

RESOLUTION

WHEREAS the City Council previously authorized the Water Utility to implement a water rate increase that went into effect on August 1, 2011.

AND WHEREAS Council approval of that rate increase included a directive that the Utilities Manager report back to the Council at least every two years with information to update the Water Utility cash balance and rate of return level, with recommendations related to the need for future rate changes.

AND WHEREAS the end of year cash balances and rates of return for years 2011 and 2012 are as follow:

<u>Year</u>	<u>EOY Cash Balance</u>	<u>Rate of Return</u>
2011	\$ 488,884	3.17%
2012	\$1,877,809	9.18%

AND WHEREAS the Water Utility currently (August 1, 2013) has an approximate cash balance of \$ 2,716,400.

AND WHEREAS the City's Water Utility does not currently qualify for an inflationary rate increase as allowed under criteria established by the Wisconsin Public Service Commission.

AND WHEREAS the Utilities Manager recommends no changes to the current rates previously approved by the Council.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby accepts the information related to the status of Water Utility cash balance and rate of return, and approves the recommendation for no changes to current water rates charged to City water customers.