13,000	Housing Rehab	182-550-6910	
317-810-4830	Watermain Loop Proj	Transfer Bond Proceeds to Watermain Loop	2,000	2,000	Debt Service Fund	200-810-6910	
317-810-4830	Watermain Loop Proj	Transfer Bond Proceeds to Watermain Loop	22,000	22,000	Water Eq Replace Fund	602-810-6910	
602-810-4830	Water Eq Replace Fun	Transfer Bond Proceeds to Waterworks Building	13,000	13,000	Equip Replacement Fund	087-150-6910	
	<b>TOTALS</b>		<b>56,000</b>	<b>56,000</b>			
	<b>Increased Expense</b>						<b>Adjustments to Budget - Expenses</b>
		Move electrical panel on Tornado Siren at old City Hall		1,000	General - Civil Defense	001-130-6350	
		Increase Tourism Grants (some carried fwd from prior yr)		9,000	Hotel/Motel Tax	002-520-6413	
		Additional Salt & Sand		6,000	LOST - Street Snow	022-250-6507	
		Drug Dog expenses underbudgeted(vet,supplies,phone)		3,000	Drug Dog Fund	093-110-6499/6507/6373	
		Additional Rock, Cold Mix and Durapatcher Oil		3,000	Road Use Tax Fund	110-210-6761	
		Rehab Housing Final Payments		1,000	Rehab Housing	182-530-6499	
		Engineer - Granger Road Project		110,000	St Assess Project Fund	319-299-6490	
		Contractual (Tree Removal) - Granger Road Project		11,000	St Assess Project Fund	319-299-6490	
		Contractual - more Watermain breaks than budgeted		30,000	Water	600-810-6499	
		Tractor Purchased		98,000	Sewer Replacement	613-815-6504	
	<b>TOTALS</b>			<b>272,000</b>			<b>Adjustments to Budget - Revenues</b>
	<b>Increased Revenue</b>						
001-280-4310	General - Airport	Airport Land Rent Increase	2,400				
110-210-4430	Road Use Tax Fund	Increased Road Use Tax Revenue	2,000				
319-299-4600	Street Assess Proj Fun	Assessments rec'vd from Prior Assessment Projects	25,000				
	<b>TOTALS</b>		<b>29,400</b>		<b>Total Revenue over (under) Exp</b>	<b>(229,700)</b>	

City of Cresco  
Rate Analysis  
July 1, 2014 - June 30, 2015

Goals:

- 1) Change formula so even gallons (1500 instead of 1333 and 1666)
- 2) Change formula so minimum gallons are same for sewer and water
- 3) Set rates to get \$712,000 sewer revenue
- 4) Set rates to get \$455,000 water revenue

Debatable:

- A) Change water rates so we charge same rate for all gallons of water used

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Sewer 6% Rate Increase \$7.50

<u>New</u>	<u>Old</u>	<u>Increase</u>	
11.25	11.83	(0.58)	Minimum Bill - 539 users are using less than 1666 gallons
26.30	24.89	1.40	Average resident using 3,506 gallons
74.24	70.28	3.96	Average resident using 9,898 gallons
223.08	211.18	11.90	Average Commercial using 29,744 gallons
1,910.22	1,808.34	101.88	Average Commercial using 254,696 gallons

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Water - 5% Rate Increase \$4.03 / \$3.70 / \$3.38

<u>New</u>	<u>Old</u>	<u>Increase</u>	
6.05	5.11	0.94	Minimum Bill - 452 users are using less than 1333 gallons of water
14.13	13.46	0.67	Average resident using 3,506 gallons
38.93	36.97	1.96	Average resident using 9,898 gallons
112.36	106.83	5.53	Average Commercial using 29,744 gallons
884.62	842.25	42.37	Average Commercial using 254,696 gallons

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Water - 4% 1st Rate Increase and 7% increase higher gallons \$3.99 / \$3.77 / \$3.45

<u>New</u>	<u>Old</u>	<u>Increase</u>	
5.99	5.11	0.88	Minimum Bill - 452 users are using less than 1333 gallons of water
13.99	13.46	0.53	Average resident using 3,506 gallons
38.86	36.97	1.88	Average resident using 9,898 gallons
113.67	106.83	6.84	Average Commercial using 29,744 gallons
901.68	842.25	59.43	Average Commercial using 254,696 gallons

**WATER**

	# Bills	Gallons	Rate	Amount	Monthly Total	Monthly Increase	Annual Increase	Annual Revenue
<b>Currently:</b>								
Water: Minimum Bills	1,893	1,333	3.84	5.11	9,671			
Water: 1333-6667 gallons	1,448	3,289,290	3.84		12,631			
Water: 6667-66,666 gallons	145	1,559,412	3.52		5,489			
Water: over 66,666 gallons	12	2,127,515	3.22		6,851			
Rural Water - Minimum	25	1,333	7.68	10.22	255			
Rural: 1333-6667 gallons	18	59,745	7.68		459			
Rural: 6667-66,666 gallons	5	53,596	7.04		377			
Rural: over 66,666 gallons	0	0	6.44		0			
<b>Totals</b>					<b>35,733</b>			<b>428796</b>

minimum bills = 445 city users and 7 rural (use less than 1333 gallons)

Lower than budgeted by \$15,000 (need \$26,000 next year)

<b>Raise Rate 5%</b>								
Water: Minimum Bills	1,893	1,500	4.03	6.05	11,449			
Water: 1500-7000 gallons	1,448	3,095,759	4.03		12,482			
Water: 7000-67,000 gallons	145	1,514,990	3.70		5,599			
Water: over 67,000 gallons	12	2,123,507	3.38		7,180			
Rural Water - Minimum	25	1,500	8.06	12.11	303			
Rural: 1500-7000 gallons	18	58,404	8.06		471			
Rural: 7000-67,000 gallons	5	51,926	7.39	4.0	384			
Rural: over 67,000 gallons	0	0	6.76		0			
<b>Totals</b>					<b>37,867</b>	<b>2,134</b>	<b>25,613</b>	<b>454409</b>

Minimum Bill would INCREASE \$.94 per month (from \$5.11 to \$6.05)

STEP 2 - Average Resident over minimum bill would increase \$.67 per month  $(2006+1500)*4.03/1000$  less  $(2173+1333)*3.84/1000$

STEP 3 - Average Resident would increase \$1.96 per month  $\{(2898*3.70)+(7000*4.03)\}$  less  $\{(3231*3.52)+(6666*3.84)\}$

STEP 3 - Average Commercial would increase \$5.53 per month  $\{(22744*3.70)+(7000*4.03)\}$  less  $\{(23077*3.52)+(6667*3.84)\}$

STEP 4 - Average Commercial would increase \$42.37 per month (12 large users in STEP #4 - all commercial no residents)

$\{(187696*3.38)+(60000*3.70)+(7000*4.03)\}$  less  $\{(188029*3.22)+(60000*3.52)+(6667*3.84)\}$

<b>Raise 1st rate 4% and adjust higher usage rates 7%</b>								
Water: Minimum Bills	1,893	1,500	3.99	5.99	11,340			
Water: 1500-7000 gallons	1,448	3,095,759	3.99		12,363			
Water: 7000-67,000 gallons	145	1,514,990	3.77		5,706			
Water: over 67,000 gallons	12	2,123,507	3.45		7,316			
Rural Water - Minimum	25	1,500	7.99	11.98	300			
Rural: 1500-7000 gallons	18	58,404	7.99		466			
Rural: 7000-67,000 gallons	5	51,926	7.53	4.4	391			
Rural: over 67,000 gallons	0	0	6.89	9.0	0			
<b>Totals</b>					<b>37,883</b>	<b>2,150</b>	<b>25,795</b>	<b>454591</b>

Minimum Bill would INCREASE \$.88 per month (from \$5.11 to \$5.99)

STEP 2 - Average Resident over minimum bill would increase \$.53 per month  $(2006+1500)*3.99/1000$  less  $(2173+1333)*3.84/1000$

STEP 3 - Average Resident would increase \$1.89 per month  $\{(2898*3.77)+(7000*3.99)\}$  less  $\{(3231*3.52)+(6666*3.84)\}$

STEP 3 - Average Commercial would increase \$6.84 per month  $\{(22744*3.77)+(7000*3.99)\}$  less  $\{(23077*3.52)+(6667*3.84)\}$

STEP 4 - Average Commercial would increase \$59.43 per month (12 large users in STEP #4 - all commercial no residents)

$\{(187696*3.45)+(60000*3.77)+(7000*3.99)\}$  less  $\{(188029*3.22)+(60000*3.52)+(6667*3.84)\}$

SEWER

	# Bills	Gallons	Rate	Amount	Monthly Total	Monthly Increase	Annual Increase	Annual Revenue
<b>Currently:</b>								
Sewer -Minimum Bills	1,815	1,666	7.10	11.83	21,469			
Sewer - Over 1666 gallons	1,280	4,664,037	7.10		33,115			
Rural Sewer - Minimum	10	1,666	14.20	23.66	237			
Rural Sewer - Over 1666 gal	6	15,287	14.20		217			
Agreement=CFT/Donaldson	2				2,925			
<b>Totals</b>					<b>57,962</b>			<b>695,547</b>

Projecting Shortage of \$4,500

minimum bills = 535 city users and 4 rural (use less than 1666 gallons)

<b>Raise Rate 2%</b> (2% Rate Increase)								
Sewer -Minimum Bills	1,815	1,500	7.24	10.86	19,716			
Sewer-chg between 1500-1666	1,280	166	7.24	1.20	1,539			
Sewer - Over 1666 gallons	1,280	4,664,037	7.24		33,777			
Rural Sewer - Minimum	10	1,500	14.48	21.73	217			
Sewer-chg between 1500-1666	6	166	14.48	2.40	14			
Rural Sewer - Over 1666 gal	6	15,287	14.48		221			
Agreement=CFT/Donaldson	2				2,925			
<b>Totals</b>					<b>58,410</b>	<b>448</b>	<b>5,376</b>	<b>700,922</b>

<b>Keep Minimum Bill the Same for 1500 gallons and less</b> (11% Rate Increase)								
Sewer -Minimum Bills	1,815	1,500	7.89	11.83	21,471			
Sewer-chg between 1500-1666	1,280	166	7.89	1.31	1,676			
Sewer - Over 1666 gallons	1,280	4,502,715	7.89		35,511			
Rural Sewer - Minimum	10	1,500	15.77	23.66	237			
Sewer-chg between 1500-1666	6	166	15.77	2.62	16			
Rural Sewer - Over 1666 gal	6	15,287	15.77		241			
Agreement=CFT/Donaldson	2				2,925			
<b>Totals</b>					<b>62,077</b>	<b>4,115</b>	<b>49,378</b>	<b>744,925</b>

<b>Raise Monthly Revenue 2% (Annual Revenue of \$712,000 (\$59,400/mth))</b> (6% Rate Increase)								
Sewer -Minimum Bills	1,815	1,500	7.50	11.25	20,419			
Sewer-chg between 1500-1666	1,280	166	7.50	1.25	1,594			
Sewer - Over 1666 gallons	1,280	4,502,715	7.50		33,770			
Rural Sewer - Minimum	10	1,500	15.00	22.50	225			
Sewer-chg between 1500-1666	6	166	15.00	2.49	15			
Rural Sewer - Over 1666 gal	6	15,287	15.00		229			
Agreement=CFT/Donaldson	2				2,925			
<b>Totals</b>					<b>59,177</b>	<b>1,215</b>	<b>14,577</b>	<b>710,123</b>
				<b>Goal:</b>	<b>59,400</b>	<b>1,375</b>	<b>16,500</b>	<b>712,000</b>

Rate Increase 6% due to shortage & change in minimum gallons

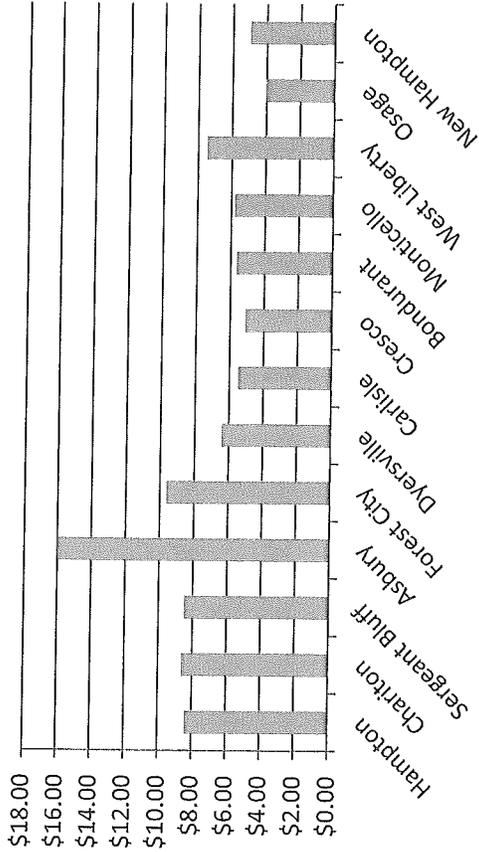
Minimum Bill would DECREASE \$.58 per month (from \$11.83 to \$11.25)

If you have 1666 gallons each month then your "min bill" would increase \$.67 (166 gal \* \$7.50/1000 - min bill decrease)

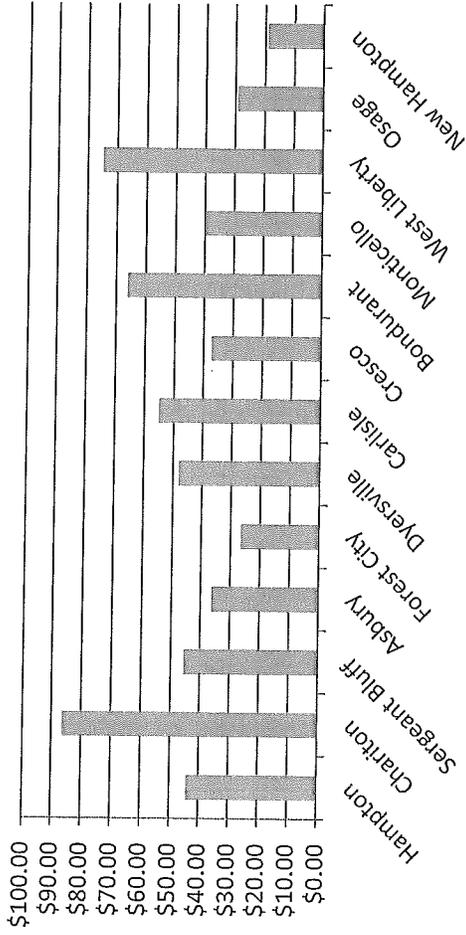
Average Resident over minimum bill would increase \$1.59 per month (2294 avg gal \* \$.40/1000 gal + 166 gal \* \$7.50/1000 - min bill decrease)  
(or (2294+1666)\*7.50/1000 less (2294+1666)\*7.10/1000)

Average Commercial over minimum bill would increase \$7.81 per month (17861 avg gal \* \$.40/1000 gal + 166 gal \* \$7.50 /1000 - min bill decrease)  
(or (17861+1666)\*7.50/1000 less (17861+1666)\*7.10/1000)

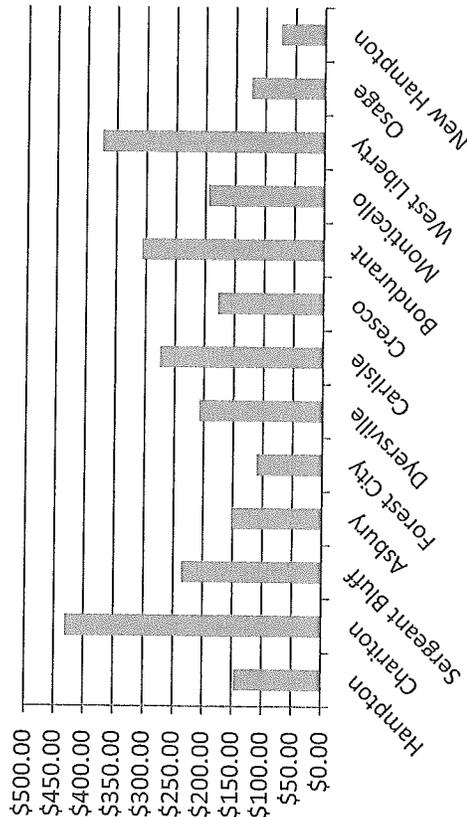
### Water Minimum Bill



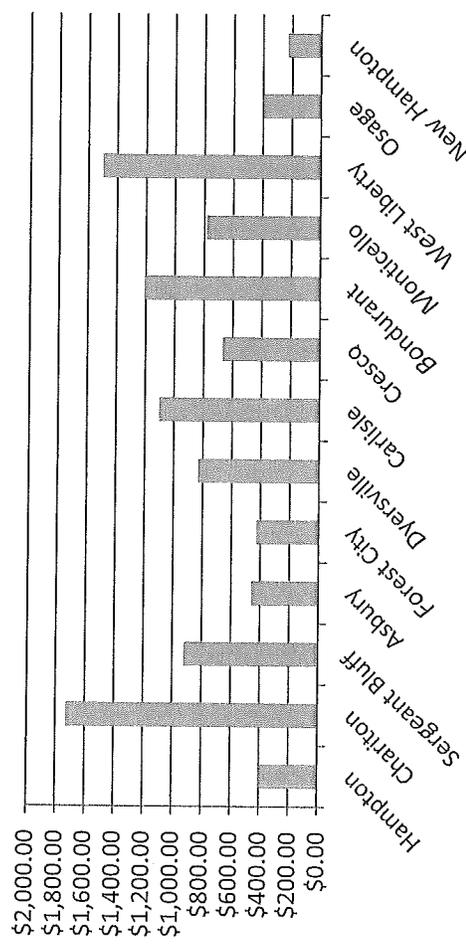
### Residential 10,000 Gallons Water



### Commercial 50,000 Gallons Water



### Commercial 200,000 Gallons Water



Source: Iowa League of Cities Rate Analysis for 2013.  
Selected cities between 3500 and 4500 population only.