

City of
CRESTON, IOWA

116 W. Adams • P.O. Box 449 • Creston, Iowa 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Creston's Restored Depot and City Hall

MAYOR: Warren Woods
COUNCIL: Randy White, Loyal Winborn, Ann Levine, Marsha Wilson, Dave Koets, Gary Lybarger, Nancy Loudon
CITY CLERK: Lisa Williamson
CITY ADMINISTRATOR: Mike Taylor
CITY ATTORNEY: Skip Kenyon & Todd Nielsen

Regular Meeting Agenda
City Hall/Restored Depot
Council Chambers
Tuesday, May 20, 2014
6:00 p.m.
05/16/2014 11:22 AM

1. **Call Meeting to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Consideration of Agenda**
5. **Consider Adoption of the Consent Agenda – NOTE: These items are routine items and will be enacted by one motion without separate discussion unless a Council member requests an item be removed for separate consideration.**
 1. **Minutes:** May 6, 2014 – Regular Meeting
 2. **Claims & Fund Transfers:**
 - i. **Total Claims - \$192,907.14**
 - ii. **Fund Transfers - \$968,073.38**
 3. **Liquor License Renewals:** Hy-Vee – Class E, B, C w/Sunday Sales
 4. **Cigarette Permits:** Casey's #3, #2422, #2423, #2424, #3223, #3224, Farm & Home,
 5. **Amusement Permits:** Montgomery Street Pub, A&G
6. **Public Forum – the Mayor and City Council welcome comments from the public on any subject pertaining to City business, including items on this agenda. You are asked to state your name and address for the record and to limit your remarks to 3 minutes in order that others may be given the opportunity to speak. The Order of Business is at the discretion of the Chair. No action will be taken.**
7. **New Business**
 1. **Motion to approve noise permit and temporary street closings request for 6th Annual Creston Bike Night at the Elm's Club on June 27th from 4:00 pm – 1:00 am June 28th – Elm Street between Adams and Montgomery Streets, the alley at Maple Street (both ways) and the alley west of Elm's Club**
 2. **Motion to approve noise permit and temporary alley closing request for a Class Reunion at the Elm's Club on July 26th from 6:00 pm – 1:00 am July 27th – between Elm's Club and The Lobby and Strand Movie Theater July 26th**
 3. **Motion to approve noise permit and temporary street closings request for the Creston Elks Lodge Annual Street Dance from 5 pm on July 3 to 1 am on July 4 – Montgomery Street from Oak to Division Street**
 4. **Motion to approve noise permit and temporary street closings request for the Annual Party in the Park on June 21st from 12:00 pm – 2:00 am on June 22nd – McKinley Street from Lake Street to Kirby Street**
 5. **Appointment with Mindy Stalker to discuss July 3rd Running Events**
 - i. **Motion to approve request from Mindy Stalker**

6. **Appointment** with Alicia Feldhacker to discuss extension of current noise permit for tent revival
 - i. **Motion** to approve request from Alicia Feldhacker
7. **Appointment/Possible Action** with Tom Spencer – appealing sewer portion of water bill
8. **Resolution** to approve Audit Engagement Agreement with Martens & Company, CPA, LLP for Year Ending June 30, 2014
8. **Other**
 1. **Discuss** Cottonwood Housing Project
9. **Adjournment**

REGULAR MEETING OF THE CRESTON CITY COUNCIL MAY 6, 2014

The Creston City Council met in regular session at 6:00 o'clock p.m. on the above date in the Council Chambers of the City Hall Complex with Mayor Woods presiding.

Roll call being taken with the following Council members present: Loudon, Lybarger, Koets, Wilson, and Winborn. Levine and White were absent.

Mayor Woods requested Item #12 – Appointment with Tom Spencer be removed from the agenda and put on the agenda for the May 20, 2014, Council Meeting.

Wilson moved seconded by Lybarger to approve the agenda with Item #12 removed. All voted aye. Levine and White were absent. Motion declared carried.

Wilson moved seconded by Loudon to approve the consent agenda, which included approval of minutes of April 15, 2014, regular meeting; claims of \$182,504.15 and fund transfers of \$21,285.02; and liquor license renewals for Casey's #2422, #2423 and #2424, and The Lobby. All voted aye. Levine and White were absent. Motion declared carried.

During Public Forum, Jan Knock, 906 W. Montgomery, expressed her concerns regarding the nuisance house located at 907 W. Adams, which is located behind her house. She mentioned numerous issues and that this house has been in a state of disrepair for the past 11 years.

Mayor Woods announced that now is the time for a Public Hearing on the matter of amending Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. He asked if anyone wished to speak in favor of the amendment; no one did. He asked if there was any written correspondence in favor of the amendment; there was none. He asked if anyone wished to speak against the amendment; no one did. He asked if there was any written correspondence against the amendment; there was none. Mayor Woods then called the Public Hearing to a close.

Wilson moved seconded by Winborn to Establish First Reading of Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. First Reading declared Established.

Wilson moved seconded by Winborn to Waive the Second Reading of Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. Second Reading declared Waived.

Wilson moved seconded by Loudon to Establish Second Reading of Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. Lybarger, Koets, Wilson, Winborn and Loudon voted aye. Levine and White were absent. Second Reading declared Established.

Wilson moved seconded by Loudon to Waive the Third and Final Reading of Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. Lybarger, Koets, Wilson, Winborn and Loudon voted aye. Levine and White were absent. Third and Final Reading declared Waived.

Wilson moved seconded by Winborn to Establish Third and Final Reading of Ordinance No. 14-153 AN ORDINANCE AMENDING THE CODE OF ORDINANCE OF THE CITY OF CRESTON, IOWA, 1996, BY AMENDING CHAPTER 30, SECTION 03, SUB-SECTION 1 – PROVISIONS PERTAINING TO HISTORIC PRESERVATION COMMISSION. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. Third and Final Reading declared Established.

Mayor Woods announced that now is the time for a Public Hearing on the matter of a Budget Amendment for Fiscal Year 2014. He asked if anyone wished to speak in favor of the amendment; no one did. He asked if there was any written correspondence in favor of the amendment; there was none. He asked if anyone wished to speak against the amendment; no one did. He asked if there was any written correspondence against the amendment; there was none. Mayor Woods then called the Public Hearing to a close.

A resolution was offered by Wilson seconded by Winborn to amend the current budget for Fiscal Year Ending June 30, 2014 and authorize the Mayor and Clerk to execute the proper documentation. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. Resolution declared passed.

A resolution was offered by Loudon seconded by Wilson to approve an Agreement for Professional Design Services with Walker Coen Lorentzen Architects, Inc., for the Creston Depot 2014 Rehabilitation Project, not to exceed \$10,000 plus reimbursable expenses to be paid from both the L.O.S.T. Fund and Hotel/Motel Fund in Fiscal Year 2015 and authorize the Mayor and Clerk to execute the proper documentation. Winborn, Loudon, Lybarger, Koets and Wilson voted aye. Levine and White were absent. Resolution declared passed.

A resolution was offered by Wilson seconded by Loudon to approve a funding request of \$4,000 by the Crest Area Theatre to be paid out of Hotel/Motel Funds to be used to cover costs of a summer production, promoting tourism in Creston and authorize the Mayor and Clerk to execute the proper documentation. Lybarger, Koets, Wilson, Winborn and Loudon voted aye. Levine and White were absent. Resolution declared passed.

A resolution was offered by Winborn seconded by Loudon to approve the appointment of Kyle Wilson to the Historic Preservation Commission with term expiring

March 3, 2017 and authorize the Mayor and Clerk to execute the proper documentation. Lybarger, Koets, Wilson, Winborn and Loudon voted aye. Levine and White were absent. Resolution declared passed.

A resolution was offered by Winborn seconded by Wilson to approve the reappointment of Sue Bergstrom to the Cemetery Board of Trustees with term expiring June 1, 2020 and authorize the Mayor and Clerk to execute the proper documentation. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. Resolution declared passed

A resolution was offered by Wilson seconded by Winborn to approve the reappointment of Jane Briley to the Historic Preservation Commission with term expiring March 3, 2017 and authorize the Mayor and Clerk to execute the proper documentation. Loudon, Lybarger, Koets, Wilson and Winborn voted aye. Levine and White were absent. Resolution declared passed

A Hearing Request regarding an Order to Abate Nuisance at 907 W Adams Street by property owner Jim Lydic was held. Mr. Lydic explained he took ownership of 907 W Adams Street just over a year ago and that he's purchased several houses from the bank and he completely guts and remodels them. He is asking for a couple of extra months to allow him time to get this one fixed up, which would be in the month of August. His house is not registered with the City as a rental, but it is currently occupied and he is selling to them on contract, which also has not been filed with the courthouse at this time. If given the extended two months, he agrees he will get the outside presentable – paint, siding, windows fixed, chimney fixed, etc., but says he will not go inside to fix it up. Fire Chief Jackson is concerned about the house being occupied and being unsafe.

Winborn moved seconded by Loudon to extend the abatement time until the August 19, 2014 Council Meeting, provided Mr. Lydic register the house with the City as rental property and pending Fire Chief Jackson's inspection of the property. Lybarger, Winborn and Loudon voted aye. Koets and Wilson voted nay. Levine and White were absent. Motion declared carried.

Blake Fry-Schnormeier, representative of Creston:Arts discussed the project to paint scenes on the South Elm Street retaining walls. The scenes will be a historical time-line of Creston, and they will be accepting submissions of scenes from community members in June and July. They plan to have the east wall done by the end of August. He is also requesting the City's support in power-washing the retaining walls, painting the walls white, as well as providing financial support for 10 gallons of paint this year for the east wall and 10 gallons of paint next year for the west wall.

Wilson moved seconded by Winborn to approve the City power-washing the retaining walls, painting the walls white and providing financial support for 10 gallons of paint this year for the east wall and 10 gallons of paint next year for the west wall with the stipulation that Council see and approve the scenes before they are painted on the walls. All voted aye. Levine and White were absent. Motion declared carried.

Councilperson Levine arrived at 6:34 p.m.

A resolution was offered by Wilson seconded by Levine to approve a funding request from the 10,000 Crestonians for \$5,000 from the Hotel/Motel Fund to promote tourism for the 4th of July Celebration and authorize the Mayor and Clerk to execute the proper documentation. Winborn, Loudon, Lybarger, Koets, Wilson and Levine voted aye. White was absent. Resolution declared passed.

Wilson moved seconded by Loudon to approve temporary street closings requested by the 10,000 Crestonians for the Flea Market, parade and fireworks on July 3rd and 4th. All voted aye. White was absent. Motion declared carried.

Wilson moved seconded by Loudon to approve temporary street closings requested by C.A.R.E. for the Doggie Dash on Saturday, June 7, 2014, from 8:00 a.m. – 10:30 a.m. Closures will be at the west entrance onto Lakeshore Drive from Adams Street, Stone Street at Lakeshore Drive and Spillway Road at Lakeshore Drive. All voted aye. White was absent. Motion declared carried.

More discussion was held regarding the Cottonwood Housing Project with other options being explained.

Winborn moved seconded by Wilson to adjourn the meeting. All voted aye. White was absent. Motion declared carried. Council adjourned at 7:00 p.m.

Mayor

Attest:

City Clerk

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT		
POLICE PROTECTION	GENERAL FUND	CATRENICH, JASON	REIMBURSE ALTOONA FIRE DEP	66.35		
		HEARTLAND TIRE & AUTO	MOUNT & BALANCE #15	14.00		
		IOWA COUNTY ATTORNEYS ASSOCIATION	2014 ACTS OF INTERST CONF	120.00		
		IOWA LAW ENFORCEMENT ACADEMY	FIREARMS INSTRUCT RECERT	150.00		
		KELLY TIRE & EXHAUST	3 NEW TIRES	377.70		
		CRESTON MOTOR SUPPLY INC	DISC PADS	43.49		
			FLASHLIGHT SCREWS	2.10		
			DISC PAD & SHOES	227.96		
			BRAKE PADS	68.98		
		PETTY CASH - POLICE	USPS - CERT MAIL	5.60		
			USPS- CERT MAIL	6.49		
		GARY KELLEY	REPAIR CAMERA MOUNT #19	24.00		
			TOTAL:	1,106.67		
		DETENTION & CORRECTNS	GENERAL FUND	UNION CO AUDITOR	LEC BILLING - APR'14	6,978.73
					TOTAL:	6,978.73
FIRE PROTECTION	GENERAL FUND	CRESTON CITY WATER WORKS	WATER-FIRE STATION	48.60		
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	134.87		
			ELECTRIC & GAS	465.03		
		MCI	LONG DISTANCE	3.00		
		CRESTON MOTOR SUPPLY INC	OIL	122.16		
	TOTAL:	773.66				
ANIMAL CONTROL	GENERAL FUND	FARRINGTON, KRISTI	SUCCESSFUL ADOPTION	20.00		
		AKIN BUILDING CENTER	PAINT DOG POUND	53.98		
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	84.82		
	TOTAL:	158.80				
STREET LIGHTING	GENERAL FUND	ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	9,265.42		
	TOTAL:			9,265.42		
TRAFFIC SAFETY	GENERAL FUND	ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	1,075.09		
	TOTAL:			1,075.09		
AIRPORT	GENERAL FUND	WASTE MANAGEMENT	DUMPSTER - APR'14	61.96		
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	410.10		
		IOWA DEPT OF AGRICLTR & LAND STWRDSHP	2 FUEL METER RECERTS	9.00		
		SOUTHWEST IOWA RURAL ELECTRIC	ELECTRIC-AIRPORT	39.00		
		WEST AVIATION INC	FUEL PROFIT APR'14	1,002.56		
			PER FBO CONTRACT	1,354.17		
	TOTAL:	2,876.79				
LIBRARY SERVICES	GENERAL FUND	CRESTON CITY WATER WORKS	WATER-LINCOLN SCHOOL	9.07		
		WASTE MANAGEMENT	DUMPSTER - APR'14	40.89		
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	252.46		
			ELECTRIC & GAS	550.65		
			1001 W JEFFERSON ELEC & GA	76.72		
		ECHO GROUP INC	1 BOX LIGHT BULBS	56.15		
		MCI	LONG DISTANCE	5.32		
	TOTAL:	991.26				
PAR...	GENERAL FUND	AGRIVISION	3 HYDRAULIC FILTERS	66.60		
			995 PARTS & FILTER	148.58		
		CRESTON CITY WATER WORKS	WATER-RAINBOW PARK	6.48		
		WASTE MANAGEMENT	DUMPSTER - APR'14	192.60		

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	1,024.78
		CRESTON MOTOR SUPPLY INC	LIGHT SOCKET	13.39
			THREAD FILES	44.37
		PETTY CASH - RECREATION	BYERS LOCK - CORBIN KEY CU	14.50
			CNA-LAMINATE MOWING ADD	20.25
			TOTAL:	1,531.55
RECREATION	GENERAL FUND	FASTENAL	1 CASE FIELD PAINT	34.66
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	140.86
		RJ'S PORTABLES	PORT-A-POTTIES MAY-JUNE	375.00
			TOTAL:	550.52
CEMETERY	GENERAL FUND	AGRIVISION	MOWER BLADES, SPARK PLUG	160.90
		WASTE MANAGEMENT	DUMPSTER - APR'14	61.96
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	211.80
		MCI	LONG DISTANCE	3.80
		CRESTON MOTOR SUPPLY INC	1 CASE MOBIL OIL	61.08
			TOTAL:	499.54
SWIMMING POOL	GENERAL FUND	ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	18.63
			ELECTRIC & GAS	573.29
			TOTAL:	591.92
ECONOMIC DEVELOPMENT	GENERAL FUND	AKIN BUILDING CENTER	PLUMBING SUP VISITOR CNTR	62.46
		ORR HEATING & AIR CONDITIONING	REPAIRS VISITOR CENTER	807.70
			TOTAL:	870.16
FIRE	GENERAL FUND	TAYLOR, MICHAEL	MILES-SW IA CITY MGR MEETI	68.10
		10000 CRESTONIANS	FIREWORKS CONTRIBUTION	5,000.00
		CREST AREA THEATRE	SUMMER FUNDING REQUEST	4,000.00
		CRESTON PUBLISHING CO	LEGAL ADS/NOTICES APR'14	464.32
		HOMESTEAD OF CRESTON, LLC	ECONOMIC DEVELOPMENT GRANT	10,349.00
		IOWA DEPT OF TRANSPORTATION	RENEWAL FEE ADVERTISING SI	15.00
		MCI	LONG DISTANCE	45.44
		PETZNIK'S PRINTING CO	REG/WINDOW ENVELOPES	288.30
		PRAIRIE SOLID WASTE AGENCY	CONST & DEMO 417 NY AVE	79.20
			DEMO 510 N MAPLE GARAGE	30.60
			DEMO 510 N MAPLE GARAGE	174.40
			DEMO 510 N MAPLE GARAGE	30.60
			DEMO 510 N MAPLE GARAGE	38.40
			DEMO 510 N MAPLE GARAGE	34.80
			DEMO 510 N MAPLE GARAGE	36.00
			DEMO 510 N MAPLE GARAGE	95.40
			DEMO 510 N MAPLE GARAGE	43.20
			DEMO 510 N MAPLE GARAGE	36.00
			DEMO 510 N MAPLE GARAGE	14.40
			TOTAL:	20,843.16
CITY HALL	GENERAL FUND	INFO DOG SECURITY, LLC	SHRED SVC APR'14	30.00
		CRESTON CITY WATER WORKS	WATER-CITY HALL	20.74
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	389.60
			ELECTRIC & GAS	582.90
		OFFICE MACHINES	2C PAPER TOWEL-1C TP	111.64
			TOTAL:	1,134.88
ROAD MAINTENANCE	ROAD USE TAX	FREIGHTLINER OF DES MOINES INC	REPAIR BRAKES #39	914.58

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
		ARAMARK UNIFORM & CAREER APPAREL GROUP	LAUNDRY SERVICE	28.50
		AGRIVISION	SKID LOADER FILTER	43.51
		ARNOLD MOTOR SUPPLY, LLP	SWEEP CO	23.29
		FARMERS COOPERATIVE CO	GRASS SEED, 12-12-12	132.50
		ZEE MEDICAL INC	FIRST AID SUPPLIES	76.20
		GRIMES ASPHALT & PAVING CORP	18T COLD PATCH	2,628.00
		HAWKEYE TRUCK EQUIPMENT	AIR VALVE, FREIGHT	80.93
		HEARTLAND TIRE & AUTO	REPLACE BACKHOE TIRE	53.00
			SKID LOADER TIRE REPAIR	14.95
			2 TIRES SHOP TRUCK	200.00
		ALLIANT ENERGY-INT PWR&LGHT	ELECTRIC & GAS	435.00
			ELECTRIC & GAS	416.39
		IOWA ST UNIVERSITY-TREASURER	RESEARCH SERVICES	3,000.00
		IOWA TOOL & MANUFACTURING INC	20' - 15" DBL WALL PIPE	178.29
		MCI	LONG DISTANCE	2.49
		CRESTON MOTOR SUPPLY INC	RETURN CORE	198.00
			OIL FILTERS SHOP	75.26
			AIR FILTERS & SEAFOA	131.77
			CLAMPS, CABLE, DRILL	14.89
			SCREWS & NUTS	14.29
			CLAMP -PLUG	26.97
			SAFETY LIGHT	254.15
			OIL FILTER	17.98
			WASHERS,LENS,BULB	53.22
		PRECISION DIESEL	REPAIR TRUCK #32	1,624.35
		AGRILAND FS INC	1045G UNLD, 900G DSL	6,156.00
			400 GAL DSL, 1050 GAL UNL	4,545.95
		SCHILDBERG CONSTRUCTION COMPANY INC	22.08T CLASS D ROAD ROCK	256.13
			88.98 T 3/8 CHIPS	1,312.48
			44.14T CLASS D ROAD ROCK	512.03
			16.63 T 3/8 CHIPS	245.29
			7.89T CLASS D ROAD ROCK	91.52
			7.25T CLASS D ROCK	84.10
			34.01T 3/8" CHIPS	501.65
			14.99T CLASS D	173.88
			TOTAL:	24,121.54
SNOW AND ICE CONTROL	ROAD USE TAX	INDEPENDENT SALT COMPANY	25T SALT	1,626.19
			TOTAL:	1,626.19
POLICE FORFEITURE	POLICE FORFEITURE	CRESTON VET CLINIC PC	BORADING WITH MEDS	60.00
			ANTIBIOTICS - K9	42.70
			GREENIES CAPS	7.95
		PETTY CASH - POLICE	TRUE VALUE - DOG FOOD	30.99
			TOTAL:	141.64
4C KINLEY PARK RENOVAT	RESTRICTED GIFTS-M	BUILTNETWORKS	WEBSITE HOST MAY'14-'15	80.00
		CRESTON PUBLISHING CO	PARTY IN PARK POSTERS	102.92
		FRY & ASSOCIATES INC	TIMBERS, WOOD SURFACE	4,536.00
		IOWA DEPT OF INSPECTIONS & APPEALS	2 YR GAMBLING LISCENSE	150.00
		PETZNICK'S PRINTING CO	PARTY IN PARK TICKETS	95.00
			TOTAL:	4,963.92
.I	RESTRICTED GIF	RESTRICTED GIFTS-L TYLER INSURANCE SERVICES INC	INSURANCE-OMAHA HOUSE	670.00
			TOTAL:	670.00

DEPARTMENT	FUND	VENDOR NAME	DESCRIPTION	AMOUNT
DEBT SERVICE	DEBT SERVICE	FIRST NATIONAL BANK	PRIN/INT PMT JUN'14-SEWER	47,071.43
			PRIN/INT PMT JUN'14-SEWER	<u>2,117.95</u>
			TOTAL:	49,189.38
SANITARY SEWER/WASTWTR SEWER OPERATING FU	AKIN BUILDING CENTER		ROOFING TAR	12.97
	CRESTON CITY WATER WORKS		1/2 ONE CALLS - APR'14	63.90
	WASTE MANAGEMENT		DUMPSTER - APR'14	75.14
	ELLIOTT EQUIPMENT CO		PRESSURE REGULATOR-JET	1,894.14
	HACH COMPANY		SUPPLIES	292.07
	HYGIENIC LABORATORY-AR		2 BODS, 2 NH3	38.00
			3-NH3, BOD, TSS, O&G, TKN	200.00
			2 BOD'S 2 NH3'S	110.00
	HYGIENIC LABORATORY		2 BOD'S	72.00
			2 NH3'S	38.00
			N&P	76.00
			PLANT METALS	118.00
	ALLIANT ENERGY-INT PWR&LGHT		ELECTRIC & GAS	1,188.65
			ELECTRIC & GAS	6,206.99
	MCI		LONG DISTANCE	1.93
	NORTHERN TOOL & EQUIPMENT CO		4572000-2456 & FRT	158.98
	PETTY CASH - SANITATION		FARM & HOME -KEY	2.38
			NAPA-SUPPLIES	31.47
	SERVICE TECHS INC		WEED TRIMMER	287.95
	UPS		POSTAGE	24.86
			POSTAGE	<u>31.84</u>
			TOTAL:	10,925.27
AN' CONTROL	ANIMAL SHELTER *AG TRI COUNTY VETERINARY SERVICES		EMGCY MED DOG HUDDLESON	<u>100.37</u>
			TOTAL:	100.37

===== FUND TOTALS =====

001	GENERAL FUND	49,248.15
110	ROAD USE TAX	25,747.73
120	POLICE FORFEITURE	141.64
166	RESTRICTED GIFTS-MCKNLY P	4,963.92
167	RESTRICTED GIFTS-LIBRARY	670.00
200	DEBT SERVICE	49,189.38
610	SEWER OPERATING FUND	10,925.27
953	ANIMAL SHELTER *AGENCY FU	100.37
GRAND TOTAL:		140,986.46

CITY OF CRESTON
MANUAL CHECKS/DEBITS - PERIOD ENDING 05/20/2014

SELF FUNDING INSURANCE

KABEL	FLEX	
TRISTAR BENEFIT	INV CHECK RUN	10,403.51
TRISTAR BENEFIT	INV CHECK RUN	41,483.17
TRISTAR BENEFIT	INV CHECK RUN	

SELF FUNDING INSURANCE

TOTAL 51,886.68

FINANCE DEPARTMENT

UNION CO RECORDER	RECORDING FEES	34.00
IOWA STATE UNIVERSITY	TRAINING	
GITS	OFFICE FURNITURE	
FINANCE DEPARTMENT	TOTAL	34.00

BUILDING & HOUSING

UNION CO RECORDER		
IOWA STATE UNIVERSITY	TRAINING	
GITS	OFFICE FURNITURE	
BUILDING & HOUSING	TOTAL	0.00

MANUAL CHECKS/DEBITS TOTAL

51,920.68

FUND TRANSFERS FOR PERIOD ENDING:

05/21/14
POSTING DATE

THE FOLLOWING TRANSFERS ARE SCHEDULED TO BE MADE AFTER COUNCIL APPROVAL:

AMOUNT	FROM	TO	-G/L ACCT-	DR	CR
\$ 4,000.00	009 HOTEL-MOTEL TAX FOR: SUMMER PRODUCTION VENDOR: CREST AREA THEATRE	001 GENERAL FUND	009 3-6910	4,000.00	
			001 3-4830		4,000.00
			009 1110		4,000.00
			001 1110	4,000.00	
\$ 5,000.00	009 HOTEL-MOTEL TAX FOR: 4TH OF JULY CELEBRATION VENDOR: 10,000 CRESTIONIANS	001 GENERAL FUND	009 3-6910	5,000.00	
			001 3-4830		5,000.00
			009 1110		5,000.00
			001 1110	5,000.00	

FUND TRANSFERS FOR PERIOD ENDING:

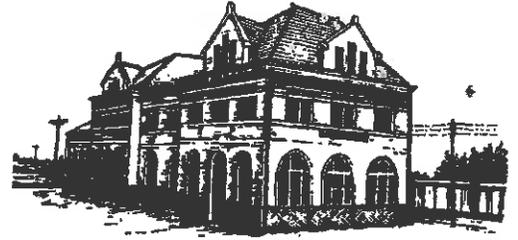
06/02/14
POSTING DATE

THE FOLLOWING TRANSFERS ARE SCHEDULED TO BE MADE AFTER COUNCIL APPROVAL:

AMOUNT	FROM	TO	-G/L ACCT-	DR	CR
\$ 10,349.00	127 TIF-ASSISTED LIVING FOR: ECONOMIC DEVELOPMENT GRANT VENDOR: HOMESTEAD OF CRESTON LLC	001 GENERAL FUND	127 3-6910 127 1110 001 1110 001 3-4830	10,349.00 10,349.00	 10,349.00 10,349.00
\$ 19,612.50	121 L.O.S.T.-PROP TAX RELIEF (50%) FOR: 6/2/14 PRIN/INTEREST PAYMENT FIRE TRUCK VENDOR: BOND 2012A #0185387032	200 DEBT SERVICE	121 3-6910 121 1110 200 1110 200 3-4830	19,612.50 19,612.50	 19,612.50 19,612.50
\$ 180,577.50	125 TIF-JAMES (76%) FOR: 6/2/14 PRIN/INTEREST PAYMENT BOND 2012A VENDOR: #0185387032 BANKERS TRUST	200 DEBT SERVICE	125 3-6910 125 1110 200 1110 200 3-4830	180,577.50 180,577.50	 180,577.50 180,577.50
\$ 114,728.75	125 TIF-JAMES (75%) FOR: 6/2/14 PRIN/INTEREST PAYMENT COTTONWOOD VENDOR: #0185377389 BANKERS TRUST	200 DEBT SERVICE	125 3-6910 125 1110 200 1110 200 3-4830	114,728.75 114,728.75	 114,728.75 114,728.75
\$ 263,495.00	146 TIF - HWY 34 FOR: 6/2/14 PRIN/INTEREST PAYMENT BOND 2012B VENDOR: #0185387040 BANKERS TRUST	200 DEBT SERVICE	146 3-6910 146 1110 200 1110 200 3-4830	263,495.00 263,495.00	 263,495.00 263,495.00
\$ 58,023.75	611 SEWER DEBT SERVICE FOR: 6/2/14 PRIN/INTEREST PAYMENT SRF#1 VENDOR: IOWA FINANCE AUTHORITY #CW9407R	200 DEBT SERVICE	611 3-6910 611 1110 200 1110 200 3-4830	\$58,023.75 \$58,023.75	 \$58,023.75 \$58,023.75
\$ 159,766.25	611 SEWER DEBT SERVICE FOR: 6/2/14 PRIN/INTEREST PAYMENT SRF#2 VENDOR: IOWA FINANCE AUTHORITY #CW9408R	200 DEBT SERVICE	611 3-6910 611 1110 200 1110 200 3-4830	159,766.25 159,766.25	 159,766.25 159,766.25
\$ 52,406.25	611 SEWER DEBT SERVICE FOR: 6/2/14 PRIN/INTEREST PAYMENT SRF#3 VENDOR: IOWA FINANCE AUTHORITY #CW9704R	200 DEBT SERVICE	611 3-6910 611 1110 200 1110 200 3-4830	52,406.25 52,406.25	 52,406.25 52,406.25
\$ 50,925.00	611 SEWER DEBT SERVICE FOR: 6/2/14 PRIN/INTEREST PAYMENT SRF #4 VENDOR: IOWA FINANCE AUTHORITY #C0157R	200 DEBT SERVICE	611 3-6910 611 1110 200 1110 200 3-4830	50,925.00 50,925.00	 50,925.00 50,925.00
49,189.38	611 SEWER DEBT SERVICE FOR: 6/2/14 PRIN/INTEREST PAYMENT SEWER TRUCK LN VENDOR: FIRST NATIONAL BANK	200 DEBT SERVICE	611 3-6910 611 1110 200 1110 200 3-4830	49,189.38 49,189.38	 49,189.38 49,189.38

City of
CRESTON, IOWA

116 W. Adams • P.O. Box 449 • Creston, IA 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Noise Event Application

Event Name:	<u>BIKE NIGHT</u>	Class reunion
Date/Time of Event:	<u>June 27, 2014</u>	July 26, 2014 - (Saturday)
Location of Event:	<u>Elm Street</u>	Elms Club - Back lot/falley
Event Sponsor(s):	<u>Gus King</u>	Gus King

Contact Information:

Organization: Elms Club
Contact Name: Gus King
Address: 108 W Elm
Telephone Number: 782-4629 782-2615 (work)
Cell Phone: 782-4629
Fax Number: —
Email Address: —
Today's Date: May 11, 2014

Anticipated Attendance: _____ Per Day 200 Total

Event Starts Date: 6/27 Time: 4 pm Day of the Week: FRI
Event Ends Date: 6/28 Time: 1 a.m. Day of the Week: SAT

Please provide a map showing the event location and location of band/music, parking facilities number and location of restrooms facilities.

Please specify: Band _____ DJ _____ Other (Please specify)

APPLICANT SIGNATURE: Anna King

If application is received at such time that a special council meeting is called the applicant is responsible for all associated costs.

Mayor: _____

City Clerk: _____

← ADAMS ST →

BAND

LOBBY Bldg'

⊗ ⊗
ALLEY

ELMS CLUB

Office machines

Real Estate Offices

parking →

PARKING LOT

MONTGOMERY ST

X = Restrooms
also 2 inside

fencing around
parking lot
& barricades
at alley
entrances &
exits &
Montgomery St

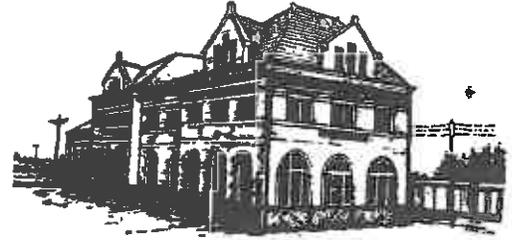
Tables off door
BAR

Tables

Tables

City of CRESTON, IOWA

116 W. Adams • P.O. Box 449 • Creston, IA 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Noise Event Application

Event Name:	BIKE NIGHT	class reunion
Date/Time of Event:	June 27, 2014	July 26, 2014 - (Saturday)
Location of Event:	Elm Street	Elms Club - Back lot/fallen
Event Sponsor(s):	Gus King	Gus King

Contact Information:

Organization: Elms Club
 Contact Name: Gus King
 Address: 108 N Elm
 Telephone Number: 782-4629 782-2615 (work)
 Cell Phone: 782-4629
 Fax Number: _____
 Email Address: _____
 Today's Date: May 11, 2014

Anticipated Attendance: _____ Per Day 200 Total

Event Information:

Event Starts	Date: 7/27	Time: 6 pm	Day of the Week: <u>Fri</u>
Event Ends	Date: 7/27	Time: <u>1 a.m.</u>	Day of the Week: <u>SAT</u>

7/26

Please provide a map showing the event location and location of band/music, parking facilities number and location of restrooms facilities.

Please specify: Band DJ Other (Please specify)

APPLICANT SIGNATURE: Anna King

If application is received at such time that a special council meeting is called the applicant is responsible for all associated costs.

Mayor: _____

City Clerk: _____

Elm Street

Unit's
Club



Class

Alley



Lobby

Meeting

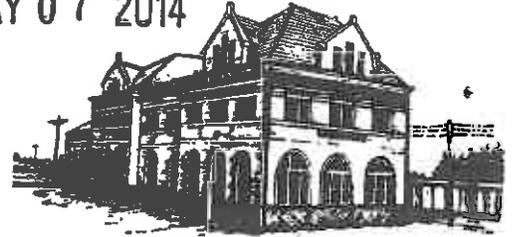


Back Alley

City of
CRESTON, IOWA

REC'D MAY 07 2014

116 W. Adams • P.O. Box 449 • Creston, IA 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Noise Event Application

Event Name: Street Dance
Date/Time of Event: 7-3-14 9:00 P.M. - 1:00 A.M.
Location of Event: 403 W. Montgomery St.
Event Sponsor(s): Creston Elks Lodge

Contact Information:

Organization: Creston Elks Lodge
Contact Name: Rick Hammond, Secy.
Address: 203 W. Montgomery Apt 404
Telephone Number: _____
Cell Phone: 641-344-3120
Fax Number: _____
Email Address: rdhammond@mcnisi.com
Today's Date: 5-6-14

Anticipated Attendance: 300 Per Day 300 Total

Event Information:

Event Starts Date: 7/3/14 Time: 9 PM Day of the Week: Thur.
Event Ends Date: 7/4/14 Time: 1 AM Day of the Week: Fri

Please provide a map showing the event location and location of band/music, parking facilities number and location of restrooms facilities.

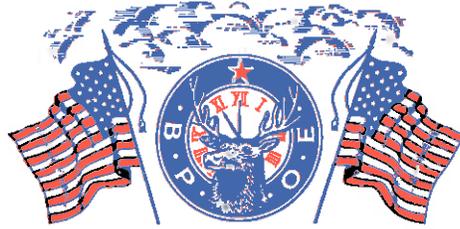
Please specify: Band DJ Other (Please specify)

APPLICANT SIGNATURE: Rick Hammond, Secy.

If application is received at such time that a special council meeting is called the applicant is responsible for all associated costs.

Mayor: _____

City Clerk: _____



REC'D MAY 07 2014

Creston Lodge No. 605

BENEVOLENT AND PROTECTIVE ORDER OF ELKS

403 West Montgomery Street
Creston, Iowa 50801
515-782-4317

May 6, 2014

City of Creston
116 W. Adams St.
Creston, Iowa 50801

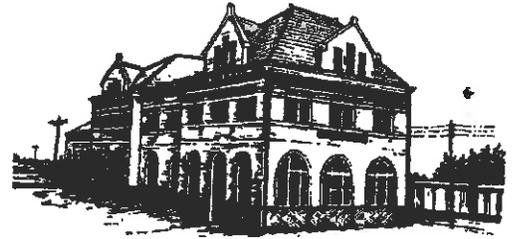
The Creston Elks Lodge requests street closure at 403 W. Montgomery St. July 3, 2014 from the hours of 5:00 P. M. to 1:00 A. M. July 4, 2014 for the purpose of holding a street dance. The closure will be one block from Oak Street to Division Street.

Respectfully yours,

Dick Hammond, Secy.
Creston Elks Lodge # 605

City of
CRESTON, IOWA

116 W. Adams • P.O. Box 449 • Creston, IA 50801-0449
Phone 641-782-2000 • Fax 641-782-6377



Noise Event Application

Event Name: Party in the Park
Date/Time of Event: June 21 5:00 →
Location of Event: McKinley Park
Event Sponsor(s): Creston Park & Rec

Contact Information:

Organization: Creston Park & Rec
Contact Name: John Kawa - Chairman, Mark Hoff - Park Director
Address: City Hall - Creston
Telephone Number: 641-782-2000
Cell Phone: 641-344-0600
Fax Number: _____
Email Address: _____
Today's Date: 5-13-14

Anticipated Attendance: 2000 Per Day _____ Total

Event Information:

Event Starts Date: 6-21 Time: 5:00 Day of the Week: Saturday
Event Ends Date: 6-21 Time: 12:00 Day of the Week: Saturday

Please provide a map showing the event location and location of band/music, parking facilities number and location of restrooms facilities.

Please specify: Band DJ Other (Please specify)

Event will be in fenced area at bandshed in park
APPLICANT SIGNATURE: John Kawa

If application is received at such time that a special council meeting is called the applicant is responsible for all associated costs.

Mayor: _____

City Clerk: _____

CRESTON MUNICIPAL UTILITIES

P.O. BOX 405, 820 S. PARK
CRESTON, IOWA 50801

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
CRESTON, IA 50801
PERMIT No. 4

FROM	TO	BILLING DATE	PREV. BALANCE	
02/02/14	03/04/14	04/04/14	4.07	
READINGS		USED	CODE	AMOUNT
PREVIOUS	PRESENT			
PAST DUE				4.07
106410	117550	11140	WA	276.69
SEWER		11140	SR	366.72
GARBAGE			GB	18.50
TAX			TX	19.37

ADDRESS
SERVICE
REQUESTED

ACCOUNT NUMBER	DUE DATE
11-034800-36	04/17/2014
TAX	AMOUNT DUE AFTER DUE DATE
19.37	718.45
PENALTY	AMOUNT DUE NOW
	685.35

****WE OFFER AUTOMATIC WITHDRAWAL****

LOCATION: 611 N VINE

PLEASE RETURN BOTTOM STUB WITH PAYMENT-
SEE REVERSE SIDE FOR CODE EXPLANATION

ACCOUNT NUMBER
11-034800-36
DUE DATE
04/17/2014
AMOUNT DUE AFTER DUE DATE
718.45
AMOUNT DUE NOW
685.35

TOM SPENCER
605 S STONE
CRESTON IA

50801



MARTENS & COMPANY, CPA, LLP

CERTIFIED PUBLIC ACCOUNTANTS

4949 Pleasant Street, Suite 104

West Des Moines, Iowa 50266

(515)-223-4841

FAX: (515)-223-0851

April 18, 2014

Lisa Williamsen, City Clerk
Honorable Mayor and Members of the City Council
City of Creston
PO Box 449
Creston, Iowa 50801

We are pleased to confirm our understanding of the services we are to provide the City of Creston for the year ended June 30, 2014. We will audit the financial statements of the City of Creston's governmental activities, business-type activities, the aggregate discretely presented component units each major fund and the aggregate remaining fund information which collectively comprise the entity's basic financial statements as of and for the year ended June 30, 2014. We understand that the financial statements will be presented in accordance with the cash basis of accounting. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD & A), to supplement the City of Creston's basic financial statements. Such information although not a part of the basic financial statements, is required by the Governmental Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Creston's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedule of receipts, disbursements and changes in balances - budget and actual (cash basis)

We have also been engaged to report on supplementary information other than RSI that accompanies the City of Creston's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

1. Schedule of cash receipts, disbursements and changes in cash balances - nonmajor governmental funds
2. Schedule of indebtedness
3. Bond and note maturities
4. Schedule of receipts by source and disbursements by function - all governmental funds.
5. Schedule of expenditures of federal awards.

Audit Objective

The objective of our audit is the expression of an opinion as to whether your basic financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on —

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and OMB Circular A-133 in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination

of major programs in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the single audit compliance opinions are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and schedule of expenditures of federal awards and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Creston and the respective changes in financial position and where applicable, cash flows, in conformity with the cash basis of accounting; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for

confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review.

You are responsible for preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (b) that you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with the cash basis of accounting. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (a) you are responsible for presentation of the supplementary information in accordance with the cash basis of accounting; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance the cash basis of accounting; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits, attestation engagements, performance audits or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal controls and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Creston's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on

each of the City of Creston's major programs. The purpose of these procedures will be to express an opinion on the City of Creston's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers. Marvin D. Berger will assist us with your audit.

We will provide copies of our reports to the City of Creston and the Auditor, State of Iowa; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Martens & Company, CPA, LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to Auditor, State of Iowa or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Martens & Company, CPA, LLP personnel.

Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Richard D. Atterbury is the engagement partner and is responsible for supervising the engagement and signing the report. Marvin D. Berger, CPA will be the primary CPA assigned to your audit and will be your primary contact.

We tentatively expect to begin our audit on approximately July 14, 2014 and to issue our reports no later than September 30, 2014.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$14,350. This fee does not include the fee for the annual financial report which is covered under a separate engagement letter. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Creston and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Martens & Company, CPA, LLP

MARTENS & COMPANY, CPA, LLP

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RESPONSE:

This letter correctly sets forth the understanding of the City of Creston.

By: _____

Title: _____

OLSEN, MUHLBAUER & CO., L.L.P.

Certified Public Accountants

PARTNERS

**RICHARD D. MUHLBAUER
PATRICK J. O'BRIEN
TRUDENE L. WITTMACK
KARLA L. FULTON
TAMMY M. BRUCH
ROBERT L. MUHLBAUER**

**1127 PLAZA DR.
VILLAGE PARK EAST
CARROLL, IOWA 51401
712-792-4314
FAX 712-792-4503**

SYSTEM REVIEW REPORT

November 22, 2011

To the Partners of
Martens & Company, CPA, L.L.P.
and the Peer Review Committee of the Iowa Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martens & Company, CPA, L.L.P. (the firm) in effect for the year ended June 30, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards, and an audit of an employee benefit plan.

In our opinion, the system of quality control for the accounting and auditing practice of Martens & Company, CPA, L.L.P. in effect for the year ended June 30, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Martens & Company, CPA, L.L.P. has received a peer review rating of pass.

Olsen, Muhlbaumer & Co., L.L.P.

OLSEN, MUHLBAUER & CO., L.L.P.
Certified Public Accountants



ISCPA Peer Review Program
Administered in Iowa by the
Society of CPAs



AICPA Peer Review Program
Administered in Iowa by the
Iowa Society of CPAs

January 4, 2012

Richard D. Atterbury, CPA
Martens and Company, CPA, LLP
4949 Pleasant St Ste 104
West Des Moines, IA 50266

Dear Mr. Atterbury:

It is my pleasure to notify you that on January 4, 2012, the Iowa Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is December 31, 2014. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Michael W. McNichols
Committee Chair
mmcnichols@mhcscpa.com
Phone: 515-288-3279

cc: Patrick O'Brien, CPA

Firm Number: 10045201

Review Number: 324385