THE CITY COUNCIL OF WATERLOO, IOWA
WORK SESSION TO BE HELD AT
Harold E. Getty Council Chambers
Monday, March 3, 2025
4:15 PM

RULES FOR WORK SESSION PUBLIC COMMENT

Iowa Code Chapter 21 gives the public the right to attend council meetings, but it does not require cities to allow public participation except during public hearings.The city council shall not receive any public comment during a work session.

Roll Call.

Agenda, as proposed or amended.

Approval of Minutes of the February 17, 2025, as proposed or amended.

4:15 p.m. Discussion of FY2026 budget.

Submitted by: Bridgett Wood, Finance Director

ADJOURNMENT

Kelley Felchle
City Clerk

February 17, 2025

COUNCIL WORK SESSION
Harold E. Getty Council Chambers
4:25 p.m.

Roll Call.

Members present: Mayor Pro Tem Ray Feuss in the Chair. Roll Call: Mr. Boesen, Mr. Nichols and Mr. Feuss. Ms. Creighton-Smith arrived at 4:37 p.m. and Mr. Chiles arrived at 4:46 p.m. Mr. Simon and Ms. Wilder were absent.

Approval of Agenda, as proposed or amended.

Boesen/Nichols
that the agenda as proposed be approved. Voice vote-Ayes: Four. Motion carried.

Approval of Minutes of the February 3, 2025, Council Work Session as proposed or amended.

Boesen/Nichols
that the minutes of February 3, 2025 Work Session, as proposed, be approved. Voice vote-Ayes: Four. Motion carried

Update from the Grout Museum.

Margaret Moye, Grout Museum Director, shared that she has been director of the museum for the last six months and provided an overview of activities that have occurred at the museum during that time and various upcoming events and projects.

Discussion of providing sidewalk sand.

Mr. Boesen commented that the city in years past provided sidewalk sand at city parks for citizens to use. The program was somewhat discontinued, though he was able to get sand both last year and this year through Leisure Services. He shared that the Public Works Director does not want to provide sidewalk sand and the comment he received was that the city does not provide public funds for private use. Mr. Boesen gave an example of when the city provides land for a dollar, so the developer can move forward with a project, stating that this is providing public funds for private use.

Mr. Boesen shared that the cost of the sand would be about $300, and asked for council support with a resolution to have sidewalk sand provided at four city parks, two on each side of the river.

Mr. Boesen shared that he received concerns from Mr. Chiles that the sand would get into the storm sewers.

Mr. Nichols questioned if this would be a one-time load or if it would continue to be replenished.

Todd Derifield, Interim Leisure Services Director, shared that in the past the left-over sand was picked up by Public Works and used for construction projects. This year a larger load was

purchased, and the price went up to $110. He confirmed that the loads did not have to be replenished.

Council discussed the matter with Todd Derifield.

Mr. Boesen commented that he would like to hear if there is support from the other city council members on whether they want to move forward with this.

Ms. Creighton-Smith supports providing sand for the citizens whether it be at four locations or just one.

Mr. Nichols commented that he would support the sand but that it does not necessarily need to be in four locations.

Mr. Feuss questioned the amount of people have contacted Mr. Boesen or Mr. Huting.

Mr. Boesen shared that it is between 8 and 10 people that have reached out.

Mayor Hart questioned why the practice stopped and who managed the program.

Randy Bennett, Public Works Division Manager, explained that the public works department used to take care of sand distribution. After further review of the program, it was determined that this practice was not a proper use of taxpayers' funds and that is why they stopped. This was confirmed by the city attorney and the League of Cities.

Mr. Chiles commented that he does not believe $110 is a problem to spend if the citizens need it and questioned which department would spearhead this.

Mr. Boesen commented that he would support spending $110 on one location with 13 tons of sand.

ADJOURNMENT

Feuss/Nichols
that the council adjourn at 4:54 p.m. Voice vote-Ayes: Five. Motion carried.

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Kelley Felchle
City Clerk

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FY2026 Proposed Levy Rates

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Dollar Limit	Purpose		Request with Utility Replacement		Property Taxes Levied		Rate
8.91000	Combined General Fund	5	21,047,385		20,364,118	43	$8.91000
	Non-Voted Other Permissible Levies						
0.95000	Opr & Maint publicly owned Transit	7	1,621,995		1,569,340	45	$0.68664
0.27000	Aviation Authority (under sec.330A.15)	11	0		0	49	0
Amt Nec	Liability, property & self insurance costs	14	2,679,018		2,592,048	52	$1.13411
Amt Nec	Support of a Local Emerg.Mgmt.Comm.	462	93,284		90,256	465	$0.03949
	Voted Other Permissible Levies						
1.50000	Unified Law Enforcement	24	0		0	62	0
	Total General Fund Regular Levies (5 thru 24)	25	25,441,682		24,615,762		
3.00375	Ag Land	26	46,535		46,535	63	$3.00375
	Total General Fund Tax Levies (25 + 26)	27	25,488,217		24,662,297		**Do Not Add**
	Special Revenue Levies						
Amt Nec	Police & Fire Retirement	29	5,253,170		5,082,642		$2.22383
Amt Nec	FICA & IPERS (if general fund at levy limit)	30	2,633,403		2,547,915		$1.11480
Amt Nec	Other Employee Benefits	31	12,417,057		12,013,961		$5.25652
	Total Employee Benefit Levies (29,30,31)	32	20,303,630		19,644,518	65	$8.59515
	Valuation						
As Req	*With Gas & Elec* (A)	*Without Gas & Elec* (B)					
	SSMID 1		34		0	66	0
	SSMID 2		35		0	67	0
	SSMID 3		36		0	68	0
	SSMID 4		37		0	69	0
	SSMID 5		555		0	565	0
	SSMID 6		556		0	566	0
	SSMID 7		1177		0	1179	0
	SSMID 8		1185		0	1187	0
	Total Special Revenue Levies	39	20,303,630		19,644,518		
Amt Nec	**Debt Service Levy 76.10(6)**	40	9,954,114	40	9,699,413	70	$3.32151
0.67500	**Capital Projects (Capital Improv. Reserve)**	41		41	0	71	0
	Total Property Taxes (27+39+40+41)	42	55,745,961	42	54,006,228	72	$22.68690

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Form 635.2A

CITY OF waterloo

Department of Management

ADOPTED BUDGET SUMMARY

YEAR ENDED JUNE 30, 2026

Fiscal Years

(A)	(B)	GENERAL (C)	SPECIAL REVENUES (D)	TIF SPECIAL REVENUES (E)	DEBT SERVICE (F)	CAPITAL PROJECTS (G)	PERMANENT (H)	PROPRIETARY (I)	BUDGET 2026 (J)	RE-ESTIMATED 2025 (K)	ACTUAL 2024 (L)
TIF Revenues	5			23,902,048					23,902,048	21,144,488	13,684,602
Other City Taxes	6	8,794,620	12,659,112		264,701	0			21,718,433	21,785,063	23,423,923
Licenses & Permits	7	1,484,520	17,500					12,500	1,514,520	1,519,705	1,677,792
Use of Money and Property	8	1,715,500	659,180	100,000	25,000	0	0	215,000	2,714,680	2,448,000	8,359,115
Intergovernmental	9	2,153,220	39,841,134	154,473	346,605	45,792,175		1,736,570	90,024,177	76,399,232	39,466,112
Charges for Fees & Service	10	13,877,261	399,400		0	0	0	26,001,346	40,278,007	39,254,131	41,276,122
Special Assessments	11	245,000	0		0	0		10,000	255,000	510,000	374,334
Miscellaneous	12	8,493,773	102,250		0	2,300,000	0	0	10,896,023	11,940,270	14,462,646
Sub-Total Revenues	13	61,426,191	73,323,094	24,156,521	10,335,719	48,092,175	0	27,975,416	245,309,116	226,398,576	188,029,798
Other Financing Sources:											
Total Transfers In	14	15,315,162	5,000,000	0	8,891,684	12,500,000	0	0	41,706,846	51,859,098	25,774,956
Proceeds of Debt	15	0	0	0	0	6,000,000		7,000,000	13,000,000	67,698,102	32,422,623
Proceeds of Capital Asset Sales	16	85,000	0	0	0	0	0	5,000	90,000	90,000	191,790
Total Revenues and Other Sources	17	76,826,353	78,323,094	24,156,521	19,227,403	66,592,175	0	34,980,416	300,105,962	346,045,776	246,419,167
Expenditures & Other Financing Uses											
Public Safety	18	41,014,197	5,284,324	0			0		46,298,521	44,707,357	42,521,848
Public Works	19	7,479,927	34,557,276	0			0		42,037,203	44,665,639	32,596,085
Health and Social Services	20	412,763	0	0			0		412,763	397,202	372,010
Culture and Recreation	21	14,023,261	0	0			0		14,023,261	13,548,997	12,282,293
Community and Economic Development	22	4,409,506	17,116,680	3,826,902			0		25,353,088	25,840,488	17,653,526
General Government	23	13,422,123	17,472	0			0		13,439,595	12,841,409	13,461,747
Debt Service	24	0	0	0	19,066,712		0		19,066,712	15,992,120	14,674,659
Capital Projects	25	0	14,540,000	0		78,842,175	0		93,382,175	134,437,585	43,578,080
Total Government Activities Expenditure	26	80,761,777	71,515,752	3,826,902	19,066,712	78,842,175	0		254,013,318	292,430,797	177,140,250
Business Type Proprietary: Enterprise & ISF	27							37,919,987	37,919,987	43,071,767	31,956,464
Total Gov & Bus Type Expenditures	28	80,761,777	71,515,752	3,826,902	19,066,712	78,842,175	0	37,919,987	291,933,305	335,502,564	209,096,714
Total Transfers Out	29	5,300,000	15,204,398	19,086,372	0	0	0	2,116,076	41,706,846	51,859,098	25,774,956
Total ALL Expenditures/Fund Transfers	30	86,061,777	86,720,150	22,913,274	19,066,712	78,842,175	0	40,036,063	333,640,151	387,361,662	234,871,670
Excess Revenues & Other Sources Over	31										
(Under) Expenditures/Transfers Out	32	-9,235,424	-8,397,056	1,243,247	160,691	-12,250,000	0	-5,055,647	-33,534,189	-41,315,886	11,547,497
Beginning Fund Balance July 1	33	42,465,218	32,112,212	4,180,514	481,027	15,772,654	0	28,611,381	123,623,006	164,938,892	153,391,395
Ending Fund Balance June 30	34	33,229,794	23,715,156	5,423,761	641,718	3,522,654	0	23,555,734	90,088,817	123,623,006	164,938,892

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FY2026 Proposed Levy Rates

Proposed Tax Levy Rate	$22.68690
Non-Ag Change	2.699%
Ag Change	(.001%)

Tax Rate Comparison-Current VS. Proposed			
Residential property with an Actual/Assessed Valuation of $100,000/$110,000	Current Year Certified 2024/2025	Budget Year Proposed 2025/2026	Percent Change
City Regular Residential	1,023	1,184	15.74
Commercial property with an Actual/Assessed Valuation of $300,000/$330,000	Current Year Certified 2024/2025	Budget Year Proposed 2025/2026	Percent Change
City Regular Commercial	4,515	5,289	17.14

Note: Actual/Assessed Valuation is multiplied by a Rollback Percentage to get to the Taxable Valuation to calculate Property Taxes. Residential and commercial properties have the same rollback percentage through $150,000 of actual/assessed valuation.

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FY2026 Proposed Levy Rates

Program	Tax Levy Portion	Percentage of Levy
Police and Fire	$ 14.34057	63%
Debt Service	$ 3.32151	15%
All Other Services	$ 5.02482	22%
Total City Levies	$ 22.68690	100%
Total	$ 22.68690	

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FY2026 Proposed Levy Rates

Program - Breakout of Other	Tax Levy Portion
Building Inspections	$ (0.05360)
Public Works	$ 0.866700
Health & Social Services	$ 0.118600
Culture & Recreation	$ 2.92577
Community & Economic Development	$ 0.174780
General Government	$ 0.99257
Total Other	$ 5.024820

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General Fund City Services*

Function	Proposed Levy Rate Expenditures
Public Safety	$46.3 million
Public Works	$7.5 million
Health & Social Services	$0.41 million
Culture & Recreation	$14.0 million
Community & Economic Development	$4.4 million
General Government	$13.4 million

*Funded primarily by Property Taxes

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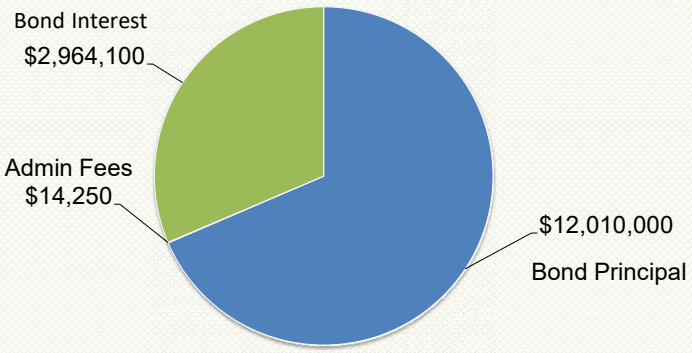
Debt Service Fund



For the Year Ending 6-30-2026

With the Proposed Levy Rates, property taxes will fund $9.9 million for FY2026, and that revenue is restricted for debt repayment.

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How are property taxes calculated?

- County Assessor sets property values
- State sets “roll-back” or the percentage of total value that is taxable
- State issues “equalization orders” designed to equalize values of different categories of property every two years
- Cities, counties and school districts set their portions of the levy rate

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How are property taxes calculated?

- The State continues to increase the residential roll-back, resulting in 47.4316% of a home's value being taxable for FY2026
- Changes started in FY2024 for Commercial, Industrial, and Railroad Properties. Those properties are taxed on the first $150,000 at the residential rollback rate of 47.4316%. The remaining amount over the $150,000 will be taxed at the 90% rollback.

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How is the tax bill on my home determined?

	FY2025 Certified	FY2026 Proposed
Assessed Value	$ 100,000	$ 100,000
Times Rollback	0.463428	0.474316
Equals Taxable Value	$ 46,343	$ 47,432
Divide by $1,000	46.3428	47.4316
Times Total Tax Levy Rate	$43.12949	$43.74201
Equals Total Tax Bill	$1,998.74	$2,074.75
City Portion of Tax Bill	$1,022.99	$1,076.08
Projected Annual Incr (Decr)	$ 15.42	$ 53.09
Percentage Incr (Decr)	1.51%	4.93%

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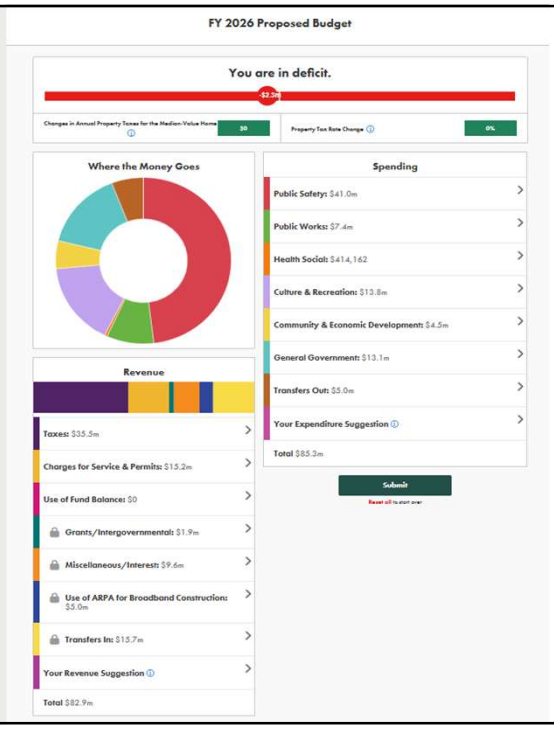
Proposed Budget Input – Budget Simulator

https://waterloo.abalancingact.com/fy-2026-proposed-budget



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Questions?

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